# The Gulf Cooperation Council (GCC) Trademark Law

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#### Part 1 Definitions

# Article (1)

In the implementation of the provisions of this Law, the following words and expressions shall have the meanings ascribed thereto hereunder, unless the context otherwise requires:

GCC: Cooperation Council for the Arab States of the Gulf
Competent Authority: The Ministry or authority in the member state
with mandate to implement this Law.

Minister: The Minister or the Head of the competent authority in charge for enforcing the provisions of this Law.

**Executive Regulations:** The executive regulations to be set by the Commercial Cooperation Committee in enforcement of this Law.

Register: The trademarks register.

#### Article (2)

Trademark: Shall be considered a trademark anything having a distinctive form such as names, words, signatures, letters, figures, drawings, logos, titles, hallmarks, seals, pictures, engravings, packs or any other mark or group of marks if used or intended to be used either to distinguish goods, products or services of a facility or other facilities or to indicate the rendering of a service or the control of inspection of goods or services.

The voice or odor shall be considered as part of the trademark.

#### Part 2 Procedures

# Chapter 1 Trademarks Registration Procedures

# Article (3)

The following shall not be registered as a trademark or an element thereof:

- 1. The mark having no property or distinctive character or that made of data being only the name given by tradition to familiar goods, products, services or the ordinary drawings and pictures of goods and products.
- 2. Any mark breaching the public morals or violating the public order.
- 3. Public emblems, flags and other logos, of the State, the Arab or international organizations or an institution thereof or any foreign country except by its authorization as well as any imitation of such emblems, flags or logos.
- 4. Logos of the Red Crescent or Red Cross and such other similar symbols and the marks being an imitation thereof.
- 5. Marks that are identical or similar to symbols having a purely religious character.
- 6. Geographical names and data if their use would create confusion with regard to the origin or source of goods or services.
- 7. The name, title, picture or logo of a third party unless he or his heirs approve its use beforehand.
- 8. Particulars of honorary degrees to which a registration applicant does not prove his legal entitlement.
- 9. Marks that may mislead the public or include misstatements on the origin or source of products or services or their other properties as well the marks that include a fictitious, imitated or forged trade name.

- 10. Marks owned by natural or legal persons with whom it is prohibited to deal as per a resolution passed by the Competent Authority in this regard.
- 11. Any trademark that is similar to a trademark that was previously lodged or registered by third parties for the same goods or services or for related goods or services, if the use of such trademark to be registered will mislead the consumers as to the goods or services of the registered trademark owner or will prejudice his interests.
- 12. The mark whose registration for some categories of products or services results in undervaluing other products or services distinguished by such mark.
- 13. The marks deemed as just a reproduction, imitation or translation for a renowned mark or a part thereof already registered by third parties for using same in distinguishing goods or services that are similar to the one distinguished by the renowned trademark.
- 14. The marks deemed as just a reproduction, imitation or translation for a renowned mark or a part thereof already registered by third parties for using same in distinguishing goods or services that are not similar to the one distinguished by the renowned trademark, if such use indicates that there is connection between such goods or services and between the renowned trademark, or prejudices the interests of the renowned trademarks owner.
- 15. Marks including the following words or expressions: Concession, Concessionaire, Registered, Registered Drawing, Copyright, or such similar words and expressions.

# Article (4)

- 1. The trademark, having an international goodwill beyond the boundaries of the mother country in which it is registered, may not be registered unless same is requested or expressly approved by the owner.
- 2. It is the public's awareness about the trademark that determines its goodwill, due to the promotion or long period of registration or use or the number of countries in which the trademark is registered or becomes renowned or due to the value of trademark and

the effect thereof on promoting the goods or services distinguished by the trademark.

- 3. A trademark with a goodwill, may not be registered to distinguish products or services that are not similar or compliant with those distinguished by the trademark if:
- A. The use of the trademark indicated a link between the goods and services to be distinguished and the goods or services of the original trademark owner.
- B. The use led to a potential prejudice to the owner of the renowned trademark owner.

# Article (5)

The following persons shall have the right to register their trademarks:

- 1. Any GCC natural or juridical persons carrying out any commercial, industrial, handicraft or services activity.
- 2. Foreigners who reside in any GCC country and are authorized to carry out any commercial, industrial, handicraft or services activity.
- 3. Foreigners who belong to any State that is a member of a multilateral convention in which a GCC State is a party therein or who reside in such State.
- 4. Public authorities.

#### Article (6)

- 1. A register called "Trademarks Register" shall be set up at the Competent Authority wherein shall be recorded all the trademarks, names, addresses, descriptions of their goods or services and any conveyance, assignment, transfer of ownership, mortgage or license for use concerning such trademarks or any other changes. Any concerned person may review this Register and obtain request a certified true copy thereof.
- 2. The Trademarks Register existing at the time of enforcing the provisions of this Law shall be recorded in the register set forth in the previous clause and shall constitute an integral part thereof.

# Article (7)

- 1. Any person who registers a mark shall be deemed its sole owner. The ownership of such mark may not be disputed if the person who registers it, uses it uninterruptedly for at least 5 years from the date of registration without an action being lodged against him ruling for its validity.
- 2. The person who has registered the mark and has the priority to use the mark may request the court of jurisdiction to cancel this registration within five years of the registration date, unless it is established that the use of such mark is expressly or impliedly approved by the one who registered same in its name.

# Article (8)

The application for the registration of a trade mark shall be submitted to the Competent Authority on the form prepared for same by the concerned person or his proxy under the circumstances and conditions provided for in the Executive Regulations of this Law.

# Article (9)

- 1. A trade mark may be registered for one or more categories of the products or services according to the Executive Regulations of the Law.
- 2. The goods or service shall not be similar to each other if they are recorded in the same category. The goods or services shall not be different from each other, if they are registered in different categories of the same classification.

# Article (10)

Should one or more persons apply simultaneously for the registration of the identical mark or close or similar marks for one category of products or services, the Competent Authority shall suspend the registration of all applications until an attested waiver is submitted by the opponents in favour of one of them or a final judgment is awarded in favour of one of them.

# Article (11)

If the mark registration applicant or his successor desires to have the priority right based on a previous application lodged in a state that is a member in a multilateral international convention in which a GCC State is a party therein, such applicant shall enclose to his application a copy of the previous application together with an acknowledgment clarifying the date and number of the previous application and the state in which such application is lodged, within six months from the date of registration application on which the applicant relies as to the priority right.

Otherwise, his right to claim such right shall be prescribed.

# Article (12)

- 1. The Competent Authority may impose the restrictions and changes it deems necessary to determine and clarify the trademark in a way preventing its confusion with another mark already registered mark or for any other reason it deems expedient.
- 2. If the registration applicant does not reply to the Competent Authority within ninety days from the date of notice to be served to him, his application shall be deemed to be waived.
- 3. Should the Competent Authority refuse for some reason to register the trade mark or if the registration is dependent on restrictions or changes, it shall notify the registration applicant in writing of the reasons of its decision.
- 4. In all events, the Competent Authority shall decide on the registration application within ninety days from the date of its submission if it meets the conditions and circumstances provided for in this Law and its Executive Regulations.

# Article (13)

- 1. An applicant for registration or his representative whose application has been rejected or has been suspended on a condition may, before a Committee to be determined in the Executive Regulations of the Law, complain about such decision within sixty days from the date on which such decision is notified to him. The applicant may challenge the Committee's decision before the court of jurisdiction within (60) days from the date on which such decision is notified to him.
- 2. The applicant shall be deemed as having waived his application if he does not challenge the Competent Authority's decision during the periods stated herein or if he does not fulfil the restrictions

or conditions imposed by the Competent Authority in the period specified in the notice addressed to him in this regard.

#### Article (14)

- 1. Should the Competent Authority accept a trade mark, it shall, prior to its registration, announce it through the means of publication to be determined in the Executive Regulations of this Law at the expense of the registration applicant.
- 2. Any concerned person may, within sixty days from the date of publication, object to the registration of a mark. Such objection shall be submitted to the Competent Authority in writing. The Competent Authority shall notify the registration applicant with a copy of the objection to his application within thirty days from receipt of such application. The registration applicant shall reply to the objection in writing within sixty days of notification. If such reply is not submitted within the said period the applicant is deemed to have resigned his request.

# Article (15)

- 1. Prior to deciding on the objections submitted thereto, the Competent Authority shall hear the statements of the objector and registration applicant or any of them, where required.
- 2. The Competent Authority shall issue its decision rejecting or accepting the registration. It may in the latter case impose the restrictions or conditions it deems convenient.
- 3. Any interested person may complain before the Competent Authority from the Competent Authority's decision within thirty days from the date on which such decision is notified to him and may contest the decision before the court of jurisdiction within (30) days from the date on which such decision is notified to him. The objection to the decision issued to accept the registration of a trademark shall not result in suspending of the registration procedures unless otherwise decided by the court of jurisdiction.

# Article (16)

If the period set for objection elapses without submitting any objection regarding the acceptance of trademark registration application, the Competent Authority shall register the trademark

upon the elapse of period set for the objection.

# Article (17)

- 1. If a trade mark is registered, the effect of the registration shall start as from the date of submission of the application. Upon finalizing the registration of a mark, its owner shall be given a certificate containing the following data:
- A. Registration number of the mark.
- B. Number and date of priority and the state in which the application is lodged (if any).
- C. Date of submission of application, date of mark registration and expiry date of protection.
- D. Mark's owner name, surname, domicile and nationality.
- E. Duplicate of the mark.
- F. Description of the goods or services for which the mark is designated and their category.
- 2. The owner of a registered trademark may prevent others, who do not take approval therefrom, from using a similar or identical trademark, including any geographical indicator, in the context of trade, to distinguish products or services that are identical, similar or correlated for which the mark has been registered, in such a way that confuses the consumers, and such confusion may occur in case of using the same mark or a similar one to distinguish goods or services that are similar to the ones for which the mark is registered.

#### Article (18)

The owner of an already registered trademark may at any time apply to the Competent Authority for making any addition or change to its mark, unless same substantially affect its essence. The Competent Authority's decision in this regard shall be issued according to the conditions and rules prescribed for the original registration applications. It may be subject to grievance and challenge by the same means.

# Article (19)

The Competent Authority may add any data to the Register, if recording such data is omitted; and may amend or delete any data illegally recorded therein or any data that does not comply with

the truth.

Any concerned person may, before the court of jurisdiction, challenge any procedure taken by the Competent Authority in this regard.

# Chapter 2 Trademark Protection Period

# Article (20)

- 1. The period of protection resulting from the registration of a trade mark shall be 10 years. The mark owner may secure the continuance of such protection for successive periods of 10 years each if he applies for renewal of such mark's registration within the last year of the valid protection period according to the terms and conditions provided for in this Law and its Executive Regulations.
- 2. The trademark owner shall have the right to renew the registration of registered mark within the six months following the expiration of registration.
- 3. If a mark owner does not apply for renewal within the sixth months following the expiry of the registration period, the Competent Authority shall of its own motion strike the mark off the Register.
- 4. The renewal of the mark registration shall be effected without any further inspection and announced by means of publication set forth in the Executive Regulations of the Law without allowing third parties to object to such renewal.

# Article (21)

Provisional protection shall be given to the marks fixed on goods displayed in official or officially-recognized intentional exhibitions organized within the State, during the period of exhibition when such marks meet the registration requirements set forth in the Law. The Executive Regulations shall provide for the Executive Regulations and procedures of granting provisional protection.

# Chapter 3 Trademarks Deregistration

# Article (22)

Notwithstanding the provisions of article 7 hereof, the Competent Authority and any concerned person may recourse to the court of jurisdiction to apply for deregistering the trademark that was illegally registered. The Competent Authority shall deregister the trademark, if it receives a definitive judgment in this regard.

# Article (23)

A trade mark owner may apply for striking it off the register either for all the goods or services for which the mark is registered or for only a part thereof. The application for striking off shall be submitted pursuant to the terms and conditions stipulated in the Executive Regulations of this Law. If a mark is licensed to be used under a deed entered in the Trademarks Register, the registration of such mark may only be stricken off upon the written approval of the license beneficiary, unless the beneficiary expressly waives such right in the licensing deed.

# Article (24)

The court of jurisdiction may at the request of any concerned person rule in favour of striking off the registration of a trademark if it is established to the court that such mark has not been seriously used for (5) successive years unless the mark owner proves that the lack of its use, is due to a reason beyond his control.

# Article (25)

Should a trade mark be stricken off, it may only be re-registered in favour of a third party for the same goods or services or similar ones after the elapse of three years from the date of striking off, unless the striking off is made according to a judgment delivered by the court of jurisdiction, and such judgment determines a lesser period for re-registering the mark.

# Article (26)

The striking of a trade mark off the register shall be announced through the means of publication set forth in the Executive Regulations of this Law.

# Chapter 4 Transfer, Mortgage and Attachment of Trademarks

# Article (27)

- 1. The trademark may be wholly or partially transferred, mortgaged or attached with or without consideration together with the commercial premises or the project of exploitation for which the mark is used to distinguish its goods or services, unless otherwise agreed.
- 2. Trademark may be transferred through inheritance, will or gift.
- 3. In all cases, the transfer, mortgage or attachment of a trademark may not be opposed to third parties except after being entered in the Trademarks Register and announced in the manner determined in the Executive Regulations of this Law.

#### Article (28)

- 1. The transfer of ownership of a commercial shop or an exploitation project shall include the trademarks registered in the transferor's name which may be considered closely related to the shop or project unless otherwise agreed upon.
- 2. Should the ownership of a commercial shop or exploitation project be transferred without the mark, the ownership transferor may continue using such mark with regard to the goods or services for which it is registered unless otherwise agreed.

# Part 3 Licensing Contracts

# Article (29)

The owner of a trademark may, by a written and attested contract, license any natural or legal person to use such mark for all or part of the goods or services for which the mark is registered. The mark owner may license others to use the same mark; and may use it himself unless otherwise agreed. The period for licensing the use of a mark may not exceed the one prescribed for its protection.

#### Article (30)

A license beneficiary shall not be subject to restrictions on the rights granted by the registration of a trade mark or not necessary for preserving such right.

However, a licensing contract may include the following restrictions:

- 1. The territory or period of using the mark.
- 2. The conditions warranting to the mark owner the control of the goods or services quality.
- 3. The compelling of a license beneficiary to abstain from all that acts which may result in undervaluing or harming the mark.

# Article (31)

A contract licensing the use of a trademark shall only be valid, unless it is written, and it is not a must to be recorded in the Trademarks Register. If same is recorded in the Register, the method of recording and announcement shall be determined in the Executive Regulations.

# Article (32)

A beneficiary of a license may not assign it to a third party or grant sub-licenses unless otherwise agreed upon.

# Article (33)

A licensing contract shall be stricken off the Register at the request of the owner of the mark or the license beneficiary after providing evidence of termination or cancellation of the licensing contract.

The Competent Authority shall notify the other party of the application submitted for striking the license off. Striking off shall not be made unless the Competent Authority notifies the other party of the license striking off application. In such case, such party may object to the striking off application pursuant to the procedures and terms provided in the Executive Regulations.

# Part 4 Collective Marks, Certified Marks and Marks of Public Authorities and Occupational Establishments

#### Article (34)

1. Collective marks used to distinguish goods or services of facilities belonging to members of a certain entity having a legal personality may be registered.

Collective mark registration application shall be submitted by the representative of such entity to be used by the member thereof as per the conditions and requirements set by the entity, provided that same shall be approved by the Competent Authority.

2. Collective mark registration applicant shall state, in the registration application, that it is related to a collective mark, and shall enclose to the application a copy of the requirements of using the mark to be registered.

In all cases, the registered collective mark owner shall notify the Competent Authority of any alterations to such requirements. No alteration shall be valid, unless it is approved by the Competent Authority.

- 3. If the collective mark is struck off, it may not be re-registered for third parties as to compliant or similar goods or services.
- 4. The court of jurisdiction may at the request of any concerned person rule in favour of striking off the registration of a collective mark if it is established to the court that the registered owner solely uses the collective mark or uses, or causes others to use, such mark in a manner violating the requirements set forth in clause 2 of this article, or uses same in a manner misleading the consumers in terms of the origin of goods or any joint specification of the goods or services for which the collective mark is registered.

#### Article (35)

1. Legal persons controlling or inspecting some goods or services as to their source, components, mode of manufacture, quality, essence or any other property may apply to the Competent Authority for licensing them to register a mark reserved to indicate that the control and inspection has been carried out. In all events, such mark may be registered or its ownership may be transferred only

upon the Competent Authority's approval.

2. Registered certified mark applicant shall state in the registration applicant that it is related to the certification or authentication mark; and shall enclose to the application a copy of the requirements of using the mark to be registered.

In all cases, the registered mark owner shall notify the Competent Authority of any alterations to such requirements. No alteration

shall be valid, unless it is approved by the Competent Authority.

# Article (36)

Marks may be registered for non-commercial purposes, e.g. logos of the Public Authorities or the logos used by the occupational establishments to distinguish their correspondence or used as badges for their members.

# Article (37)

- 1. Signs that can be used in the context of trade as geographical indicators may constitute attesting marks or collective ones.
- 2. The Executive Regulations shall determine the conditions and rules of registering the marks set forth in articles Nos. 34, 35 and 36 of the Law as well as the documents to be submitted for registration purposes, and all the organizational matters related thereto. Registration of any mark shall have all the effects set forth in this Law.

# Part 5 Enforcement of Rights

# Article (38)

1. The owner, if he has justified reasons to make him believe that importing imitated or forged goods or goods bearing mark similar to his registered trademark in a way would cause confusion to the public could be possible, may submit a written application to the customs release authority to stop customs release for these goods and to not allow to be traded.

The application shall be accompanied by evidence that is enough to convince the customs release authority that there is infringement, as apparent, on the right of the applicant for the mark, and the application shall include sufficient information that could be reasonably available to the applicant to enable the said authority to identify such goods.

- 2. The customs release authority shall notify the applicant in writing of its decision on the application within seven days from the date of submission of the application, and such decision shall be effective, in the case of acceptance of the application, for a period of one year from the date of submission, or for the remaining period of trademark protection, whichever is earlier, unless the applicant requests shorter period.
- 3. The customs release authority may assign the applicant to provide appropriate bail or its equivalent guarantee that is enough to protect the defendant and the competent authorities, and to prevent abuse of the right to request to stop the customs release.
- 4. Without prejudice to the provisions of the preceding clauses, the customs release authority may motu proprio, without the need to file a complaint or an application by the owner or a third party, issue a decision to stop customs release for imported or transit goods or goods prepared for export upon their arrival to the customs zone under its jurisdiction, if there is sufficient evidence, as apparent, proving that these goods are imitated or improperly bearing a mark similar to a registered trademark, in a manner that could cause a confusion to the public.
- 5. If the customs release authority has decided, pursuant to the provisions of this Article, to stop the release of goods which are

reached to the customs zone under its jurisdiction, it shall do the following:

- A. Notifying goods importer and the owner of the decision issued to stop the customs release immediately after its issue.
- B. Notifying the owner, upon written request from him, of the names and addresses of the sender, importer and recipient of goods and the quantities thereof.
- C. Allowing the concerned persons to inspect the goods according to the customs procedures followed in this regard. The owner may file a claim on the origin of the dispute before the court of jurisdiction and inform same to the customs release authority no later than ten working days from the date of notification of the decision to stop the customs release for these goods. Otherwise, the decision shall be deemed void ab initio, unless such authority or the court of jurisdiction extends this period in cases it estimates for a further 10-day period, and if the claim is already filed on the origin of the dispute, the court may support, modify or cancel the issue.
- 6. With the exception of cases estimated by the court, if it is established to the court that the goods, which customs release is suspended, are imitated or forged or improperly bear a trademark similar to the registered trademark, in a manner that could cause a confusion to the public, such goods shall be destroyed at the expense of the importer, or disposed out of the commercial channels if such destruction may cause unacceptable harm to public health or the environment.
- 7. In all cases, goods shall not be released to commercial channels or permitted to be re-exported just by removing the trademark that is illegally placed.
- 8. The Minister of Finance shall, after coordination with the competent minister, issue a decision specifying the data, conditions, controls and procedures for submitting an application to stop the customs release and to decide thereon, and the documents to be attached to this application. Specifying such data shall not lead to refrain from requesting the procedure referred to above.

For the purposes of this Article, the term "imitated goods" means goods, including packages, bearing without authorization a mark

similar to a registered trademark for such goods or a mark that cannot be distinguished from a registered trademark in terms of the fundamental elements.

# Article (39)

The provisions of Article 38 of this Law shall not apply to:

- A. Small quantities of goods of non-commercial nature, which are contained inside the travellers' personal luggage or sent in small packages.
- B. Goods which are offered for trading on the markets of the exporting country by the owner of the trademark or with his consent.

# Article (40)

- 1. In case of infringement, or to prevent an imminent infringement, on any of the rights prescribed under the provisions of this Law, the owner may obtain an order on a petition from the court of jurisdiction on the origin of the dispute to take measure(s) of appropriate precautionary measures, including the following:
- A. Conducting detailed description for the alleged infringement, and goods which are subject of these infringement, and materials, tools and equipment that have been used or will be used in any of it, and keeping relevant evidences.
- B. Imposing attachment on things, referred to in the preceding paragraph, and revenues resulting from the alleged infringement.
- C. Preventing goods, subject of the alleged infringement, from entering into the commercial channels and preventing export thereof, including imported goods immediately after customs release thereof.
- D. Suspending or preventing infringement.
- 2. The court may assign the petitioner to submit his evidence that affirm the occurrence of an infringement or an imminent infringement on the right, and may assign him to provide sufficient information to enable the Competent Authority to implement the precautionary measure of identification of the goods concerned.
- 3. The court shall decide on the petition no later than ten days from the date of submission, save the exceptional cases estimated by the court.

- 4. The court may, when required, issue the order, at the request of the petitioner, without calling the other party, if delay in issuing the order may cause irreparable harm to plaintiff, or there is a fear of the demise or destruction of evidence, in this case the other party shall be notified of the matter without delay immediately after its issuance, and when necessary, the other party may be notified directly after implementing the order.
- 5. If the court ordered to take precautionary measure without calling the other party, the defendant after being notified of the matter may appeal it before the court of jurisdiction within twenty days from the date of notification, and the court in this case may support, modify or cancel it.
- 6. The court may assign the petitioner to provide a suitable bail or its equivalent guarantee that is sufficient to protect the defendant and to prevent abuse of the right, and the amount of bail, or its equivalent guarantee, shall not be big to the extent that it may lead unreasonably to refrain from request to take precautionary measures referred to above.
- 7. The owner may file a claim on the origin of the dispute within twenty days from the date of issuance of the order to take the precautionary measures, or from the date on which he is notified of the rejection of the appeal provided for in Clause 5 of this Article, as the case may be. Otherwise, this order will be cancelled at the request of the defendant.

#### Article (41)

1. The owner, if he sustains direct damage arising out of infringing any of his rights under the provisions of this Law, may file a claim before the court of jurisdiction to request a judgment for adequate compensation to redress the damage affected him as a result of the infringement, including profits earned by the defendant. The court shall determine the compensation it deems appropriate for redressing the damage, taking into account the value of a good or service, subject of infringement, in accordance with what is determined by the plaintiff on the retail price or any other licit criterion required to be applied or as to be determined by the expert.

- 2. The owner may, instead of claiming a compensation redressing the damage including profits earned by the infringer in accordance with the provisions of the preceding paragraph, request, at any time and before considering the claim, a judgment giving him an adequate compensation if it is proved that the infringement is represented in using the trademark in the intentional imitation of commodity or is made in any other manner.
- 3. The court of jurisdiction may, upon considering the claims relating to the rights prescribed under the provisions of this Law, order the following:
- A. Seizing goods which are suspected to be involving an infringement, and seizing any materials or tools related thereto, and any documentary evidence relating to the infringement.
- B. Obligating the infringer to stop the infringement, including preventing the export of goods that involve the infringement of any of the rights prescribed under the provisions of this Law and preventing the entry of imported ones into the commercial channels immediately after customs release.
- C. Obligating the infringer to provide the court of jurisdiction or to the owner with the information in his possession on all those persons or entities that contributed in any aspect of the infringement, and on the methods of production and distribution channels of such goods or services, including the identity of all those who participated in the production or distribution of goods or services and determining his own distribution channels.
- 4. The court of jurisdiction, at the request of the owner, may order to destroy goods which imitation is established, except in exceptional cases, without compensation of any kind to the defendant, and it may order without delay to destroy the materials and tools used in the manufacture or production of imitated goods without compensation of any kind to the defendant, and the court, in exceptional cases that it estimates, may order to dispose of such goods outside the commercial channels so as to prevent the possibility of further infringements. The court of jurisdiction may, instead of destroying the goods, materials and tools used in the manufacture or production of imitated goods, order to dispose of them outside the commercial channels, if the destruction of goods results in unacceptable harm to public health or environment.

- 5. Removal of trademark improperly placed on the imitated goods shall not be considered as a good reason to release them to the commercial channels.
- 6. The court of jurisdiction shall estimate costs and fees of experts and specialists assigned to conduct task for the claim, in a manner commensurate with the size and nature of the task assigned thereto, and without unreasonably precluding the recourse to these procedures.

#### Part 6 Penalties

# Article (42)

- A. Without prejudice to any greater penalty imposed by another law, a sentence of imprisonment for a period not less than one month and not exceeding three years and/or a fine not less than five thousand Saudi Riyals and not exceeding one million Saudi Riyals or its equivalent in other GCC currencies, shall be imposed on any person convicted of the following offences:
- 1. Misrepresenting or imitating a mark registered under the provisions of this Law or imitating it in a manner misleading or confusing the public, or using in bad faith any misrepresented or imitated mark.
- 2. Identifying his goods or services in bad faith with a mark owned by others.
- B. Without prejudice to any greater penalty imposed by another law, a sentence of imprisonment for a period not less than one month and not exceeding one year and/or a fine not less than one thousand Saudi Riyals and not exceeding one hundred thousand Saudi Riyals or its equivalent in other GCC currencies shall be imposed on any person convicted of the following offences:
- Knowingly selling, offering for sale or trading, or possessing with the intention of trading any goods bearing false or imitated marks; or unlawfully uses such marks or offers services under them.
- 2. Using a non-registered mark in cases provided for in Clauses from 2 to 15 of Article 3 herein.
- 3. Unlawfully inscribing upon his mark, papers or commercial documents anything that might lead to the belief that he has obtained registration of such mark.
- 4. Deliberately and in bad faith failing to indicate his registered trademark on goods or services.
- 5. Knowingly possessing tools or material intended to be used in the imitation of registered or famous trademarks.

# Article (43)

Where a person repeats the commission of an offence, a sentence of double the maximum one provided herein shall be imposed, in addition

to closure of the shop or project for a period of not less than fifteen days and not more than six months. The judgment shall be published at the expense of the accused in accordance with procedures specified in the executive Regulations. Under the provisions of this Law, an offence shall be considered repeated if it is committed by the accused within three years from the date on which the sentence for the previous offence was imposed.

# Article (44)

Where an action of attachment is judicially determined to have been wrongfully brought, the defendant may apply to the court for an order for compensation as per actions stipulated in Article 40 hereof, provided that such application shall be made within ninety days from either the expiration of the period provided for in Article 40 herein or the date of a final judgment on a claim related to the trademark. In all cases, the financial guarantee shall not be released to the plaintiff until a final judgment in the claim has been issued or the period for the filing of a claim has expired, unless the judgment provides for a settlement of the financial quarantee.

#### Part 7 Final Provisions

# Article (45)

The employees concerned with the enforcement of the provisions of this Law and resolutions issued in the implementation thereof, who are designated by a resolution in accordance with the procedures adopted in each GCC state, shall have the capacity of judicial enforcement officers, and they are entitled to access to areas where activities thereof are included within the provisions of this Law to seize violating cases. The concerned authorities shall provide the necessary facilities for these employees to properly perform their duties.

# Article (46)

The Competent Authority may establish an electronic system and an electronic database to be availed to the public, including a database on the Internet, in order to submit applications for the registration and renewal of trademarks registration and to follow-up and complete the necessary procedures for the registration of such marks.

#### Article (47)

The marks which are registered in accordance with the provisions of laws, decisions and regulations in force prior to the effective date of the provisions of this Law shall be valid. Such marks shall be given the protection set forth therein.

# Article (48)

The provisions of this Law shall apply to registration applications for trademarks which have been pending and were submitted before the date on which the Law comes into force, provided that such applications shall be modified in accordance with the provisions of this Law.

#### Article (49)

The provisions of this Law shall not prejudice the controls and obligations stipulated in the international bilateral conventions to which the State is a party.

# Article (50)

The Executive Regulations shall determine the charges to be collected for actions made under this Law and its Executive Regulations.

# Article (51)

The Committee of Commercial Cooperation shall have the right to interpret this Law and to propose amendments thereto.

# Article (52)

The Committee of Commercial Cooperation shall issue the executive Regulations of this Law.