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BRIEFING BOOK

An Act to regulate patent agents and trade-mark agents and to establish a college to govern agents in Canada

The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|--------------------|
| Bill Clause No. | 1 |
| Section No. | 1 |
| Topic | Short title |

Proposed Wording

This Act may be cited as the *Patent Agents and Trade-mark Agents Act*.

Rationale

An Act to regulate patent agents and trade-mark agents and to establish a college to govern agents in Canada is a new Act establishing a new institution in the form of a College that will govern patent agents and trade-mark agents in Canada. Since the long title is unwieldy, the proposed short title of the *Patent Agents and Trade-mark Agents Act* will establish its primary use in the public mind.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|--------------------|
| Bill Clause No. | 2 |
| Section No. | 2 |
| Topic | Definitions |

Proposed Wording

The definitions in this section apply in this Act

“agent” other than in section 9 means a registered patent agent or a registered trade-mark agent within the meaning of this Act;

“Board of Governors” means the governing body of the College as established in section 13;

“by-laws” means the by-laws of the College created under this Act as in effect from time to time;

“CIPO” means the Canadian Intellectual Property Office;

“Code of Ethics” means the code of ethics adopted by the College as in effect from time to time;

“College” means the Canadian College of Patent Agents and Trade-mark Agents created by this Act;

“member” has the meaning ascribed to it in sections 23 and 24 of this Act;

“Minister” means the Minister of Industry or such other member of the Queen’s Privy Council for Canada as is designated by the Governor in Council as the Minister for the purposes of this Act;

“non-resident” means a person resident in a country other than Canada;

“patent agent” or “registered patent agent” means a person whose name is entered on the register referred to in section 19;

“patent office” means the patent office as defined in the Patent Act;

“professional organization” means any association governing barristers and solicitors or notaries in a province or territory of Canada, or any association of professionals that has bilateral status with the college as described in the by-laws;

“register of patent agents” means the register described in section 19;

“register of trade-mark agents” means the register described in section 20;

“trade-mark agent” or “registered trade-mark agent” means a person whose name is entered on the register referred to in section 20;

“resident” means a person resident in Canada within meaning of Income Tax Act;

“trade-marks office” means the trade-marks office as defined in the Trade-marks Act;

“trainee” means a person who is training to become qualified as a registered patent agent or registered trade-mark agent and who has been enrolled as a trainee in accordance with the by-laws.

Rationale

This section defines some of the terms used in the Act.

The titles “patent agent” and “registered patent agent” and “trade-mark agent” and “registered trade-mark agent” are used interchangeably with the understanding of those in the profession and in the public that these usages refer to individuals who have met all of the requisite qualifications necessary to practice as an agent. Definition within this Act will provide for greater specificity for understanding these titles.

The current meaning of “trainee” tends to be retroactive (the candidate will have completed certain requirements before being designated a trainee); the new definition will be pro-active: the candidate will become a trainee as soon as she or he has registered with the College in accordance with the by-laws.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **3**
Section No. **3**
Topic **Purpose**

Proposed Wording

The purpose of this Act is to regulate patent agents and trade-mark agents and trainees to ensure that the public interest shall be served and protected, and to establish a College that will govern the patent agents, trade-mark agents and trainees in Canada.

Rationale

The purpose clause indicates the intended results of the legislation; it serves as a secondary statutory interpretation tool.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 4
Section No. 4
Topic Binding on Her Majesty

Proposed Wording

This Act is binding on Her Majesty in right of Canada or a province.

Rationale

This provision ensures that the regulations and governance of agents and trainees provided for in this Act are applicable to and must be observed by the Crown.

Present Law

Patent Act

2.1 This Act is binding on Her Majesty in right of Canada or a province.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 5
Section No. 5
Topic College established

Proposed Wording

The College is established under the name The Canadian College of Patent Agents and Trade-mark Agents.

Rationale

Self-explanatory.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **6**
Section No. **6**
Topic **Status of college**

Proposed Wording

The College is a not-for-profit corporation without share capital consisting of a Board of Governors and members.

Rationale

This sets out the type of corporation that the College will be: (1) not-for-profit, (2) without share capital, (3) scope of membership.

The type of corporation determines the attributes of the corporation and under which statute it is governed. Part II of the *Canada Corporations Act* governs federally-incorporated corporations without share capital. Such corporations operate for the purpose of carrying on objects, under the legislative authority of Parliament of Canada, falling under at least one of the following heads: of a national, patriotic, religious, philanthropic, charitable, scientific, artistic, social, professional or sporting character, or the like objects. Such corporations cannot provide pecuniary gain to their members.

The College objects (see section 7) are of a professional nature and relate to standards for establishing, maintaining and monitoring the profession of patent agents and trade-mark agents.

If or when the *Canada Not-for-profit Corporations Act* is passed, the incorporated College may become governed by this Act.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 7
Section No. 7
Topic **Objects of college**

Proposed Wording

The College has the following objects:

- (a) to establish, promote, and maintain high standards of competence and conduct within the patent agent and trade-mark agent professions, in particular as they relate to:
 - (i) education;
 - (ii) qualification;
 - (iii) practice; and
 - (iv) professional ethics and discipline; and
- (b) to promote public awareness of the role of the College and the role of patent agents and trade-mark agents in Canada.

Rationale

This section explicitly defines the objects of the College, as required by a corporation under the *Canada Corporations Act*. Furthermore, since the Minister is given discretionary powers to ensure that the objects are fulfilled under section 8 of this Act, it is necessary to have the objects set out in the Act.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **8**
Section No. **8**
Topic **Powers of Minister**

Proposed Wording

The Minister may take such measures as the Minister considers appropriate to fulfill any object of the College that, in the Minister's opinion, is not being fulfilled.

Rationale

This is one of several provisions defining the relationship of the College to the crown.

This section provides the Minister with discretionary power to intervene if the College is not functioning in a manner which the Minister deems appropriate, for example if there is a disagreement within the membership regarding how the College is to be governed. Note that there is an identical provision in *Canada Land Surveyors Act*.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **9**
Section No. **9**
Topic **College not an agent of Her Majesty**

Proposed Wording

The College is not an agent of Her Majesty in right of Canada.

Rationale

This is one of several provisions defining the relationship of the College to the crown. This section provides the College with legal independence from the crown and ensures that crown liability rules do not apply to the College. It also clarifies for the public that the College is independent from the crown.

Present law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **10**
Section No. **10**
Topic **Head office**

Proposed Wording

The head office of the College shall be located in Canada at the place stated in the by-laws.

Rationale

Self-explanatory.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 11
Section No. 11
Topic Meetings

Proposed Wording

(1) The College shall hold an annual general meeting of members within six months after the end of its fiscal year at a time and place within Canada designated by the Board of Governors, notice of which shall be given by publication as provided in the by-laws.

(2) The College may hold other special meetings as considered necessary by the Board of Governors or the members, notice of which shall be given by publication as provided in the by-laws.

Rationale

This provision sets conditions for the annual general meeting. It must be:

- annual;
- within 6 months of the end of the fiscal year;
- within Canada;
- at such time and place as designated by the Board of Governors;
- subject to notification and publication as provided in the by-laws.

Subsection (2) allows the Board of Governors to call special meetings. Procedure for the decision to call a special meeting should be provided for in regulations or by-laws.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 12
Section No. 12
Topic Powers of the college

Proposed Wording

The College has the following powers:

- (a) to establish and apply requirements relating to admission, maintenance on the registers and discipline of agents entitled to practice before the Trade-mark Office and/or the Patent Office;
- (b) to issue, renew, amend, suspend, cancel, revoke and reinstate the registration of resident and non-resident agents;
- (c) to evaluate and accredit continuing education courses in the fields of patent and trade-mark law and practice;
- (d) to set standards for continuing education requirements;
- (e) to establish and apply standards for training of agents;
- (f) to accredit suppliers of education in the field of patent and trade-mark law and practice;
- (g) to establish a Code of Ethics for its members and distribute it according to the by-laws;
- (h) to establish and apply disciplinary by-laws;
- (i) to establish and apply rules of practice and procedure applicable to proceedings before the Disciplinary and Appeal Tribunals established in section 29;
- (j) to borrow money;
- (k) to collect fees and other revenues from agents and trainees;
- (l) to establish and maintain a client compensation fund;
- (m) to hold and manage funds in trust; and
- (n) to take any other action to achieve the objects of the College.

Rationale

This section authorizes the powers the College may exercise. The powers fall broadly into one or more of the following areas: regulation of practice (including educational standards and requirements); ethics and discipline; administration (including financial administration); and quasi-judicial process.

Currently the registers and requirements for maintenance thereon are the responsibility of Industry Canada. Referring these responsibilities to the College allows CIPO to focus on their core functions.

It is in the public interest for the registers to be held by the same authority that governs ethics and discipline, given that the ultimate remedy for a breach of the ethical code would likely be removal from the registers.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **13**
Section No. **13**
Topic **Governance**

Proposed Wording

The Board of Governors shall manage the business and affairs of the College.

Rationale

Self-explanatory.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 14
Section No. 14
Topic Structure of board

Proposed Wording

The Board of Governors shall consist of as many as twelve governors:

- (a) two persons who are not members of the College and who shall be appointed by the Minister;
- (b) seven persons who are members of the College and who shall be elected by members of College pursuant to the bylaws;
- (c) as many as two persons who may be appointed by the Board of Governors; and
- (d) the Executive Director who is an *ex officio* governor and shall not have voting privileges on the Board of Governors.

Rationale

This section sets out the composition of Board of Governors. It is one of several provisions defining the relationship of the College to the crown. The Executive Director shall sit on the Board of Governors as he or she will have the most knowledge of the organization. The majority of Board members shall be elected so that the members of the College are democratically represented. Two members shall be appointed by the Minister (from CIPO, Industry Canada, or the industry in general). The Board of Governors may appoint two further members to obtain expertise that may not be present in the elected members (for example, financial expertise or experience with another regulatory body).

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 15
Section No. 15
Topic Executive

Proposed Wording

(1) The Board of Governors shall have an executive consisting of the President, Vice-President and Secretary/Treasurer.

(2) The executive shall be appointed or elected from the seven elected governors in accordance with the bylaws.

Rationale

Self-explanatory.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **16**
Section No. **16**
Topic **Report to Minister**

Proposed Wording

The Board of Governors shall provide to the Minister a copy of the Annual Report of the College.

Rationale

This is one of several provisions defining the relationship of the College to the crown. It sets out the obligation and its extent to report to Minister.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|---------------------|
| Bill Clause No. | 17 |
| Section No. | 17 |
| Topic | Remuneration |

Proposed Wording

The Board of Governors shall serve without remuneration, but such governors who are elected by the College or appointed by the Board of Governors are entitled to compensation from the College for expenses incurred in carrying out the functions of the Board.

Rationale

Self-explanatory. This is one of several provisions defining the relationship of the College to the crown.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 18
Section No. 18
Topic Executive Director

Proposed Wording

The Board of Governors shall appoint an Executive Director of the College and may hire other staff to carry out the purposes of this Act.

Rationale

The Executive Director shall be the senior employee of the College, appointed by the Board of Governors. The position is managerial and there is no requirement for the Executive Director to be an agent. The Executive Director has the ultimate responsibility for overseeing the maintenance of the Register of Patent Agents and the Register of Trade-mark Agents and for the general, day-to-day operations of the College.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **19**
Section No. **19**
Topic **Maintenance of register of patent agents**

Proposed Wording

(1) A register of patent agents shall be kept by the College on which shall be entered the names of all persons who meet the requirements for registration established in the regulations.

(2) The Executive Director of the College shall maintain the register of patent agents.

Rationale

This section establishes that there shall be a register of patent agents and that it shall be kept by the College. It allows the setting of requirements for agents being entered on the register. It establishes who may practice before CIPO and who may use the title of “patent agent.”

The Executive Director of the College is responsible for maintaining the register of who may practice before the Patent Office.

A list of registered patent agents would be provided by the College to CIPO.

Present Law

Section 15 of the Patent Act: *register of patent agents* - A register of patent agents shall be kept in the Patent Office on which shall be entered the names of all persons and firms entitled to represent applicants in the presentation and prosecution of applications for patents or in other business before the Patent Office. [R.S., 1985, c. 33 (3rd Supp.), s. 4.]

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 20
Section No. 20
Topic Maintenance of register of trade-mark agents

Proposed Wording

(1) A register of trade-mark agents shall be kept by the College on which shall be entered the names of all persons who meet the requirements for registration established in the regulations.

(2) The Executive Director of the College shall maintain the register of trade-mark agents.

Rationale

This section establishes that there shall be a register of trade-mark agents and that it shall be kept by the College. It allows the setting of requirements for being entered on the register.

The Executive Director of the College is responsible for maintaining the register of those who may practice before the Trade-marks Office.

A list of registered trade-mark agents would be provided by the College to CIPO.

Present Law

Section 28(2) **Trade-marks Act**: *List of trade-mark agents* – The list of trade-mark agents shall include the names of all persons and firms entitled to represent applicants in the presentation and prosecution of applications for the registration of a trade-mark or in other business before the Trade-marks Office.

Section 2 of Can. Reg. 96-195 of the **Trade-mark Regulations** (1996) defines "trade-mark agent" as meaning, "a person whose name is entered on the list of trade-mark agents referred to in Section 21." The reference to "Section 21" is a reference to Section 21 of the same regulations which is set out immediately below.

21. The Registrar shall, on written request and payment of the fee set out in item 19 of the schedule, enter on a list of trade-mark agents the name of

(a) any resident of Canada who passed the qualifying examination relating to Canadian trade-mark law and practice, including the preparation and prosecution of application of registration of trade-marks;

(b) any resident of Canada who is a barrister or solicitor entitled to practise as such in a province, or a notary entitled to practise as such in the Province of Quebec, who has

(i) passed the qualifying examination relating to trade-mark law and practice
or

(ii) worked in the area of trade-mark law, including the preparation and prosecution of applications for registration of trade-marks, for a period of not less than 24 months and who has submitted an affidavit or statutory declaration to that effect to the Registrar;

(c) a resident of any other country who is entitled to practise before the trade-marks office of that country; and

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(d) any firm having the name of at least one of its members entered on the list as a trade-mark agent.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 21
Section No. 21
Topic Public registers

Proposed Wording

Every one has the right to inspect the register of patent agents and the register of trade-mark agents during normal business hours.

Rationale

This replaces the right to access the list of registered agents available from the Patent Office and the Trade-marks Office. The list of members is made available to the public to serve the public interest primarily by providing transparency and so that members of the public can verify the credentials of an agent.

Present Law

Sub-section 29(1) of the *Trade-marks Act* provides:

Subject to subsection (2), the registers, the documents on which the entries therein are based, all applications, including those abandoned, the indexes, the list of trade-mark agents and the list of geographical indications kept pursuant to subsection 11.12(1) shall be open to public inspection during business hours, and the Registrar shall, on request and on payment of the prescribed fee, furnish a copy certified by the registrar of any entry in the registers, indexes or lists, or of any of those documents or applications.

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The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|-------------------|
| Bill Clause No. | 22 |
| Section No. | 22 |
| Topic | Committees |

Proposed Wording

The Board of Governors may appoint committees to further the objects of the College and perform any other business or function determined by the Board of Governors.

Rationale

Authorizes the creation of committees which may carry out the work of the College.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 23
Section No. 23
Topic Members of college

Proposed Wording

Every resident registered agent in good standing is a member of the College.

Rationale

This section sets out four requirements for membership in College: (1) residency, (2) registration, (3) good standing, and (4) mandatory membership. The provision exists to establish that anyone who practices as an agent without being a member of the College is misleading the public. In order to protect the public interest anyone referring to him- or herself as a “patent agent,” a “registered patent agent,” a “trade-mark agent” or a “registered trade-mark agent” must be a member of the College.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **24**
Section No. **24**
Topic **Trainees**

Proposed Wording

A trainee in good standing is a non-voting member of the College.

Rationale

This provision asserts membership and status of trainees within the College. It reflects that those in training can and should be within the College to ensure that they enjoy training opportunities, have access to educational programs, are subject to ethics and discipline provisions, and do not mislead the public as to their professional status.

Currently, there is no formal trainee status available for someone pursuing credentials as a trade-mark agent in Canada. This provision would provide trainees with the oversight of the college while training, and would also ensure that the public is not misled as to the status of a trainee.

Present Law

None.

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The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|--|
| Bill Clause No. | 25 |
| Section No. | 25 |
| Topic | Requirements for maintenance on registers |

Proposed Wording

The Board of Governors shall, as permitted by regulation, determine the requirements for entry and maintenance of individuals on the register of patent agents and the register of trade-mark agents.

Rationale

This section authorizes the Board of Governors of the College to vary as necessary the requirements for the conditions of maintenance of the registers.

The requirements and conditions will be set out in the regulations.

Present Law

Patent Act

Section 16 (See section 44 of this Act: Consequential Amendments).

Trade-marks Regulations

Section 22 (See section 50 of this Act: Consequential Amendments).

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The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|----------------------------------|
| Bill Clause No. | 26 |
| Section No. | 26 |
| Topic | Unauthorized use of title |

Proposed Wording

(1) No person other than a registered patent agent shall use the title “registered patent agent” or “patent agent” and no person other than a registered trade-mark agent shall use the title “registered trade-mark agent” or “trade-mark agent.”

(2) No person other than an agent shall use a name, title, addition or description on the basis of which it would be reasonable to infer that such a person is an agent, or is recognized by law as a person entitled to practice as an agent in Canada.

(3) Every person who contravenes subsection (1) or (2) above is guilty of an offence and on conviction is liable to a fine of not more than \$25,000 for a first offence and not more than \$50,000 for a subsequent offence.

Present Law

None.

Rationale

The offence of practicing without proper registration (hence qualifications) is created here. The public must be protected from people who hold themselves out as having the requisite qualifications to draft patent applications and trade-mark applications, but do not, in fact, have such qualifications. Under the proposed Act, people other than agents may offer to assist in the preparation of patent and trade-mark applications, but they cannot indicate that they have passed the requisite examinations and hold the qualification of agent.

This section and the penalties provided in it have been modelled on a number of provincial statutes, namely:

- sections 31 and 32 of the *Veterinarians Act*, RSBC, Chapter 476;
- (see section 34 – fines go into the consolidated revenue fund)
- sections 79 and 80 of the *Dentists Act*, RSBC, Chapter 94
- sections 9 and 11 of the *Chiropractic Act*, S.O. 1991, chapter 21 (fines increase with subsequent offence)
- section 40 of the *Professional Engineers Act*, RSO 1990, chapter P-28 (fines increase with subsequent offence)
- section 33 and 40(2) of the *Regulated Health Professions Act*, SO 1991, chapter 18

The enforcement of the penalties would be carried out by the Attorney-General for Canada and proceedings would take place in the provincial courts in accordance with the Criminal Code.

The purpose of the penalty is to discourage people from holding themselves out as agents, when not properly qualified to do so. In the past, there have been people who have represented to the public that they had the proper expertise to assist with patent and trade-mark applications, but who were not qualified agents. Currently, there is nothing that can be done to stop this practice.

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The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|--------------------------|
| Bill Clause No. | 27 |
| Section No. | 27 |
| Topic | Injunctive relief |

Proposed Wording

(1) The College may apply to a provincial or territorial court or to the Federal Court of Canada to seek injunctive relief to prevent a person from continuing to hold himself or herself out, or to permit himself or herself to be held out, as a member in good standing of the College or as being an agent

- (a) who has been convicted under section 26, or
- (b) who the court is satisfied is contravening or has contravened section 26.

(2) Any person may apply to a provincial or territorial court or to the Federal Court of Canada for an order varying or discharging an order made under subsection (1).

Present Law

None.

Rationale

Where a person continues to practice unlawfully, this provision allows the College to stop them.

The remedy of an injunction is similar the relief provided in the *Law Society Act*, section 50.2. [There are also provisions for injunctions in the following statutes: section 87 of the *Health Professions Procedural Code*, which is Schedule 2 to the *Regulated Health Professions Act*, S.O. 1991, chapter 18; section 35 of the *Veterinarians Act*, RSBC 1996, chapter 476].

The application would be made to the provincial or territorial court (where the agent resides) or to the Federal Court of Canada. (in accordance with section 17(6) of the *Federal Court Act*). The standard of proof at an injunction is the civil standard, or proof on a balance of probabilities; and it is this standard that would apply to subsection (b).

The injunction would be a permanent one, unless and until the person subsequently did qualify as an agent. Subsection (2) provides that a person can apply to vary or discharge the order, so that an agent, who did become a registered agent, would be able to apply to the court to lift the permanent injunction. This subsection was based upon section 50.2 (3) of the *Law Society Act* R.S.O. 1990, c. L.8.

In order to obtain an injunction, it is necessary to provide for recourse to the courts. The Disciplinary Process for the College would not apply to a person who is the subject of section 26 and this section because this person would not be a member of the college. Furthermore, the College would not have the authority to stop a person from holding his or herself out as an agent, but the court would have this authority.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. 28
Section No. 28
Topic Code of ethics

Proposed Wording

(1) The Board of Governors shall, by by-law, establish and provide for the preparation, publication and distribution of a Code of Ethics.

(2) Any agent or trainee who breaches the Code of Ethics or the by-laws of the College is subject to disciplinary proceedings under this Act and relevant regulations and by-laws thereunder.

Present Law

None. (By-laws within IPIC).

Rationale

This section allows the College, through the Board of Governors, to establish and enforce ethical behaviour by means of a Code of Ethics for agents and trainees. This Code would be enacted by means of a by-law which could be amended from time to time, and there would be additional by-laws to ensure that the Code is made known and available to agents, trainees, and the public. It is within the federal jurisdiction to regulate in this matter those who are allowed to act as patent agents and trademark agents before the Patent Office, the Trade-marks Office and Canadian patent and trademark tribunals. The proposed Code is modelled on the Model Code of the Canadian Bar Association and the codes of the Law Society of Upper Canada, the Law Society of Alberta, the Quebec Professional Code, and others. The proposed Code of Ethics for the College is very similar to the Code of Ethics adopted in 2001 by the Intellectual Property Institute of Canada, the professional association to which nearly all patent agents, trademarks agents, and lawyers specializing in intellectual property in Canada at present belong.

The Code of Ethics enacted by the Board must be adhered to by both resident and non-resident agents and by trainees who are on the registers of the College. It is reasonable to expect non-resident agents to adhere to the same high standards for their clients as resident agents. It is not uncommon for non-resident agents to act for Canadian clients. Also, at present Canadian agents who are registered to practice with the U.S. Patent and Trademarks Office and who file and prosecute U.S. patent and trademark applications for their clients, are subject to a U.S. code of ethics and are subject to the U.S. Office of Enrolment and Discipline procedures.

Subsection 28(2) is provided in order to make it unlawful for agents and trainees to breach either the Code of Ethics of the College or its by-Laws. It might be noted here that the by-laws will include disciplinary by-laws which will impose certain requirements on agents and trainees, who are subject to disciplinary proceedings (see section 29 of the Act and the rationale for same).

The proposed Code of Ethics will cover a number of ethical issues includes competence to perform the services undertaken, preservation of confidentiality, the need to avoid conflicts, honesty in advising clients, fairness with respect to fees, and the circumstances under which services can or should be withdrawn.

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The Patent Agents and Trade-mark Agents Act

Bill Clause No. **29**
Section No. **29**
Topic **Discipline**

Proposed Wording

- (1) The Board of Governors shall, by by-law, establish procedures for the discipline of agents and trainees.
- (2) A Disciplinary Tribunal shall be established in accordance with the by-laws to hear complaints against agents and trainees with respect to breaches of the Code.
- (3) Any party to a decision of the Disciplinary Tribunal may appeal to an Appeal Tribunal appointed by the Board of Governors for that purpose.
- (4) Where a party described in subsection (3) wishes to appeal a decision of the Disciplinary Tribunal which that party has a right to appeal under the by-laws, the party shall give notice to the Executive Director, who shall notify the Board of Governors of the appeal, and then the Board of Governors shall appoint an Appeal Tribunal to hear the appeal.
- (5) Decisions of the Disciplinary Tribunal are binding on agents and trainees and the College unless overturned by an Appeal Tribunal, or reversed in part by an Appeal Tribunal, in which case the decisions are not binding to the extent of the partial reversal.

Present Law

None.

Rationale

This section permits the Board of Governors to establish procedures by means of by-laws for discipline of both resident and non-resident registered agents and trainees. In order to have the necessary flexibility in the future, these procedures will be set in the by-laws of the College, copies of which will be distributed to agents and trainees. The College will enforce the Code of Ethics provided for under section 28 by means of these by-laws to ensure that public interest concerns are met. This section and the by-laws enacted thereunder will improve the regulatory framework for agents and trainees in Canada, and will allow the Canadian Intellectual Property Office (CIPO) to focus on its core mandate by transferring its current disciplinary obligations to the College.

In the case of an alleged breach of the Code of Ethics of the College, a Disciplinary Tribunal may be established, if necessary or appropriate, in order to deal with the complaint. Under the proposed by-laws, the complaint or information will first be considered by a professional conduct committee of the College, most of whose members would be appointed by the Board. After an investigation of the complaint or information, this Committee can refer a charge based on the complaint or information to a Disciplinary Tribunal if in its opinion the complaint is well-founded and of sufficient gravity to justify a hearing before the Tribunal. Under the proposed by-laws, the Disciplinary Tribunal will comprise two appointed members of the College and a qualified individual who is not a member. If an agent or trainee is found guilty of an offence, the Tribunal will be able under these by-laws to impose one or more possible penalties on the agent or trainee, including expulsion from the College and removal from the registers of patent and trademark agents for a serious offence. There will of course be other less harsh forms of discipline.

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In accordance with subsection (3), a party before a Disciplinary Tribunal against whom a decision is made may file a notice of appeal from the decision with the Executive Director of the College, who is also the Registrar. The Board of Governors will then appoint an Appeal Tribunal, which, according to the proposed by-laws, will consist of three members, two being members of the College and the third being a retired judge. It is expected that the appeal will be heard reasonably quickly, and that the appeal hearing would normally be in public. The Appeal Tribunal will have the power to confirm, alter or quash any decision appealed from and its decision will be binding upon the parties to the appeal, including the College.

The provisions of subsections 29(1) to 29(3) are similar to the disciplinary procedures in the by-laws of the Canadian Institute of Actuaries, a federally legislated, self regulated profession.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|---------------------|
| Bill Clause No. | 30 |
| Section No. | 30 |
| Topic | Jurisdiction |

Proposed Wording

(1) Where, arising from the same facts, a complaint is filed against an agent or trainee in respect of both a breach of the Code under this Act and a breach of a code of ethics of another professional organization by which the agent or trainee is governed, the Board of Governors or its designate may consult with the other professional organization to determine whether one organization or both jointly shall exercise jurisdiction to discipline the agent or trainee.

(2) Where a complaint is filed to which subsection (1) applies, the Board of Governors or its designate shall forward the complaint to that organization if it is agreed that the other organization or both jointly shall exercise jurisdiction.

(3) The Disciplinary Tribunal, where satisfied that a breach has occurred, shall have the authority to impose sanctions in accordance with the by-laws, whether the complaint has been heard by the College or another organization or jointly.

Present Law

None.

Rationale

This administrative provision is desirable because many agents and trainees, who will be governed by the College and its Code of Ethics, will also be members of other professional organizations, such as law societies and engineering associations in the provinces or countries where they practice. In order to avoid an unnecessary duplication of disciplinary proceedings, and in order to protect the rights of other professional organizations to discipline their members, this section permits the Board of Governors or its designate to discuss and review the complaint or information with representatives of the other organization to which the agent or trainee belongs to determine which organization should have initial and primary responsibility for dealing with the complaint.

Under the proposed by-laws, a professional conduct committee of the College would first determine whether it has jurisdiction regarding the complaint and, if it decides that it does not, the complaint or information will be forwarded to the other professional organization, if any, believed to have jurisdiction. It is expected that the Board will designate responsibility for discussing the issue with the representatives of the other organization to the chairperson of the Professional Conduct Committee. In order to facilitate this procedure, under the proposed by-laws, the College may enter into agreements with other professional organizations for an appropriate way of handling complaints that could be made against agents and trainees. In some cases it may be decided that both the College and the other organization having jurisdiction should both take disciplinary action under their own disciplinary procedures. There is a possibility of joint proceedings being conducted if both the College and the other professional organization to which the agent belongs have entered into an agreement to conduct such proceedings under certain circumstances.

If the College does assume jurisdiction, any final decision by the Professional Conduct Committee or the Tribunal of the College shall be communicated to the other professional organization along with other

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relevant or requested documents and/or evidence. A similar report and procedure would take place under the proposed by-laws if the other organization assumed initial jurisdiction and reached a final decision concerning the complaint. If the other organization makes a guilty finding against an agent or trainee, the by-laws provide for its decision to be received by the Executive Director of the College and then treated as a complaint and handled in accordance with the regular disciplinary process, subject to some changes to shorten and simplify the process because of the existing determination of guilt by the other organization or association.

If necessary, it should be possible for the College to discipline non-resident agents, who are on its register, but it should be kept in mind that substantially all of these agents will be members of professional bodies or societies in their own countries of residence. If a non-resident agent refused to participate in a disciplinary investigation or hearing of the College, it is expected that this could quickly lead to their suspension as a non-resident member, or their removal from the register of the College. Although such a decision probably would not have a serious impact on the practice of a non-resident agent, if the complaint is referred to a professional organization to which the agent belongs in his or her home country, because the facts on which the complaint is based could also violate the code of ethics of the foreign professional organization, then the non-resident agent would likely take the matter quite seriously. Disciplinary action in his home country could affect his or her practice significantly.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|-----------------------------|
| Bill Clause No. | 31 |
| Section No. | 31 |
| Topic | Indemnification fund |

Proposed Wording

(1) The College shall establish and maintain a fund for client compensation (the “Fund”) in accordance with the by-laws.

(2) The Board of Governors in its absolute discretion may make grants from the Fund in order to relieve or mitigate loss sustained by any person in consequence of dishonesty on the part of any member in connection with such member’s practice or in connection with any trust which is related to such member’s practice of patent agency or trade-mark agency of which the member is or was a trustee, notwithstanding that after the commission of the act of dishonesty the member may have died or may have ceased to administer the member’s affairs or to be a member.

Present Law

None.

Rationale

Creates a fund from which clients can be reimbursed for dishonest, but not negligent, behaviour of a member of the College.

The indemnification fund is to cover amounts held in trust on behalf of the public. From time to time, clients give funds to patent and trade-mark agents to cover official fees in Canada and abroad (e.g. maintenance fees, filing fees, extension of time fees) or as retainers against future work. Should those funds be taken by a member, this fund would cover such amounts. It does not cover negligence on the part of an agent – the mandatory insurance is intended to cover that. The wording of this section is based upon the wording found in section 51 of the *Law Society Act*, RSO, 1990, c. L.8.

The indemnification fund is to cover losses from the dishonesty of members of the College only, i.e. patent and trade-mark agents who are resident in Canada. The fund will not cover non-resident agents. However, if non-resident agents act dishonestly, they will be doing so in another country and that country will have jurisdiction over them.

The source of the indemnification fund will be set out in subordinate legislation.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|---|
| Bill Clause No. | 32 |
| Section No. | 32 |
| Topic | Professional liability insurance |

Proposed Wording

(1) Subject to subsection (2) every member of the College who practices as a patent agent or as a trade-mark agent must carry professional liability insurance for providing services that are within the practice of patent agency or the practice of trade-mark agency, as may be the case.

(2) Subsection (1) does not apply to a member of the College who is a class of persons prescribed by the regulations for the purpose of exemption.

Present Law

None.

Rationale

Subsection (1) clause creates the obligation for every practicing member of the College to carry liability insurance for providing patent agency and/or trademark agency services. Such services include representing a person before the patent or trade-mark branches of CIPO; evaluating patent or trade-mark intellectual property etc. As intellectual property is considered by many persons and organizations to be of significant value to their business, liability insurance for those providing patent agency service or trade-mark agency service is of accordingly significant importance as a consumer and practitioner protection measure. By obligating every practicing agent to carry professional liability insurance, a consumer can be assured that advice provided by any agent has not been provided in such a manner as to favour reducing the agent's potential personal/firm liability at the expense of the consumer's needs. The section does not obligate those members of the College not practising as a patent agent or a trademark agent to carry professional liability insurance. Examples may include retired practitioners who wish to remain members of the College, or non-practising honorary members, as may be the case.

Subsection (2) provides for exemptions as prescribed in the Regulations. Exemptions might include members who practice exclusively as an employee of the Crown in right of Canada or a province, a university or a corporation. Provision for by-laws to further define exempt classes of people may be set out in the Regulations.

Similar such clauses obligating professionals in related professions are found in the laws of other self-regulating professions, including:

the Law Society of Upper Canada By-law 16

-the Professional Engineer's Act, RSO 1990, c. P.28 Section 34

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 33
Section No. 33
Topic Immunity

Proposed Wording

No action or other proceedings for damages shall be instituted against the College, the Board of Governors or any member of the Board of Governors, a committee of the College, a member of the College, a member of a committee of the College or an officer, employee, agent or appointee of the College for any act done in the performance of any duty, or the exercise of any power, in good faith, under this Act or the regulations or by-laws enacted thereunder or for any neglect or default in the performance of any duty, or the exercise of any power, in good faith, under this Act or the regulations or by-laws enacted thereunder.

Present Law

None.

Rationale

The Act will require that members carry liability insurance and it is anticipated that such insurance will cover damages suffered by clients of agents. The College will not act as an insurer of the agents; and the Act must have this type of provision to ensure that is the case.

The proposed wording comes from a number of provincial statutes which contain the same standard clause asserting immunity, namely: section 45 of the *Professional Engineers Act*, R.S.O 1990, c. P.28; s. 51 of the *Nurses (Registered) Act*, R.S.B.C. 1996, c. 335; s. 38 of the *Regulated Health Professions Act*, S.O. 1991, c. 18; and s. 9 of the *Law Society Act*, R.S.O. 1990, c. L.8.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. **34**
Section No. **34**
Topic **Costs**

Proposed Wording

No costs in connection with or arising from any proceeding authorized by this Act or regulations or by-laws enacted under this Act shall be awarded against or payable by the College, the Professional Conduct Committee, or officials of the College for any such proceeding brought and prosecuted in good faith in the performance of any duty or intended performance of any duty or in the exercise of any power under this Act or regulations or by-laws enacted under this Act.

Present Law

None.

Rationale

The College functions as an entity that protects the public. As such, it should not bear the costs of legal proceedings brought in an effort to fulfill that duty. The College will not be a profit making organization and will use its funds to run the organization, including overseeing the examinations and continuing education of its members. Its resources should not be overburdened with legal fees, when the College is acting in the good faith exercise of its duties under this Act. The requirement of “good faith in the performance of any duty” will ensure that the College does not abuse this immunity from costs.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 35
Section No. 35
Topic Confidential communications

Proposed Wording

(1) Subject to subsection (2), a communication, and its content, between a registered agent and that agent's client is to be considered confidential and shall not be required to be disclosed by the agent or client, and they shall not be required to give evidence on the communication, in legal or administrative proceedings involving the infringement, validity, use, or ownership of any intellectual property right that was the subject of any such communication, whether or not such proceedings were contemplated at the time of the communication.

(2) Communications to which subsection (1) applies are those between the registered agent (or the agent's firm) and a client or any person acting on behalf of the client in respect of intellectual property matters arising within the scope of services provided by an agent, and include any record or document made for the purposes of, or relating to, such communication.

Present Law

None.

Rationale

Extends confidentiality of communications to agents and their clients and exempts such communications from production in legal proceedings.

This provision corrects a serious lacuna in the practice of agents. Confidentiality is available to agents in the UK under agent or (non-lawyer) attorney as attorney-client privilege as well as to non-lawyer attorneys in Australia, New Zealand, Japan, conseils in France, and many other countries.

This provision may provide respect of confidentiality in US litigation where privilege is recognized for foreign non-lawyer agents only if the home country of that agent provides privilege or the equivalent to agents.

The public is confused by the distinction between lawyer agents and non-lawyer agents: whereas both are qualified to do the same patent agency work, clients of the former have privilege and of the latter do not.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. **36**
Section No. **36**
Topic **Evidence**

Proposed Wording

Evidence that is adduced or disclosed in a hearing before the Disciplinary Tribunal under this Act may not be used against the member against whom a complaint was filed before any court of justice in any other proceedings.

Present Law

None.

Rationale

Extends confidentiality of communications to agents and their clients.

Such proceedings before the Disciplinary Tribunal may result in client information being disclosed to the Tribunal (in camera) that may otherwise be considered confidential information for any civil procedures.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 37
Section No. 37
Topic Regulations

Proposed Wording : [INCOMPLETE – THIS SECTION IS IN DEVELOPMENT]

Subject to the approval of the Governor in Council, the Board of Governors may make regulations respecting

- (a) definition of terms;
- (b) *the entry on, the maintenance of and the removal from the register of patent agents of the names of persons and firms, including the qualifications that must be met and the conditions that must be fulfilled by a person or firm before the name of the person or firm is entered thereon and to maintain the name of the person or firm on the register; Patent Act s. 12(1)(j)]...?*
- (c) ...

Present Law

None.

Rationale

Authorizes Board of Governors to create regulations to achieve objects of College.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. **38**
Section No. **38**
Topic **By-laws**

Proposed Wording [INCOMPLETE– THIS SECTION IS IN DEVELOPMENT]

- (1) The Board of Governors may make by-laws respecting any matter necessary to carry on the objects of the College, including by-laws regarding any matter for which by-laws are required by this Act.
- (2) Without limiting the generality of the foregoing, the Board of Governors may make by-laws,
- (a) respecting the composition of the committees, panels and task forces required by this Act, the mechanism of the appointment of members of the committees, panel and task forces, and powers, duties and procedures ancillary to those specified in this Act, in respect of any committee, panel or task force;
 - (b) *respecting the composition of an investigation team [investigative committee? / see earlier note s. 12(j)] appointed by the committee responsible for professional conduct, the mechanism of the appointment of members of any such investigation team and powers, duties and procedures ancillary to those specified in this Act in respect of any such investigation team; [Q]*
 - (c) respecting matters of practice and procedure of and before committees and tribunals required under this Act and respecting the powers of the tribunals required under this Act, provided such by-laws do not conflict with the Canada Evidence Act;
 - (d) prescribing the quorums of the committees required by the Act;
 - (e) providing for the suspension or revocation of membership in the College or such lesser penalty as a disciplinary body or tribunal having jurisdiction in the matter shall determine;
 - (f) prescribing the duties of officers of the College;
 - (g) providing procedures for the making, amending and revoking of by-laws;
 - (h) respecting the reporting and publication of deliberations of the College, the Board of Governors, the committees and the tribunals;
 - (i) respecting any matter ancillary to this Act with regard to issuance, renewal, suspension, cancellation and reinstatement of {certificates and} licences of registration of patent agents and trade-mark agents; and
 - (j) providing for penalties for members for failure to cooperate or assist in an investigation or inquiry or for hindering an investigation or inquiry contrary to the requirements of the by-laws.
 - (k) respecting notice for meetings.
- (3) A by-law is effective when it is passed by the Board of Governors but expires with the close of the next annual meeting of members of the College held after its passing, unless it is confirmed by the meeting.
- (4) A copy of the by-laws made under this Act and amendments thereto
- (a) shall be forwarded to the Minister;
 - (b) shall be forwarded to each member; and
 - (c) shall be available for public inspection in the head office of the College.

Present Law

None (IPIC By-laws).

Rationale

Authorizes Board of Governors to create by-laws to govern College.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 39
Section No. 39
Topic Continuance

Proposed Wording

Every person listed on the register of patent agents kept by the Patent Office on the day this Act comes into force shall be listed on the register of patent agents of the College and shall be a member of the College.

Present Law

None.

Rationale

“Grandfathers” all existing agents, requiring no new administrative action by or on behalf of them.

The intent is that existing agents will be automatically entered on the register so that their ability to continue to act for clients before the Patent Office will be unaffected by this Act.

They will not be subject to entry requirements that may be applicable to new trainees, but they will of course be subject to the provisions of section 25 dealing with their maintenance on the register, including, for example, payment of annual fees, compliance with ethical obligations and any ongoing continuing education requirements that may be put in place.

This transitional section has to be read in the light of Section 19(1), which provides for the entry of persons on a register of patent agents. The idea behind this section is to provide a seamless transition for agents on the existing register held by the Commissioner of Patents (“existing agents”) to the new register established by the College. As of the date of coming into force of this section, all existing agents will be automatically entered on the register of patent agents maintained by the College and will pay future annual fees to the College instead of the Patent Office.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. **40**
Section No. **40**
Topic **Continuance**

Proposed Wording

Every person listed on the list of trade-mark agents kept by the Trade-marks Office on the day this Act comes into force shall be listed on the register of trade-mark agents of the College and shall be a member of the College.

Present Law

None.

Rationale

“Grandfathers” all existing agents, requiring no new administrative action by or on behalf of them.

The intent is that existing agents will be automatically entered on the register so that their ability to continue to act for clients before the Trade-mark Office will be unaffected by this Act.

They will not be subject to entry requirements that may be applicable to new trainees, but they will of course be subject to the provisions of section 25 dealing with their maintenance on the register, including, for example, payment of annual fees, compliance with ethical obligations and any ongoing continuing education requirements that may be put in place.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 41
Section No. 41
Topic Consequential amendment: Patent Act

Proposed Wording

Repealed: R.S. 1985, c. P-4, subparagraph 12(1)(j).

Present Law

Patent Act

12. (1) The Governor in Council may make rules or regulations

(j) respecting the entry on, the maintenance of and the removal from the register of patent agents of the names of persons and firms, including the qualifications that must be met and the conditions that must be fulfilled by a person or firm before the name of the person or firm is entered thereon and to maintain the name of the person or firm on the register;

Rationale

The regulation of patent agents will now be pursuant to the *Patent Agents and Trade-mark Agents Act* and will no longer be the responsibility of the Commissioner of Patents or the Patent Office. Accordingly, this provision will need to be repealed from the *Patent Act*.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 42
Section No. 42
Topic Consequential amendment: Patent Act

Proposed Wording

Amendment: R.S. 1985, c. P-4, section 15.

Section 15 to read:

A register of patent agents shall be kept pursuant to the Patent Agents and Trade-mark Agents Act. Only those persons who are entered on the register shall be entitled to represent applicants in the presentation and prosecution of applications for patents or in other business before the Patent Office.

Present Law

15. A register of patent agents shall be kept in the Patent Office on which shall be entered the names of all persons and firms entitled to represent applicants in the presentation and prosecution of applications for patents or in other business before the Patent Office.

Rationale

Section 15 has been amended to reflect the fact that the maintenance of the register of patent agents will now be the responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act* and not the Commissioner of Patents.

D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 43
Section No. 43
Topic Consequential amendment: Patent Act

Proposed Wording

Repealed: R.S. 1985, c. P-4, section 16.

Present Law

16. For gross misconduct or any other cause that he may deem sufficient, the Commissioner may refuse to recognize any person as a patent agent or attorney either generally or in any particular case.

Rationale

Section 16 is repealed as any discipline of registered patent agents would no longer be the responsibility of the Commissioner of Patents.

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D – R – A – F – T

BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 44
Section No. 44
Topic Consequential amendment: Patent rules

Proposed Wording

Repealed: SOR/96-423, subsection 4(11).

Present Law

Patent Rules

4. ...(11) Where a candidate for the Patent Agents' Examination withdraws the candidate's name by written notice to the Commissioner received

(a) before March 1 of the year of the examination, the fee paid shall be refunded; or

(b) on or after March 1 of the year of the examination and before the date of the examination, the fee paid shall be refunded, less \$25.

Rationale

Provision of the patent agents' exams will be pursuant to the *Patent Agents and Trade-mark Agents Act* and related regulations and will no longer be the responsibility of the Commissioner of Patents or the Patent Office.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 45
Section No. 45
Topic Consequential amendment: Patent rules

Proposed Wording

Repealed: SOR/96-423, sections 12-19.

Present Law

Patent Rules

12. (1) Subject to subsection 14(2), for the purpose of having their name entered on the register of patent agents, a person is eligible to sit for the qualifying examination for patent agents referred to in section 14 if, on March 31 of the year in which the person proposes to sit for the examination,

(a) the person resides in Canada and has been employed for a period of at least 12 months on the examining staff of the Patent Office; or

(b) the person resides in Canada and has worked in Canada in the area of Canadian patent law and practice, including the preparation and prosecution of applications, for a period of at least 12 months.

(2) A person referred to in paragraph (1)(b) shall file with the Commissioner an affidavit or statutory declaration setting out the person's experience and responsibilities in the area of patent law and practice.

13. (1) An Examining Board is hereby established for the purpose of preparing, administering and marking the qualifying examination for patent agents referred to in section 14.

(2) The members of the Examining Board shall be appointed by the Commissioner, and the chairperson and at least three other members shall be employees of the Patent Office and at least five members shall be patent agents nominated by the Intellectual Property Institute of Canada. SOR/2003-208, s. 3.

14. (1) The Examining Board shall administer a qualifying examination for patent agents every year in the month of April.

(2) The Commissioner shall give notice in the *Canadian Patent Office Record* of the date of the qualifying examination and shall indicate in the notice that any person who proposes to sit for the examination shall, within the time specified in the notice, notify the Commissioner in writing and pay the fee set out in item 34 of Schedule II.

(3) The Commissioner shall designate the place or places where the qualifying examination is to be held and shall notify by registered mail, at least two weeks before the date of the examination, every person who has complied with the requirements set out in subsection (2).

15. The Commissioner shall enter on the register of patent agents, on payment of the fee set out in item 33 of Schedule II, the name of

(a) any resident of Canada who has demonstrated a good knowledge of Canadian patent law and practice by passing the qualifying examination for patent agents relating to patent law and practice;

(b) any resident of a country other than Canada who is registered and in good standing with the patent office of that country or with a regional patent office for that country; and

(c) any firm, if the name of at least one member of the firm is entered on the register.

16. (1) During the period beginning on January 1 and ending on March 31 in every year

(a) every person who is a resident of Canada and whose name is entered on the register of patent agents shall pay the fee set out in item 35 of Schedule II in order to maintain the person's name on the register;

(b) every person who is a resident of another country and whose name is entered on the register of patent agents shall, in order to maintain the person's name on the register, file a statement, signed by the person, indicating the person's country of residence and stating that the person is registered and in good standing with the patent office of that country or with a regional patent office for that country; and

(c) every firm whose name is entered on the register of patent agents shall, in order to maintain its name on the register, file a statement indicating each member of the firm whose name is entered on the register, signed by a duly authorized member of the firm whose own name is entered on the register.

(2) The Commissioner shall send to every patent agent who fails to comply with subsection (1) a notice requiring compliance within the three-month period after the date of the notice.

(3) The Commissioner shall remove from the register of patent agents the name of any patent agent who

(a) fails to comply with a notice sent pursuant to subsection (2); or

(b) no longer meets the requirements by virtue of which the name of the patent agent was entered on the register.

(4) The removal by the Commissioner of the name of a person from the register of patent agents constitutes a refusal to recognize that person as a patent agent for the purposes of section 16 of the Act.

17. Where the name of a patent agent has been removed from the register of patent agents pursuant to subsection 16(3), it may be reinstated on the register if the patent agent

(a) applies to the Commissioner, in writing, for reinstatement within the one-year period after the date on which the name of the patent agent was removed from the register;

(b) pays the fee set out in item 36 of Schedule II for applying for reinstatement on the register;

(c) pays the fee referred to in paragraph 16(1)(a) for maintaining the name of the patent agent on the register or files the statement referred to in paragraph 16(1)(b) or (c), as the case may be; and

(d) meets the requirements referred to in section 15 for entry of the name of the patent agent on the register.

18. Any decision of the Commissioner, pursuant to section 16 of the Act, to refuse to recognize a person as a patent agent shall be forthwith entered in the register of patent agents and published in the *Canadian Patent Office Record*, and a copy shall be sent by registered mail to the person referred to in the decision.

19. (1) When the Commissioner makes a decision pursuant to section 16 of the Act that a person be refused recognition as a patent agent, any correspondence respecting an application sent by the Commissioner or by the Patent Office to that person within the six-month period preceding the date of the decision and to which no reply has been made by that date is deemed not to have been sent to the applicant.

(2) An application filed by a person who has been refused recognition as a patent agent by the Commissioner or an application that includes an appointment of such a person as patent agent of the applicant or as associate patent agent shall be treated by the Commissioner as an application filed by the applicant or by the patent agent who appointed the associate patent agent.

Rationale

These provisions pertain to the Patent Agents' exams which will no longer be the responsibility of the Commissioner of Patents or the Patent Office, but rather will be responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act* and related regulations. Similar provisions pertaining to the exams will be included in the College by-laws.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 46
Section No. 46
Topic Consequential amendment: Patent rules

Proposed Wording

Repealed: SOR/96-423, Schedule II (Section 3) Tariff of Fees, Part VII.

Present Law

Patent Rules

| Column I | Column II |
|---|-----------|
| Item Description | Fee |
| 33. On applying for entry on the register of patent agents under section 15 of these Rules | \$ 350.00 |
| 34. On notifying the Commissioner, pursuant to subsection 14(2) of these Rules, of a proposal to sit for the whole or any part of the qualifying examination, per paper | 200.00 |
| 35. For maintaining the name of a patent agent on the register of patent agents pursuant to paragraph 16(1)(a) of these Rules | 350.00 |
| 36. On applying to the Commissioner for reinstatement on the register of patent agents under section 17 of these Rules | 200.00 |

Rationale

The register of Patent Agents, and any fees related to the entry and maintenance of individuals on that register will be the responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act*, and will no longer be the responsibility of the Commissioner of Patents or the Patent Office.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 47
Section No. 47
Topic Consequential amendment: Trade -marks Act

Proposed Wording

Amendment: R.S. 1985, c. T-13, paragraph 28(2) to read:

A register of trade-mark agents shall be kept pursuant to the Patent Agents and Trade-mark Agents Act ... Only those persons who are entered on the register shall be entitled to represent applicants in the presentation and prosecution of applications for registration of a trade-mark or in other business before the Trade-marks Office.

Present Law

28. (1)(f) There shall be kept under the supervision of the Registrar a list of trade-mark agents;
...
(2) The list of trade-mark agents shall include the names of all persons and firms entitled to represent applicants in the presentation and prosecution of applications for the registration of a trade-mark or in other business before the Trade-marks Office.

Rationale

Section 28(1)(f) will need to be repealed, and section 28(2) amended to reflect the fact that the maintenance of the register of trade-marks agents is now the responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act* and is no longer the responsibility of the Registrar of Trade-marks or the Trade-marks Office.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 48
Section No. 48
Topic Consequential amendment: Trade -marks Act

Proposed Wording

Repealed: R.S. 1985, c. T-13, paragraph 65(c.1).

Present Law

65. The Governor in Council may make regulations for carrying into effect the purposes and provisions of this Act and, in particular, may make regulations with respect to the following matters:

(c.1) the maintenance of the list of trade-mark agents and the entry and removal of the names of persons and firms on the list, including the qualifications that must be met and the conditions that must be fulfilled to have a name entered on the list and to maintain the name on the list;

Rationale

The regulation of trade-mark agents will no longer be the responsibility of the Registrar of Trade-marks or the Trade-marks Office and therefore this provision must be deleted.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 49
Section No. 49
Topic Consequential amendment: Trade -marks regulations

Proposed Wording

Amendment: SOR/96-195, section 2 to read:

“trade-mark agent” means a person whose name is registered on the register of trade-mark agents pursuant to the *Patent Agents and Trade-mark Agents Act*.

Present Law

2. The following definitions apply in these Regulations.

"trade-mark agent" means a person whose name is entered on the list of trade-mark agents referred to in section 21.

Rationale

This amendment is required to reflect the fact that the register of trade-mark agents is no longer the responsibility of the registrar of trade-marks or the Trade-marks Office but will be the responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act*.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 50
Section No. 50
Topic Consequential amendment: Trade -marks regulations

Proposed Wording

Repealed: SOR/96-195, sections 18 - 23.

Present Law

18. Subject to subsection 20(2), a person is eligible to sit for a qualifying examination relating to trade-mark law and practice if, before October 1 of the year in which the person proposes to sit for the examination, the person resides in Canada and

(a) is a barrister or solicitor entitled to practise as such in a province, or a notary entitled to practise as such in the Province of Quebec; or

(b) has worked in Canada in the area of Canadian trade-mark law and practice, including the preparation and prosecution of applications for the registration of trade-marks, for a period of not less than 24 months.

19. The members of an examining board shall be appointed by the Registrar and at least two members of the board shall be trade-mark agents nominated by the Intellectual Property Institute of Canada. SOR/2003-209, s. 1.

20. (1) The examining board shall

(a) set the qualifying examination relating to trade-mark law and practice;

(b) set the date for the qualifying examination; and

(c) conduct the qualifying examination during the month of October in each year.

(2) The Registrar shall give notice in the Journal of the date of the next qualifying examination and shall state in the notice that any person who proposes to sit for the examination shall

(a) within the time specified in the notice, notify the Registrar in writing and submit to the Registrar an affidavit or statutory declaration setting out the person's experience, duties and responsibilities in the area of trade-mark law and practice; and

(b) pay the fee set out in item 20 of the schedule.

(3) The Registrar shall designate the place or places where the qualifying examination is to be held and shall, by registered mail, at least four weeks before the day fixed for the examination, notify any person who has complied with the requirements of subsection (2).

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21. The Registrar shall, on written request and payment of the fee set out in item 19 of the schedule, enter on a list of trade-mark agents the name of

(a) any resident of Canada who has passed the qualifying examination relating to Canadian trade-mark law and practice, including the preparation and prosecution of applications for registration of trade-marks;

(b) any resident of Canada who is a barrister or solicitor entitled to practise as such in a province, or a notary entitled to practise as such in the Province of Quebec, who has

(i) passed the qualifying examination relating to trade-mark law and practice, or

(ii) worked in the area of trade-mark law, including the preparation and prosecution of applications for registration of trade-marks, for a period of not less than 24 months and who has submitted an affidavit or statutory declaration to that effect to the Registrar;

(c) a resident of any other country who is entitled to practise before the trade-marks office of that country; and

(d) any firm having the name of at least one of its members entered on the list as a trade-mark agent.

22. (1) During the period beginning on January 1 and ending on March 31 of each year,

(a) a resident of Canada whose name is entered on the list of trade-mark agents shall, in order to maintain the resident's name on the list, pay the fee set out in item 21 of the schedule;

(b) a resident of any other country whose name is entered on the list of trade-mark agents shall, in order to maintain the resident's name on the list, file a statement signed by the agent setting out the agent's country of residence and declaring that the agent is in good standing before the trade-mark office of that country; and

(c) a firm having the name of at least one of its members entered on the list of trade-mark agents shall, in order to maintain the firm's name on the list, file a statement signed by one of its members whose name is on the list, indicating all of its members whose names are on the list.

(2) Where a trade-mark agent fails to comply with the applicable requirement set out in subsection (1), the Registrar shall send a written notice to the trade-mark agent requiring that, within three months after the date of the notice, the trade-mark agent shall file

(a) the statement required by paragraph (1)(b) or (c), as applicable; or

(b) the fee set out in item 21 of the schedule.

(3) Where a trade-mark agent fails to comply with a notice referred to in subsection (2), the Registrar shall remove the name of the agent from the list of trade-mark agents.

23. (1) The name of a trade-mark agent that has been removed from the list of trade-mark agents pursuant to subsection 22(3) may be reinstated if the agent applies to the Registrar within one year after the date of the removal of the agent's name from the list, and

(a) files the statement required by paragraph 22(1)(b) or (c), as applicable; or

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(b) pays the fees set out in items 21 and 22 of the schedule.

(2) A firm is entitled to have its name remain on the list of trade-mark agents where

(a) the name of at least one of its members is on the list; and

(b) the statement required by paragraph 22(1)(c) is filed.

Rationale

These provisions pertain to the Trade-mark Agents' exams which will be the responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act* and related regulations and therefore need to be repealed in the *Trade-marks Act*.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

Bill Clause No. 51
Section No. 51
Topic Consequential amendment: Trade -marks regulations

Proposed Wording

Repealed: SOR/96-195, Schedule (Section 12) Tariff of Fees, Part IV.

Present Law

PART IV
TRADE-MARK AGENTS

19. On request, to enter a name on the list of trade-mark agents:
- (a) where the request and fee are submitted on-line to the Office of the Registrar of Trade-Marks, via the Canadian Intellectual Property Office web site \$ 300
 - (b) in any other case 350
20. Examination fee referred to in paragraph 20(2)(b) 400
21. Annual registration fee referred to in paragraphs 22(1)(a) and (2)(b):
- (a) where the fee is submitted on-line to the Office of the Registrar of Trade-Marks, via the Canadian Intellectual Property Office web site 300
 - (b) in any other case 350
22. Reinstatement fee referred to in paragraph 23(1)(b) 200

Rationale

The register of trade-mark agents, and any fees related to the entry and maintenance of individuals on that register will be the responsibility of the College pursuant to the *Patent Agents and Trade-mark Agents Act*, and will no longer be the responsibility of the Registrar of Trade-marks or the Trade-marks Office.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|---------------------|
| Bill Clause No. | 52 |
| Section No. | 52 |
| Topic | Commencement |

Proposed Wording

This Act or any provision of this Act comes into force on a day or days to be fixed by order of the Governor in Council.

Present Law

None.

Rationale

This provision allows for the implementation of certain provisions to be delayed or phased in over time.

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BRIEFING BOOK

The Patent Agents and Trade-mark Agents Act

| | |
|------------------------|-------------------------|
| Bill Clause No. | 53 |
| Section No. | 53 |
| Topic | Mandatory review |

Proposed Wording

This Act shall be reviewed three years after it comes into force.

Present Law

None.

Rationale

This provision allows for review of the Act.