

RUSSIA

Part IV of Civil Code of The Russian Federation

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Chapter 69. General Provisions

Article 1225. The protection of the results of intellectual activity and means of individualization

1. The results of intellectual activity and the means of individualization equated to them for legal persons, goods, works, services, and enterprises that are entitled to legal protection (intellectual property) are:

- 1) works of science, literature, and art;
- 2) programs for electronic computers (computer programs);
- 3) databases;
- 4) performances;
- 5) phonograms;
- 6) broadcasting over the air or by cable of radio or television (transmission made by broadcasters);
- 7) inventions;
- 8) utility models;
- 9) industrial designs;
- 10) selection achievements;
- 11) integrated circuit topography;
- 12) trade secrets (know-how);
- 13) firm names;
- 14) trademarks and service marks;
- 14-1) geographical indications;
- 15) appellations of origin of goods;
- 16) commercial designations.

2. Intellectual property is protected by law.

Article 1226. Intellectual rights

Intellectual rights are recognized as the results of intellectual activity and the means of individualization equated to them (the results of intellectual activity and means of individualization), which include an exclusive right that is a proprietary right and, in cases provided for by this Code, also personal non-property rights and other rights (droit de suite, right of access, and others).

Article 1227. Intellectual property rights and rights in things

1. Intellectual rights do not depend on a right of ownership or upon other rights to a physical medium (thing), in which the result of the intellectual activity or means of individualization is

reflected.

2. The transfer of the right of ownership to a thing does not entail the transfer or grant of an intellectual right to a result of intellectual activity or means of individualization reflected in this thing, except under the second Sub-Paragraph of Article 1291(1) of this Code.

3. Intellectual rights are not regulated by the provisions of Section II of this Code, unless it is otherwise determined by the provisions of this Section.

Article 1228. The author of the results of intellectual activity

1. The author of the results of intellectual activity is someone whose creative work has led to that result.

Those who have not made a personal creative contribution toward resulting intellectual activity, including those who have given only technical, consultative, organizational, or material support or other assistance or who have only helped with the formalization of the rights to that result or who have contributed toward the supervision of the work, or furthered the monitoring of that work, are not authors.

2. The right to authorship belongs to those who engage in intellectual activity and in cases provided for in this Code, they have the right to be named and other personal non-proprietary rights.

The right of authorship, the right to being named, and other personal non-proprietary rights of the author are inalienable and not capable of being transferred. The renunciation of these rights is invalid.

Authorship and the name of the author are protected in perpetuity. After the death of an author the defense of his authorship and name may be exercised by any concerned person, except for the cases provided for in Article 1267(2) and Article 1316(2) in this Code.

3. The exclusive right to a result of intellectual activity made through creative work belongs initially to the author. This right may be contractually transferred by the author and it may also be alienated to other persons on other grounds provided by law.

4. The rights to the result of intellectual activity created through the joint creative labor of two or more persons (co-authorship) belong to those co-authors jointly.

Article 1229. Exclusive Rights

1. The person or legal entity with the exclusive right to the result of intellectual activity or means of individualization (right owner) may use that result or those means at his discretion in any manner not inconsistent with law. The right owner may dispose of his exclusive right to a result of intellectual activity or means of individualization (Article 1233), unless it is otherwise provided by this Code.

At his discretion, the right owner may permit or prohibit other persons to use his result of intellectual activity or means of individualization. The absence of a prohibition is not considered consent (permission).

Other persons may not make use of that corresponding result of intellectual activity or means of individualization without the consent of the right owner, with the exception of cases provided in this Code. The use of a result of intellectual activity or means of individualization (including usage in ways provided by this Code), if such use is carried out without the agreement of the right owner, is illegal and will entail liability as established in this Code and other laws, except for cases where the use of the result of intellectual activity or means of individualization by persons other than the right owner and without his consent is permitted by this Code.

2. The exclusive right to a result of intellectual activity or a means of individualization (except with regard to the exclusive right to a firm name) may belong to a single person or to several persons jointly.

3. In the case, where an exclusive right to a result of intellectual activity or a means of individualization belongs to several persons jointly, each of the right owners may use that result or means at their own discretion, unless this Code or the right owners' agreement provides otherwise. The relations between the persons holding an exclusive right jointly are determined in their mutual agreements.

The realization of exclusive rights to the results of intellectual

activity or the means of individualization is to be made by the right owners jointly, unless this Code or the agreement between those right owners provides otherwise.

Income from the joint use of a result of intellectual activity or a means of individualization or from the joint disposition of the joint disposition of the exclusive right to such result or to such means will be shared equally between right owners, unless an agreement made between them provides otherwise.

Each right owner has the right of self-defense through measures to protect their rights to the results of intellectual activity or means of individualization.

4. In the cases provided under Article 1454(3), Article 1466(2), and Article 1518(2) of this Code, independent exclusive rights to one and the same result of intellectual activity or means of individualization may be simultaneously held by different persons.

5. Restrictions upon exclusive rights to the results of intellectual activity and means of individualization including the case where the use of intellectual activity is permitted without the consent of the right owners but retaining their right for remuneration is provided under this Code.

These restrictions upon exclusive rights to works of science, literature, and the arts, objects of neighboring rights, inventions, designs, trademarks are to be made in conformity with the terms addressed in the third, fourth, and fifth Sub-Paragraphs of this Paragraph.

These restrictions on exclusive rights in works of science, literature, and the arts, objects of neighboring rights, are established in certain particular cases, providing that these restrictions do not unreasonably prejudice the normal exploitation of these works or objects and do not unreasonably prejudice the legitimate interests of right owners.

In some specific cases, these restrictions upon exclusive rights to inventions or industrial designs are established, with the provision that such restrictions do not unreasonably conflict with the normal exploitation of inventions or industrial designs, account is taken of the legitimate interests of third parties that does not unreasonably prejudice the legitimate interests of right owners. Restrictions are made on the exclusive rights to trademarks in some specific cases, only if such restrictions take into account the

legitimate interests of right owners and third parties.

Article 1230. The term of effectiveness of exclusive rights

1. Exclusive rights to the results of intellectual activity and to the means of individualization are valid for a set term, except for cases providing otherwise in this Code.

2. The duration of the effective term of an exclusive right to the result of intellectual activity or to the means of individualization, the procedure for that term's calculation, and the grounds and procedure for extending the term, as well as the grounds and procedure for terminating an exclusive right before the expiration of that term are provided in the present Code.

Article 1231. The effectiveness of exclusive and other intellectual rights in the territory of the Russian Federation

1. Exclusive rights to the results of intellectual activity and to the means of individualization established by international treaties of the Russian Federation and by this Code are effective in the territory of the Russian Federation.

Personal non-property rights and other intellectual rights that are not exclusive are valid in the territory of the Russian Federation in accordance with the fourth Sub-Paragraph of Article 2(1) of this Code.

2. In recognizing an exclusive right to a result of intellectual activity or to a means of individualization in accordance with an international treaty of the Russian Federation, the content of that right, its effectiveness, restrictions, and the procedure for its realization and protection is determined by this Code regardless of the provisions of the legislation of the country of origin of the exclusive right, unless such international treaty or this Code provide otherwise.

Article 1231-1. Objects that include official symbols, official names, and official distinctive marks

1. Legal protection is not afforded to objects as an industrial designs or means of individualization which include copies of or imitate official symbols, official names, and official distinctive marks, including:

1) state symbols and signs (flags, State emblems, State decorations,

banknotes, and the like);

2) abbreviated or full names of international and intergovernmental organizations, their flags, State emblems, symbols, and other signs;
3) official counter marks, seals of guarantee, hallmarks, seals, decorations and other insignias.

2. The official symbols, names, and distinctive marks or their recognizable parts or copies stated in Paragraph 1 of this Article may be included in an industrial design or means of individualization as an unprotected element if there is consent from a competent State body or authority, an international organization, or an intergovernmental organization.

Article 1232. State registration of the results of intellectual activity and means of individualization

1. In cases provided by this Code, the exclusive right to the result of intellectual activity or means of individualization is recognized and protected, subject to their state registration of such result or means.

The right owner must notify the federal executive authority on intellectual property and the federal executive authority on selection achievements (Article 1246) of any changes related to the state registration of the result of intellectual activity or means of individualization information about the right owner: the legal name or name, the location or place of residence, and the address for the receipt of correspondence. All risks of adverse consequences should such notice of changes not be made or unreliable data presented, lie with the right owner.

The federal executive authority on intellectual property and the federal executive authority on selection achievements may make changes to the data regarding the registration of the results of intellectual activity or the means of individualization, for the correction of obvious and technical errors on their own initiative or on the request of any person, and with prior notice to right owner.

2. In cases when the result of an intellectual activity or means of individualization is subject to state registration under this Code, the alienation of the exclusive right to such result or means under a contract, the pledge of the right and the granting of a right to use the result or means under a contract, as well as the transfer of

the exclusive right to that result or means without a contract, are also subject to state registration, the procedure and terms for which are established by the Government of the Russian Federation.

3. State registration of alienation of an exclusive right to a result of intellectual activity or to a means of individualization under the contract, state registration of the pledge of that right, as well as state registration of the grant of the right to use that result or such means will be carried out upon a petition of the parties to that contract.

The petition may be filed by the parties to the contract or just one of the parties to the contract. In the case of the petition of just one of the parties to that contract the petition shall be accompanied, at the option of the petitioner, by one of the following documents:

a notice with the signatures of all of the parties acknowledging the transfer;

an excerpt of that contract that carries a notary's certification; the contract itself.

In the petition of the parties to the contract or in the document attached to the petition of one of those parties, it must be stated: the type of contract;

information about the parties;

the subject of the contract with the number of document certifying the exclusive right to a result of intellectual activity or to a means of individualization.

In connection with the state registration of the rights to use the results of intellectual activity or the means of individualization together with the information specified in the seventh to ninth Sub-Paragraphs of this Paragraph, in the petition of the parties of the contract or in the document attached to a petition filed by just one of the parties, there must be stated:

the term of the contract, if there is such a term defined by the contract;

the applicable territory regarding the right to use the result of intellectual activity or means of individualization, if there is such a territory defined by the contract;

the usage authorized by the contract to the results of intellectual activity or goods or services with regard to which the right is provided for using the means of individualization;

the fact of consent to sub-licensing of the right to use the result

of intellectual activity or means of individualization, if such consent has been given (Article 1238(1));
the possibility of the contract being unilaterally dissolved.
In the case of the state registration of a pledge of an exclusive right, along with the information specified in the seventh to ninth Sub-Paragraphs of this Paragraph, the petition of the parties to the contract or the document attached to the petition filed by just one of the parties must state:
the term of effectiveness of the pledge;
the limitations upon the pledger's right to use the result of intellectual activity or means of individualization or to dispose of the exclusive right to such a result or such means.

4. Under Article 1239 of this Code, a relevant decision of a court will also be grounds for the state registration of a grant of the right to use the result of intellectual activity.

5. The basis for the state registration of a transfer of an exclusive right to a result of intellectual activity or a means of individualization by inheritance is a certificate of the right to inherit, except for the case addressed in Article 1165 of this Code.

6. In case of failure to comply with the requirement of state registration of the transfer of the exclusive right to the result of intellectual activity or to the means of individualization under the contract on the alienation of an exclusive right or without the contract, the pledge of the exclusive right or the granting to another person of the right to use such a result or such means under the contract, the transfer of the exclusive right, its pledge or the granting of the right to use is considered to have failed.

7. In cases provided for by this Code, the state registration of the result of intellectual activity will be made at the option of the right owner. In such cases, the provisions of Paragraphs 2-6 of this Article apply to the registered result of intellectual activity and to the rights to such result, unless it is otherwise provided for by this Code.

Article 1233. The disposition of an exclusive right

1. A right owner may dispose of his exclusive right to a result of intellectual activity or the means of individualization in any

manner not contrary to law and the essence of such exclusive right, including by its alienation under a contract to another person (contract for the alienation of an exclusive right) or providing to another person the right to use the respective result of intellectual activity or means of individualization within the limit of a contract (licensing contract).

The conclusion of a licensing contract will not cause the assignment of the exclusive right to the licensee.

2. Contracts for disposition of an exclusive right to the result of intellectual activity or means of individualization, including contracts to alienate an exclusive right and license (sub-license) contracts are subject to the general provisions on obligations (Articles 307-419) and on contracts (Articles 420-453) unless it is otherwise established by the provisions of this Section or ensuing from the content or nature of the exclusive right.

3. A contract that does not clearly indicated that the transfer of an exclusive right to a result of intellectual activity or means of individualization is made in its entirety is considered a licensing contract, except when a contract is concluded with respect to the right to use a result of intellectual activity especially created or to be created for inclusion in a complex object (the second Sub-Paragraph of Article 1240(1)).

4. Any terms and conditions in a contract for the alienation of an exclusive right or of a licensing contract introducing limitations upon the right of a person to create results of intellectual activity of a defined type or in a defined area of intellectual activity or to alienate the exclusive rights to such results to other persons shall be invalid.

5. A right owner may give notice i.e., by publicizing an opportunity to apply to use free-of-charge a work of science, literature, or arts or the object of neighboring rights possessed by him under conditions defined by the right owner and within the term of effectiveness of the contract. Within this term any person may use this work or the object of neighboring rights under the conditions set by the right owner.

Notice of such an application will be made by way of posting it on the official Internet site of a federal executive authority. The

federal executive authority responsible for manner of posting such, as well as the procedure for and terms of their posting, are determined by the Government of the Russian Federation.

The application must contain information identifying the right owner and the work or object of neighboring rights possessed by him.

If the right owner's notice does not specify a term, it will be for five years.

If the right owner's notice does not specify the territory, it is considered to be that of the Russian Federation.

During the term of effectiveness of the announcement, it may not be withdrawn and the conditions provided for its use may not be restricted.

The right owner has no right to take these actions when there is a valid licensing contract under which an exclusive license to use a work or object of neighboring rights is granted under the same conditions. If the right owner takes the cited actions with a valid licensing contract that provides compensation for the non-exclusive license, use a work or object of allied rights is granted within the same limits, the operation of such contract is terminated. The right owner that has made a relevant application in the existence of a valid licensing contract must compensate for the damages caused to the licensee.

The author or any other right owner, if the exclusive right to a work or object of neighboring rights has been infringed by improper placement of the application made in accordance with this Paragraph, is entitled to require the application of protective measures against the infringer of the exclusive right in accordance with Article 1252 of this Code.

The provisions of this Paragraph do not apply to open licenses (Article 1286-1).

Article 1234. A contract for the alienation of an exclusive right

1. Under a contract for the alienation of an exclusive right, a party (the right owner) transfers or undertakes a commitment to transfer the exclusive right belonging to him to a result of intellectual activity or means of individualization in full to another party (the purchaser).

2. A contract for the alienation of an exclusive right must be concluded in written form. Non-observance of this writing requirement will render the contract void.

The transfer of an exclusive right is subject to state registration under the procedure provided for by Article 1232 of this Code.

3. Under a contract for the alienation of an exclusive right, the recipient will have the duty to pay to the right owner the remuneration provided under that contract, unless the contract provides otherwise.

In the absence, in an onerous contract for the alienation of an exclusive right, of a condition on an amount of remuneration or a procedure for its determination, the contract will be considered incomplete. In such a case, the provisions for the determination of a price provided in Article 424(3) of this Code do not apply.

The payment of remuneration under a contract of alienation of an exclusive right may be provided in the form of fixed one-time or periodical payments, a percentage of the income (revenue) or in a different form.

3-1. It is not allowed to alienate gratuitously an exclusive right in transactions between profit-making organizations, unless otherwise provided for by this Code.

4. The exclusive right to the result of intellectual activity or means of individualization shall be transferred from the right owner to the recipient at the time when a contract of alienation of the exclusive right is made, if not otherwise provided for by the parties' agreement. If the transfer of an exclusive right under a contract of alienation of the exclusive right is subject to the state registration (Article 1232(2)), the exclusive right to such result or means shall be transferred from the right owner to the recipient at the time of state registration.

5. In the case of a substantial breach by the recipient of the obligation to pay a right owner, within the time established by a contract for the alienation of an exclusive right, his remuneration for granting that exclusive right to the result of intellectual activity or means of individualization (Sub-Paragraph 1 of Article 450(2)), the former right owner shall have the right to demand by judicial process the transfer back to himself of the rights of the recipient to that exclusive right and the claim for damages, if that exclusive right has passed to that recipient.

If the exclusive right has not been transferred to the recipient,

then, if he has failed to execute his duty to pay the remuneration for his acquisition of the exclusive right within the term set by the contract, the right owner may waive the contract unilaterally and seek to receive damages owing to the rescission of the contract. The contract shall be terminated upon the expiry of 30-day term as from the time of receiving by the recipient a notice of the contract's renunciation, if within this time the recipient has not discharged his duty to pay the remuneration.

Article 1235. A Licensing contract

1. In a licensing contract, one party, the owner of an exclusive right to a result of intellectual activity or to a means of individualization (the licensor), grants or undertakes a commitment to grant to the other party (the licensee) the right to use such result or means within the conditions provided for in that licensing contract.

The licensee will use the result of intellectual activity or means of individualization only within the limits provided for by the licensing contract. The right to use a result of intellectual activity or means of individualization not indicated expressly in the licensing contract will not be considered as having being granted to the licensee.

2. A licensing contract shall be made in writing, if not otherwise established by this Code. The failure to observe a written format shall result in a licensing contract becoming void.

Granting the right to use the result of an intellectual activity or means of individualization under a licensing contract is subject to state registration in the circumstances and under the procedure which is provided for by Article 1232 of this Code.

3. A licensing contract will contain the indication of the territory within which the use of the result of intellectual activity or means of individualization is permitted. If the territory within which use of such result or such means is permitted is not indicated in the contract, the licensee shall have the right to exercise its use throughout the territory of the Russian Federation.

4. The duration of a licensing contract shall not exceed the term of effectiveness of the exclusive right to the result of intellectual activity or the means of individualization.

When the duration of the licensing contract is not stated, the contract shall be presumed to be for a five year term, unless otherwise provided by this Code.

In case of the termination of the exclusive right, a licensing contract is considered terminated.

5. Under a licensing contract the licensee undertakes to pay the licensor the remuneration provided for in the contract unless that contract provides otherwise.

In the absence, in an onerous licensing contract, of a condition on an amount of remuneration or a procedure for its determination, the licensing contract will be considered incomplete. In such a case, the provisions for the determination of a price provided by Article 424(3) of this Code do not apply.

The payment of remuneration under a licensing contract may be provided in the form of fixed one-time or periodic payments, a percentage of the income (proceeds), or in some other manner.

5-1. It is prohibited to transfer gratuitously the right to use the result of an intellectual activity or means of individualization in transactions between profit-making organizations in the territory of the whole world and within the entire term of effectiveness while an exclusive right is effective under the terms of the exclusive license, if not otherwise established by this Code.

6. A licensing contract should include:

1) the subject matter of the contract, by referring to the result of the intellectual activity or means of individualization which may be used under the contract, and in appropriate cases, the number of a document certifying the exclusive right to the result or means (a patent or certificate);

2) the manner in which the result of the intellectual activity or means of individualization is going to be used.

7. The transfer of the exclusive right to a result of intellectual activity or means of individualization to a new right owner shall not be the ground for a change in or dissolution of a licensing contract concluded by the previous right owner.

Article 1236. Types of licensing contracts

1. A licensing contract may provide for:

1) grant to the licensee of the right to use a result of intellectual activity or means of individualization with retention by the licensor of the right to grant licenses to other persons (simple (non-exclusive) license);

2) grant to the licensee of the right to use a result of intellectual activity or means of individualization without retention by the licensor of the right to grant licenses to other persons (exclusive license).

1-1. The licensor, himself, is not entitled to use the results of intellectual activity or means of individualization within the limits under which the right to use such result or means is granted to the licensee by a contract for an exclusive license, unless otherwise provided for by this contract.

2. Unless otherwise provided by the licensing contract, a license shall be presumed to be a simple (non-exclusive) license.

3. In a licensing contract, with respect to the different ways of using a result of intellectual activity or means of individualization, the conditions provided for in Paragraph 1 of this Article for licensing contracts of different types may be contained.

Article 1237. The performance of licensing contracts

1. The licensee is bound to report to the licensor on the use of the result of the intellectual activity or means of individualization, unless it is otherwise provided in either the licensing contract or in this Code. When that licensing contract provides for submission of reports on the use of the result of intellectual activity or means of individualization but there are no provisions stating a time of and procedure for their submission, the licensee should deliver them to the licensor on demand.

2. During the term of effectiveness of a licensing contract, the licensor should refrain from any actions that might impede the realization by the licensee of his right to use the result of intellectual activity or means of individualization during the time provided in that contract.

3. The use of a result of intellectual activity or means of individualization in a manner not provided for by a licensing

contract, or after the expiration of the duration of the licensing contract, or otherwise beyond the the rights granted to the licensee under the contract will entail the liability for infringement of the exclusive right to the result of intellectual activity or means of individualization set forth in this Code, other laws, or the contract.

4. If the licensee fails to fulfill his duty to pay the licensor the remuneration for receiving the right to use the result of an intellectual activity or means of individualization, the licensor may unilaterally withdraw from the licensing contract and claim compensation for the losses caused by the rescission of that contract. The contract will terminate 30-days after the time of receipt of the notice of the contract's renunciation, if within this time the licensee has not discharged his obligation to pay the remuneration.

Article 1238. A sub-licensing contract

1. Having the written consent of the licensor, a licensee shall be able to grant, by contract, the right to use a result of intellectual activity or a means of individualization to another person (sub-licensing contract).

2. In a sub-licensing contract, the sub-licensee shall be granted the right to use a result of intellectual activity or means of individualization only within the limits of those rights and those uses which are provided for by the original licensing contract for the licensee.

3. A sub-licensing contract concluded for a time exceeding the term of effectiveness of the original licensing contract shall be considered as having been concluded for the term of effectiveness of the licensing contract.

4. A licensee will be accountable to the licensor for the actions of the sub-licensee unless the licensing contract provides otherwise.

5. The provisions of this Code on licensing contracts apply to sub-licensing contracts.

Article 1239. Compulsory licenses

In cases provided for by this Code, a court may, at the demand of an interested person, decide to award to this person, on grounds given in the judicial decision, rights to use a result of intellectual activity, the exclusive right to which belongs to another person (a compulsory license).

Article 1240. Using the result of intellectual activity as a part of a complex object

1. A person who has organized the creation of a complex object containing several protected results of intellectual activity (cinematographic work, other audio-visual work, theatrical-audience presentation, a multi-media product, a database) shall obtain the right to use these results under the contracts for the alienation of the exclusive right or licensing contracts concluded by such person with the owners of exclusive rights to the respective results of intellectual activity.

In the case, when the person who has organized the creation of a complex object obtains the right to use a result of intellectual activity that is especially created or to be created for inclusion in such a complex object, the corresponding contract shall be considered to be a contract for the alienation of the exclusive right unless otherwise provided by agreement of the parties.

A licensing contract, providing for the use of a result of intellectual activity in the composition of a complex object shall be made for the whole time period and with respect to the whole territory of the effectiveness of the respective exclusive right, unless otherwise provided for by the contract.

2. The conditions of a licensing contract restricting the use of a result of intellectual activity in the composition of a complex object are invalid.

3. In the use of the result of intellectual activity in the composition of a complex object, the author of such a result will retain the right of attribution and other personal non-proprietary rights to that result.

4. In the use of the result of intellectual activity in the composition of a complex object, the person who has organized the creation of this object shall have the right to indicate his name or

legal denomination or to require such an indication.

5. The provisions of this Article apply to the right to use the results of intellectual activity in an unified technology system created at the expense of the Federal budget totally or partially, to the extent not otherwise provided for by the provisions of Chapter 77 of this Code.

Article 1241. The transfer of exclusive rights to others without using a contract

The transfer of an exclusive right to a result of intellectual activity or a means of individualization to another person without concluding a contract with the right owner shall be allowed in cases and on grounds established by law, including by virtue of universal legal succession (inheritance, reorganization of a legal entity) and in the levying of execution on the property of a right owner.

Article 1242. Organizations for the collective management of copyright and neighboring rights

1. Authors, performers, producers of phonograms, and other owners of copyright and neighboring rights, in cases when the exercise of their rights individually is difficult or when this Code allows the use of objects of copyright and neighboring rights without the consent of those owners of those respective rights, but with the payment of remuneration to them, may establish non-commercial partnership organizations for the collective management of rights in accordance with terms of reference defined by the right owners (organization for the collective management of rights).

The establishment of such organizations will not impede the realization of the representation of the owners of copyright and neighboring rights by other legal and physical persons.

2. Organizations for the collective management of rights may be established to manage the rights relating to one or several types of objects of copyright and neighboring rights, as well as for the management of one or more types of such rights with respect to particular ways of use of the respective objects or for management of any copyright and/or neighboring rights.

3. The basis for the powers of an organization for the collective management of rights will be a contract for the transfer of powers

for management of rights concluded by the organization with the right owner in writing except the case provided for by the first Sub-Paragraph of Article 1244(3) of this Code.

This contract may be concluded with the right owner members of such an organization as well as with right owners who are not members. In doing so, the organization for the collective management of rights shall undertake the commitment to manage these rights if the management of such category of rights relates to the charter activity of this organization. Under the authority of an organization for the collective management of rights there may also be a contract with another organization, including a foreign organization for the collective management of rights.

The contracts described in the first and second Sub-Paragraphs of this Paragraph are subject to the general provisions on obligations (Articles 307-419) and on contracts (Articles 420-453), in as much as otherwise follows from the content or nature of the rights put under management. The provisions of this Section on contracts for the alienation of exclusive rights and on licensing contracts do not apply to these contracts.

4. Organizations for the collective management of rights do not have the right to use of objects of copyright and neighboring rights, the exclusive rights which have been transferred to them for management.

5. Organizations for the collective management of rights shall have the right, in the name of the right owners or in their own name, to file legal claims in court and to take other actions necessary for the protection of the legal rights transferred to them for collective management.

An accredited organization (Article 1244) shall also have the right, in the name of an indefinite number of right owners, to submit court claims necessary for the protection of the rights managed by such an organization.

6. The legal status of organizations for the collective management of rights, the functions of those organizations, as well as the rights and obligations of their members are established by this Code, the laws on non-commercial organizations, and the charters of each individual organization.

Article 1243. The performance of contracts with right owners by organizations for the collective management of rights

1. An organization for the collective management of rights will make licensing contracts with users on granting them the rights transferred for their management of right owners including the manner of using objects of copyright and neighboring rights, on the basis of an ordinary (non-exclusive) license and collect fees from the users for their use of these objects. In cases when objects of copyright and neighboring rights, under this Code, may be used without the right owner's consent but with a fee paid to them, the organization for the collective management of rights shall conclude contracts with users or with other persons, who are responsible under this Code with the duty of paying remuneration for those uses, the payment of fees, and the collection of funds for those purposes. An organization for the collective management of rights is not entitled to refuse to conclude a contract with a user or other persons who are responsible under this Code for paying remuneration without a sufficiently good reason.

2. If a licensing contract with a user is concluded directly by a right owner, an organization for the collective management of rights may collect fees for the use of objects of copyright and neighboring rights only if there this is an expressly provided in the licensing contract.

3. Users shall provide at the request of the organization for the collective management of rights reports on the use of objects of copyright and neighboring rights as well as other information and documents necessary for the collection and distribution of remuneration, that list and time frames for their submission should be defined by contract.

4. The collective rights management organization shall share the remuneration for the use of objects of copyright and neighboring rights among the right owners and also shall effect payment to them of that remuneration.

The collective rights management organization shall have the right to deduct, from the fees received, sums to cover the expenses for remuneration collection, distribution, and payment, as well as amounts to be contributed to special funds created by this organization with the consent and in the interests of the right

owners represented by it, in the amounts and under the procedures provided for in the organization's charter. The limit (maximum) of amounts that are deducted by the accredited organization (Article 1244) to cover necessary expenses for remuneration collection, distribution, and payment, as well as the amounts to be contributed to special funds, shall be determined by the Government of the Russian Federation.

The distribution of remuneration and the payment shall be made regularly within the time periods provided by the charter of the collective rights management organization and in proportion to the actual use of the respective objects of copyright and neighboring rights, established by information and documents submitted by users as well as from other data on the use of objects of copyright and neighboring rights including statistical information.

Along with the payment of remuneration, the collective rights management organization shall provide the right owner with a report with information on the use of his rights, including the amount of fees collected and on the operating costs that were deducted.

In order to provide the right owner with the information indicated in the fourth clause of this Paragraph using the Internet, the accredited organization (Article 1244) shall operate a "right owner's personal account" information system, and provide the right owner with authorized access to the said system.

5. The collective rights management organization shall maintain registers with information on right owners, on rights entrusted to their management, and also on the objects of copyright and neighboring rights. The information contained in such registers shall be provided to all interested persons under a procedure established by the organization, except where information by law shall not be disclosed without the consent of the right owner. The collective rights management organization shall place on a public information system, data on the rights transferred to it for management, the designation of the object of copyright and neighboring rights, and the name of the author or other right owner.

6. The failure of an organization for the collective management of rights to the pay-out fees collected for the right owner as a result of its violation of the procedures for rights management established by this Code shall invoke measures for the protection of an exclusive right under with Article 1252 of this Code.

Article 1244. State accreditation of organizations for the collective management of rights

1. An organization for the collective management of rights may obtain state accreditation for its activities in the following areas of collective management:

1) managing the exclusive rights to published musical works (with or without a text) and segments of dramatic-musical works in respect of the public performance, broadcast or cable transmission, including re-transmission (Sub-Paragraphs 6-8-1 of Article 1270(2));

2) exercising the rights of the authors of the musical works (with or without a text) used in an audio-visual work to receive a fee for the public performance or broadcast or cable transmission, including by way of retransmission, of such an audio-visual work (Article 1263(3));

3) management of the droit de suite with respect to works of fine arts and also of authors' manuscripts (autographs) of literary and musical works (Article 1293);

4) exercise of the rights of authors, performers, and producers of phonograms and audio-visual works to the remuneration for the reproduction of phonograms and audio-visual works for private use (Article 1245);

5) exercise of rights of performers to receive remuneration for public performance and also for broadcasting or cable transmission of phonograms published for commercial purposes (Article 1326);

6) exercise of the rights of producers of phonograms to receive remuneration for public performance and also for broadcasting or cable transmission of phonograms published for commercial purposes (Article 1326);

State accreditation shall be made on the basis of the principles of transparency of procedure with due account of the opinion of interested persons, including right owners, in accordance with the procedures determined by the Government of the Russian Federation.

2. State accreditation for the conduct of activity in each of the areas of collective management stated in Paragraph 1 of this Article may be obtained by only one organization for the collective management of rights.

An organization for the collective management of rights may have state accreditation for exercising the activity in one, two, or more of the areas of collective management stated in Paragraph 1 of this

Article.

None of the limitations provided for by anti-monopoly legislation shall apply to the activities of an accredited organization for the collective management of rights.

3. Organizations for the collective management of rights with state accreditation (an accredited organization) shall have the right along with the management of the rights of those right owners with whom it has concluded contracts following the procedure provided for by Article 1242(3) of this Code to exercise the management of those rights and the collection of remuneration for those right owners with whom it has not concluded contracts.

The existence of an accredited organization shall not impede the establishment of other organizations for the collective management of rights, including in areas of collective management indicated in Paragraph 1 of this Article. Such organizations shall have the right to conclude contracts with users only following the interests of right owners who empowered them to manage those rights in accordance with Article 1242(3) of this Code.

4. The right owner who has not concluded a contract with an accredited organization to authorize it to manage his rights (Paragraph 3 of this Article) will have the right at any time to totally or partially renounce the management of his rights by this organization. That right owner should notify the accredited organization of his decision in writing. When the right owner intends to renounce management by the accredited organization of only some of the copyright and neighboring rights and (or) objects of these rights, he should submit to the accredited organization a list of such excluded rights and (or) objects.

Upon the expiration of three months from the date of the receipt from the right owner of the respective notice, the accredited organization shall exclude the rights and (or) objects indicated by him from their contracts with all the users and place information about this on a generally-accessible information system. The accredited organization shall pay to the right owner the accrued remuneration collected from users in accordance with previous contracts and make a report in accordance with the fourth Sub-Paragraph of Article 1243(4) of this Code.

5. An accredited organization shall take reasonable and sufficient

measures to identify right owners possessing the right to remuneration in accordance with licensing contracts and agreements on remuneration concluded by that organization. Unless it is otherwise provided for by laws, the accredited organization shall not have the right to refuse membership in this organization of a right owner with the right to remuneration under licensing contracts and fee for service contracts concluded by that organization.

6 Accredited organizations shall conduct their activities under the supervision of the authorized federal executive authority that performs the functions of supervision and monitoring in the sphere of copyright and neighboring rights (the authorized federal executive authority).

Annual accounting (financial) statements of the accredited organization and annual accounting (financial) statements of special funds established by the accredited organization as legal entities shall be subject to mandatory audits, and shall be disclosed by means of publication on the official internet site of the accredited organization together with the audit report no later than 10 working days following the date of obtaining the audit report, but no later than December 31 of the year following the reporting year. The information on such publication, including the date of publication, shall be submitted by the accredited organization to the authorized federal executive authority within three working days of the day of publication.

The annual accounting (financial) statement and the audit report shall be available on the official Internet site of the accredited organization for five years from the date of publication.

Accredited organizations shall submit annual reports on their activities to the authorized federal executive authority in the format determined by the authorized federal executive authority.

Accredited organizations shall disclose information on their activities, including the methods they use for remuneration collection and distribution of the remuneration collected, as well as information on the activities of special funds that they have established as legal entities. The standard of information disclosure that stipulates the composition, procedures, and terms of information disclosure by accredited organizations shall be determined by the Government of the Russian Federation.

7. A model charter for accredited organization shall be approved in

accordance with the procedures established by the Government of the Russian Federation.

8. Any remuneration not claimed by the right holder within three years starting from January 1 of the year following the year when the remuneration was distributed by the accredited organization shall be included in the amounts to be distributed next time, provided that the accredited organization takes the measures stipulated in Paragraph 5 of this Article.

Article 1244-1. The Supervisory Board of the Accredited Organization

1. Within the accredited organization, a Supervisory Board that is a collegial management body of the accredited organization shall be established. This Supervisory Board shall supervise the activities of the executive bodies of the accredited organization and also deal with other issues that fall under its exclusive jurisdiction according to the model charter of the accredited organization, taking into account the provisions of Paragraph 3 of this Article and Article 65-3 of this Code.

2. The Supervisory Board of the accredited organization shall consist of right holders, cultural organizations, creative unions, users, representatives of the federal executive authority exercising normative and legal regulation in the sphere of copyright and neighboring rights, federal executive authorities entitled to supervise (monitor) compliance with the laws of the Russian Federation by accredited organizations, and persons exercising authority as the members of the collegial management bodies of the accredited organization. Furthermore, a person executing powers of the sole executive body of the accredited organization cannot be a member of the Supervisory Board, but shall participate in the Supervisory Board's meetings in an advisory capacity.

The number of Supervisory Board members shall not be less than 11. The procedure for forming the Supervisory Board shall be determined by the authorized federal executive authority.

3. The exclusive jurisdiction of the Supervisory Board of the accredited organization shall include:
supervision of the activities of the executive bodies of the organization;
supervision of the financial and economic activities of the

organization;
supervision of the expenditure of special funds;
other issues that fall under its exclusive jurisdiction according to the model charter of the accredited organization.
Handling of issues that fall under the exclusive jurisdiction of the Supervisory Board cannot be assigned to other bodies of the accredited organization.

4. The Supervisory Board of the accredited organization shall perform its activities on a voluntary basis.

Article 1245. Remuneration for the free reproduction and playback of phonograms and audio-visual works for personal purposes

1. Authors, performers, and manufacturers of phonograms and audio-visual works shall have the right to remuneration for the free reproduction of phonograms and audio-visual works that is exclusively for personal and private use. Such remuneration shall be of a compensatory character and will be paid to the right owners from fees collected from producers and importers of equipment and material carriers used for such reproduction and playback.
The list of equipment and material carriers, the applicable tariffs, and the procedure for the collection of fees shall be determined by the Government of the Russian Federation.

2. Collection of funds as payment of the remuneration for the free reproduction of phonograms and audio-visual works for personal and private use shall be administered by an accredited rights management organization (Article 1244).

3. The remuneration for the free reproduction of phonograms and audio-visual works for personal and private use shall be shared among right owners in the following proportions: forty percent to authors, thirty percent to performers, and thirty percent to manufacturers of phonograms or audio-visual works. The sharing of remuneration among specific authors, performers, and manufacturers of phonograms or audio-visual works shall be effected in proportion to the actual use of the respective phonograms or audio-visual works. The detailed procedure for this sharing of remuneration and for its payment to right owners shall be determined by the Government of the Russian Federation.

4. The fees for payment of remuneration for the free reproduction of phonograms and audio-visual works for private use shall not be collected from the manufacturers of that equipment and those material carriers produced for export as well as from manufacturers and importers of professional equipment not designed for home use.

Article 1246. State regulation of relations in the sphere of intellectual property

1. Where it is established under this Code, the enactment of normative legal acts for the regulation of relationships in the sphere of intellectual property that relate to objects of copyright and neighboring rights will be the task of the authorized federal executive authority exercising normative and legal regulation in the sphere of copyright and neighboring rights.

2. For the purpose of regulating relationships in the sphere of intellectual property that are connected to inventions, utility models, industrial designs, computer programs, databases, integrated circuit topography, trademarks and service marks, geographical indications, and appellation of origin of goods, the authorized federal executive authority exercising normative and legal regulation in the sphere of intellectual property shall determine the formats of documents (applications, appeals, objections, petitions, et cetera) that serve as the basis for taking the actions of legal significance provided in Paragraph 3 of this Article; and shall determine the rules for drafting and filing the above-mentioned documents, the rules and procedures for consideration, including the criteria for decision-making based on the reasoned consideration of the said documents, as well as promulgate other legal regulations in the cases provided for by this Code.

3. Legally significant actions in the process of the state registration of inventions, utility models, industrial designs, computer programs, databases, integrated circuit topographies, trademarks and service marks, and geographical indication and appellation of origin of goods, including the acceptance and substantive examination of applications, the issuance of patents and certificates proving the exclusive right of their right owners to those results of intellectual activity and means of individualization, and in the cases established by law, also other actions relating to the legal protection of the results of

intellectual activity and means of individualization, shall be made by the federal executive authority on intellectual property. In accordance with Articles 1401-1405 of this Code, the actions stated in this Paragraph may be also taken by other federal executive authorities authorized by the Government of the Russian Federation.

4. With respect to selection achievements, the functions specified in Paragraphs 2 and 3 of this Article, will be carried out by the authorized federal executive authority exercising normative and legal regulation in the sphere of agriculture and the federal executive authority on selection achievements, respectively.

5. The Government of the Russian Federation can establish the rates of, the procedure for, and the terms for paying out; remuneration for service inventions, service utility models, and service industrial designs. These rates, procedures, and terms shall apply when the employer and the employee have not made an agreement fixing the rates of, the terms for, and procedure for paying remuneration for service inventions, service utility models, and service industrial designs.

6. The Government of the Russian Federation can establish minimum rates; procedures for collecting, distributing, and paying-out remuneration for specific types of utility works, performances, and phonograms, if, in accordance with the law, the exploitation of such results of intellectual activity are used with the consent of their right owners and with the payment of remuneration.

The Government of the Russian Federation is entitled to establish the rates of remuneration, a procedure for collection, distribution and payment of fees for the use of works, performances and phonograms, if under the law, such results of intellectual activities are used without the consent of their right owners but with payment of remuneration.

Article 1247. Patent attorneys

1. Dealings with the federal executive authority on intellectual property shall be performed by the applicant, the right owner, another person, or through a patent attorney, registered in this federal authority or through another representative.

2. Persons permanently residing outside of the Russian Federation

and foreign legal persons shall exercise proceedings with the federal executive authority on intellectual property through patent attorneys, registered by this federal authority, unless otherwise provided for by an international treaty of the Russian Federation. If an applicant, a right owner, or another person undertakes proceedings with the federal executive authority on intellectual property on their own or through a representative not registered by the federal authority as a patent attorney, they shall upon the request of the this federal authority provide an address within the territory of the Russian Federation for correspondence. The remit of a patent attorney or other representative shall be confirmed with a power of attorney made by the applicant, right owner, or other person.

3. A citizen of the Russian Federation permanently residing within its territory may be registered as a patent attorney. Other requirements for a patent attorney, the procedure for his certification, and registration as well as his legal powers to prosecute proceedings on the legal protection of the results of intellectual activity and means of individualization shall be determined by law.

Article 1248. Disputes related to the protection of intellectual rights

1. Disputes related to the protection of infringed or contested intellectual rights shall be considered and resolved by the courts (Article 11(1)).

2. In the cases provided for by the present Code, the protection of intellectual property rights related to the filing and processing of applications for granting patents for inventions, utility models, industrial designs, selection achievements, trademarks, service marks, geographical indication and appellations of origin of goods, with state registration of these results of intellectual activity and means of individualization, with the issuance of relevant legal documents, and with challenging the provision of these results and means of legal protection or its termination, are performed in the administrative procedure (Article 11(2)) correspondingly by the federal executive authority on intellectual property and by the federal executive authority on selection achievements, and in cases provided for by Articles 1401-1405 of the present Code, by the

federal executive authority authorized by the Government of the Russian Federation (Article 1401(2)). The decisions of these authorities shall enter into force upon the date of their adoption. They may be contested in the courts following the procedures provided by law.

3. The procedures for the consideration and resolution of disputes, set forth in Paragraph 2 of this Article by the federal executive authority on intellectual property and the federal executive authority on selection achievements will be made by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property and by the federal executive authority exercising normative and legal regulation in the sphere of agriculture, respectively. The procedures for consideration and resolution of disputes connected with secret inventions as specified in Paragraph 2 of this Article shall be established by the authorized body (Article 1401(2)).

Article 1249. Patent and other fees

1. Patent and other fees will be collected for the exercise of legally-significant actions with respect to a patent for an invention, an utility model, an industrial design, or selection achievements, the state registration of computer programs, databases, topographies of integrated circuits, trademarks and service marks, the state registration and grant of the exclusive right to geographical indication or appellation of origin of goods and also the state registration of the transfer of exclusive rights to other persons, the state registration of the pledge of these rights and granting the right to use the results of an intellectual activity or means of individualization by contract.

2. The list of legally-significant actions as regards a computer program, databases, and the topographies of integrated circuits with regard to the payment of official fees, their amounts, procedure and time-frames for payment, as well as grounds to be relieved from payment of the official fees, the reduction of their amounts, the postponement of payment, or the return of fees will be set forth by the legislation of the Russian Federation on taxation and fees. The list of legally-significant actions other than those indicated in Sub-Paragraph 1 of this Paragraph are subject to the payment of patent and other fees with their amounts, the procedure and time-

frames for payment, the grounds under which the payment of those fees is not required, when there may be any reductions in the amount of those fees, the postponement of payment or refund of fees being set by the Government of the Russian Federation.

Article 1250. The protection of intellectual property rights

1. Intellectual rights shall be protected by the remedies envisaged by this Code, with account taken of the essence of the right infringed and of the consequences of the infringement of that right.

2. The method of intellectual right protection set out in this Code will be available upon the request of right owners, organizations managing rights on a collective basis, and also other persons where stipulated by law.

3. The measures of responsibility for breaching intellectual rights provided for by this Code are applicable where it is the infringer's fault, if not otherwise established by this Code.

The absence of guilt shall be proved by the person who is alleged to have infringed upon the intellectual rights of another.

If not otherwise established by this Code, the measures of responsibility for infringement upon intellectual rights by an infringer in the exercise of business activities by him, are provided for by Sub-Paragraph 3 of of Article 1252(1) and Article 1252(3) of this Code, are subject to application irrespective of the infringer's fault, if such person does not prove that the infringement of intellectual rights is the result of an act of God, that is, the consequence of extraordinary circumstances that could not be prevented under the given circumstances.

4. The person against which the measures of protection of intellectual rights provided for by Sub-Paragraphs 3 and 4 of Article 1252(1) and Article 1252(3) of this Code have been taken, in the absence of his guilt, is entitled to make a claim for compensation of the damages suffered, including the amounts paid to third persons.

5. The absence of the infringer's guilt does not relieve him of the obligation to terminate infringement of intellectual rights, as well as will not exclude the taking with respect to the infringer such measures as publication of the court decision on the infringement made (Sub-Paragraph 5 of Article 1252(1)), suppression of the

actions infringing the exclusive rights to the result of an intellectual activity or means of individualization or posing the threat of infringement upon such rights (Sub-Paragraph 2 of Article 1252(1)), confiscation and destruction of counterfeit material media (Sub-Paragraph 4 of Article 1252(1)). These actions will be taken at the infringer's expense.

Article 1251. The enforcement of personal non-proprietary rights

1. In case of the infringement of personal non-proprietary rights of an author, their enforcement shall be exercised, in particular, by the recognition of a right, restoration of the situation existing before the infringement of that right, prevention of the activities infringing the right or creation of a threat of its infringement, remuneration for moral damages, publication of the court decision reached on the infringement committed.

2. The provisions of Paragraph 1 of this Article also apply to protect the rights established under Article 1240(4), Article 1260(7), Article 1263(4), Article 1295(4), Article 1323(1), Article 1333(2), and Sub-Paragraph 2 of Article 1338(1) of this Code.

3. The protection of the honor, dignity, and business reputation of authors will be practiced in accordance with the provisions of Article 152 of this Code.

Article 1252. The enforcement of exclusive rights

1. The intellectual rights to the results of intellectual activity and the means of individualization shall be enforced by following the procedure provided by this Code and requiring the following:

- 1) the recognition of a right - against any person that denies or otherwise does not recognize that right and by doing so violates the interests of a right owner;
- 2) the cessation of activities that infringe that right or create the threat of infringement: against persons committing such activities or making preparations for such activities, as well as against other persons who could prevent such activities;
- 3) the compensation for damages: from persons that have illegally used the results of intellectual activity or means of individualization without having concluded an agreement with the right owner (use without a contract) or who otherwise has infringed the right owner's exclusive rights and caused damages, including

having violated the right to receive the remuneration that is provided for in Article 1245, Article 1263(3), and Article 1326 of this Code;

4) the seizure of a material media as is considered in Paragraph 4 of this Article - against such manufacturer, importer, keeper, carrier, seller, other distributor, or non-bona fide recipient;

5) the publication of a court decision on the infringement committed with reference to the actual right owner - against the infringer of an exclusive right.

2. By way of securing a claim in a case of infringement of an exclusive right, the security measures adequate to the extent and nature of an offence established by the procedural legislation may be taken, including the arrest of the material media, equipment and materials, prohibition to make the appropriate actions in information-telecommunication networks, if in respect of such material media, equipment and materials or in respect of such actions an allegation has been made of the infringement of exclusive rights to the result of an intellectual activity or means of individualization.

3. In cases provided for by this Code for certain types of results of intellectual activity or means of individualization, when an infringement of an exclusive right is being made the right owner shall have the right, instead of claiming damages, to demand from the infringer the payment of compensation for the infringement of that right. The compensation shall be subject to recovery upon proof of the fact of infringement of that right. In such a case the right owner applying for enforcement of a right, shall not bear the burden to proof the amount of damages inflicted.

This compensation shall be awarded by a court within the limits established by this Code depending on the nature of the infringement and other circumstances in the case with account being taken of the principles of fairness and justice.

When a single action violates the rights to several results of intellectual activity or means of individualization, the amount of compensation to be awarded shall be determined by a court for each wrongfully-used result of intellectual activity or means of individualization. When the rights to the results of intellectual activity or means of individualization are held by a single rights-owner, the total amount compensation for the infringement of his

rights should take into account the nature and consequences of the infringement and may be reduced by court below the limits established by this Code but may not be less than 50 per cent of the sum of minimum amounts of all compensations for the committed infringements.

4. In case when the production, distribution, or other usage, as well as the import, transport, or storage of material carriers embodying the result of intellectual activity or means of individualization lead to infringement of the exclusive right to such a result or to such a means, such material carriers shall be considered counterfeit and upon a court's decision may be removed from circulation and destroyed without any compensation whatsoever unless other consequences are established by this Code.

5. Equipment or other resources and materials, mainly used or aimed for the infringement of exclusive rights to the results of intellectual activity and means of individualization, upon a court's decision shall be removed from circulation and destroyed at the expense of the infringer, unless the legislation provides for their becoming revenue for the Russian Federation.

5-1. If the right owner and the infringer of the exclusive right are legal entities and (or) individual proprietors, and the dispute is referred to an arbitral tribunal, the right owner must lodge their claim prior to filing a suit for damages or compensation. A suit for damages or payment of compensation may be filed in case of a complete or partial refusal to settle the claim, or in case of failure to respond to the claim within thirty days from the date of lodging the claim, unless otherwise stipulated in the contract. The right holder does not need to lodge a claim prior to putting forward his demand, as specified in sub-Paragraphs 1, 2, 4 and 5 of Paragraph 1 and in Paragraph 5 of the present Article.

6. If different means of individualization (a firm name, trademark, service mark, or commercial designation) turn out to be identical or similar to the point of confusion, and as a result of this identity or similarity consumers and/or parties under a contract may be misled, then preference shall be given to the means of individualization in respect to which the exclusive right came into being earlier or, in the event of establishing a convention or

exhibition priority, the individualization means with the earlier priority.

If a means of individualization and industrial design turn out to be identical or similar to the point of confusion, and as a result of this identity or similarity consumers and/or parties under a contract may be misled, then preference shall be given to the means of individualization or industrial design in respect of which the exclusive right came into being earlier or, in the event of establishing the convention, exhibition, or other priority, the individualization means or industrial design with the earlier priority.

The owner of such exclusive right in the procedure established by this Code may seek to have declared invalid the legal protection for a trade mark or service mark, for declaring invalid the patent on an industrial design, or the full or partial ban on the use of the firm name or commercial designation.

For the purposes of this Paragraph a partial ban shall mean the following:

with respect to a firm name - a ban on its use in certain types of activity;

with respect to a commercial designation - a ban on its use within a certain territory and/or in specific types of activity.

6-1. When a common violation of an exclusive right to the result of an intellectual activity or means of individualization occurs through the joint actions of several persons, such persons shall be held jointly liable with respect to the right owner.

7. In cases when the infringement of an exclusive right to a result of intellectual activity or means of individualization has been recognized under established procedures as an act of unfair competition, the enforcement of that infringed exclusive right may be exercised both in the manner provided by this Code and in accordance with anti-monopoly legislation.

Article 1253. The liquidation of a legal entity and termination of the activities of an individual businessman in connection with the violation of exclusive rights

If a legal person several times or grossly infringes exclusive rights to the results of intellectual activity and means of individualization, a court in accordance with Article 61(2) of this

Code may order the liquidation of that legal entity upon the motion of a prosecutor. When such infringements are committed by a person in the exercise by him/her of their activities as an individual proprietor, those activities as an individual entrepreneur may be halted by a court decision or other judgment under the procedures established by law, if he/she is guilty of the violation of exclusive rights.

Article 1253-1. The qualities and responsibilities of an information intermediary

1. Persons who perform the transfer of material through information and telecommunications networks, including the network "Internet," persons providing the opportunity of placing such material or information necessary to retrieve it using such information and telecommunications networks, persons providing access to the material in these networks - information intermediaries - are responsible for the violation of intellectual property rights in information and telecommunications networks on the grounds stipulated in this Code, if found guilty with the violations set forth in Paragraphs 2 and 3 of this Article.

2. An information intermediary who transmits material via information and telecommunication networks, is not responsible for any violation of intellectual rights, which occur as a result of the transfer, when:

- 1) he is not the initiator of the transmission and does not decide the recipient of this material;
- 2) he did not alter the material with regard to the provision of telecommunication services, except for changes made to effect the process of transmitting the material;
- 3) he did not know and should not have known that the use of the relevant result of intellectual activity or means of individualization of the person initiating the transmission of the material containing those corresponding results of intellectual activity or means of individualization was illegal.

3. An information intermediary who provides the opportunity to place material in information and telecommunication networks, is not responsible for any violation of intellectual rights, which occur as a result of a third party's placement of that material in an information and telecommunications network or upon their order, with

respect to the information broker in the following circumstances:

- 1) he did not know and should not have known that the use of the respective result of intellectual activity or means of individualization contained in this material was illegal;
- 2) in the event of a written application by the owner claiming the violation of intellectual rights with an indication of the site and (or) network address in the network "Internet" on which such material was posted, he promptly took the necessary and sufficient measures to halt the violation of intellectual rights. A listing of the necessary and sufficient measures and procedures for their effectuation will be established by law.

4. An information intermediary who, in accordance with this Article, is not liable for intellectual property infringement, can be presented with claims for the protection of intellectual rights (Article 1250(1), Article 1251(1), Article 1252(1) of this Code) not related to the application of civil liability measures, including the removal of information violating exclusive rights, or restrictions to its access.

5. The provisions of this Article apply to persons who provide access to the material or information and the means necessary to retrieve it using information and telecommunications networks.

Article 1254. The protection of a licensee's rights

If infringement by third parties of an exclusive right to results of intellectual activity or means of individualization under exclusive licenses affects the rights of the licensee under a licensing contract, the licensee shall have (along with other remedies) the ability to protect his rights as is provided by Articles 1250 and 1252 of this Code.

Chapter 70. COPYRIGHT

Article 1255. Copyright

1. Intellectual rights in works of science, literature, and art are copyright rights.

2. The author of a work has the following rights:

- 1) the exclusive right to the work;
- 2) the right of authorship;
- 3) the right to be named as the author;
- 4) the right to the inviolability of the work;
- 5) the right to make the work public.

3. In the cases provided for by this Code, other rights belonging to the author in a work together with the rights in Paragraph 2 of this Article, include the right to demand remuneration for an employment work, the right of withdraw, an author's resale right, and a right of access to artistic works.

Article 1256. The effectiveness of exclusive rights in works of science, literature, and art in the Russian Federation

1. An exclusive right in works of science, literature, and art covers:

- 1) works made public within the territory of the Russian Federation or not made public but existing in objective form within the territory of the Russian Federation, and are recognized for authors (or their legal successors) regardless of their citizenship;
- 2) works made public outside the territory of the Russian Federation or not made public but existing in objective form outside the territory of the Russian Federation and are recognized as being owned by authors who are citizens of the Russian Federation (or their legal successors);
- 3) works made public outside the territory of the Russian Federation or not made public, but existing in objective form outside the territory of the Russian Federation and being recognized, in accordance with international treaties of the Russian Federation, within the territory of the Russian Federation for authors (or their legal successors) who are citizens of other states and stateless persons.

2. A work also shall be deemed first made public by its publication

in the Russian Federation if, within thirty days after the date of first publication outside the territory of the Russian Federation, it is published within the territory of the Russian Federation.

3. In the grant of protection for a work within the territory of the Russian Federation in accordance with international treaties of the Russian Federation, the author of a work or other initial right owner shall be determined according to the law of the country within which that legal act occurred that served as the basis for receipt of the copyright.

4. The provision of protection for works within the territory of the Russian Federation in accordance with international treaties of the Russian Federation shall be made with respect to works that have not entered into the public domain in the country of origin of those works as the result of the expiration of the term of effectiveness of the exclusive right to these works established in that country and have not yet entered into the public domain in the Russian Federation as the result of the expiration of the term, established by this Code, for the effectiveness of their exclusive rights. In granting protection to works in accordance with international treaties of the Russian Federation, the term of effectiveness of the exclusive rights in these works within the territory of the Russian Federation may not exceed the term of effectiveness of the exclusive right established in the country of origin of that work.

Article 1257. The authorship of a work

The author of a work of science, literature, or art is the person by whose creative labor the work was made. The person named as the author on the original or a copy of a work or in some other way in compliance with Article 1300(1) will be considered its author, unless it is otherwise proven.

Article 1258. Co-authorship

1. Persons, who create a work by joint creative labor, are recognized as co-authors regardless of whether such a work forms a single inseparable whole or consists of parts, each of which having independent meaning.

2. A work created by co-authorship may be used by those co-authors jointly, unless otherwise provided by their mutual consent. In the

case where such work forms an inseparable whole, no co-author shall have the right to prohibit the use of such work without sufficient reasons.

A part of a work, the use of which can be independent of other parts, i.e., a part with independent significance, may be used by its author at his own discretion unless otherwise provided in an agreement between the co-authors.

3. The provisions of Article 1229(3) of this Code apply regarding the relations of co-authors and the distribution of income from the use of their work and with the disposition of the exclusive right to that work.

4. Each co-author shall have the right to take measures for the protection of their rights independently, including circumstances where a work created by co-authors forms an indivisible whole.

Article 1259. Objects of copyright

1. The objects of copyright are works of science, literature, and art regardless of the value and purpose of the work as well as of the mode of its expression:

literary works;

dramatic and musical-dramatic works, scripts;

choreographic works and pantomimes;

musical works with or without text;

audio-visual works;

works of painting, sculpture, graphics, design, graphic stories, comics, and other works of the fine arts;

works of decorative-applied and stage-set art;

works of architecture, urban planning, and landscaping, including in the form of projects, drawings, images, and models;

photographic works and works obtained by means analogous to photography;

geographic and other maps, plans, sketches, and plastic works related to geography and other sciences;

other works.

Computer programs are also considered as objects of copyright and are protected as literary works.

2. Objects of copyright include:

1) derivative works, i.e., works that are a reworking of another

work;

2) composite works, i.e., works that are by the selection or arrangement of the materials the result of creative labor.

3. Copyright applies to works that have been made public and also to works that have not been made public, that are expressed in any objective format, including in written, oral form (in the form of a public speech, public performance, and in any other formats), in the form of a depiction, a sound or video recording, or in a three-dimensional form.

4. For the occurrence, realization, and protection of copyright, there is required neither registration of the work nor the observance of any other formalities.

At the request of the right owner, computer programs and databases can be registered in accordance with the provisions of Article 1262 of this Code

5. Copyright does not apply to ideas, concepts, principles, methods, processes, systems, means, solutions of technical, organizational, or other tasks, discoveries, facts, programming languages, or geological information about subsurface.

6. The following are not objects of copyright:

1) the official documents of state authorities and the bodies of local government at the municipal level, including statutes, other normative acts, judicial decisions, other materials of a legislative, administrative, and judicial nature, official documents of international organizations, and also official translations;

2) State symbols and emblems (flags, seals, insignia, money, and the like) and also the symbols and emblems of municipal entities;

3) works of folk artistry (folklore) which do not have known authors;

4) the reports of events and facts having an exclusively informational nature (reports on the news of the day, program listings for television broadcasts, schedules for the movement of means of transport, and the like).

7. Copyright extends to parts of a work, to its title, and to a character in the work if by their nature these can be recognized as independent results of the creative labor of the author and they

satisfy the requirements established by Paragraph 3 of this Article.

Article 1260. Translations, other derivative works. Compiled works

1. The translator and also the author of a derivative work (processing, remake, motion picture version, arrangement, screenplay for the stage or other similar work) shall own the copyright respectively to a translation done by him and to other reworking of another's (original) work.

2. The compiler of a collection and the author of another composite work (an anthology, encyclopedia, database, Internet web site, atlas, or other similar work) owns the copyright in those selections or arrangements of materials (compilations).

A database is an aggregated set, presented in the form of an objective combination, of independent materials (articles, calculated tabulations, normative acts, judicial decisions, and other similar materials) that are systematized in such a manner that these materials may be found and processed through the use of a computer.

3. A translator, compiler, or other author of a derivative or composite work shall exercise his copyright subject to his observance of the rights of the authors of the works used for the creation of the derivative or compiled work.

4. The copyrights of a translator, compiler, or other author of a derivative or compiled work are protected as rights in independent objects of copyright, regardless of the rights of the authors of the works upon which the derivative or compiled works are based.

5. The author of a work placed in a collection or in other compiled works has the right to use his work independently of any compiled work unless it is otherwise provided by the contract with the creator of the compiled work.

6. The copyright to a translation, collection, or other derivative or compiled work shall not prevent other persons from translating or reworking the same original work, nor from creating their own compiled works by a different selection or placement of the same materials.

7. The publisher of encyclopedias, encyclopedic dictionaries, periodic and serial collections of scholarly works, newspapers, magazines, and other periodical works shall have the right to use all such publications. The publisher shall have the right in any use of such a publication to have its name stated or to require its inclusion.

The authors or other owners of exclusive rights in the works included in such publications shall retain these rights independently of the right of the publisher or other persons to the use of such works as a whole, with the exception of when these exclusive rights were transferred to the publisher or other persons or are transferred to the publisher or other persons in other circumstances provided by law.

Article 1261. Computer programs

Copyright in all types of computer programs (including operating systems and program combinations), that may be made in any language and in any form, including source code and object code is protected just as copyrights in literary works. A computer program is a totality of commands and data propounded in an objective form and intended for the functioning of a computer or of other computer devices for the purpose of obtaining specific results, including the preparatory materials obtained in the course of development of the computer program and audio-visual representations generated by the program.

Article 1262. State registration of computer programs and databases

1. The right owner, during the term of effectiveness of his exclusive right in a computer program or database may register such program or such database at the federal executive authority on intellectual property.

Computer programs and databases that contain information constituting a state secret are not subject to official registration. A person who submits an application for official registration (the applicant) shall bear responsibility for the disclosure of information on computer programs and databases in that contain information constituting a state secret in accordance with the legislation of the Russian Federation.

2. An application for official registration of a computer program or database (registration application) must relate to one computer

program or to one database.

Each registration application must contain:

an application for official registration of a computer program or database with an indication of the right owner and also of the authors if they have not refused to be named as such and their places of residence or the location of each of them;
materials that are deposited identifying the computer program or database, including an abstract.

The rules for the formalization of a registration application shall be made by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

3. Based on the application for registration, the federal executive authority on intellectual property shall check the necessary documents and materials and their compliance with the requirements specified in Paragraph 2 of this Article. If the check is passed successfully, the above-mentioned federal executive authority shall enter the computer program or the database into the Register of Computer Programs or the Register of Databases, respectively, issue a certificate of state registration to the applicant in electronic form and, upon request from the applicant, on paper, and publish the information about the registered computer program or database in its official bulletin.

On a request by the above-mentioned federal authority or on his own initiative, the author or other right owner is entitled, before the time of the state registration of a computer program or database, to supplement, clarify, and correct the documents and materials contained in the registration application.

4. The procedure for official registration of computer programs and databases, the form certificates of official registration, the list of details needed to be set forth in them, and the list of information to be published in the official bulletin of the federal executive authority on intellectual property, shall be established by that federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

5. The act of transfer of an exclusive right to registered computer program or database to other person by contract or without a contract is subject to the state registration with the federal executive authority on intellectual property.

5-1. On the basis of a right owner's application, the federal executive authority on intellectual property shall make the amendments related to the data about that right owner and/or the author of a computer program or database, including the right owner's name or the name of author, their business or residential addresses, , the author's name or postal address, as well as the amendments connected with the correction of obvious and technical mistakes in the Register of Computer Programs or the Register of Databases and in the state registration certificate.

The federal executive authority on intellectual property may make changes connected with correction of obvious and technical mistakes in the Register of Computer Programs or the Register of Databases on its own initiative or at the request of any person after their having notified the right owner.

The federal executive authority on intellectual property will publish in its official bulletin information on the changes made in its Register of Computer Programs or the Register of Databases.

6. The information entered into the Register of Computer Programs or the Register of Databases shall be considered correct, unless it is proven otherwise. Applicants bear responsibility for the accuracy of the information they provide for official registration process.

Article 1263. Audio-visual works

1. An audio-visual work is one consisting of a fixed series of interconnected illustrations (with or without sound) and meant for visual and aural (in the case of accompanying sound) perception through the use of appropriate technical devices. Audio-visual works include cinematographic works and also all works displayed by means analogous to cinematographic (television and video films, and other similar works) regardless of the means of their initial or subsequent creation.

2. The authors of an audio-visual work are:

- 1) the director-producer;
- 2) the author of the script;
- 3) the composer who is the author of a musical work (with or without words) especially created for this audio-visual work;

3. In the event of a public performance or broadcast or cable

transmission, including by way of retransmission, of an audio-visual work, the authors of a musical piece (with or without a text) used in that audio-visual work shall retain a right to remuneration for use of their musical creation.

4. The rights of the maker of an audio-visual work, i.e. of the person that has organized the creation of the work (producer), shall be those provided in Article 1240 of this Code.

The maker/producer shall hold the exclusive right to the audio-visual work on the whole, if no other agreements have been concluded by him/her with the authors of the audio-visual work which are set in Paragraph 2 of this Article.

When there is any use of the audio-visual work by anyone, the maker/producer of audio-visual work is entitled to being named or identified and to demand such. In the absence of proof to the contrary, the maker/producer of an audio-visual work shall be deemed to be the person whose name or other identification is given when the work is presented in the usual way.

5. Each of the authors of a works that are incorporated in an audio-visual work, whether or not pre-existing (the author of a work used as the basis of a film, screenplay, or other things), or its creation in the process of the development of that work (the operator-director, art-director, and others) shall keep an exclusive right in his work with the exception of circumstances where those exclusive rights were transferred to the producer or other persons on other grounds provided by law.

Article 1264. Drafts of official documents, symbols, and emblems

1. Authorship rights in a draft of an official document including to the draft of an official translation of such a document, and also to the draft design of an official symbol or emblem shall belong to that person who created the corresponding draft (the developer). The developer of the draft of an official document, symbol or emblem has the right to make that draft public unless this is prohibited by state authorities or bodies of local municipal self-government or an international organization who commissioned the draft to be developed. Upon publication of the draft, the developer is entitled to indicate his/its name.

2. The draft of an official document, symbol, or emblem may be used

by a State authorities, body of local government, or international organization for the preparation of a formal documentary instrument, the development of a symbol or emblem without the consent of the developer, if the draft has been made public by the developer for use by this body or authority or has been sent by the developer to the relevant body or organization.

In the preparation of an official document, in the development of an official symbol or emblem on the basis of a relevant draft, additions and changes may be made at the discretion of the State authority, the local government body, or international organization that has engaged the creation of the official document or the development of the official symbol or emblem.

After the official adoption of the draft by the State authority, local government body, or international organization, the draft may be used without the name of the developer.

Article 1265. Authorship rights and the right of an author to his name

1. The right of authorship, the right to be recognized as the author of a work, and the right of the author to his name - the right to use or permit the use of a work under his own name, under an assumed name (pseudonym), or without an indication of the name, i.e., anonymously, are inalienable and nontransferable, including in the case of transfer to another person or passage to him of an exclusive right to a work and in the case of granting to another person the right of use of the work. No waiver of these rights will be valid.

2. In case of publication of a work anonymously or under a pseudonym (with the exception of when the pseudonym of an author leaves no doubt as to his identity) the publisher (Article 1287(1)), whose name or designation is indicated on the work, in the absence of proof to the contrary, shall be considered to be the representative of the author and in this capacity shall have the right to protect the rights of the author and to ensure their implementation. This applies until the time the author of the work reveals his identity or declares his authorship.

Article 1266. The inviolability of a work and the protection of a work from its distortion

1. Any changes, abridgements, or additions to a work or the provision of a work in its use of illustrations, a foreword, or an

afterword, commentaries or any explanations shall not be allowed without the author's consent (right to the inviolability of a work). In the use of a work after the death of the author, the person possessing the exclusive right in the work shall have the right to allow changes, abridgements, or additions to the work, on the condition that this does not distort the thought of the author and does not disturb the completeness of the perception of the work and does not contradict the desire of the author specifically expressed by him in a will, letters, diaries, or other written form.

2. The distortion, mutilation, or other change in a work impugning the honor, dignity, or business reputation of the author and any attempt at such actions shall give the author the right to demand protection of his honor, dignity, or business reputation in accordance with the terms of Article 152 of this Code. In these cases, upon the request of interested persons, protection of the honor and dignity of the author is available even after his death.

3. As it is provided for by Article 1233(5) and Article 1286-1(2) of this Code, an author may agree to make future changes, cuts, and additions in a work, if this is caused by a need to (correct mistakes, clarify or supplement factual data and the like) on condition that it does not distort the author's idea and does not violate the integrity of the work's perspective.

Article 1267. The protection of authorship, the name of the author, and the inviolability of a work after the death of the author

1. Authorship, the author's name, and the inviolability of a work shall be protected in perpetuity.

2. The author is entitled as is provided for in appointment of an executor of a will (Article 1134) to specify the person to whom he entrusts the protection of his authorship, his name of the author, and inviolability of his work (second Sub-Paragraph of Article 1266(1)) after his death. This person shall exercise his powers for life.

In the absence of such instructions or in the case of refusal by the person designated by the author to exercise the relevant authority and also after the death of the designated individual, the protection of authorship, of the name of the author, and of the inviolability of the author's work shall be exercised by the

author's heirs, their legal successors, and other interested persons.

Article 1268. The right to make a work public

1. The author has the right to make his work public, i.e., the right to act or consent to actions that for the first time would make the work accessible to the public by its publication, public display, public performance, wireless broadcast or cable transmission or by any other means.

The publication (release to the world) is the issuance of copies of a work into circulation that are a copy of the work in any material form, in a quantity sufficient for the satisfying the reasonable needs of the public based upon the nature of the work.

2. An author who contracts to transfer his work to another person will be considered to have consented to the publication of his work.

3. A work not made public during an author's lifetime may be made public after his death by the owner of the exclusive right to the work, if such disclosure and publication does not contradict the desire of the author of the work specifically expressed by him in written form (in a will, in letters, in diaries, and the like).

Article 1269. The right of withdrawal

1. The author is entitled to rescind a prior decision to publish of his work (the right of withdrawal), subject to reimbursement for the losses occasioned by that decision being paid to the person to whom the exclusive right to the work had been alienated or to whom the right to use the work has been granted.

2. The provisions of this Article are not applicable to computer programs, employment works, and the works embodied in a complex object (Article 1240).

Article 1270. An exclusive right in a work

1. The author of a work or other right owner has an exclusive right to use a work in accordance with Article 1229 of this Code in any form and any manner not contrary to law (the exclusive right in a work), including the methods indicated in Paragraph 2 of this Article. The right owner may dispose of his exclusive right in the work.

2. The use of a work, regardless of whether or not the actions are taken for the purpose of profit or without that purpose shall include, in particular:

1) the reproduction of a work, i.e., the making of one and more copies of the work or a part thereof in any material form, including in the form of an audio or video recording, the making of one and more three-dimensional copies of a two-dimensional work and of one and more two-dimensional copies of a three-dimensional work. The recording of a work in an electronic format, including it being saved in a computer's memory, shall also be considered reproduction. But it is not to be considered reproduction when there is a short-term recording made of a work which is of temporary or accidental nature and is an integral and significant part of a technological process solely intended for the legal use of a work or it is the transfer of a work in an information telecommunication network between third persons by an information broker, provided that such recording has no independent economic significance;

2) the distribution of a work by the sale or other alienation of its original or of copies;

3) the public display of a work, i.e. any direct showing of the original or of a copy of a work or upon a screen with the use of a film, slides, television pictures, or other technical means and also the demonstration of individual frames of an audio-visual work without concern for their intended order or with the use of technical means at a place freely open to the public or at a place where a significant number of persons not belonging to the ordinary family group, regardless of whether the work is seen in the place of its demonstration or elsewhere simultaneous with the presentation of the work;

4) the importation of an original or of copies of a work for the purpose of its distribution;

5) the rental of the original or a copy of a work;

6) the public performance of a work, i.e., the presentation of a work in live performance or with the use of technical means (radio, television, and other technical means) and also the showing of an audio-visual work (with or without sound accompaniment) at a place open to access by the public or at a place where a significant number of persons not belonging to the usual family circle is present, regardless of whether or not the work is seen in the place of its demonstration or shown or in another place simultaneous with

the performance or showing of a work;

7) the communication over the air, i.e., communication of a work to the public by radio or television, with the exception of communication by cable. This communication means any action through which a work becomes accessible for aural and/or visual perception regardless of its actual perception by the public. When the works are broadcast via satellite, it means reception of signals from a ground station to a satellite and the transmission of those signals from the satellite, by which the works are communicated to the public regardless of its actual reception by the public. The transmission of encoded signals is recognized as the transmission over-the-air, if the means of decoding are provided to an unlimited group of persons by the broadcasting organization or with its consent;

8) the communication by cable, i.e., communication of a work to the public by radio or television via cable, wire, optical fiber, or analogous means. The communication of encoded signals is effected if the means of decoding are provided to an unlimited group of persons by the cable services provider or with its consent;

8-1) the relay or retransmission, i.e., the reception and simultaneous retransmission (in particular through a satellite) or via cable of a full and unchanged radio or television broadcast or a substantial part which is sent via cabling by an organization engaged in over-the-air or cable broadcasting;

9) the translation or other processing of a work. In this case, the translation of a work means the creation of a derivative work (processing, film adaptation, arrangement, dramatization, and the like). The processing (or modification) of a computer program or a database means changes made to them, including the translation of such a computer program or such a database from one language to another with the exception of an adaptation, i.e., changes made solely for the operation of a computer program or a database in the specific technical devices of the user or under the control of specific programs of a user;

10) the practical implementation of an architectural, design, city planning, or park or garden plan;

11) the communication of a work to the public in such a way that any person may obtain access to the work from any place and at any time of his own choosing (communication to the public).

3. The practical application of the provisions constituting the

content of a work, including provisions that are a technical, economic, organizational or other solution is not the use of a work with respect to the provisions of this Chapter, with the exception of the use allowed in numbered Sub-Paragraph 10 of Paragraph 2 of this Article.

4. The provisions of Sub-Paragraph 5 of Paragraph 2 of this Article do not apply with respect to a computer program with the exception of the case when such program is the main object of the rental.

Article 1271. Copyright protection symbol

The right owner for notification of the exclusive right in a work belonging to him shall have the right to use the symbol of protection of the copyright, which shall be placed on each copy of the work and which shall consist of the following elements:

the Latin letter "C" in a circle;
the name or designation of the right owner;
the year of first publication of the work.

Article 1272. The distribution of the original or copies of a published work

If the original or copies of a work that has been legally introduced into commercial circulation within the territory of the Russian Federation by means of their sale or other alienation, further distribution of the original or copies of the work is allowed without the consent of the right owner and without payment of remuneration to him with the exception of the case provided by Article 1293 of this Code.

Article 1273. The free reproduction of a work for personal purposes

1. Reproduction of lawfully disclosed works, without the consent of the author or other right owner and without remuneration, is allowed for necessary and when exclusively for personal purposes with the exception of:

- 1) the reproduction of works of architecture in the form of buildings and analogous structures;
- 2) the reproduction of databases or their significant parts, except as provided for by Article 1280 of this Code;
- 3) the reproduction of computer programs except for the cases provided by Article 1280 of this Code;
- 4) the reproduction of books (in full) and musical notation texts

(Article 1275), that is the facsimile reproduction with the help of technical facilities for the purposes other than publication;

5) the video recording of an audio-visual work in case of its public performance at a place open for free attendance or at a place where there are a significant number of persons present not belonging to the usual family circle;

6) the reproduction of an audio-visual work with the use of professional equipment not made for use in home conditions.

2. In cases when the reproduction of phonograms and audio-visual works is done exclusively for personal purposes, the authors, performers, producers of phonograms and audiovisual works shall have the right to remuneration provided for by Article 1245 of this Code.

Article 1274. The free use of a work for informational, scientific, educational, or cultural purposes

1. The following uses are allowed without the consent of the author or other right owner and without the payment of remuneration but with an obligation to name the author whose work is used and of the source of borrowing:

1) quotation of the original and its translation for scientific, discussion, critical, information and educational purposes, for the purpose of disclosing the author's creative intent of legally published works to the extent justified by that disclosure goal, including the reproduction of excerpts from newspaper and magazine articles in the form of press reviews;

2) the use of lawfully published works and excerpts from them as illustrations in publications, radio and television broadcasts, audio and visual recordings of an educational nature to the extent justified by that purpose;

3) the reproduction in a periodical and the subsequent distribution copies of this publication, over-the-air or via cable, bringing to the public legally published articles on current economic, political, social, and religious issues or of broadcast to the public works of the same character, unless such reproduction, communication, or dissemination has been specifically prohibited by the author or other right owner;

4) the reproduction in a periodical and subsequent distribution of copies of this publication, over-the-air or via cable, political speeches, addresses, lectures, and other similar works to the extent justified by the purpose of informing the public. At the same time,

the authors of such works retain the rights to publish them in collections;

5) the reproduction, distribution, broadcasting over-the-air or via cable, reviews (in particular by means of photography, cinematography, television or radio) the works which are seen or heard in the course of such current events, to the extent justified by the purpose of informing the public;

6) the public performance of lawfully published works through their presentation in live performances, done without the objective of generating a profit at educational organizations, medical organizations, social servicing organizations, and penal system institutions for the employees (staff) of these given organizations and those persons served by these organizations or contained in those institutions;

7) the recording on an electronic medium, including the recording to computer memory and the communication to the public of abstracts of dissertations.

2. The making of copies of lawfully published works in formats exclusively intended for blind and visually impaired people (relief-dotted type and other special methods) (special formats), as well as the reproduction and distribution of such copies without profit, are allowed without the consent of the author or other owners of exclusive rights and without the payment of remuneration but with obligation to state the name of the author whose work is being used and of the source from which it is borrowed.

Libraries can provide the blind and visually impaired with copies of the works created in special formats for their temporary, gratuitous use at home, and provide access such information resources through telecommunication networks. A list of the approved special formats, as well as of the libraries with access to information-telecommunication networks to these works, in these special formats, and procedures for giving such access will be established by the Government of the Russian Federation.

No other reproduction or public delivery in other formats of these works for the use the blind and visually impaired is allowed.

The provisions of this Paragraph do not apply to the works created for the purpose of using in special formats, as well as with respect to phonograms consisting mainly of musical pieces of a work.

3. It is allowed without the consent of the author or other right

owner and without paying any remuneration, to make an audio commentary or to provide a work with a sign language translation to facilitate a work's perception by persons with physical disabilities.

4. To parody an original work, which has been lawfully published, in the genre of a literary, musical, satiric, or other caricature style and their use is allowed without the consent of the author or other owner of an exclusive right to the original work and without paying any remuneration.

Article 1275. The free use of works by libraries, archives, and educational organizations

1. Public libraries and archives, where access to archival documents is not restricted, provided there is no aim for profit, are entitled, without the consent of the author or other right owner and without paying remuneration, to provide the temporary and free use (including the mutual use of library resources) of originals or copies of works that have been lawfully put into public circulation. At the same time, copies of works in electronic form may be granted for temporary and free use on library or archive premises, provided that it is not possible for the making of more electronic copies of those works.

2. Public libraries and archives, where the access to archival documents is not restricted, provided there is no aim for profit, is entitled without the consent of the author or other right owner and without paying remuneration but with an obligation to name the author whose work is used and its source, to make singular copies, including in electronic form, of the works held by them that have been lawfully put into the public circulation:

1) the objective is insuring their safekeeping and ready availability for users:

of dilapidated, worn-out, spoiled, and defective copies of the works;

of singular and (or) rare copies of works, manuscripts whose issuance to users might lead to their loss, damage, or destruction;

of copies of works recorded on computer-readable media for whose use there are not the necessary technical devices;

of copies of works which are of exceptional scientific and educational importance, provided that they have not been reprinted

for more than 10 years from the date of publication of their latest edition in the Russian Federation;

2) for the purposes of restoration, replacement of lost or damaged copies of works, and to provide copies of the works for other libraries or archives where access to documents is not restricted and that have lost them for some reason.

3. Copies of copies of these works made in electronic form in accordance with Paragraph 2 of this Article may be made available to users under the conditions provided by Paragraph 1 of this Article.

4. Libraries receiving copies of dissertations in compliance with the law on the obligatory filing of copies of such documents, where there is no profit motive, are entitled without the consent of the author or other right owner and without paying any remuneration but with the obligatory naming of the author whose work is used and of the source, to make single copies of these dissertations, including in electronic form, for the purposes provided for by Paragraph 2 of this Article.

Copies of dissertations made in electronic form shall be provided to users subject to the conditions provided in Paragraph 1 of this Article.

5. Public libraries, as well as archives where access to archival documents is not restricted, provided that there is no aim to derive profits, are entitled without the consent of the author or other right owner and without paying a fee but with mandatory citing of the name of the author whose work is used and of the source of the borrowing to make individual copies and provide them, in particular in electronic form, of individual articles and short works lawfully published in collections, newspapers, and other periodicals, short extracts from such lawfully published written works (with or without illustrations) at the requests of individuals for scientific and educational purposes.

6. Educational organizations, provided that there is no profit motive, are entitled without the consent of the author or other right owner and without paying any remuneration but with an obligation to name the author whose work is used and state the source of the borrowing, to make copies, in particular in electronic form, of individual articles and small-size works lawfully published

in collections, newspapers and other periodical prints, of short extracts from other lawfully published written works (with illustrations and without such) and to provide these copies to trainees and pedagogical workers for conducting examinations, classes and self-training in the number which is required for this purpose.

7. State archives, within the scope of their authority, are entitled to make individual copies of works and to post them on the Internet to establish an archive with the further reproduction and publishing being excluded.

Article 1276. The free use of a work which is permanently located in a public place

1. It is allowed, without the consent of the author or other right owner and without paying remuneration, to reproduce and distribute copies made over-the-air or via cable, to make available to the public such works of fine art or photographic works which are permanently located in a place open to the public, except if the image of the work is the main subject or the use of the work is for profit.

2. The free use is allowed by means of the reproduction and distribution of manufactured copies, broadcasting or transmitting by cable, making available to the public in the form of images of works of architecture, urban-planning, and works of landscape art that are located in a place open to the public or visible from such a place.

Article 1277. The free public performance of a musical work lawfully disclosed

The public performance of a musical work, which has been lawfully published, during an official or religious ceremony or funeral in the extent justified by the nature of such ceremonies are allowed without the consent of the author or other right owner and without the payment of remuneration.

Article 1278. Free reproduction done for law enforcement purposes

The reproduction of works for the conduct of proceedings in the case of an administrative offense, for production of inquiry, a law enforcement preliminary investigation, or in the conduct of court proceedings to the extent justified by such uses will be allowed

without the consent of the author or other right owner and without the payment of remuneration.

Article 1279. The free recording of a work by a broadcasting organization for short-term use

A broadcaster is entitled, without the consent of the author or other right owner and without payment of additional remuneration, to make a recording for the purpose of a short-term use of a work for which it has obtained the right to communicate by wireless means, on the condition that such a recording shall be made by the broadcaster using its own equipment and for its own broadcasts. This organization is obliged to destroy such a recording within six months from the date of its making unless a longer term has been agreed upon with the right owner or has been established by law. This recording may be retained without the consent of the right owner in state or municipal archives, if it is a purely documentary character.

Article 1280. The rights of the user of a computer program and database

1. A person lawfully in possession of a copy of a computer program or a copy of a database (a user) shall have the right without the permission of the author or other right owner and without the payment of additional remuneration:

1) to take the actions required for functioning of the computer program or database (including during their use, in accordance with their purpose), including recording and storing it in the computer memory (of a single computer or a single user on a network), making changes to the computer program or database solely for the purpose of their functioning on the user's equipment, to correct obvious errors, unless otherwise provided in the contract with the right owner;

2) to make a copy of a computer program or database provided that this copy is only for archival purposes or to replace a legitimately acquired copy when that copy has been lost, destroyed, or has become unusable. A copy of a computer program or database may not be used for other than the purposes specified Sub-Paragraph 1 of this Paragraph and it must be destroyed if the possession of a copy of such program or database ceases to be lawful.

2. A person lawfully in possession of a copy of a computer program

may, without the consent of the right owner and without payment of additional remuneration, study, research, or test the functioning of that program in order to determining the ideas and principles which underlie any element of the program by carrying-out the actions provided for by Sub-Paragraph 1 of Paragraph 1 of this Article.

3. Any person lawfully in possession of a copy of a computer program may, without the consent of the right owner and without payment of additional remuneration, reproduce or convert the object code into source code (to decompile the computer program) or to instruct other persons to perform these actions, when they are necessary to achieve an ability for operation of a computer program, independently developed by this person, with other programs that can interact with the decompiled program, subject to the following conditions:

1) the information needed to achieve such inter-operability, not previously accessible for this person from other sources;

2) these actions are done with respect to only those parts of the decompiled computer program, which are necessary to the achieve this inter-operability;

3) the information obtained by decompiling may be used only to achieve the inter-operability of an independently developed computer program with other programs, may not be transferred to other persons, with the exception of when this is necessary to achieve inter-operability of an independently developed computer program with other programs and may not be used for the development of a computer program of a type substantially similar to the decompiled computer program nor to implement other actions infringing upon the exclusive right to the computer program.

4. The application of the provisions of this Article must not conflict with the normal use of a computer program or database and must not unreasonably impair the legitimate interests of the author or right owner.

Article 1281. The term of effectiveness of an exclusive right in a work

1. The exclusive right to a work will be effective for the life of the author plus seventy years, beginning from 01 January of the year following the year of the death of the author.

The exclusive right in a work made in co-authorship will be effective for the whole life of the last surviving co-author plus

seventy years, counting from 01 January of the year following the year of his death.

2. For a work published anonymously or under a pseudonym, the term of effectiveness of the exclusive right shall expire after seventy years counting from 01 January of the year following the year of its lawfully disclosure. If during this term, the author of the work made anonymously or under a pseudonym reveals his identity or if his identity is no longer in doubt, the exclusive right operate during the term established in Paragraph 1 of this Article.

3. The exclusive right in a work published posthumously will be effective for seventy years after the publication of the work, counting from 01 January of the year following the year of its being publication, on the condition that the work was published within seventy years after the author's death.

4. If the author of a work was repressed and posthumously rehabilitated, the term of effectiveness of exclusive rights shall be considered prolonged and the seventy-year term will be calculated from 01 January of the year following the year of rehabilitation of the author.

5. If the author worked during the Great Patriotic War or participated in it, the term of effectiveness of the exclusive rights established by this Article shall be extended by four years.

Article 1282. The passage of a work into the public domain

1. Upon the termination of the term of effectiveness of their exclusive rights, works of science, literature, or art, whether published or not, will enter the public domain.

2. Works that have entered the public domain may be used freely by any person without anyone's consent or permission and without the payment of copyright royalties. However, the name of the author and the inviolability of his work shall continue to be protected.

3. A work that has not been published that has entered the public domain may be published by any person, unless disclosure of the work would contradict the intention of the author specifically expressed in writing (in a will, letters, diaries, and the like).

The rights of the person who has lawfully published such a work are determined in accordance with Chapter 71 of this Code.

Article 1283. The transfer of an exclusive right in a work through inheritance

1. The exclusive right in a work passes by inheritance.

2. Under Article 1151 of this Code, an exclusive right in a work which is part of an inheritance will end and the work shall go into the public domain. In the event of the death of one of the co-authors, if a work consists of several parts, each of which is of independent meaning, the exclusive right will end in that part held by him/her, or, if the work is indivisible, the share of the late co-author in the exclusive right will pass in equal portions to the surviving co-authors.

Article 1284. The levy of execution on the exclusive right in a work and on the right to use of a work under a license

1. A levy of execution on an exclusive right is not allowed, except when the execution is levied under the pledge contract signed by the author and whose subject is the exclusive right to the work specified in the contract and the author owns an exclusive right in that work. The author's claims for a levy of execution may be made against other persons, under contracts on the alienation of the exclusive rights in that work and under licensing contracts and also on income obtained from the use of a work.

An exclusive right not belonging to the author, but to another person, and the right to use works held by a licensee execution may be levied.

The provisions of the first Sub-Paragraph of this Paragraph will apply to the heirs of an author, their heirs, and so on, within the term of effectiveness of that exclusive right.

2. In the event of the sale at public auction of the right to use a work belonging to the licensee for the purpose of levying of execution on that right, the author will have a priority right to acquire it.

Article 1285. Contracts for the alienation of exclusive rights in a work

Under a contract for the alienation of the exclusive right in a

work, the author or other right owner transfers or undertakes to transfer in full their exclusive right in the work to the purchaser of that right.

Article 1286. A licensing contract granting the right to use a work

1. Under a licensing contract, one party - the author or other right owner (the licensor) grants or agrees to grant to the other party (the licensee) the right to use a work within the terms established in the contract.

2. A licensing contract must be made in writing. A contract granting the right to use a work in a periodical printed publication may be concluded orally.

3. A compensatory licensing contract will specify the amount of remuneration for the use of a work or a procedure for calculation of that royalty.

4. The user of a computer program or database, along with the rights provided by Article 1280 of this Code, may be granted, under the license agreement, a right to use that computer program or database as circumscribed by the terms set in the contract.

5. A licensing contract made with a user that provides him an ordinary (non-exclusive) license to use a computer program or database may be concluded in a simplified manner.

A license agreement made in a simplified manner is an adhesion contract whose particular terms may be summarized on the copy of the computer program or database acquired or on the packaging of such copies, as well as in electronic form (Article 434(2)). On the initial use of such computer programs or databases by the user, as defined by the contractual terms, means his affirmative consent to conclude the contract. On such circumstances, the written form of the contract shall be considered to be complied with.

Licensing contracts made under such a simplified manner shall be free of charge, unless the contract provides otherwise.

Article 1286-1. An open license for the use of a work of science, literature, or arts

1. Licensing contracts under which the author or other right owner (licensor) grants to the licensee an ordinary (non-exclusive)

license for using a work of science, literature, or arts may be concluded via a simplified procedure (open license).

An open license is an adhesion contract. All of its terms will be open to the public of and shall be posted so that the licensee may get familiar with it before starting to use the associated work. An open license may contain an indication of the actions whose making shall be considered as acceptance of its terms (Article 438). In such circumstances, the written form of the contract shall be considered to be complied with.

2. The subject of an open license is the right to use a work of science, literature, or arts within the scope of the terms in a contract.

A licensor may grant to a licensee the right to use a work owned by him for creation of a new result of intellectual activity. Unless otherwise provided for by an open license, it shall be considered that the licensor has made an offer to conclude an agreement (Article 437(2)) on the use of the work owned by him by any person(s) wishing to use the new result of intellectual activity created by the licensee on the basis of this work, within the scope of and under the terms provided in the open license. The acceptance of that offer shall be also deemed the acceptance of the licensor's offer to conclude a licensing contract with respect of this work.

3. An open license is royalty-free, if it does not provide otherwise.

If the term of effectiveness of an open license is not fixed, with respect of a computer program or database, the contract shall be considered to be for the term of effectiveness when the exclusive rights are valid and for other kinds of works, the contract terms shall be considered to be for five years.

If an open license does not specify the territory in which the use of the work is permitted, such use will extend to the entire world.

4. The licensor that has granted an open license may unilaterally in full or in part withdraw from the contract (Article 450(3)), if the licensee grants to third persons the right to use the work held by the licensor or the right to the use of a new result of intellectual activity created by the licensee on the basis of this work beyond the scope of the rights and (or) under the terms, other than those which are provided for in the open license.

5. The author or other right owner, if the exclusive rights to a work are violated by illegal actions as to the provision or use of an open license, are entitled to demand the use of protective measures against the violator of the exclusive right under Article 1252 of this Code.

Article 1287. Special conditions involving a licensing contract for publication

1. Under a contract granting the right to use a work signed by the author or other right owner with a publisher, i.e. the person who is contractually obligated to publish the work (a licensing contract for publishing), the licensee has the duty to start using the work according to time specified in the contract. In the event of failing to perform this obligation the licensor has the right to withdraw from the contract without compensating the licensee for any resulting losses.

In case of the absence of a specific starting date in the contract, the use of the work should begin within the term that is usual for this type of works and how they are used. Such a contract may be rescinded by the licensor on the grounds and in the manner that are provided by Article 450 of this Code.

2. In the event of rescission of a licensing contract for publishing under the terms provided by Paragraph 1 of this Article, the licensor shall have the right to demand payment of the remuneration provided under the contract in full.

Article 1288. A contract ordering an author's work

1. Under a contract ordering an author's work, one party (the author) has the duty on the order of another party (the customer) to create a work of science, literature, or art provided by the contract on a tangible medium or in other form.

The ownership of the content of the work shall be transferred to the customer unless the parties' contract provides for only a temporary transfer to and use by the customer.

A contract ordering an author's work shall be compensated unless the agreement of the parties provides otherwise.

2. A contract ordering an author's work may include the alienation of the exclusive right to the created work to the customer or giving

to the customer a right to use of the work within the limits set by the contract.

3. Where the contract ordering an author's work provides for the alienation to the customer of the exclusive right to the work made by the author, the provisions of this Code will apply to that contract for the alienation of those exclusive rights, unless from the nature of the contract it follows otherwise.

4. If a contract ordering an author's work is made with a term on the granting to the customer of the right of use of the work within the limits set in the contract, the provisions of Articles 1286 and 1287 of this Code will apply, respectively.

Article 1289. The term for the performance of a contract ordering an author's work

1. A work whose creation is provided for by a contract ordering an author's work must be delivered to the customer within the term stipulated by the contract.

A contract that does not provide for and does not allow determination of the time for its completion shall not be considered effective.

2. When the time for the performance of a contract ordering an author's work has ended, the author, if necessary and with good reasons for completion of the creation of the work, may be allowed a grace period with a length of one-quarter of the period for the performance of the contract, unless the parties agree to a longer grace period. Under Article 1240(1) of this Code, this will apply unless otherwise provided by the parties' contract.

3. At the end of a grace period provided to the author under Paragraph 2 of this Article, the customer has the right to unilaterally renounce his order contract for the author's work. The customer shall also have the right to renounce the contract ordering an author's work immediately after the end of the time originally set for its performance, if the contract has not been performed by this time limit and if circumstances obviously imply that with violation of the time limit for performance of the contract, the customer would lose interest in the contract.

Article 1290. Responsibilities under contracts ordering an author's work

1. An author's responsibility under a contract for the alienation of his exclusive right in a work and under a licensing contract shall be limited to the amount of the actual harm caused to the other party, unless the contract provides for a lesser level of liability for the author.

2. When there is a failure in performance or an improper performance of a contract ordering an author's work, for which the author is responsible, the author is obliged to return to the customer's advance payment and also to pay him a penalty, if this is provided in the contract. However, the total amount of these payments is limited by the actual damages caused to the customer.

Article 1291. The alienation of an original work and the exclusive right to a work

1. When the author alienates an original work (manuscript, original paintings, sculptures, and the like), including when an original work is alienated under an order contract, the exclusive right to the work may be retained by the author, unless it is otherwise provided by the contract.

When the original work is alienated by the succeeding owner thereof holding the exclusive right to the work but not being the work's author, then the exclusive right to the work shall pass to the acquirer of the original work, if other arrangements are not provided for by contract.

The provisions of this Paragraph, related to the author of a work shall also extend to the author's heirs, to their heirs, and so on within the constraints of the term of effectiveness of the exclusive right to the work.

2. When the exclusive right to a work is not transferred to the purchaser of the original work, that purchaser is entitled, without the author's consent and without paying remuneration to the author, to display the original work and reproduce it in exhibition catalogues as well as in publications dedicated to the author's works, and also to make the original work available for display at exhibitions organized by others.

The purchaser, of an original work of art or a work of photography, who is pictured in that work, is entitled, without the author's

consent or that of other right owner and without paying remuneration, to use this work as an illustration when publishing works of literature, as well as to reproduce, display in public, and distribute, for non-profit purposes, copies of the work, unless other arrangements have been made with the author or other right owners.

The purchaser of a photographic work, who is pictured in this work, is also entitled to freely use it in connection with publication of the works devoted to the purchaser's biography, unless other arrangements are made by the contract with the author or other owner of the rights in that photographic work.

Article 1292. The right of access

1. The author of a work of fine art will have the right to require from the owner of the original of the work the capability to reproduce that work (a right of access). However the owner of the original cannot be required to provide the work to the author.

2. The author of a work of architecture will have the right to require from the owner of the original of the work the capability of making photographs and video recordings of the work, unless other arrangements are provided for by contract.

Article 1293. The right of succession (droit de suite)

1. If the author of a work of visual art alienates the original copy of the work to a third party, each time the original copy of the work is resold with the participation of a legal entity or individual entrepreneur as a mediator (in particular, an auction house, an art gallery, an art salon, or a shop), the author has the right to receive remuneration from the seller as a percentage of the resale price (right of succession/droit de suite). The legal entity or individual entrepreneur mentioned in this Paragraph shall provide information necessary for the payment of remuneration to the author or the collective rights management organization that represents the interests of the author, including upon inquiry from the author or the collective rights management organization, in the order stipulated by the Government of the Russian Federation.

The list of information mentioned in this Paragraph, as well as the amount of the percentage deduction and the payment terms and procedures, shall be determined by the Government of the Russian Federation.

2. Authors may exercise their artist's right of succession under the procedure in Paragraph 1 of this Article, and this also applies with respect to the authors' manuscripts (autographs) of literary and musical works.

3. The artist's right of succession is unalienable but it can pass to the heirs of the author for the remaining term of effectiveness of the author's exclusive right to the work.

Article 1294. An author's rights in works of architecture, urban planning, and the landscape arts

1. The author of work of architecture, urban planning, or landscape art shall have the exclusive right to use his work in accordance with Article 1270(2) and (3) of this Code including by the development of documentation for construction and by implementation of architectural, urban-planning, or landscape plans, unless otherwise provided by the contract.

The use of the architectural, urban-planning, or landscape plans for implementation is allowed only once, unless it is otherwise provided the contract under which the plans were created. The plans and documentation made for construction may be reused only with the consent of the author of the project plans, unless otherwise provided by the contract.

2. The author of a work of architecture, urban planning or landscape art has the right to exercise author's control over the development of his documentation for construction and the right of author's supervision over the construction of buildings, structures, or other manifestations of the respective plans. The procedures for exercise of author's control and author's supervision shall be determined by the authorities of federal executive authority on architecture and urban planning.

3. The author of a work of architecture, urban planning, or landscape art has the right to require from the customer for the architectural, urban-planning or landscape plan the right to participate in the implementation of his project plans, unless their contract provides otherwise.

Article 1295. Employment works

1. The copyright to a work of science, literature, or art created within the scope of the employment duties (an employment work) established for an employee (author) belongs to the author.

2. The exclusive right to an employment work belongs to the employer if the labor or civil contract between the employer and the author does not provide otherwise.

If an employer within three years from the date when the employment work was placed at his disposal, does not begin to use this product, does not give the exclusive right to another person, or does not inform the author that the work is secret, the exclusive right to the employment work is returned to the author.

If the employer within the time specified in the second Sub-Paragraph of this Paragraph begins to use the service work or gives the exclusive right to another person, the author is entitled to remuneration. Author gets a right to remuneration when the employer decided to maintain official work as a secret and therefore does not start to use this work product within the prescribed term. The amount of remuneration, the conditions and procedure for its payment by the employer are determined by the contract between him and the employee and in the event of a dispute - the courts.

The right to remuneration for an employment work shall be inalienable and shall not be inheritable but the author's rights under the contract made by him/her with their employer and the author's outstanding revenues shall pass to his heirs.

3. If according to Paragraph 2 of this Article the exclusive right to an employment work is owned by the author, the employer is entitled to use the employment work under the terms of an ordinary (non-exclusive) licensee with royalties being paid to the right owner. The limits upon an employment work's use, the amount, the procedure for paying royalties are determined by the contract made by the employer and author or, if there is a dispute - the courts.

4. An employer may promulgate an employment work, if the contract made between him and the author does not provide otherwise, and may also cite when using the employment work their name or the title or demand it to be displayed.

Article 1296 Works created under an order

1. The exclusive right to a computer program, database, or other work created under a contract, the subject of which was the creation of such a work (by order), belongs to the client making the order, unless the contract between the contractor (performer) and the client provides otherwise.

2. If the exclusive right to a work in accordance with Paragraph 1 of this Article belong to the client, the contractor (performer) has the right, unless the contract provides otherwise, to use such work for his own purposes under the terms of a gratuitous ordinary (non-exclusive) license during the entire term of effectiveness of the exclusive right.

3. If according to the contract done between a contractor (performer) and a client the exclusive right to a work is owned by the contractor (performer), the client is entitled to use such work for his own purposes under the terms of a gratuitous ordinary (non-exclusive) license during the entire term of effectiveness of the exclusive right, unless the contract provides otherwise.

4. The author of a work made under an order who does not own an exclusive right to the work is entitled to remuneration in accordance with the third Sub-Paragraph Article 1295(2) of this Code.

5. The provisions of this Article do not extend to the contracts in which the contractor (performer) is the author of the work (Article 1288).

Article 1297. Works created in the performance of a contract

1. The exclusive right to a computer program, database, or other work created in the performance of a contract or under a contract for the performance of research, development, or technological work, which do not explicitly provide their creation thereof, belong to the contractor (performer), except when otherwise provided in a contract between him and the client making an order.

In such cases, the client is entitled, unless it is otherwise provided by contract, to use the work so created for the purposes for which the relevant contract was concluded, on the terms of an ordinary (non-exclusive) license during the term of effectiveness of

the exclusive right without payment of additional remuneration for such usage. If the exclusive right to a work is assigned by the contractor (performer) to another person, the client retains the right to use the work.

2. When in accordance with a contract between a contractor (performer) and the client, the exclusive right to the work has been delivered to the client or assigned by the client to the third party, then the contractor (performer) is entitled to use the work he has created for his own purposes under the terms of a gratuitous ordinary (non-exclusive) license within the term of effectiveness of the exclusive right, unless otherwise provided in the contract.

3. The author of the work addressed in Paragraph 1 of this Article, who does not own an exclusive right to that work, is entitled to remuneration in accordance with the third Sub-Paragraph of Article 1295(2) of this Code.

Article 1298. Works of science, literature, or art created under State or municipal contracts

1. The exclusive right to works of science, literature, or art created under State or municipal contracts for state or municipal needs shall belong to the performer who is the author or other person performing the state or municipal contract if the State or municipal contract does not provide that this right shall belong to the Russian Federation, to the subject of the Russian Federation, or to the municipal entity in whose name the State or municipal customer is acting, or jointly to the performer and the Russian Federation, to the performer and the subject of the Russian Federation, or to the performer and the municipal entity.

2. If in accordance with a State or municipal contract the exclusive right to works of science, literature, or art belong to the Russian Federation, a subject of the Russian Federation, or a municipal entity, the performer are obliged by the conclusion of appropriate contracts with their employees and third parties to obtain all rights or to ensure their acquisition for transfer to the Russian Federation, the subject of the Russian Federation, and the municipal entities, respectively. In such circumstances, the performer has the right to demand reimbursement for his costs in connection with the acquisition of relevant rights from third parties.

3. If the exclusive right to works of science, literature, or art created under a State or municipal contract for State or municipal needs belongs in accordance with Paragraph 1 of this Article not to the Russian Federation, not to the subject of the Russian Federation, or not a municipal entity, the right owner at the request of the State or municipal customer is obliged to provide the person indicated by them with a simple (non-exclusive) license for the use of the relevant works of science, literature, or art for State or municipal needs.

4. If the exclusive right to works of science, literature, or art created under a State or municipal contract for State or municipal needs belong jointly to the performer and the Russian Federation, the performer and the subject of the Russian Federation, or the performer and the municipal entity, the State or the municipal customer has the right to grant a simple (non-exclusive) license for the use of such works of science, literature, or art for State or municipal needs, after giving notice to the performer.

5. An employee, whose exclusive rights under Paragraph 2 of this Article has been transferred to the performer, has the right to demand remuneration in accordance with the third Sub-Paragraph of Article 1295(2) of this Code.

6. The provisions of this Article also apply to computer programs and databases, the creation of which was not provided for by a State or municipal contract for State or municipal needs, but which were created in the course of performance of those contracts.

Article 1299. Technological measures for copyrights protection

1. Technological measures for copyrights protection means any technology, technical devices, or their components to control access to a work, thereby preventing or limiting actions that are not permitted by the author or other right owner with respect to that work.

2. With respect to these works, it is not allowed to:

1) taking actions, without the permission of the author or other right owner, to eliminate the limitations on the use of a work established by the application of the technological measures for

copyrights protection;

2) creation, distribution, renting out, providing for temporary free use, import, advertising of any technology, any technical device or its components, and use of such technical means for the purpose of generating profit or rendering related services, if the result of such actions makes impossible to use of the technological measures for copyrights protection or this technological measures cannot provide adequate protection of these rights.

3. In case of violations of the provisions addressed in Paragraph 2 of this Article, the author or other right owner shall have the right to demand at his option from the violator, compensation for damages or payment of compensation in accordance with Article 1301 of this Code.

4. If Article 1274(1-3) and Article 1278 of this Code allow the use of a work without the consent of the author or other right owner and such use is impossible owing to the presence of the technological measures for copyrights protection, the person rightfully claiming such use may seek from the author or other right owner the removal of these protective restrictions that are part of the the technological measures for copyrights protection or to allow an opportunity for use at the choice of the right owner, provided that it is technologically possible and does not require significant costs.

Article 1300. Copyright information

1. Information about copyright is any information that identifies a work, an author, or other right owner or information about the terms of use of a work that is contained in the original or on a copy of a work, is attached to it or appears in connection with communication by wireless means or by wire or by the bringing of such a work to the public and also any numbers or codes in which such information is contained.

2. With respect to works the following shall not be allowed:

- 1) removing or changing information about copyright without the permission of the author or other right owner;
- 2) reproduction, distribution, import for purposes of distribution, public performance, communication by wireless means or by wire, or bringing to the public of works with respect to which information

about copyright has been removed or changed without the permission of the author or other right owner.

3. In case of violation of the provisions provided by Paragraph 2 of this Article, the author or other right owner shall have the right to demand at his choice from the violator compensation for damages or payment of compensation accordance with Article 1301 of this Code.

Article 1301. Liability for the infringement of an exclusive right to a work

In the event of a violation of the exclusive right to a work, the author or other right owner may claim, in accordance with Article 1252(3) of this Code, the following compensation, at his choice, from the infringer instead of the payment of damages, along with the use of the other applicable remedies and measures of liability established by this Code (Articles 1250, 1252, and 1253):

- 1) in the amount from ten thousand to five million rubles as determined at the discretion of the court on the basis of the nature of violation;
- 2) twice the cost of counterfeit copies of the work;
- 3) twice the cost of the right to use the work as determined on the basis of the price normally charged in comparable circumstances for the legal use of the work in the way that the infringer has used it.

Article 1302. Making a claim for copyright infringement

1. The court may prohibit the defendant or the person with respect to which there are reasonable grounds to believe them to be copyright infringers from carrying out certain actions (manufacture, reproduction, sale, rent, import or other use provided by this Code, and also transportation, storage or possession) of copies of works for the purpose of introducing them into circulation, where these copies appear to be counterfeit.

A court may also, commensurate with the scope and nature of the offence, take measures aimed at suppressing the wrongful use of the works on information-telecommunication networks, in particular restricting access to the materials containing illegally used works. The procedures for restricting access to such materials is established by the legislation of the Russian Federation on information.

2. The court may order the seizure on all copies of the works suspected to be counterfeit and also the materials and equipment used or intended for their manufacture/reproduction.

If there is sufficient evidence of copyright infringement, the bodies of inquiry or investigation must take measures to search and seize copies of the works for which it is presumed that they are counterfeit and also materials and the equipment used or intended for the reproduction of the copies of the works, including in necessary cases measures for their seizure and transfer for responsible custodian for their secure storage.

Chapter 71. THE RIGHTS NEIGHBORING COPYRIGHT

§ 1. GENERAL PROVISIONS

Article 1303. General Provisions

1. Intellectual rights to the results of performing activity (performances), phonograms, communication over-the-air or by wire of radio and television transmissions (broadcasting by broadcast and cable organizations), in the content of databases, and also in works of science, literature, or art first made public after their transition into the public domain are rights related to copyright (neighboring rights).

2. Neighboring rights include the exclusive right and, in cases provided for by this Code, they also include personal nonproperty rights.

3. Neighboring rights are exercised together with copyright regarding works of science, literature, and arts used to create object of the neighboring rights. Neighboring rights are recognized and operate independently of whether there are copyrights with respect to such works or not.

Article 1304. Objects of neighboring rights

1. Objects of neighboring rights are:

1) results of performing activities (performances), which include performances by performing artists and conductors, if those performances are expressed in a form allowing their reproduction and distribution by technical means, and productions by stage directors, if those productions are expressed in a form allowing their repeated public reproduction, provided that specific productions remain recognizable to the audience, and in a form that allows their reproduction and distribution by technical means;

2) phonograms, i.e. any solely sound recordings of performances or other sounds or representations thereof, with the exception of sound recording included in an audio-visual work;

3) communications of transmissions of broadcasting and cablecasting organizations, including broadcasts created by a broadcasting or cablecasting organization itself or on its order and at its own expense by another organization;

4) databases with respect to their protection from unauthorized

extraction and repeated use of the data constituting their content;
5) works of science, literature, and art that are made public after they fall into the public domain, with respect to the protection of rights of publishers of such works.

2. Neighboring rights, their exercise and protection are not subject to the registration of their object nor to any other formalities.

3. The granting of protection within the territory of the Russian Federation for objects of neighboring rights in accordance with the international treaties of the Russian Federation will be conducted with respect to performances, phonograms, communication of transmissions of broadcasting or cablecasting organizations that have not fallen into the public domain in the country of their origin as the result of the expiration of the term established in such country for the term of effectiveness of the exclusive right to these objects and have not fall into the public domain in the Russian Federation as the result of the expiration of the term provided for by this Code for the term of effectiveness of those exclusive rights.

Article 1305. The mark of legal protection of neighboring rights

The manufacturer of a phonogram and performer, and also another owner of the exclusive right to a phonogram or performance is entitled to use, for the purpose of warning of his exclusive right, a symbol of protection of neighboring rights to be placed on each original or copy of the phonogram and/or on each case containing it or in any other way in accordance with Article 1310 of the present Code, composed of the following three elements: the Latin letter "P" in a circle, the name or company name of the owner of the exclusive right and the year of initial publication of the phonogram. In this case, a copy of the phonogram means its copy on any material medium manufactured directly or indirectly from the phonogram, including all sounds or part of the sounds or a representation of the sounds fixed in the phonogram. The representation of sounds means their representation in digital form that requires the relevant technical equipment to convert it into an audible form.

Article 1306. Using objects of neighboring rights without the consent of the right owner and without paying out a fee

The use of objects of neighboring rights without the consent of the

right owner and without paying out a fee is admissible in the cases of free use of works (Articles 1273, 1274, 1277, 1278, and 1279), and also in the other cases envisaged by this Chapter.

Article 1307. Contracts for the alienation of an exclusive right in an object of neighboring rights

Under a contract for alienation of an exclusive right in an object of neighboring rights, one party - the performer, the producer of the phonogram, the broadcast or cable organization, the manufacturer of a database, the publisher of a work of science, literature, or art, or other right owner transfers or undertakes to transfer his exclusive right in a respective object of neighboring rights in totality to the other party - the recipient of the exclusive right.

Article 1308. A licensing contract to grant the right to use an object of neighboring rights

1. Under a licensing contract, one party - the performer, producer of a phonogram, the broadcast or cable organization, the manufacturer of a database, the publisher of a work of science, literature, or art or other right owner (the licensor) grants or undertakes to grant the other party (the licensee) the right to use the respective object of neighboring rights within the limits established by their contract.

2. The licensing contract under which an ordinary (non-exclusive) license for the use of an object of neighboring rights is granted may be concluded in a simplified procedure (open license). The contractual provisions in granting an open license for the use of works of science, literature, or arts (Article 1286-1) apply.

Article 1308-1. The transfer of exclusive rights to objects of neighboring rights through inheritance

The provisions on the transfer of the exclusive right to a work by way of inheritance (Article 1283) shall accordingly apply to the exclusive rights to the performance, phonograms, on-air or cable broadcast of radio and TV programs, to the content of databases, as well as to works of science, literature, and arts promulgated after their entering the public domain.

Article 1309. Technological measures for neighboring rights protection

The provisions of Articles 1299 and 1311 of this Code shall be applied correspondingly to any technologies, technical devices or their components that control access to an object of neighboring rights, precluding or limiting the conduct of actions that are not permitted by the right owner with respect to such an object (technical means of protecting neighboring rights).

Article 1310. Information on a neighboring right

The provisions of Articles 1300 and 1311 of this Code apply respectively to any information that identifies an object of neighboring rights or the right owner, or information on the terms of use of this object that is contained on the respective material carrier, is attached to it, or appears in connection with communication by wireless means or by wire or by bringing of this object to the public and also any numbers and codes in which such information (information on the neighboring right) is contained.

Article 1311. Liability for the infringement of an exclusive right to an object of neighboring rights

In the event of a breach of an exclusive right to an object of neighboring rights, the owner of the exclusive right is entitled, apart from the use of other applicable remedies and measures of liability established by this Code (Articles 1250, 1252 and 1253), to claim, in accordance with Article 1252(3) of this Code, from the infringer at the owner's discretion the following compensation instead of payment of damages:

- 1) in amount of ten thousand to five million rubles as determined at the court's discretion on the basis of the character of the offence;
- 2) in the amount of the double cost of the counterfeit copies of a phonogram;
- 3) in the amount of the double cost of the right to use the object of neighboring rights to be estimated on the basis of the price which under comparable circumstances is normally taken for the rightful use of the object in the way that has been used by the infringer.

Article 1312. Security for a claim in a case of infringement of neighboring rights

For the purpose of provision of security for a claim in a case of

infringement of neighboring rights, a defendant or a person believed on a sufficient ground to be an infringer of neighboring rights, and also objects of neighboring rights believed to be counterfeit, are respectively subject to the measures of Article 1302 of the present Code.

§ 2. Performance Rights

Article 1313. The Performer

Performer (author of the performance) is a person by whose creative labor a performance has been created, the performing artist (actor, singer, musician, dancer, or other person who plays a role, reads, declaims, sings, plays a musical instrument or in another way participates in the performance of a work of literature, art, or folk creativity, including a popular, circus, or puppet piece), and also the conductor, the director-producer of a show (the person conducting the production of a theatrical, circus, puppet, popular, or other theatrical-viewing presentation).

Article 1314. Neighboring Rights in a Joint Performance

1. Neighboring rights in a joint performance belong jointly to the members of the group of performers (actors, participating in a show, orchestra members, and other members of the group of performers) who took part in its creation, regardless of whether such a performance forms an indivisible whole or consists of elements each of which has independent significance.

2. Neighboring rights in a joint performance are exercised by the head of the group of performers and, in his absence - by the members of the group of performers jointly unless an agreement among them provides otherwise. If a joint performance forms an indivisible whole, no member of the group of performers can prohibit its use without sufficient grounds.

An element of a joint performance the use of which is possible independently of other elements, i.e. an element of independent significance, may be used by the performer that created it at his discretion unless an agreement among the members of the group of performers provides otherwise.

3. The provisions of Article 1229(3) of this Code apply correspondingly to the relations of members of the group of performers connected with the distribution of income from the use of a joint performance.

4. Each member of a group of performers has the right to take independent measures for the protection of his neighboring rights in the joint performance including when such performance forms an

indivisible whole.

Article 1315. A performer's rights

1. The performer shall have:

- 1) the exclusive right in the performance;
- 2) the right of authorship - the right to be recognized as the author of the performance;
- 3) the right to his name - the right to indicate his name or pseudonym on copies of the phonogram and in other cases of the use of the performance, and in the case provided by Article 1314(1) of this Code, the right to indicate the designation of the group of performers, except for cases when the nature of the use of the work excludes the possibility of indication of the name of the performer or the name of the group of performers.
- 4) the right to integrity of the performance, including stage productions: the right to have the performance protected against any distortion, i.e. against alteration of its recording, broadcasting over airwaves or via cable, when the performance is made available to the public, or when the stage play is performed publicly, altering the meaning or compromising the integrity of perception of the performance.

2. Performers will execute their rights with respect to the rights of the authors of the works performed.

3. The rights of the performer are recognized and remain effective regardless of the presence and effectiveness of the copyright to the work performed.

Article 1316. Protection of authorship, the name of the performer and inviolability of a performance after the death of the performer

1. Authorship and the name of the performer and the inviolability of the performance are protected without any time limitation.

2. The performer has the right to indicate in the course of the procedure provided for designating an executor of a will (Article 1134) the person to whom he entrusts the protection of his name and the inviolability of a performance after his death. This person will exercise his powers for life.

In the absence of such designations or in case of refusal of the person named by the performer to exercise the corresponding powers

and also after the death of this person, the protection of the name of the performer and the inviolability of the performance may be exercised by his heirs, their legal successors, and other interested persons.

Article 1317. Exclusive rights in a performance

1. The exclusive right to use a performance in accordance with Article 1229 of this Code in any manner not contrary to law (the exclusive right in the performance) including by means indicated in Paragraph 2 of this Article belongs to the performer. The performer may dispose of the exclusive right in the performance.

2. The following will be deemed the use of a performance:

- 1) the broadcasting, i.e. communicating of the performance for the notice of the general public, by means of its being broadcast by radio or television (including re-transmission), except for cable broadcasting. In this case, communication means any action whereby the performance is made available for audio and/or visual perception, irrespective of its actual perception by the public. When the performance is broadcast via a satellite, broadcasting means the reception of the signals from a ground station at the satellite and the transmission of the signals from the satellite, such signals serving to bring the performance to the notice of the general public, irrespective of its actual reception by the public. The transmission of encoded signals shall be deemed on-air broadcasting, if the decoding facilities are provided to an unlimited circle of persons by an on-air broadcasting organization or with its consent;
- 2) cable communication, i.e., the communication of the performance for the notice of the general public by means of transmitting it by radio or television by means of a cable, wire, optical fiber, or similar facilities (including re-transmission);
- 3) bringing the performance to public so that any person may provide access thereto from any place and at any time at the own choice thereof (bringing to public);
- 4) the recording of the performance, i.e. the fixation of sound and/or an image or of representations thereof by means of technical facilities in any material form enabling their multiple perception, reproduction or communication;
- 5) the reproduction of a recording of the performance, i.e. making one and more copies of a performance or of a part thereof in any

material form. In this case, a recording of the performance on an electronic medium, including a record made in the memory of a computer, shall be also deemed reproduction. Recording of temporary or accidental nature and the one which is an integral and significant part of a technological process solely aimed at legally using the record, or transmission of the performance in an information-telecommunication network by an information broker to third persons is not deemed reproduction, provided that such recording is of no independent economic importance;

6) the distribution of a recording of the performance by means of selling or another alienation of its original or of copies being copies of the recording on any material medium;

7) an action taken in respect of a recording of the performance and envisaged by Sub-Paragraphs 1-3 of this Paragraph;

8) a public playback of a recording of the performance, i.e. any communication of the recording by means of technical facilities in a place open to the public or in a place where a significant number of people are present who do not belong to the ordinary family group, irrespective of whether the recording is perceived in the place where it is communicated or in another place simultaneously with the communication thereof;

9) renting an original recording of the performance or of copies thereof.

10) performing a stage play publicly, i.e. performing it live or by technical means in a venue that is open to the public, or a venue where there is a considerable number of individuals who are not family, regardless of whether the stage play is seen and heard at the place where it is performed or at a different place simultaneously with the performance.

3. The exclusive right in a performance shall not extend to the reproduction, communication by wireless means or by wire or public performance of a fixation of a performance in cases when such a fixation was made with the consent of the performer and its reproduction, communication by wireless means or by wire or public performance was conducted for the same purposes for which the consent of the performer was obtained at the time of the fixation of the performance.

4. In making a contract with a performer on the creation of an audio-visual work, the consent of the performer to the use of the

performance in the composition of the audiovisual work shall be presumed. The consent of the performer to the separate use of sound or image fixed in the audio-visual work must be directly expressed in the contract.

5. In cases of use of a performance by a person who is not the performer, the provisions of Article 1315(2) of this Code apply.

Article 1318. The term of effectiveness of an exclusive right in a performance, the passage of this right through inheritance and the passing into the public domain

1. The exclusive right to perform shall be valid for the performer's lifetime, but for no less than fifty years counting from January 1 of the year following the year when the performing artist or the conductor performed, or recorded their performance, or transmitted the performance over public airwaves or via cable, or made the performance available to the public.

The exclusive right of a stage director to stage the performance shall be valid for the stage director's lifetime, but for no less than fifty years counting from January 1 of the year following the year when the production of the stage director was performed publicly for the first time.

2. If a performer was repressed and posthumously rehabilitated, the term of effectiveness of his exclusive right shall be deemed extended and the fifty year minimum will be calculated from 01 January of the year following the year of the rehabilitation of that performer.

3. If the performer worked during the time of the Great Patriotic War or participated in it, the term of effectiveness of his exclusive right established by Paragraph 1 of this Article will be extended by four years.

4. The exclusive right to a performance shall be transferred to that performer's heirs within the limits of the remaining part of the time cited in Paragraphs 1-3 of this Article.

5. Upon the expiration of the valid term of the exclusive right to a performance, that right shall pass into the public domain. A performance that has passed into the public domain is subject to the

provisions of Article 1282(2) of this Code.

Article 1319. The levy of execution on an exclusive right to a performance and on the right to use a performance under a license

1. It is prohibited to levy execution against an exclusive right held by a performer, except when that execution is levied under a pledge contract that was made by the performer and whose subject is the exclusive right to a specific performance specified in that contract and held by the performer. Execution may be levied against the right of claim of the performer against other persons under contracts of alienation of the exclusive right to a performance and under licensing contracts, as well as against the income derived from the use of a performance.

Execution may be levied upon an exclusive right belonging to a person other than the performer and upon the right of use of a performance belonging to a licensee.

The provisions of the first Sub-Paragraph of this Paragraph shall also extend to the heirs of a performer, the heirs of those heirs, and so on, within the limits of the term of effectiveness of the exclusive right.

2. In the case of the sale of a right belonging to a licensee for the use of a performance at a public auction, for the purpose of levying execution on this right, the performer will be granted a preferential right to purchase it.

Article 1320. A performance created in the course of employment task

The rights to a performance that has been created by an employee (performer) in the course of his employment, including the rights from a joint performance are subject to the provisions of Article 1295 of this Code.

Article 1321. The effect of an exclusive right to a performance in the territory of the Russian Federation

The exclusive right to a performance is effective on the territory of the Russian Federation if:

the performer is a citizen of the Russian Federation;

the first performance took place on the territory of the Russian Federation;

the performance has been fixed as a phonogram, protected in accordance with the provisions of Article 1328 of this Code;

the performance that has not been fixed as a phonogram but included in a broadcast or cable transmission protected under the provisions of Article 1332 of this Code;
in other cases addressed by international treaties of the Russian Federation.

§ 3. The Right To A Phonogram

Article 1322. The manufacturer of a phonogram

The manufacturer of a phonogram is the person who has initiated and is responsible for, the first phonogram of a performance or other sounds or representations of these sounds. Unless otherwise proven, the manufacturer of a phonogram is the person whose name is indicated in the usual manner on a copy of a phonogram and/or on its packaging or in some other manner in compliance with Article 1310 of this Code.

Article 1323. The rights of the producer of a phonogram

1. The producer of a phonogram has:

- 1) the exclusive right to that recording;
- 2) the right to indicate on copies of the phonogram and/or their packaging his name or title;
- 3) the right to protect the phonogram from damage in the course of its use;
- 4) the right to make the phonogram public, i.e., to take an action that for the first time makes the phonogram accessible to public by way of its publishing, public showing, public performance, communication by wirelessly or by cable or in another manner. This publication (release) is the issuance into circulation of copies of a phonogram with the consent of the producer in a quantity sufficient for the satisfaction of the reasonable demands of the public.

2. The producer of a phonogram may exercise his rights together with the rights of the authors of the works and the rights of the performers.

3. The rights of a producer of a phonogram will be recognized and will be effective regardless of the presence and effectiveness of copyrights and performers' rights.

4. The right to indicate one's own name or title on copies of a phonogram and/or their packaging and the right to protect the phonogram from damage will be effective and protected during the lifetime of a person or until the termination of the legal entity that was the producer of the phonogram.

Article 1324. The exclusive right to a phonogram

1. The exclusive right to use a phonogram in accordance with Article 1229 of this Code in any manner not contrary to law (the exclusive right to a phonogram), including in the manner described in Paragraph 2 of this Article belongs to the producer of the phonogram. The producer of a phonogram may dispose of his exclusive right to that phonogram.

2. The following shall be considered to be the use of a phonogram:

1) public performance, i.e., any communication of the phonogram with the aid of technical resource at a place open for free attendance or at a place where a significant number of persons not belonging to the usual circle of a family are present, regardless of whether the phonogram is perceived in the place of its communication or in another place simultaneous with its communication;

2) communication over the air, i.e., communication of a phonogram to the public through its transmission by radio or television (including retransmission) with the exception of communication by cable. This communication means any action through which a phonogram becomes accessible for aural perception, regardless of its actual perception by the public. When a phonogram is broadcast via satellite, it means reception of signals from a ground station to a satellite and the transmission of those signals from the satellite, by which the phonogram is communicated to the public regardless of its actual reception by the public. The transmission of encoded signals is recognized as the transmission over-the-air, if the means of decoding are provided to an unlimited group of persons by the broadcasting organization or with its consent;

3) cable communication, i.e., communication of a phonogram to the public through its transmission by radio or television with the aid of a cable, wire, optical fiber, or analogous resources (including by way of retransmission);

4) communication of a phonogram to the public in such a manner that any person may access the phonogram from any place and at any time of their choice (communication to the public);

5) reproduction, i.e., the manufacturing of one and more copies of a phonogram or of a part thereof in any material form. This re-recording of a phonogram or a part thereof on an electronic medium, including its saving in computer memory, is also considered reproduction. The short-term recording of a phonogram which is of temporary or accidental in nature or is an integral and significant

part of a technological process solely aimed at legally using a phonogram or its transfer to an information-telecommunication network via an information broker between third parties is not considered a reproduction, provided that such recording is not economically significant;

6) distribution of a phonogram by way of sale or other alienation of an original or copies that are a copy of the phonogram on any physical medium;

7) import of an original or copies of a phonogram for the purpose of distribution including copies prepared with the permission of the right owner;

8) renting an original and copies of a phonogram;

9) re-working a phonogram.

3. A person lawfully conducting the reworking of a phonogram will acquire a neighboring right to the re-worked phonogram.

4. In case of the use of a phonogram by a person other than its producer, the provisions of Article 1323(2) of this Code will apply.

Article 1325. Distributing an original or copies of a published phonogram

If the original or copies of a phonogram that has legally put into circulation in the territory of the Russian Federation through their sale or other disposition, the further distribution of the original or copies is permitted without the consent of the owner of the exclusive right to the phonogram and without royalties being paid.

Article 1326. The use of a phonogram published for commercial purposes

1. The public performance of a phonogram published for commercial purposes and its communication wirelessly means or by cable is allowed without the permission of the owner of the exclusive right to the phonogram and of the owner of the exclusive right in the performance recorded on this phonogram, but with their being compensated.

2. The collection of remuneration under Paragraph 1 of this Article and the distribution of this remuneration is done by organizations for the collective management of rights holding State accreditation for their relevant administrative activities (Article 1244).

3. The remuneration provided for in Paragraph 1 of this Article will be distributed to the right owners according to the following proportions: 50 per cent to performers, 50 per cent to the manufacturers of phonograms. This royalty distribution to specific performers and the manufacturers of phonograms will be done in proportion to the actual use of the respective phonogram tracks. The Government of the Russian Federation fixes the rates, as well as a procedure for the collection, distribution, and payment of such remuneration.

4. The users of phonograms must provide the organizations for the collective management of rights with reports upon the use of phonograms and also other information and documents necessary for the collection and distribution of compensation to right owners.

Article 1327. The term of effectiveness of exclusive rights in phonograms, the transfer of such rights to legal successors, and the transition of phonograms into the public domain

1. The term of effectiveness of an exclusive right to a phonogram is fifty years, counting from 01 January of the year following the year in which the recording was made. In the case of making a phonogram public, an exclusive right is valid for fifty years, counting from 01 January of the year following the year in which it was publicly released, on the condition that the phonogram is made public within the fifty years following its recording.

2. The exclusive right to a phonogram passes to the heirs and other legal successors of the producer of the phonogram within the time limitations of the remaining balance of the terms of effectiveness stated in Paragraph 1 of this Article.

3. Upon the expiration of the term of effectiveness of an exclusive right to a phonogram, it passes into the public domain, that is, it may be freely used by any person without anybody's consent or permit and without paying any royalty or remuneration.

Article 1328. The effectiveness of an exclusive right in a phonogram within the territory of the Russian Federation

The exclusive right in a phonogram is valid within the territory of the Russian Federation when:

the producer of the phonogram is a citizen of the Russian Federation or a Russian legal entity;

the phonogram is made public or copies thereof were first publicly distributed within the territory of the Russian Federation;

other cases provided for by the international treaties of the Russian Federation.

§ 4. The Rights Of Broadcasting And Cable-Services Organizations

Article 1329. A broadcasting or cable-services organization

Broadcasting or cable-services organizations are a legal entities who independently determine the content of radio and TV programs (the combination of sounds and/or images or their representations) and communicating them over-the-air or by cable on their own or with the assistance of third parties.

Article 1330. The exclusive right to a radio or television transmission

1. Broadcasting or cable-services organizations possess the exclusive right to transmit communications wirelessly or by cable in accordance with Article 1229 of this Code in any manner not inconsistent with the law (the exclusive right to communicate radio or television signals), including in the manner provided in Paragraph 2 of this Article. A broadcast or cable-services organization can dispose of their exclusive right to a radio or television transmission.

2. The following are considered to be of communication using radio or television transmission (broadcast):

1) the recording of a radio or television transmission, i.e., the recording of sounds and/or an image or their representations using technical resources in any material form that allows it to be repeatedly perceived, reproduced, or communicated;

2) the playing of a recording of a radio or television broadcast, i.e., the making of one or more copies of that recorded message of a radio or television broadcast or of some portion thereof in any material form. This recording of a radio or television broadcast or some portion thereof on electronic medium, including it being saved in the memory of a computer, is also considered reproduction. Not considered as reproduction will be a short-term recording that is of temporary or accidental in nature and is an integral and essential part of a technological process for the purpose of legally using a recording of radio or television broadcast or its transmission to an information-telecommunication network by an information broker for third parties, provided that the revenue from such a recording is not economically significant;

3) the distribution of radio or television transmissions through the sale or other disposition of the original or copies of the recording

- of a radio or television transmission;
- 4) the re-transmission, i.e. the reception and simultaneous broadcasting (e.g., via a satellite) or by cable of a radio or television program or of a significant portion of it, over-the-air or via cabled by a broadcasting or cable-service organization;
 - 5) the delivery of a radio or television transmission to the public in such a way that anyone may obtain access to that radio or television transmission from any place and at any time of his own choosing (public availability);
 - 6) a public performance, i.e., any communication of a radio or television transmission with the aid of technical resources at places with paid entrance regardless whether it is perceived at the place of communication or at another place simultaneous;
 - 7) the rental of an original and copies of a recorded radio or television broadcast.

3. [Repealed].

4. The rule of Article 1317(3) of this Code apply to the right to use a radio or television transmissions.

5. A broadcast and cable-service organization may exercise its rights with the respect to the rights of the authors of works, the rights of performers, and in appropriate cases - of right owners of phonograms and the rights of other broadcasting and cable-service organizations to radio and television transmissions.

6. The rights of broadcasting or cable-service organizations are recognized regardless of the presence and effectiveness of copyrights, performers' rights, and also rights in phonograms.

Article 1331. The term of effectiveness of an exclusive right to communicate a radio or television transmission, the transfer of this right to legal successors and transition of a radio or television transmission into the public domain

1. The exclusive right to a radio or television transmission is valid for fifty years, counting from 01 January of the year following the year in which communication of the radio or television transmission by wireless means or by wire occurred.

2. The exclusive right in a radio or television transmission will

pass to the legal successors of a broadcasting or cable-service organization within the balance of the remaining portion of the time set in Paragraph 1 of this Article.

3. After the termination of the term of effectiveness of the exclusive right in the transmission of radio or television programming transition into the public domain, it may be available for free use by any person without any consent and without paying any remuneration.

Article 1332. The operation of an exclusive right to a radio or television transmission within the territory of the Russian Federation

The exclusive right to a radio or television transmission is effective within the territory of the Russian Federation if a broadcasting or cable-service organization is located within the territory of the Russian Federation and it conducts communications using transmitters also located within the territory of the Russian Federation as well as in other cases provided for by international treaties of the Russian Federation.

§ 5. The Rights of a Database Maker

Article 1333. A database maker

1. The maker of a database is the person who has organized the creation of a database and work on the collection, processing, and arrangement of its constituent parts. In the absence of evidence to the contrary, a person or legal entity whose name or title is indicated in the usual manner on a copy of the database and/or on its packaging is considered to be the maker of the database.

2. The maker of a database owns:

an exclusive right to the database maker;

the right to indicate on copies of the database and/or packaging, his name or names.

the right to disclose the database, i.e., to take actions that for the first time make the database available to the public through its publication, bringing it to public notice, broadcasting it over-the-air or via cable, or in some other manner. This publication (release) is the issuance of copies of the database with the maker's consent in quantities sufficient to meet public demand.

The right to indicate on the copies of a database and/or on its packaging his/its name or title is mandatory and protected throughout the term of effectiveness of the maker's exclusive right to the database.

Article 1334. The exclusive rights of the maker of a database

1. The exclusive right to extract materials from a database and to use them in any form and by any manner (the exclusive right of the maker of a database) belongs to the maker of a database, the creation of which (including the processing or presentation of the relevant data) requires substantial financial, material, organizational, and other costs. The maker of a database may freely dispose of his exclusive right. In the absence of evidence to the contrary, a database has not less than ten thousand independent information elements (materials) constituting the database's contents (the second Sub-Paragraph of Article 1260(2)).

No one has the right to extract materials from a database and to use them without the permission of the right owner except in cases provided by this Code. The extraction of database materials is the transfer of the entire contents of a database or of a significant portion of its constituent materials into another information

carrier using any technical means and in any form.

2. The exclusive right of the maker of a database is recognized and operates regardless of the presence and effectiveness of copyright and other exclusive rights of the maker of that database and other persons to the materials in the database and also to the database as a whole as a compiled work.

3. During the term of effectiveness of an exclusive right to a database, the right owner can register the database with the federal executive authority on intellectual property. The provisions of Article 1262 of this Code apply to such registration.

Article 1335. The term of effectiveness of an exclusive right to a database

1. The exclusive right of the maker of a database arises on its completion and is effective for fifteen years counting from 01 January of the year following the year of its creation. The exclusive right of the maker of a database made public during that term operates during the course of fifteen years counting from 01 January of the year following the year of its being made public.

2. The terms in Paragraph 1 of this Article are renewed every time the database is updated.

Article 1335-1. Actions which are not considered to be violations of the exclusive rights of database makers

1. A person rightfully using a promulgated database is entitled without the consent of the owner of the exclusive right - being the database's maker and insofar as such usage does not violate the copyright of the database's maker and of other persons to retrieve materials from the database and to thereupon use them:
with the purposes for which the database is made to any extent, unless others purposes are contractually established;
for personal, scientific, and educational purposes to the extent justified by those purposes;
for other purposes involving an insignificant portion of the database.

The use of the materials extracted from a database, with the objectives of giving access by an unlimited number of persons, will be accompanied by indication of the database from which these

materials have been extracted.

2. The taking of any of the actions allowed by a maker's exclusive right to a database, by any other person will not be a violation of that exclusive right, if such person can show that he/it could not determine the identity of the database's maker or that he/it under the circumstances reasonably believed that the term of effectiveness of the exclusive right to the database had expired.

3. Repeated extract or use of the materials that are an insignificant portion of a database is not permitted, when such actions are contrary to the normal use of the database and unreasonably prejudice the legitimate interests of the maker of that database.

4. The database's maker may not prohibit the use of certain materials which, though contained in the database, have been rightfully received by a person using them from sources other than this database.

Article 1336. The effectiveness of an exclusive right of the maker of a database on the territory of the Russian Federation

1. The exclusive right of the maker of a database is effective on the territory of the Russian Federation in the following circumstances:

when the maker of the database is a citizen of the Russian Federation or a Russian legal person;

when the maker of the database is a foreign citizen or a foreign legal person provided that the legislation of the respective foreign state on its territory gives protection for an exclusive right to the maker of databases when the maker is a citizen of the Russian Federation or a Russian legal person;

in other cases provided by international treaties of the Russian Federation.

2. If the maker of the database is a person without citizenship, depending upon whether this person has his place of residence in the territory of the Russian Federation or that of a foreign state, the provisions of Paragraph 1 of this Article relating to citizens of the Russian Federation or to foreign citizens will apply.

§ 6. The rights of the publisher of works of science, literature, or art

Article 1337. Publisher

1. A publisher is a person who lawfully makes public or organizes the making public of a work of science, literature, or art that was not previously promulgated but had fallen into the public domain (Article 1282) or that is in the public domain owing to the fact that it is not protected by copyright.

2. The rights of a publisher apply to works that, regardless of the date of their creation, could have been recognized as objects of copyright in accordance with the provisions of Article 1259 of this Code.

3. The provisions of this Article do not apply to works that are in State and municipal archives.

Article 1338. The rights of a publisher

1. The following rights belong to a publisher:

- 1) an exclusive right to the work made public by him (Article 1339(1));
- 2) a right to put his name on copies of works made public by him and in other cases of its use including in translation or other re-working of that work.

2. Upon making a work public, a publisher is obliged to observe the provisions of Article 1268(3) of this Code.

3. The publisher during the term of effectiveness of his exclusive right to a work has the powers stated in the second Sub-Paragraph of Article 1266(1) of this Code. A person to whom the exclusive right of a publisher to a work has been transferred possesses these same powers.

Article 1339. The exclusive right of a publisher to a work

1. The exclusive right to use a work is exercised in accordance with Article 1229 of this Code (the exclusive right of a publisher to a work) as is provided by Sub-Paragraphs 1-8-1, and 11 of Article 1270(2) of this Code. The publisher of a work may dispose of his exclusive right.

2. The exclusive right of a publisher to a work is recognized when the work is made public by the publisher in a translation or in some other re-worked form. The exclusive right of the publisher to a work is recognized and effective regardless of the existence and effectiveness of the publisher's copyright or of other persons to such a translation or other re-working of that work.

Article 1340. The term of effectiveness of a publisher's exclusive right to a work

1. A publisher's exclusive right to a work begins from the date of a work's publication and is valid for 25 years from 01 January of the year following the year of its publication.

2. Upon the termination of a publisher's exclusive right to a work, it may be freely used by any person without anyone's consent or permission and without any need for payment.

Article 1341. The effectiveness of an exclusive right of a publisher to a work in the territory of the Russian Federation

1. A publisher's exclusive right applies to works:

- 1) published in the territory of the Russian Federation, regardless of the citizenship of the publisher;
- 2) published outside of the territory of the Russian Federation by a citizen of the Russian Federation;
- 3) published outside of the territory of the Russian Federation by a foreign citizen or a stateless person provided that the legislation of the foreign state in which the work was published gives protection on its territory for the exclusive right of a publisher who is a citizen of the Russian Federation;
- 4) other cases provided for by the international treaties of the Russian Federation.

2. In the circumstances referred to in Sub-Paragraph 3 of Paragraph 1 of this Article, the term of effectiveness of a publisher's exclusive right to a work in the territory of the Russian Federation may not exceed the term of effectiveness of a publisher's exclusive right to a work established in the state within whose territory the legal fact occurred which served as the basis for obtaining this exclusive right.

Article 1342. The early termination of a publisher's exclusive right to a work

A publisher's exclusive right to a work may be terminated early by court decision following a lawsuit by an interested person, if in the course of the use of the work the right owner has violated the requirements of this Code with respect to the protection of authorship, the author's name, or the integrity of the work.

Article 1343. The alienation of the original of a work and a publisher's exclusive right to a work

1. Upon the transfer of the original of a work (manuscript, the original of a work of painting, sculpture, or other like work) by its publisher-owner, holding an exclusive right as the publisher, this exclusive right passes to a purchaser of the original of the work, unless their contract provides differently.

2. If the exclusive right of the publisher to a work has not passed to the purchaser of the original of a work, that purchaser has the right without the consent of the owner of the publisher's exclusive right to use the original of the work as is described by Article 1291(2) of this Code.

Article 1344. The distribution of the original or copies of a work protected by the exclusive right of a publisher

If the original or copies of a work, made public in accordance with the present Section have been lawfully placed in the market through their sale or other disposition, further distribution of the original or copies is permitted without the consent of the publisher and without the payment of any remuneration to him.

Chapter 72. PATENT LAW

§ 1. General Provisions

Article 1345. Patent rights

1. Intellectual rights to inventions, utility models, and industrial designs are patent rights.

2. The author of an invention, utility model, or industrial design has the following rights:

- 1) an exclusive right;
- 2) the right of authorship.

3. In cases provided for by this Code, other rights also belong to the author of an invention, utility model, or industrial design including the right to obtain a patent, the right to remuneration for an employment invention, utility model, or industrial design.

Article 1346. The effect of exclusive rights to inventions, utility models, and industrial designs in the territory of the Russian Federation

On the territory of the Russian Federation exclusive rights are recognized for inventions, utility models, and industrial designs certified by patents granted by the federal executive authority on intellectual property or by patents valid on the territory of the Russian Federation in accordance with the international treaties of the Russian Federation.

Article 1347. The author of an invention, utility model, or industrial design

The author of an invention, utility model, or industrial design is a person whose creative work has led to the result of intellectual activity. The person named as in author's patent application for an invention, utility model, or industrial design is considered the author of that invention, utility model, or industrial design, unless it is proven otherwise.

Article 1348. Co-Authors of an invention, utility model, or industrial design

1. Persons who have made an invention, utility model, or industrial design by their joint creative work are considered co-authors.

2. Each of the co-authors shall have the right to use the invention, utility model, or industrial design at his discretion, unless a contract made between them provides otherwise.

3. The provisions of Article 1229(3) of this Code apply to relations between co-authors, relating to the distribution of the income received from use of an invention, utility model, or industrial design as well as the disposition of the exclusive right to an invention, utility model, or industrial design.

The disposition of the right in obtaining a patent for an invention, utility model, or industrial design is done jointly by the co-authors.

4. Each of the co-authors has an independent right to enforce his rights to the invention, utility model, or industrial design.

Article 1349. The objects of patent rights

1. The objects of patent rights are the results of intellectual activity in science and technology that meet the requirements established for by this Code, for inventions and utility models and the results of intellectual activity in the field of design that meet the requirements for industrial designs established by this Code.

2. The provisions of this Code apply to inventions containing information constituting a state secret (secret inventions), unless otherwise provided for by the special provisions of Articles 1401-1405 of this Code and by legal acts promulgated in accordance with them.

3. Legal protection under this Code is not available for utility models and industrial designs containing information constituting a state secret.

4. The following are not objects of patent rights:

- 1) methods of cloning of a human being and a clone thereof;
- 2) methods of modification of the genetic integrity of the cells of the embryonic line of a human being;
- 3) the use of human embryos for industrial and commercial purposes;
- 4) the results of intellectual activities cited in Paragraph 1 of

this Article, if they go counter to the public interest, principles of humanity and morality.

Article 1350. The conditions for the patentability of an invention

1. A technical solution in any subject area related to a product (including a device, substance, micro-organism strain, cell culture of plants or animals) or method (a process of affecting a material object using corporeal resources) may be protected as an invention, including to the use of a product or method for a particular purpose.

An invention is granted legal protection if it is new, involves an inventive step, and is industrially applicable.

2. An invention shall be considered new if it is not known in the prior art.

An invention shall be considered to involve an inventive step if, with regard to the state of the art, it is not obvious to a person skilled in the art.

The state of the art with respect to the invention shall include all information made available to the public anywhere in the world prior to the priority date of the invention.

When assessing the novelty of the invention, the state of the art shall also include all applications with earlier priority dates filed in the Russian Federation by other applicants for inventions, utility models, and industrial designs, whose files can be inspected by any person in accordance with Paragraphs 2 and 4 of Article 1385 or Paragraph 2 of Article 1394 of this Code, and also the inventions, utility models, and industrial designs that were patented in the Russian Federation.

3. The disclosure of information concerning an invention by the author of the invention, by the applicant or any person that has directly or indirectly received this information from him (including, as a result of showing the invention at an exhibition), which made the scope of the invention public, is not a circumstance precluding the invention's patentability, provided that a patent application is filed with the federal executive authority on intellectual property within six months after the date of that disclosure. The burden of proof of the circumstances under which the disclosure of the information about scope does not prevent the recognition of the patentability of the invention lies with the

applicant.

4. An invention may be considered industrially applicable if it can be used in industry, agriculture, public health, other branches of the economy, or in the social sphere.

5. The following will not be considered inventions, in particular:

- 1) discoveries;
- 2) scientific theories and mathematical methods;
- 3) proposals concerning solely the external appearance of manufactured articles and aimed at satisfying aesthetic requirements;
- 4) rules and methods of games and intellectual or business activities;
- 5) computer programs;
- 6) ideas only on the presentation of information.

In accordance with this Paragraph these objects shall not be classified as inventions if the patent application refers to these objects as such.

6. Legal protection as inventions will not be granted to:

- 1) varieties of plants, breeds of animals and the biological methods for producing them, that is, the methods consisting in full of cross-breeding and selection, except for microbiological methods and products made by such methods;
- 2) topographies of integrated circuits.

Article 1351. The conditions for the patentability of a utility model

1. A technical solution relating to a device is protected as a utility model.

A utility model will be granted legal protection, if it is new and industrially applicable.

2. A utility model is new if the combination of its essential features is not known from state of the art.

The state of the art with respect of a utility model includes all of the data that are generally available in the world before the priority date of the utility model. The state of the art also includes (upon condition of its earlier priority) all of the patent applications filed for an invention, utility model, or industrial

design by other persons in the Russian Federation, with any person being entitled to review the associated documents in accordance with Article 1385 2. and 4. or Article 1394 2. of this Code, and the inventions and utility models that were patented in the Russian Federation.

3. The disclosure of information concerning a utility model by its author, by the applicant, or any other person who has directly or indirectly obtained this information from him (including, as a result of showing the utility model at an exhibition) which made the essence of the utility model public, is not a circumstance precluding the utility model's patentability, provided that a patent application is filed with the federal executive authority on intellectual property within six months after the date of that disclosure. The burden of proof that the circumstances under which the disclosure of the information about scope does not prevent the recognition of the patentability of the utility model lies with the applicant.

4. A utility model is industrially applicable if it can be used in industry, agriculture, public health, other branches of the economy, or in the social sphere.

5. The objects listed in Article 1350(5) of this Code will not be considered utility models. In compliance with this Paragraph, the possibility of classifying these objects as utility models is excluded only when a patent application for a utility model concerns the named objects as such.

6. Legal protection as to a utility model will not be provided to the objects listed in Article 1350(6) of this Code.

Article 1352. The conditions for the patentability of an industrial design

1. An industrial design protects the appearance solution of an industrial or handicraft production article.

An industrial design has legal protection, if it is novel and original in terms of its essential features.

The essential features of an industrial design are the features determining the aesthetic details of the appearance of an article, including its form, configuration, decoration, color, and line

pattern, the outline of the article, the texture or finish of the material that the article is made of.

Those features determined solely by the technical function of an article are not protected features in an industrial design.

2. An industrial design is considered novel, if the combination of its essential features reflected in images of the article's appearance was not known from the information that was available to the public in the world before the priority date of the industrial design.

3. An industrial design is considered original, if its essential features are due to the creative character of the article's features, in particular if they are not known from the information that was generally available in the world before the priority date of that industrial design, which is a solution presenting a previously unknown article of similar purpose producing on an informed consumer, the same overall impression as the industrial design shown by images of the article's appearance.

4. When the novelty and originality of an industrial design are being established, account will also be taken (upon the condition of an earlier priority) of all the applications for inventions, utility models, and industrial designs and applications for the state registration of trademarks and service marks filed in the Russian Federation by other persons and whose documents any person is entitled to review in compliance with Article 1385(2), Article 1394(2), and Article 1493(1) of this Code.

The disclosure of information about an industrial design by its author, an applicant, or any person who has received this information from them directly or indirectly (including as a result of showing an industrial design at an exhibition) which made information on the essence of the industrial design available to the general public is not a circumstance precluding the patentability of the industrial design, provided that a patent application for the industrial design is filed with the federal executive authority on intellectual property within 12 months after that information disclosure. The burden of proof of the existence of circumstances under which this disclosure of information about the essence of the industrial design does not preclude the recognition of patentability of that industrial design is borne by the applicant.

5. No legal protection will be afforded to the following as to industrial designs:

- 1) solutions whose all features are exclusively owing to the technical function of the article;
- 2) solutions that can mislead the article's user, in particular with respect to an article's manufacturer or the place of manufacture of the article, or the goods for which the article serves as a container, its packaging, or label, in particular those solutions which are the objects listed in Paragraphs 4-10 of Article 1483 of this Code, or those making the same overall impression or including these objects, when the rights to these objects had originated before the priority of the industrial design, except if the legal protection of an industrial design that is being requested is by the person with the exclusive right to that object.

The provision of legal protection to the industrial designs which are identical to those objects referred to in Article 1483(4) and Sub-Paragraphs 1 and 2 of Article (9) of this Code or producing the same overall impression or including these objects is allowed with the consent of the owners or of persons authorized by those owners or the holders of rights to these objects.

Article 1353. State registration of inventions, utility models, and industrial designs

The exclusive right to an invention, utility model, or industrial design will be recognized and protected subject to the state registration of that invention, utility model, or industrial design on the basis of which the federal executive authority on intellectual property grants a patent for the invention, utility model, or industrial design.

Article 1354. A patent for an invention, utility model, or industrial design

1. A patent for an invention, utility model, or industrial design certifies the priority of an invention, utility model, or industrial design, the authorship, and the exclusive rights to an invention, utility model, or industrial design.

2. Protection of intellectual rights to an invention or a utility model will be granted on the basis of the patent, and the scope of protection will be determined by the claims for the invention or the

utility model included in the patent. Description and drawings, as well as 3D models of the invention or the utility model in electronic form, may be used to interpret the claims of the invention or the utility model (Paragraph 2 of Article 1375, Paragraph 2 of Article 1376).

3. The protection of intellectual rights to an industrial design will be granted under a patent within the scope defined by the combination of essential features of the industrial design which are manifest in images of that article's appearance as contained in the industrial design's patent.

Article 1355. State incentives for the creation and use of inventions, utility models, and industrial designs

The State will offer incentives for the creation and use of inventions, utility models, and industrial designs, by providing to their authors, patent owners, and licensees using those inventions, utility models, and industrial designs with benefits under the legislation of the Russian Federation.

§ 2. Patent Rights

Article 1356. The right of authorship to an invention, utility model, or industrial design

The right of authorship, i.e., the right to be considered the author of an invention, utility model or industrial design is an inalienable and non-transferable, including when assigning it to a third person or conveying an exclusive right to an invention, utility model, or industrial design, and in conferring to another person the right to that use. Any waiver of this right will be void.

Article 1357. The right to obtain a patent for an invention, utility model, or industrial design

1. The right to obtain a patent for an invention, utility model, or industrial design belongs originally to the author of the invention, utility model, or industrial design.

2. The right to obtain a patent for an invention, utility model, or industrial design may be conveyed to another person (the legal successor) or may be transferred in the cases and on the grounds provided for by legislation including within the framework of universal legal succession or under a contract, including a labor contract.

3. A contract for the alienation of a right to obtain a patent for an invention, utility model, or industrial design will be concluded in writing. The failure to observe the requirement of a written form will cause invalidation of that contract.

4. Unless it is otherwise provided by the agreement of the parties to a contract for the alienation of a right to obtain a patent for an invention, utility model, or industrial design, the risk of non-patentability shall be borne by the recipient of that right.

Article 1358. The exclusive right to an invention, utility model, or industrial design

1. A patent owner owns the exclusive right to use an invention, utility model, or industrial design in accordance with Article 1229 of this Code in any manner that does not conflict with law (the exclusive right to an invention, utility model, or industrial design), for instance, by the methods described in Paragraph 2 of

this Article. A patent right owner may dispose of the exclusive right to the invention, utility model, or industrial design.

2. The following are considered to be the use of an invention, utility model, or industrial design:

- 1) its import into the territory of the Russian Federation, manufacture, application, offer for sale, sale, other introduction into civil commerce or storage for these purposes of a product in which the invention or utility model or product uses an industrial design;
- 2) the commission of acts referred to in Sub-Paragraph 1 of this Paragraph with respect to a product directly made by a patented method. If the product made by the patented method is novel, then an identical product shall be deemed produced by the patented method, unless it is otherwise proven;
- 3) the commission of acts described in Sub-Paragraph 1 of this Paragraph with respect to an apparatus whose functioning (operation) a patented method is automatically involved;
- 4) the commission of acts provided for by Sub-Paragraph 1 of this Paragraph with respect to a product intended for application in accordance with the purposes specified in the claims, when the invention is protected by way of a product's use for a definite purpose;
- 5) the implementation of the method in which the invention is used, for instance, by means of applying the method.

3. An invention will be deemed used in a product or in a method if the product contains and the method use each feature of the invention that had been stated in an independent claim of the patent, or a feature equivalent thereto, and that had become known as such in the given field of technology before the invention's priority date.

A utility model will be deemed used in a product, if the product contains each feature of the utility model stated in an independent claim of the utility model contained in the patent.

When determining the use of an invention or a utility model, the claims of the invention or utility model are interpreted in accordance with Article 1354(2) of this Code.

An industrial design will be deemed used in an article, if this article contains all the essential features of the industrial design or the combination of the features making on an informed consumer

the same general impression as the patented industrial design, provided that the product has a similar purpose.

4. If in the use of an invention or utility model all the features are also used that are stated in an independent claim of another invention contained in the patent, or the feature which is equivalent thereto that had become known as such in the given field of technology before the priority date of another invention, or each feature stated in an independent point of the formula of another utility model contained in the patent or, when using an industrial design, each essential feature of another industrial design or the combination of features of another industrial design making upon an informed consumer the same general impression as the industrial design, provided that an article has a similar purpose, another invention, another utility model or another industrial design shall be also deemed to be used.

5. If the owners of a patent for an invention, utility model or industrial design are two and more persons, the relationships between/among them respectively are governed by the provisions of Article 1348(2) and (3) of this Code, irrespective of whether any of the patent owners is the author of this result of intellectual activity or not.

Article 1358-1. A dependent invention, dependent utility model and dependent industrial design

1. An invention, utility model and industrial design whose use in a product or method is impossible without using another invention, utility model, and industrial design protected by a patent and having an earlier priority is considered a dependent invention, dependent utility model, and dependent industrial design.

A dependent invention is, in particular, an invention protected in the form of an application for a particular purpose of that product, which uses another invention, protected by a patent with an earlier priority.

An invention or utility model related to a product or method is also considered to be dependent, if the claims of such invention or such utility model are different from the claims of another patented invention or other patented utility model with an earlier priority, only for the appointment of the product or method.

2. An invention, utility model, or industrial design may not be used without the permission of the patent owner of another invention, another utility model, or another industrial design in relation to which they are dependent.

Article 1359. Actions that are not an infringement of an exclusive right to an invention, utility model, or industrial design

The following are not an infringement of the exclusive right to an invention, utility model, or industrial design:

- 1) the use of a product in which an invention or utility model and use of a article, which uses an industrial design, in construction, the auxiliary equipment or in the operation of vehicles (river and marine, aircraft, automotive, and railway transport) or the space technology of foreign countries provided that such vehicles or space technology are located temporarily or accidentally on the territory of the Russian Federation and that the product or article is used exclusive for the needs of those vehicles or space technology. Such actions do not constitute an infringement of exclusive rights with respect to those vehicles and space technology of those foreign countries that grant similar rights with respect to vehicles or space technology registered in the Russian Federation;
- 2) scientific research conducted on a product or process using an invention or utility model, or scientific research conducted on a article using an industrial design or conducting an experiment with such a product, process, or article;
- 3) the use of an invention, utility model, or industrial design in emergencies (natural disasters, catastrophes, accidents) provided that the patent owner is notified as soon as possible with the payment to him of reasonable compensation;
- 4) the use of an invention, utility model, or industrial design for private, family, domestic, or other non- commercial activities, if the purpose of such use is neither to make profit nor income;
- 5) the one-time manufacture in pharmacies of drug prescriptions using the invention;
- 6) the import into the territory of the Russian Federation, the use, proposal to sell, the sale, other introduction into commerce or storage for these purposes of a product incorporating the invention or utility model or of a device, using the industrial design, if this product or article had been previously introduced into the market in the territory of the Russian Federation by the patent owner or by another person with the consent of the patent owner or

without that permission when that introduction into commercial circulation was lawful under this Code.

Article 1360. The use of an invention, utility model, or industrial design in the interest of national security

1. When absolutely necessary for purposes related to the defense and security of the state, or protection of lives and health of the citizens, the Government of the Russian Federation shall have the right to make a decision to use an invention, utility model, or industrial design without the consent of the patent owner. In such cases, the patent owner shall be notified as soon as possible and paid a reasonable compensation.

2. The method of determining the amount of the compensation and the payment procedure shall be approved by the Government of the Russian Federation.

Article 1360-1. Use of an Invention for Production of a Medicinal Product for the Purpose of Export, in accordance with International Treaties entered into by the Russian Federation

1. In the cases and under the conditions stipulated by international treaties entered into by the Russian Federation, the Russian Federation shall have the right to make a decision to use an invention for production of a medicinal product in the territory of the Russian Federation for the purpose of export without the consent of the patent owner. In such cases, the patent owner shall be notified as soon as possible and paid a reasonable compensation. The aforementioned decision shall include information on the volume of production of the medicinal product, as defined by the needs of the foreign state whose territory the medicinal product is to be exported to. The packaging of such medicinal products shall bear a special mark.

2. The procedure for sending the notification mentioned in Paragraph 1 of this Article, the reasons and procedures for making the decision to use the invention for production of a medicinal product in the territory of the Russian Federation for the purpose of export and to terminate the patent, the procedure for determining the period of validity of the decision, and the method of determining the amount of compensation and the payment procedure shall be approved by the Government of the Russian Federation in accordance

with international treaties entered into by the Russian Federation.

Article 1361. The right of prior use of an invention, utility model, or industrial design

1. Any person who, before the priority date of an invention, utility model, or industrial design (Articles 1381 and 1382), had conceived and used in good faith within the territory of the Russian Federation an identical solution or a solution that only differs from the invention by its equivalent features (Article 1358(3)) or made the necessary preparations for such use, has a right to the further free use of that solution, on the condition that its scope is not expanded (the right of prior use).

2. The right of prior use may be transferred to another person only together with the enterprise, which made that use of an identical solution or made the necessary preparations for such use.

Article 1362. A compulsory license for an invention, utility model, or industrial design

1. If an invention or industrial design fails to be used or is insufficiently used by the patent owner in the course of four years from date of the issuance of the patent or utility model - in the course of three years from the date of patent issuance, which leads to an insufficient supply of the relevant goods, works, or services in the market, any person willing and ready to use such invention, utility model, or industrial design, given the refusal of the patent owner to conclude with such a person a licensing contract on terms consistent with established practice, may initiate a legal claim to a court against the patent owner seeking a compulsory simple (non-exclusive) license for use within the territory of the Russian Federation of that invention, utility model, or industrial design. The legal claims by this person must indicate the proposed terms of such a license, including the scope of the use of the invention, utility model, or industrial design, the scale, procedure, and the terms of payment.

If the patent right owner does not prove that his non-use or insufficient use of the invention, utility model, or industrial design is based upon valid reasons, a court may grant a license as indicated in the first Sub-Paragraph of this Paragraph and the conditions for its effectiveness. The total amount of the payment for such a license will be established in the court decision and not

be less than license prices in comparable circumstances.

The effect of a compulsory simple (non-exclusive) license may be terminated by a court in a lawsuit initiated by the patent owner, if the circumstances justifying the compulsory license cease to exist and their reappearance is unlikely. In such circumstances, a court shall fix a date and procedure for the termination of the compulsory simple (non-exclusive) license and of the rights that arose under it.

The grant, in accordance with this Paragraph, of a compulsory simple (non-exclusive) license for the use of an invention related to semiconductor technology, is allowed exclusively for its non-commercial use in state, public, or other societal interests or to change a situation which is considered to be in violation of the anti-monopoly laws of the Russian Federation.

2. If a patent right owner cannot use the invention to which he has the exclusive right, without infringing on the rights of the owner of another patent (the first patent) to an invention or utility model, who has refused to conclude a licensing contract on terms consistent with established practice, the patent owner (of the second patent) may initiate litigation against the owner of the first patent for the a compulsory simple (non-exclusive) license for his use within the territory of the Russian Federation of the invention or utility model of the owner of the first patent. The legal claims should specify the conditions for granting such a license to the owner of the second patent, including the scope of use of the invention or utility model, the scale, procedures, and terms of payment. If the patent owner having the exclusive right to such a dependent invention proves that it is an important technical achievement and has a substantial economic advantages over the invention or utility model of the owner of the first patent, the court will decide upon the granting of a compulsory simple (non-exclusive) license. The rights obtained under such a license to use the invention protected by the first patent may not be transferred to others, except when the second patent is alienated.

The total amount of payment for such a compulsory simple (non-exclusive) license must be established in the court's decision and not be lower than what the price of a license would be under comparable circumstances.

When, in accordance with this Paragraph, there is granted a simple compulsory (non-exclusive) license, the owner of the patent for the

invention or utility model, the right to use of which was granted on the basis of that license, also has the right to obtain a simple (non-exclusive) license for use of the dependent invention, in connection with which the compulsory simple (non-exclusive) license was granted on terms consistent with established practice.

3. On the basis of a court decision made pursuant to Paragraphs 1 and 2 of this Article, the federal executive authority on intellectual property will make the state registration of the license and terminate the right to use an invention, utility model, or industrial design under a compulsory simple (non-exclusive) license.

Article 1363. The term of effectiveness of exclusive rights to an invention, utility model, & industrial design

1. The exclusive right to an invention, utility model, industrial design, and to the patent certifying these rights are effective, provided that the requirements of this Code are satisfied, from the date when the patent application was filed with the federal executive authority on intellectual property, or, in the event of a divisional application (Article 1381(4)), from the filing date of the initial application with a term of effectiveness of:

20 years for inventions;

10 years for utility models;

5 years for industrial designs.

The protection of a exclusive right, certified by a patent, may be made only after the state registration of an invention, utility model, and industrial design and the issuance of the patent (Article 1393).

2. If from the filing date of an application for the grant of patent for an invention relating to products such as drugs, pesticides, or agro-chemicals for which a patent is sought under the procedures established by law, more than five years have elapsed before the date of receipt of first permission to use, the effective term of the exclusive right to that invention and the patent certifying this right may be extended on the basis of request of the patent owner to the federal executive authority on intellectual property.

The term may be extended by the time elapsed from the filing date of the patent application for an invention until the date of receipt of the first permission to use the product, minus five years, but no

more than five years.

A term-extension application shall be filed by the patent owner during the term of effectiveness of the patent and before the expiration of six months after the receipt of the first permission to use the product or the patent issuance date, whichever expires later.

From the patent right owner there may be requested additional materials, without which the consideration of an application is not possible. Those additional materials must be submitted within three months as from the date of the request. If the patent owner does not present the requested materials on time or does not file a petition for extension of this term, an application will be rejected. The time set for presenting additional materials may be extended by the federal executive authority on intellectual property by no more than 10 months.

In the case of an extension of the exclusive right on the basis of the first Sub-Paragraph of this Paragraph, an additional patent shall be granted including the combination of features of the patented invention describing the product whose use has been authorized.

3. The term of effectiveness of an exclusive right to an industrial design and the patent certifying this right may be repeatedly extended on the basis of an application of the patent owner in five year increments but generally no more than 25 years from the date of the patent application filing with the federal executive authority on intellectual property or, in the event of a divisional application (Article 1381(4)), from the filing date of the original application.

4. The procedure for the issuance and operation of an additional patent for invention and extending the effective term of a patent for an invention or industrial design shall be established by the federal executive authority exercising normative legal regulation in the sphere of intellectual property.

5. The exclusive right to an invention, utility model, industrial design and the patents certifying these rights, including additional patents, are considered invalid or will be terminated early time on the grounds and in the procedure provided for by Articles 1398 and 1399 of this Code.

Article 1364. The passage of an invention, utility model, or industrial design into the public domain

1. Upon the termination of the term of effectiveness of an exclusive right, an invention, a utility model, or an industrial design will fall into public domain.

2. An invention, utility model or industrial design that has fallen into public domain may be used freely by any person without any consent or permission whatsoever and without the payment of remuneration for its use.

§ 3. The disposition of the exclusive rights in an invention, utility model, or industrial design

Article 1365. Contracts for the alienation of the exclusive right to an invention, utility model, or industrial design

1. Under a contract for the alienation of an exclusive right to an invention, utility model, or industrial design (contract for the alienation of a patent) one party (patent right owner) will assign or undertake to assign his/its exclusive right in full to the corresponding result of intellectual activity to another party - to the recipient of the exclusive right (the purchaser of the patent).

2. The alienation of an exclusive right to an industrial design is not allowed, if it may cause consumers to be misled about goods or their manufacturer.

Article 1366. A public offer to make a contract for the alienation of an invention patent

1. Before a decision is made to grant a patent, or to reject the patent application, or to deem the application withdrawn, an applicant who is the sole author of the invention may file a statement to the effect that if the patent is granted he/she agrees to conclude a contract of alienation under the terms in line with established practice, with any citizen of the Russian Federation or any Russian legal entity who was the first to express their wish to conclude such a contract and to communicate it to the patent owner and the federal executive authority on intellectual property. If the aforementioned statement has been made, the patent application fees and patent issue fees determined by this Code shall not be collected from the applicant. Any fees paid before the aforementioned statement is made shall not be refunded.

The federal executive authority on intellectual property shall publish a notice about the aforementioned statement in its official bulletin.

The maximum number of applications filed by the same applicant that can be eligible for exemption of patent fees, based on the aforementioned statement, shall be determined by the Government of the Russian Federation.

2. A person who has concluded a contract for the alienation of an invention patent based on a declaration referred to in Paragraph 1

of this Article, is required to pay all of the patent fees, from which the applicant (patent right owner) was relieved. Further patent fees are to be paid pursuant to the usual established procedures.

The state registration of the transfer of the exclusive right to the purchaser under a contract for the alienation of a patent is confirmed by the federal executive authority on intellectual property, subject to the payment of the patent fees, from which the applicant (patent right owner) was relieved.

3. If, within two years from the date of publication of the notice of the grant of an invention patent, with respect to which a declaration under Paragraph 1 of this Article was submitted, if no written notice of a desire to conclude a contract for the alienation of the patent is received by the federal executive authority on intellectual property, the patent right owner may submit to that federal authority a petition for the withdrawal of his declaration. In such a case, the patent fees provided for by this Code, from the payment of which the applicant (or patent owner) was relieved, will be paid. Further patent fees shall be paid pursuant to established procedures.

The federal executive authority on intellectual property will publish in its official bulletin a notice on the withdrawal of the declaration under Paragraph 1 of this Article.

Article 1367. A licensing contract granting of a right to use an invention, utility model, or industrial design

Under a licensing contract, one party - the patent right owner (the licensor) grants or undertakes a commitment to grant to another party (the licensee), under the terms of a contract, the right to use the invention, utility model, or industrial design certified by a patent.

Article 1368. An open license for an invention, utility model, or industrial design

1. A patent right owner may submit to the federal executive authority on intellectual property a declaration concerning the possible granting to any person of the right to use his invention, utility model, or industrial design (an open license).

In such circumstances, the applicable patent fee for maintenance of a patent for an invention, utility model, or industrial design is

reduced by fifty percent starting from the year following the year of publication by the federal executive authority on intellectual property of the notice of the open license.

The licensing conditions under which the right to use an invention, utility model, or industrial design may be granted to any person, are communicated by the patent owner to the federal executive authority on intellectual property, which publishes at the expense of the patent owner, relevant information on an open license. The patent right owner will be obliged to conclude with any person who expresses a desire to use this invention, utility model, or industrial design, a licensing contract under a simple (non-exclusive) license.

2. If the patent right owner during two years from the date of publication of the notice of availability of an open license does not receive any written proposals for the conclusion of any a licensing contracts pursuant to the conditions made in his declaration, after those two years, he may submit to the federal executive authority on intellectual property a petition to withdraw his offer regarding an open license. In such circumstances, the patent fee for the maintenance of the patent must be paid for the time that has passed from the date of publication of the notice on the open license and in the future it is to be paid in full. The federal authority shall publish a notice on the withdrawal of his declaration in its official bulletin.

Article 1369. The form of contracts disposing of exclusive rights to an invention, utility model, or industrial design and the state registration of the transfer of an exclusive right, its pledge, and the granting of the right to use an invention, utility model, or industrial design

1. A contract on alienation of a patent, a licensing contract, and other contracts where disposal is made of an exclusive right to an invention, utility model, or industrial design are to be concluded in written form. The failure to observe this obligatory written form renders such contracts invalid.

2. The alienation and pledge of an exclusive right to an invention, utility model, or industrial design, or the contractual grant of the right for their use are subject to the state registration under the procedures established by Article 1232 of this Code.

§ 4. An invention, utility model, and industrial design created in the performance of a duty or while performing work under a contract

Article 1370. An employment invention, employment utility model, employment industrial design

1. An invention, utility model, or industrial design created by an employee in inconnection with his work obligations or a specific task set by the employer is considered to be, respectively, an employment invention, an employment utility model, or an employment industrial design.

2. The authorship right to an employment invention, an employment utility model or an employment industrial design belongs to the employee (the author).

3. The exclusive right to an employment invention, an employment utility model, or an employment industrial design and the right to obtain a patent belong to the employer unless there are other provisions made in the labor or civil law contract between the employee and the employer.

4. Without there being a contract, between an employer and employee, containing contrary provisions (Paragraph 3 of this Article) an employee must notify his employer in writing of his making in the course of the performance of his work obligations or from a specific task set by the employer results which are eligible for legal protection.

When the employer within four months from the date of notification by employee fails to file an application for the grant of a patent for the respective employment invention, the employment utility model, or the employment industrial design with the federal executive authority on intellectual property, fails to transfer the right to obtain a patent for an employment invention, employment utility model, or employment industrial design to another person, and fails to inform the employee about keeping information on the respective result of intellectual activity secret, then the right to obtain a patent for such an invention, utility model, or industrial design shall return to the employee. In such a case the employer during the term of effectiveness of the patent shall have the right to use the employment invention, employment utility model, or employment industrial design in his own business under a simple

(non-exclusive) license and pay remuneration to the patent owner, the amount, terms, and method of payment shall be determined by contract between the employee and the employer and in the event of dispute to be settled - in court.

If the employer receives a patent for his employment invention, employment utility model, or employment industrial design, or decide to keep information about such an invention, utility model, or industrial design secret and so informs his employee, or transfers the right to obtain a patent to another person, or fails to obtain a patent on the basis of the application filed by him owing to circumstances for which he is responsible, the employee shall have the right to remuneration. The amount of that remuneration, the terms, and the procedure of its payment by the employer are determined by a contract between him and the employee and in the event of dispute - by a court.

The right to remuneration for an employment invention, employment utility model, or employment industrial design is inalienable, but it does pass to the heirs of the author for the remaining term of effectiveness of the exclusive right.

5. An invention, utility model, or industrial design created by an employee using the financial, technical, or other material resources of his employer, but not part of his employment duties or a specific task set by the employer, are not an employment invention. The right to obtain a patent and the exclusive right to such invention, utility model, or industrial design will belong to the employee. In these circumstances, the employer has the right, at its option, to demand the grant to him of a free, simple (non-exclusive) license for the use of the created result of intellectual activity for his own needs during the term of effectiveness of the exclusive right or to compensation of the expenditures incurred by him in connection with the creation of that invention, utility model, or industrial design.

Article 1371. An invention, utility model, or industrial design created in performance of work under a contract

1. The right to obtain a patent and the exclusive right to an invention, utility model, or industrial design created in the performance of a work contract or a contract for performance of research, development, or technical work, which do not expressly provide for their creation, belongs to the contractor (performer)

unless the contract between him and the customer provides otherwise. In such circumstances, the customer will have the right, unless otherwise provided by the contract, to use the invention, utility model, or industrial design for the purposes for which the underlying contract was made under a simple (non-exclusive) license in the course of the whole term of effectiveness of the patent without the payment of additional remuneration. When a transfer is made by the contractor (performer) of his right to obtain a patent or the alienation of that patent to another person, the customer will continue to have a right to use that invention, utility model, or industrial design under the same conditions.

2. When under a contract between a contractor (a performer) and a customer the right to obtain a patent or an exclusive right to an invention, utility model, or industrial design is transferred to the customer or to a third party designated by him, the contractor (the performer) will have the right to use the created invention, utility model, or industrial design for his own needs under a free simple (non-exclusive) license during the entire term of effectiveness of the patent unless other provision is made in their contract.

3. The author of an invention, utility model, or industrial design described in Paragraph 1 of this Article who is not the patent owner shall be paid remuneration in accordance with Article 1370(4) of this Code.

Article 1372. An industrial design made upon an order

1. The right to obtain a patent and the exclusive right to an industrial design created under a contract, the subject of which was its creation (on order), belongs to the customer, unless the contract between the contractor (the performer) and the customer provides otherwise.

2. When the right to obtain a patent and the exclusive right to an industrial design under Paragraph 1 of this Article belongs to the customer, the contractor (the performer) will have the right, to the extent that the contract does not provide otherwise, to use that industrial model for his own needs under a free simple (non-exclusive) license during the entire term of effectiveness of the patent.

3. If according to the contract between a contractor (performer) and the customer, the right to obtain a patent and the exclusive right to the industrial design is owned by the contractor (performer), the customer is entitled to use the industrial design for the purposes for which the contract had been made under a free simple (non-exclusive) license for the whole term of effectiveness of the patent.

4. The author of an industrial design created upon an order who is not the patent owner will be compensated in accordance with Article 1370(4) of this Code.

Article 1373. An invention, utility model, or industrial design created in the performance of work under a state or municipal contract

1. The right to obtain a patent and the exclusive right to an invention, utility model, or industrial design created in performance of work under a state or municipal contract for state or municipal needs belong to the entity performing that state or municipal contract (the executing performer) unless the state or municipal contract stipulates that this right shall belong to the Russian Federation, a subject of the Russian Federation, or the municipal formation in whose name the state or municipal customer is acting, or jointly to the performer and the Russian Federation and the subject of the Russian Federation, or to the performer and the municipal formation.

2. If in accordance with a state or municipal contract the right to obtain a patent and an exclusive right to an invention, utility model, or industrial design belongs to the Russian Federation, subject of the Russian Federation, or municipal government, the state or municipal customer may file an application for a patent within six months from date of his notification from the performer of his getting a result of intellectual activity that is eligible for legal protection as an invention, utility model, or industrial design. If within this timeframe the state or municipal customer fails to file an application to obtain a patent, the right to obtain a patent shall belong to the performer.

3. If the right to obtain a patent and the exclusive right to an invention, utility model, or industrial design under a state or

municipal contract, belongs to the Russian Federation, to a subject of the Russian Federation, or to municipal government, the performer is obligated, by the completion of appropriate agreements with his employees and third parties, to obtain all the rights and insure their being vested in the Russian Federation, the subject of the Russian Federation, or municipal government. The performer has the right to reimbursement for his costs incurred in connection with obtaining the relevant rights from third parties.

4. If a patent for an invention, utility model, or industrial design created in the performance of work under a state or municipal contract for state or municipal needs, belongs under Paragraph 1 of this Article not to the Russian Federation, not to a subject of the Russian Federation, and not to municipal government, the patent right owner at the request of the state or municipal customer is obliged to grant to the person indicated by them a free, simple (non-exclusive) license for the use of the invention, utility model, or industrial design for state or municipal needs.

5. If a patent for an invention, utility model, or industrial design created in the performance of work under a state or municipal contract for state or municipal needs is granted jointly in the name of the performer and the Russian Federation, or of the performer and a subject of the Russian Federation, or of the performer and municipal government, the state or municipal customer has the right to a free, simple (non-exclusive) license in order for such invention, utility model, or industrial design to be used for the purpose of performing work or supplying products for State or municipal needs, after having informed the performer.

6. If a performer who has obtained a patent for an invention, utility model, or industrial design under Paragraph 1 of this Article in his own name, affirmatively decides to terminate the effectiveness of the patent early, he is obliged to notify the state or municipal customer, and at their request to transfer the patent at no-cost to the Russian Federation, subject of the Russian Federation, or municipal government.

If a decision is made on early termination of the effectiveness of a patent granted under Paragraph 1 of this Article in the name of the Russian Federation, a subject of the Russian Federation, or a municipal government, the state or municipal customer is obliged to

notify the performer and at his request to transfer the patent to him free-of-charge.

7. The author of an invention, utility model, or industrial design referred to in Paragraph 1 of this Article who is not the patent owner will be paid remuneration in accordance with Article 1370(4) of this Code.

§ 5. The Granting of Patents

1. An application for the granting of a patent, its amendment, & its withdrawal

Article 1374. The filing of an application for the granting of a patent for an invention, a utility model, or an industrial design

1. An application for the granting of a patent for an invention, utility model, or industrial design is filed with the federal executive authority on intellectual property by the person entitled to obtain a patent under this Code (the applicant).

2. An application for the granting of a patent for an invention, utility model, or industrial design is made in the Russian language. Other documents of the application are presented in Russian or another language. If the application documents are presented in another language, their translation into Russian will be attached to the application.

3. An application for the granting of a patent for an invention, utility model, or industrial design shall be signed by the applicant and, in case of filing of an application through a patent attorney or some other representative - the application is filed by the applicant or by his representative filing the application.

4. The requirements for the application documents for the granting of a patent for an invention, utility model, or industrial design shall be established on the basis of this Code, by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1375. An application for the granting of a patent for an invention.

1. An application for the granting of a patent for an invention (an invention application) will relate to one invention or to a group of inventions that form a single inventive concept (the requirement of the unity of an invention).

2. An application for an invention will contain:

1) a request for the issuance of a patent indicating the author of the invention and the applicant - the person entitled to receive the

- patent, and also the place of residence or location of each of them;
- 2) a description of the invention that discloses its essence in sufficient detail to allow the invention to be made by those skilled in that art;
 - 3) claims of the invention, clearly expressing its essence and fully based upon its description;
 - 4) drawings and other materials if they are necessary for understanding the invention, including a 3D model of the invention if the applicant wishes to provide;
 - 5) an abstract.

3. The filing date of an invention application is considered to be the date of receipt by the federal executive authority on intellectual property of an application containing a request for the granting of a patent, a description of the invention, and drawings if the description refers to them, and if all the these documents are not presented simultaneously - the date of the receipt of the last document.

Article 1376. An application for the granting of a utility model patent

1. An application for the granting of an utility model patent (an utility model application) relates to a single utility model (the requirement of unity of an utility model invention).

2. An application for a utility model will contain:

- 1) a request for the issuance of a patent indicating the author of the utility model and the applicant - the person entitled to receive the patent, and also the place of residence or location of each of them;
- 2) a description of the utility model that discloses its essence in sufficient detail to allow the utility model to be made by those skilled in the art;
- 3) the claims of the utility model, relating to a single technical solution, clearly expressing its essence and fully based upon its description;
- 4) drawings and a 3D model of the invention (if the applicant wishes to provide it) if they are necessary for understanding the invention;
- 5) an abstract.

3. The filing date of an utility model application is the date of receipt by the federal executive authority on intellectual property of an application containing a request for the granting of a patent, the utility model description and drawings, if there is a reference to them in the description, and, if all of these documents are not presented simultaneously - the date of receipt of the last document.

Article 1377. An application for the granting of an industrial design patent

1. An application for the granting of an industrial design patent (an industrial design application) relates to a single industrial design or to a group of industrial designs so closely associated as to form a single creative concept (the requirement of unity of an industrial design).

2. An application for an industrial design will contain:

1) a request for the issuance of a patent indicating the author of the industrial design and the applicant - the person entitled to receive the patent, and also the place of residence or location of each of them;

2) a set of images of the article (including a 3D model of the invention if the applicant wishes to provide it) providing a complete idea of the essential features of the industrial design that define the aesthetic characteristics of the article's appearance;

3) a general view drawing of the article, assembly chart, if required for disclosing the essence of the industrial design;

4) the description of the industrial design;

3. The filing date of an industrial design application is the date of receipt by the federal executive authority on intellectual property of an application containing a request for the issuance of a patent, a set of the images of the article giving a complete picture of the essential features of the industrial design that define the aesthetic features of the appearance of the article and, if the specified documents submitted not simultaneously- the date of receipt of the last of the document.

Article 1378. Making amendments to application documents for an invention, utility model or industrial design

1. An applicant is entitled to make in his application documents for

an invention, utility model, or industrial design additions, clarifications, and corrections by filing supplemental materials at the request of the federal executive authority on intellectual property, before a decision is made to grant a patent, or to refuse a patent, or to recognize the application withdrawn, unless these additions, clarifications, and corrections change the essence of the application for an invention, utility model, or industrial design. After receiving a report on an information search conducted in the manner established by Article 1386(2)-1386(4) of this Code, an applicant has a one-time entitlement to present on his own initiative amended claims that do not change the essence of the invention and to make an appropriate amendment of its description.

2. The additional materials are considered to change the application for an invention or utility model in one of the following cases, if they contain:

another invention that does not satisfy the requirement for the unity of an invention with respect to the invention or a group of inventions accepted for consideration or another utility model; features that should be included in the claims of an invention or utility model and that were not disclosed in the application documents referred to in Sub-Paragraphs 1-4 of Article 1375(2) or Sub-Paragraphs 1-4 of Article 1376(2) of this Code and submitted on the date of the application's filing;

an indication of a technical result, that is provided by the invention or utility model and is not related to the technical result contained in the same documents.

3. Additional materials change an application for an industrial design in its essence, if they contain images of an article in which:

another industrial design that does not satisfy the requirement of the unity of an industrial design with respect to an industrial design or a group of industrial designs accepted for consideration; essential features of an industrial design that are absent on the images submitted on of the filing date of the application or the images of an article are presented from which are removed essential features of an industrial design available in the images submitted as of the filing date of an application.

4. Changes to the information about the author, about the applicant,

including the transfer of the right to obtain a patent to another person, or as a result of changes in the author's name, the name or title of the applicant, as well as the correction of obvious and technical errors may be made by the applicant in the application documents on his own initiative prior to the registration of an invention, utility model, or industrial design.

5. Changes made by an applicant to the application documents for an invention are taken into account when publishing information about the application, if such changes are presented to the federal executive authority on intellectual property matters within 15 months of the application's filing date.

Article 1379. The conversion of an application for an invention or utility model or industrial design

1. Prior to the publication of an application for an invention (Article 1385(1)), but not later than the date of a decision on the grant of an invention patent, or, when adopting a decision to refuse to grant an invention patent or to recognize an application withdrawn - before it is no longer possible under this Code to file an objection against this decision, the applicant can convert it into a utility model or industrial design application by filing an appropriate application with the federal executive authority on intellectual property, except if the applicant has filed a declaration to make a contract for the patent's alienation under Article 1366(1) of this Code.

2. The conversion of a utility model application into an application for an invention or industrial design or an industrial design application into an invention or utility model shall be permitted on the basis of an application filed with the federal executive authority on intellectual property until the date of a decision on the grant of a patent, and in the case of a decision to refuse to grant a patent or to recognize an application withdrawn - until the possibility of filing an objection against this decision under this Code is exhausted.

3. The conversion of an application for an invention, utility model, or industrial design in accordance with Paragraphs 1 or 2 of this Article are permitted, if the priority and date of filing the converted application subject to the requirements of Article

1375(3), Article 1376(3), Article 1377(3), Article 1381(3), or Article 1382 of this Code remain unchanged.

Article 1380. The withdrawal of an application for an invention, utility model, or industrial design

An applicant may withdraw an application filed for an invention, utility model, or industrial design before the state registration of the invention, utility model, or industrial design in the respective register.

2. The priority of an invention, utility model, and industrial design

Article 1381. Establishing the priority of an invention, utility model, or industrial design

1. The priority of an invention, utility model, or industrial design is established on the date of the filing with the federal executive authority on intellectual property, a patent application for an invention, utility model, or industrial design.

2. The priority of an invention, utility model, or industrial design is established on the date of receipt of additional materials if they are submitted by the applicant as an independent application provided that it is filed within three months after the date of receipt of by the applicant of notice from the federal executive authority on intellectual property of the impossibility of being taken into consideration as they are not recognized as changing the essence of the claimed solution and provided that the filing date of this independent application, containing these supplementary materials has not been withdrawn and has not been considered as withdrawn.

3. The priority of an invention, utility model, or industrial design is established on the date when an earlier invention, utility model, or industrial design application is filed by the same applicant with the federal executive authority on intellectual property that discloses the invention, utility model, or industrial design, provided that the earlier application was not withdrawn, is not considered withdrawn, and on the basis of it the invention, utility model or industrial design was not registered in the appropriate register as of the date of filing the application in which the priority is sought and the application for an invention in which the priority is sought is filed within 12 months from the date of filing the earlier application, while an application for a utility model or industrial design - within six months as from the date when the earlier application was filed.

Upon the filing of an application in which priority is requested, the earlier application is considered as withdrawn.

Priority may not be established on the filing date of an application in which an earlier priority has already been claimed.

4. The priority of an invention, utility model, or industrial design under a divisional application is established as of the filing date by the same applicant to the federal executive authority on intellectual property of the initial application, disclosing the invention, utility model, or industrial design and in the presence of the right to the earlier priority of the original application - the date of priority on the condition that as of the filing date of the divisional application, the original application for an invention, utility model, or industrial design has not been withdrawn and has not been considered to be withdrawn and the divisional application is filed before the exhaustion of the time provided by this Code, for filing an appeal against a decision to refuse to grant a patent under the original application, or before the date of registration of an invention, utility model, or industrial design, if a decision on the patent grant was adopted on the basis of the original application.

5. The priority of an invention, utility model, or industrial design may be established on the basis of several earlier applications or additional materials thereto under the conditions provided by Paragraphs 2, 3, and 4 of this Article and by Article 1382 of this Code, respectively.

Article 1382. The Convention priority of an invention, utility model, or industrial design

1. The priority of an invention, utility model, or industrial design may be established by the filing date of the first application for an invention, utility model, or industrial design in a country - a Member-State of the Paris Convention for the Protection of Industrial Property (Convention priority), provided filing with the federal executive authority on intellectual property of an application for an invention or a utility model within twelve months from that date and an application for an industrial design - within six months from that date. If, for reasons beyond the applicant's control, an application for which Convention priority is sought could not be filed within that time, such time may be extended by the federal executive authority on intellectual property, but by not more than two months.

2. An applicant willing to exercise the right of Convention priority in respect of a industrial design application will notify

accordingly the federal executive authority on intellectual property within two months after the filing of the application and present an certified copy of the first application specified in Paragraph 1 of this Article within three months after the filing with the said federal authority of the application whereby Convention priority is sought.

If an certified copy of the first application is not filed within the cited time, the right of priority, nevertheless, may be recognized by the federal executive authority on intellectual property on the applicant's petition filed with the same federal executive authority on intellectual property before the expiration of the applicable term. A petition may be allowed on condition that a copy of the first application has been requested by the applicant at the same patent office with which the first application was filed within eight months from the date of filing the first application and is presented with the federal executive authority on intellectual property within two months from the date of its receipt by the applicant.

3. An applicant wanting to exercise a right to Convention priority with respect to an invention or utility model application will notify the federal executive authority on intellectual property and file a certified copy of the first application with that federal authority within 16 months after its filing with the patent department of the member state of the Paris Convention for the Protection of Industrial Property.

If within this term no certified copy of the first application is filed, the Convention priority right may nevertheless be recognized by the federal executive authority on intellectual property on the applicant's petition filed by him/it with that federal authority within said term, provided that a copy of the first application was requested by the applicant from the patent department to which the first application had been submitted, within 14 months after the filing of the first application and was submitted to the federal executive authority on intellectual property within two months after its receipt by the applicant.

The federal executive authority on intellectual property is entitled to demand of an applicant a translation into Russian of the first application for an invention or utility model, only if the verification of effectiveness of a claim for the priority of the invention or utility model is connected with establishing the

patentability of the declared invention or utility model.

Article 1383. The consequences of coincidence of priority dates of invention, utility model, or industrial design

1. In the event that the examination process reveals that several applicants have filed applications for identical inventions, utility models, or industrial designs, and that these applications have the same priority date, a patent for the invention, utility model, or industrial design will be granted only on one of these applications to the person determined by the agreement made between the applicants.

Within twelve months of the date of receipt from the federal executive authority on intellectual property of the respective notification, the applicants will inform to the said federal authority of the agreement made between them.

Upon the grant of the patent for one of the applications, all of the authors indicated in the applications will be recognized as co-authors with respect to identical inventions, utility models, or industrial designs.

In the case when such applications with the same priority date for identical inventions, utility models, or industrial designs have been filed by the same applicant, the patent will be granted on the application chosen by the applicant. The applicant will state his choice within the time and in the manner provided for by the second Sub-Paragraph of this Paragraph.

If the aforementioned communication or petition from the applicants for extending the established term is not received by the federal executive authority on intellectual property within the established time period in the manner provided for by Article 1386(6) of this Code, the applications will be considered withdrawn.

2. When there is a coincidence of the priority dates of an invention and an identical utility model, with respect to which patent applications have been filed by the same applicant, after the granting of a patent on one of these applications, the granting of a patent on the other application is possible only upon the condition of a submission of a request to the federal executive authority on intellectual property by the owner of the earlier patent for an identical invention or identical utility model of a request for the termination of the effectiveness of that patent. The effectiveness of the earlier patent terminates on the publication date of

information on that patent grant under the other application pursuant to Article 1394 of this Code. Information about the granting of a patent for an invention or utility model and information about the termination of the effectiveness of the earlier patent are to be published concurrently.

**3. Examination of applications for the granting of patents,
temporary legal protection of an invention and industrial design.**

Article 1384. The formal examination of an invention application

1. A formal examination is made with regard to an invention application received by the federal executive authority on intellectual property to verify the completeness of the documents required by Article 1375(2) of this Code, and their compliance with the established requisites.

2. The federal executive authority on intellectual property will immediately notify an applicant of a positive result of the formal examination of his application for an invention following the conclusion of that examination.

3. If an invention application does not comply with the requirements for application documents, the federal executive authority on intellectual property will send a notice to the applicant asking him to file corrected or missing documents within the three months following the sending of that notice. Unless the applicant files those documents within this prescribed time or files a petition for an extension of time, the application is considered withdrawn. This time may be extended by the said federal executive authority, but not by more than ten months.

4. When carrying out a formal examination of an invention application, a violation is found of the unity of invention requirement (Article 1375(1)), the federal executive authority on intellectual property shall ask the applicant to state within three months, of the corresponding inquiry, which of the claimed inventions are to be examined and, if needed, to amend the application documents. The other inventions claimed in that application may be filed as divisional applications. If within the applicable time the applicant does not declare which of the claimed inventions is to be examined and if needed does not file relevant documents, the first claimed invention in the application is the one that will be examined.

5. When carrying out a formal examination of an invention application, it is established that the applicant's additional filed materials change the essence of the application, the third Sub-

Paragraph of Article 1386(6) of this Code shall apply

Article 1385. Publication of Information on applications for Inventions and Industrial Designs

1. The federal executive authority on intellectual property, upon the expiration of eighteen months from the filing date of an application for an invention, with regard to which the formal examination finding is favorable, shall publish information on the application for the invention in its official bulletin. The composition of the information to be published is determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

The author of the invention may waive his right to be identified in the published information about the application for an invention.

On the request of an applicant, filed before the expiration of twelve months from the filing date of the application for an invention, the federal executive authority on intellectual property may publish information on the application for an invention before the expiration of eighteen months from the date of its filing. Publication shall not be made if before the expiration of fifteen months from the date of filing the application for the invention, it was withdrawn or recognized as withdrawn, or if on its basis the invention's registration was made.

2. Any person after publication of the information on the application for the invention shall have the right to review the documents in the application unless the application has been withdrawn or recognized as withdrawn on the date of publication of information on it. The procedure governing access to the documents of the application and making copies of such documents is established by the federal of executive authority exercising normative and legal regulation in the sphere of intellectual property.

3. In case of publication of information on an application for an invention, which application on the date of publication had been withdrawn or recognized as withdrawn, such information will not be included in the state of the art with respect to subsequent applications of the same applicant filed with the federal executive authority on intellectual property before the expiration of twelve months from the date of publication of information on the invention

application.

4. The federal executive authority on intellectual property shall publish in its official bulletin information on an industrial design application that has passed the formal examination successfully, upon request from the applicant. The list of the information to be published shall be determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

The author of the industrial design has the right to refuse to be mentioned as such in the information on the industrial design application to be published.

The information shall not be published if the application has been withdrawn or deemed withdrawn, or if an industrial design has been registered on the basis of that application.

Upon publication of the information on the industrial design application, any person has the right to inspect the application documents. The procedure for the inspection of such documents and provision of their copies shall be determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1386. The examination of an invention application

1. On the filing of a petition by an applicant or third parties with the federal executive authority on intellectual property when filing an application for invention or within three years from its filing date, and subject to a completion of a formal examination with a positive result, the invention application undergoes a substantive examination. The federal executive authority will notify applicants when third party petitions are received.

The time limits for filing a petition for substantive examination of an invention application may be extended by the federal executive authority on intellectual property by the applicant's petition before that time limit for not more than two months.

Unless a petition for the substantive examination of an invention application is filed within the prescribed term, the application is considered withdrawn.

2. The substantive examination of an invention application includes: an information search concerning the claimed invention assessing the state of the prior art against which the invention's patentability

is to be checked;

confirmation of the compliance of the claimed invention with the requirements of Article 1349(4) of this Code and with the patentability conditions set out by first Sub-Paragraph of Article 1350(1), Article 1350(5) and 1350(6) of this Code;

confirmation of the sufficiency of the disclosure of the claimed invention in the documents in the application provided by Sub-Paragraphs 1-4 of Article 1375(2) of this Code and presented as of the filing date for the making of the invention by a person skilled in that art;

confirmation of the compliance of the claimed invention with the conditions of the patentability provided by the second Sub-Paragraph of Article 1350(1) of this Code.

The federal executive authority on intellectual property sends the applicant a report on the information search.

No information search will be pursued with respect to the objects listed in Article 1349(4) and Article 1350(5) and (6) of this Code and the federal executive authority on intellectual property will so notify the applicant.

A process for conducting information search and the presentation of a report shall be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

3. If a petition is filed for a substantive examination of an invention application simultaneously with an application and no earlier priority is claimed for in the application than the date of filing the application, the federal executive authority on intellectual property sends to an applicant a report on the information search before the expiration of seven months from the beginning date of the substantive examination of the application. The time for forwarding to an applicant a report on information search can be extended by the federal executive authority on intellectual property, if there is a need to request from other organizations information which is missing in the funds of the federal executive authority or the claimed invention is characterized so that it makes it impossible to make the information search by the established procedure. The cited federal executive authority will notify the applicant in the event of an extension of the time for reporting on the information search and about the reasons for its extension.

4. The applicant and third parties are entitled to petition for an information search for an invention application that has undergone formal examination in order to determine the state of the art subject to which the patentability of the claimed invention is to be assessed. The procedures and conditions for such information search and provision of information on its results are to be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

5. After the publication of an invention application in accordance with Article 1385 of this Code, the federal executive authority on intellectual property shall publish a report on the information search conducted in accordance with Paragraphs 2 and 4 of this Article.

After the publication of information on an invention application, any person may submit their observations with respect of the compliance of the claimed invention with the patentability terms established by Article 1350 of this Code. Such persons do not take part in the proceedings on the application. Their comments are taken into account when a decision is made on an application under the procedure established by Article 1387 of this Code.

A procedure and the terms for informing an applicant about the results of an information search and the publication of a report on such results are established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

6. During the substantive examination of an invention application, the federal executive authority on intellectual property may request additional materials from the applicant (including amended claims) without which the substantive examination or a decision to grant a patent is impossible. Those additional materials, without a changing the application's merits, are to be submitted within three months from the sending of a request or copies of the materials opposing the application, provided that applicant has requested those copies within two months after the request by the federal authority. Unless within the established term, the applicant submits the requested materials or files a petition for a time extension, the application is considered withdrawn. The time set for the submission by the applicant of the requested materials may be extended by the federal

authority for not more than ten months.

If it is established during a substantive examination of an application that the requirement for the unity of an invention is not satisfied, the provisions of Article 1384(4) of this Code apply. If the applicant files additional materials, it is verified whether they have changed the substance of the application (Article 1378) or not. Additional materials that partially change the substance of an application are not considered. Such materials may be submitted by an applicant as an independent application. The federal executive authority on intellectual property will notify the applicant this.

Article 1387. A decision on the granting of an invention patent, on refusing to grant or on declaring an application to be withdrawn

1. If a substantive examination of an invention application finds that the claimed invention, which is presented in the invention claims proposed by the applicant does not refer to the objects set forth in Article 1349(4) of this Code, meets to the conditions of patentability provided in Article 1350 of this Code and the essence of the claimed invention in the application documents referred to by Sub-Paragraphs 1-4 of Article 1375(2) of this Code and as submitted as of the filing date disclose adequately the making of the invention, the federal executive authority on intellectual property will decide to grant a patent for the invention. Its decision will state the date the invention application was filed and the priority date of the invention.

If, during the substantive examination of an invention application it is established that the claimed invention, which is expressed in the invention claims proposed by the applicant does not comply with at least one requirement or condition of patentability given in the first Sub-Paragraph of this Paragraph, or the application documents referred to in the first Sub-Paragraph of this Paragraph do not comply with the requirements laid down by this Sub-Paragraph, the federal executive authority on intellectual property will refuse to grant a patent.

Before deciding to refuse to grant a patent the federal executive authority on intellectual property sends to the applicant notice of the results of its verification of the patentability of the claimed invention with a request for the arguments responsive to the reasons given in the notice. The applicant's reply concerning these reasons must be submitted within six months from the date upon which the notice was sent.

2. An invention application is considered withdrawn under the provisions of this Chapter on the basis of a decision of the federal executive authority on intellectual property.

3. The decisions of the federal executive authority on intellectual property regarding the granting of a patent for an invention, the refusal of a patent for an invention, or considering an invention application as withdrawn may be contested by an applicant by the filing of his objections with the federal executive authority within seven months from the date that the applicant was sent the relevant decision or copies of the materials requested from the federal executive authority opposing the application and are cited to in the decision refusing to grant a patent, provided that the applicant has requested copies of those materials within three months from the date of forwarding of the decision adopted on the invention application.

Article 1388. The right of an applicant to review the patent application materials

An applicant has the right to review all of the materials related to the patenting of inventions, which are referred to in requests, reports, decisions, notices, and other documents, received from the federal executive authority on intellectual property, except for the application documents that are not available for review by any person (in particular the applications that are specified in the notice provided for by the second Sub-Paragraph of Article 1383(1) of this Code), if data on such application are not published. Copies of the patent documents requested by the applicant from the said federal authority are to be sent within one month from the date of receipt of his request.

Article 1389. The restoration of missed time limits in the event of laches related to the examination of an invention application

1. If an applicant misses the main time limit or an extended one for the filing of application documents or additional materials at a request of the federal executive authority on intellectual property (Article 1384(4) and Article 1386(6)), the time limit for filing a petition for the substantive examination of an invention application (Article 1386(1)) and the time limit for filing an objection with the federal executive authority (Article 1387(3)) may be renewed by

that federal executive authority, provided that the applicant presents proof of a good reason for missing the time limit. The time limits provided for by Article 1384(4) and Article 1386(1) and (6) of this Code will be renewed in accordance with the provisions of this Chapter on the basis upon the decision of the federal executive authority on intellectual property on reversal of its decision on declaring an application withdrawn and restoring the missed time limit.

2. A petition for the reinstatement of a missed time limit may be filed by an applicant within twelve months following the expiration of an established time limit. The petition should be filed with the federal executive authority on intellectual property together with: documents or additional materials, that support the reinstatement of the time limit or with a petition for extending the time limit for submitting these documents or materials;
or a petition for the conduct of a substantive examination of the application for an invention;
or an appeal to the federal executive authority on intellectual property.

Article 1390. The examination of a utility model application

1. A formal examination will be carried out on a utility model application received by the federal executive authority on intellectual property to verify the presence of the documents provided for in Article 1376(2) of this Code and their compliance with those established requirements.
Should the results of that formal examination be positive, a substantive examination of a utility model application is conducted, which includes:
an information search concerning the claimed utility model to assess the state of the art against which the claimed utility model's patentability is to be verified;
verification of the compliance of the claimed invention with the requirements provided in Article 1349(4) of this Code and with the patentability conditions of the first Sub-Paragraph of Article 1351(1), Article 1351(5), and Article 1351(6) of this Code;
verification of the sufficiency of the disclosure of the claimed utility model in the application documents provided for in Paragraphs 1-4 of Article 1376(2) of this Code and submitted on the filing date for the making of a utility model by a person skilled in

the art;

verification of the compliance of the claimed utility model with the patentability requirements provided in the second Sub-Paragraph of Article 1351(1) of this Code.

An information search for the items specified in Article 1349(4) and Article 1351(5) and (6) of this Code will not be conducted and the federal executive authority on intellectual property will so notify the applicant.

2. If a substantive examination of an utility model application establishes that the claimed utility model expressed in the applicant's invention formula does not refer to the objects named in Article 1349(4) of this Code, meets the patentability conditions of Article 1351 of this Code and the essence of the claimed invention in the application documents provided in by Sub-Paragraphs 1-4 of Article 1376(2) of this Code and filed as of the date of its submission discloses fully enough for making the invention by an expert skilled in the art, the federal executive authority on intellectual property shall decide to grant a patent for the utility model with its invention claims. The decision will include the filing date of the utility model application and the priority date of the utility model.

If during a substantive examination of an utility model application it is established that the claimed subject matter, expressed in the applicant's formula does not comply with at least one of the patentability conditions of the first Sub- Paragraph of this Paragraph or that the application documents provided under Sub- Paragraphs 1-4 of Article 1376(2) of this Code, and submitted on the filing date do not adequately disclose sufficient details of the utility model to allow its making by an expert skilled in the art and technology, the federal executive authority on intellectual property will decide to refuse to grant a patent.

3. During formal examination of a utility model application and the substantive examination of that application, the provisions under Article 1384(2)-(5), Article 1386(6), Article 1387(2) and (3), Articles 1388, and 1389 of this Code apply, respectively.

4. If the consideration made by the federal executive authority on intellectual property finds the information therein constitutes a state secret, the application documents are classified in accordance

with the procedures established in legislation on state secrets. The applicant must be notified of the possibility of withdrawing the utility model application or of its transformation into an application for a secret invention. The consideration of the application will be suspended pending until the receipt from the applicant of an appropriate application or pending until his request for the application's declassification.

Article 1391. The examination of an industrial design application

1. An industrial design application received by the federal executive authority on intellectual property is subject to a formal examination to verify the presence of the documents provided for in Article 1377(2) of this Code and their compliance with statutory requisites.

If the result of the formal examination is positive, a substantive examination of the industrial design application is carried out, which includes:

an information search concerning the claimed industrial design to determine the information that will be checked and evaluated in testing for its patentability;

verification of compliance of the claimed industrial design with the requirements established by Article 1231-1, Article 1349(4) of this Code and the patentability conditions of the first Sub-Paragraph of Article 1352(1) and Article 1352(5);

verification of compliance of the claimed industrial design with the patentability conditions of second Sub-Paragraph of Article 1352(1) of this Code.

An information search for the items referred to in Sub-Paragraph 4 of Article 1349(4) of this Code will not be conducted, and the federal executive authority on intellectual property will notify an applicant of its results.

2. If, as a result of a substantive examination of an industrial design application, it is established that the claimed industrial design shown in the images of an article's appearance does not refer to the objects cited in Article 1231-1 or Article 1349(4) of this Code and it meets the conditions of patentability set out in Article 1352 of this Code, the federal executive authority on intellectual property will decide to grant an industrial design patent. That decision will include the filing date of the industrial design application and the priority date of the industrial design.

If in the course of a substantive examination of a utility model application, it is established that the claimed object does not comply with at least one requirement or condition of patentability specified in the first Sub-Paragraph of this Paragraph, the federal executive authority on intellectual property will decide to refuse to grant a patent.

3. When conducting a formal examination of an application for a utility model and a substantive examination of an application, the provisions stipulated by Article 1384(2)-(5), Article 1386(6), Article 1387(2) and (3), Articles 1388, and 1389 of this Code will apply, respectively.

Article 1392. Provisional Legal Protection of invention and industrial designs

1. An invention, for which an application has been filed with the federal executive authority on intellectual property, from the date of publication of the application (Article 1385(1)) to the date of publication of the grant of a patent (Article 1394) may enjoy provisional legal protection within the scope of its published claims, but not broader than the scope determined by the claims contained in the decision of the federal authority to grant of a patent for the invention.

An industrial design for which an application has been filed with the federal executive authority on intellectual property shall be granted provisional legal protection from the date of publication of the application (Paragraph 4 of Article 1385) to the date of publication of the grant of a patent (Article 1394), within the scope of the essential features of the industrial design shown in the images of the appearance of the article included in the industrial design application that has been published, but not exceeding the scope of the essential features of the industrial design shown in the images of the appearance of the article included in the decision of the aforementioned federal authority to grant a patent for the industrial design.

2. Provisional legal protection is deemed not provided if the application for the invention or industrial design is withdrawn, or considered withdrawn, or if the application for the invention or industrial design is refused and the eligibility to file an appeal against this decision provided for by this Code has elapsed.

3. Any person using the claimed invention or industrial design during the period specified in Paragraph 1 of this Article shall pay monetary remuneration to the patent owner after the patent is granted. The amount of remuneration shall be determined by agreement of the parties or by a court in the event of a dispute.

4. The registration of an invention, utility model, or industrial design and the granting of a patent

Article 1393. The procedure for the state registration of an invention, utility model, or industrial design and the granting of a patent.

1. On the basis of a decision on the grant of a patent for an invention, utility model, or industrial design which is made in the manner prescribed by Article 1387(1), Article 1390(2), Article 1391(2), or Article 1248 of this Code, the federal executive authority on intellectual property enters the invention, utility model, or industrial design into the corresponding state register – the State Register of Inventions of the Russian Federation, the State Register of Utility Models of the Russian Federation, and the State Register of Industrial Designs of the Russian Federation and it grants a patent for those inventions, utility models, or industrial designs.

If a patent has been sought in the names of several persons, they will be granted a single patent.

A patent for an invention, excluding a patent for a secret invention, a patent for a utility model or a patent for an industrial design, shall be issued in electronic form and, upon request from the applicant, on paper. If such a patent has been sought in the names of several persons, they will be granted a single patent.

2. The state registration of an invention, utility model, or industrial design, and the grant of a patent is completed, with the payment of the applicable patent duty. If an applicant has not paid that patent duty under the established procedure, the invention, utility model, or industrial design will not be registered and a patent will not be granted, the corresponding application is considered withdrawn by a decision of the federal executive authority on intellectual property.

When a decision on the grant of an invention patent, utility model, or industrial design is disputed according to the procedure of Article 1248 of this Code, a decision on the application's withdrawal is not made.

3. The form of a patent for invention, utility model, and industrial design and the information listed therein is determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

4. The federal executive authority on intellectual property shall, on an application of the right owner, issue changes in the patent for an invention, utility model, or industrial design and (or) in the corresponding state register, relating to information about the right owner and (or) author, including his name or that of the right owner, their locations or residences, the author's name, address for correspondence, as well as the changes to correct obvious and technical errors.

5. The federal executive authority on intellectual property publishes in its official bulletin information about changes to the entries in those State registers.

Article 1394. The publication of information about patents granted for an invention, an utility model, or an industrial design

1. The federal executive authority on intellectual property publishes information in its official bulletin on patent grants made for an invention or utility model, including the author's name (if the author has not declined to be named), the name or title of the patent owner, the name and formula of invention or utility model. The federal executive authority on intellectual property publishes in its official bulletin information on the granting of a patent for an industrial design, including the author's name (if the author has not declined to be named), the name or title of the patent owner, the name of the industrial design or an image of an article providing a complete idea of the essential features of the industrial design.

The composition of the information published is determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

2. Following publication, in accordance with this Article of information on the granting of a patent for an invention, an utility model, or an industrial design, any person has the right to examine the application documents and the information search report. The procedure for accessing the application documents and the search report is established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1395. Patenting inventions and utility models in foreign nations and with international organizations

1. An application for the granting of an invention patent or utility model created in the Russian Federation may be filed in a foreign state or with an international organization six months after the expiration the filing date of the application with the federal executive authority on intellectual property, provided that within that time the applicant has not been informed that his application contains information constituting a state secret. An application for an invention or utility model may be filed before then, but only after the applicant's request for a check regarding the presence in the application of information constituting a state secret. The procedure for conducting this verification of the application is determined by the Government of the Russian Federation.

2. Patenting made in accordance with the Patent Cooperation Treaty or the Eurasian Patent Convention of an invention or utility model created in the Russian Federation is allowed without a prior filing of the application with the federal executive authority on intellectual property, if that application under the Patent Cooperation Treaty (the international application) was filed with the federal executive authority on intellectual property as the Receiving Office and the Russian Federation was listed as the State in which the applicant intends to obtain a patent and provided that the Eurasian application has been filed through the federal executive authority on intellectual property.

With respect to an application, which serves as a basis for claiming priority on the international application filed with the federal executive authority on intellectual property, the provisions of the second Sub-Paragraph of Article 1381(3) of this Code do not apply.

Article 1396. International and Eurasian applications having the same legal force as applications provided under this Code

1. The federal executive authority on intellectual property commences processing an international application for an invention or utility model that is filed in accordance with the Patent Cooperation Treaty and in which the Russian Federation is listed to as the State in which the applicant intends to obtain a patent for the invention or utility model, thirty-one months after the date of the priority date sought in the international application, on condition of filing with the federal executive authority an application for the grant of a patent for an invention or utility model. Upon the applicant's request the international application is considered before the expiration of this time limit.

The presentation to the federal executive authority on intellectual property of a translation into the Russian language of a request contained in an international application for the granting of a patent for an invention or utility model may be replaced by the presentation of the international application in Russian or of a translation of that application into Russian.

If these documents are not filed within the prescribed time, the effect of the international application with regard to the Patent Cooperation Treaty is terminated with respect to the Russian Federation.

A missed time limit for filing the required application may be restored by federal executive authority on intellectual property when the reasons for the failure to meet it are explained.

2. The consideration of an Eurasian invention application that has in accordance with the Eurasian Patent Convention the effect of an invention application under this Code, commences starting the day when the federal executive authority on intellectual property receives from the Eurasian Patent Office a certified copy of the Eurasian application.

3. The publication in Russian of an international application by the International Bureau of the World Intellectual Property Organization in accordance with the Patent Cooperation Treaty or the publication of the Eurasian application by the Eurasian Patent Office in accordance with the Eurasian Patent Convention replaces the publication of application information established by Article 1385 of this Code.

Article 1397. The Eurasian patent and the Russian Federation patent for identical inventions

1. When there is a Eurasian patent and a Russian Federation patent for identical inventions, or an identical invention and utility model, with the same priority date but belonging to different patent owners, such inventions or invention and utility model may be used only if the rights of all the patent owners are observed.

2. If a Eurasian patent and a Russian Federation patent for identical inventions or to an identical invention and utility model with the same priority date belong to one and the same person, that individual may transfer to another person the right to use such inventions or invention and utility model under licensing contracts concluded on the basis of these patents.

§ 6. The termination and reinstatement of a patent's effectiveness

Article 1398. Declaring invalid patents for inventions, utility models, or industrial designs

1. A patent for an invention, utility model, or industrial design may be declared invalid in full or in part if:

- 1) the invention, utility model, or industrial design does not comply with the patentability conditions of this Code or with the requirements provided for by Article 1349(4) of this Code, as well as if an industrial design does not comply with the requirements provided for by Article 1231-1 of this Code;
- 2) the non-compliance of the application documents for an invention or utility model presented on its filing date with the requirement for disclosing the essence of the invention or utility model sufficiently to allow the making of the invention or utility model by an expert skilled in that field of technology;
- 3) the invention or utility model claim in the decision on the granting of the patent contains features which are not disclosed as of filing date of the application in the documents presented (Article 1378(2)) or the materials accompanying the decision on granting a patent for an industrial design contain the articles' images comprising the essential features of the industrial design but lack the images presented as of the application's filing date or the articles' images from which the essential features of the industrial design are disclosed lack the images presented on the filing date of the application. (Article 1378(3));
- 4) the patent has been granted while there were several applications for identical inventions, utility models, or industrial designs each with one and the same priority date, in breach of the conditions envisaged by Article 1383 of this Code;
- 5) the patent has been granted with an indication in it of an author or patent owner who is not such in compliance with this Code or without an indication in the patent as the author or patent owner of someone who is such in accordance with this Code.

2. A patent for an invention, utility model, or industrial design during its term of effectiveness pursuant to Article 1363(1)-(3) of this Code, may be challenged by the submission of an objection with the federal executive authority on intellectual property by any person who knew of violations provided in Sub-Paragraphs 1-4 of Paragraph 1 of this Article.

A patent for an invention, utility model, or industrial design during its term of effectiveness pursuant to Article 1363(1)-(3) of this Code, may be challenged in the courts by any person who knows about violations provided for in Sub-Paragraph 5 of Paragraph 1 of this Article.

A patent for an invention, utility model, or industrial design may be also challenged by any concerned person and upon the expiration of its term of effectiveness established by the first and second Sub-Paragraphs of this Paragraph.

3. During the time when an invention patent is undergoing dispute, the patent right owner is entitled to file an application to transform a patent for an invention into a patent for a utility model, if the term of effectiveness of the patent for the invention has not exceeded the effective term of the patent for the utility model provided by Article 1363(1) of this Code. The federal executive authority on intellectual property will allow an application for transforming a patent for an invention into a patent for a utility model on the condition that the patent for the invention is declared void and of the utility model's compliance with the patentability requirements and conditions for utility models that are provided for by Paragraph 4 of Article 1349(4), Article 1351, Sub-Paragraph 2 of Article 1376(2) of this Code. This transformation will not be effected, if a patent for an invention has been granted on the basis of an application in regard to which a proposal has been made to alienate by contract of the patents in accordance with Article 1366(1) of this Code and this application is not withdrawn in accordance with Article 1366(3) of this Code as of the filing date of the application to transform the patent. When transforming an invention patent into a utility model patent, the priority and filing date of the application are preserved.

4. A patent for an invention, utility model, or industrial design may be considered invalid in full or in part under decisions of the federal executive authority on intellectual property that are adopted in accordance with Article 1248(2) and (3) of this Code or a court decision that has come into force.

When a patent is considered partially invalid, a new patent is granted for an invention, utility model, or industrial design. When allowing an application to transform an invention patent into a utility model patent, a patent for the utility model is granted.

5. A patent for an invention, utility model, or industrial design that has been declared invalid in full or in part is nullified from the filing date of the patent application.

6. Licensing contracts made on the basis of a patent for an invention, utility model, or industrial design that are later considered invalid shall remain in effect to the extent that they were performed fully as of the date of issuance of the decision on the patent's ineffectiveness.

7. Declaring a patent for an invention, utility model, or industrial design invalid means the revocation of the decision to grant a patent made by the federal executive authority on intellectual property for the invention, utility model, or industrial design (Article 1387) and the cancelation of the entry made in the relevant state register (Article 1393(1)).

Article 1399. The early termination of patents for inventions, utility models, or industrial designs

The effectiveness of a patent for an invention, an utility model, or an industrial design is terminated early if:

On the basis of a request filed by the patent owner with the federal executive authority on intellectual property - from the date of its receipt. When a patent is granted for a group of inventions, utility models, or industrial designs, and the request of the patent owner is filed with respect to not all the objects of patent rights in the group, the effectiveness of the patent is terminated only with regard to those inventions, utility models, and industrial designs specified in the request;

when there is a failure to pay timely the maintenance fees for an invention, an utility model, or an industrial design already in effect - after the expiration of the time limit for the payment of the maintenance fees.

Article 1400. The reinstatement of the effectiveness of a patent for an invention, an utility model, or an industrial design. Prior rights

1. A patent for an invention, utility model, or industrial design, which was terminated due to the fact that patent fees have not been paid within their prescribed time limits, may be reinstated by the

federal executive authority on intellectual property upon the petition of the person, who owned the patent or of his legal successor. A petition for reinstatement of a patent's effectiveness may be filed with the federal executive authority within three years from the date of the expiration of the term for the payment of patent fees, but before the expiration of the term of effectiveness of this patent under this Code.

2. The federal executive authority on intellectual property publishes in its official bulletin information about the reinstatement of the effectiveness of a patent for an invention, a utility model, or an industrial design.

3. Any person who during the time between the date of termination of the effectiveness of a patent for an invention, an utility model, or an industrial design and the date of its publication in the official bulletin of the federal executive authority on intellectual property the fact of the reinstatement of that patent, began to use the invention, utility model, or industrial design or made necessary preparations to do so, retains a right to continue that use without any royalty payment provided that there is no expansion of the scope of such use (the right of prior use).

4. The right of prior use may be only transferred to another person only together with the enterprise, which used the invention or a solution that only differs from the invention by the equivalent features (Article 1358(3)), utility model, or industrial design or preparations were made for it.

§ 7. The features of legal protection and the use of secret inventions

Article 1401. The filing and processing of applications for the granting of a secret invention patent

1. The filing of an application for the granting of a patent for a secret invention (an application for a secret invention), its examination, and the processing of such an application are made in accordance with legislation on the state secrets.

2. Applications for secret inventions, which are classified at the level "of special important" or "top secret," as well as for secret inventions that relate to armaments and military technology and the methods and tools of intelligence, counter-intelligence, and operative and search activities and classified at the level of "secret" are filed, depending upon the respective subject matter with the federal executive authority authorized by the Government of the Russian Federation, federal executive authorities, the State Nuclear Energy Corporation (Rosatom), the State Corporation for Space Activities "Roskosmos" (the authorized authorities). Applications for other secret inventions are filed with the federal executive authority on intellectual property.

3. If in the examination by the federal executive authority on intellectual property of an application for an invention, it is found that the information therein constitutes a state secret, that application will be classified as secret in accordance with the legislation on official secrets and it will be considered as an application for a secret invention.

The classification of applications from foreign persons or foreign legal entities as secret is not allowed.

4. In processing an application for a secret invention the provisions of Articles 1384, 1386-1389 of this Code are applied. Also, no publication is made of the application

5. When the novelty of a secret invention is compared to the state of the art, the secret inventions patented in the Russian Federation and the secret inventions to which inventor's certificates have been granted in the USSR are included in the prior art (Article 1350(2)), provided that the classification rating of secrecy for these

inventions is not higher than that of the invention, whose novelty is being determined.

6. An appeal against a decision on the application for a secret invention by an authorized authority shall be considered under the established procedure. A decision taken after such an objection may be challenged in court.

7. The provisions of Article 1379 of this Code on the conversion of an application for an invention into an application for a utility model do not apply to applications for secret inventions.

Article 1402. State registration of a secret invention and the granting of a patent. The disclosure of Information about a secret Invention

1. The state registration of a secret invention in the State Register of Inventions of the Russian Federation and the granting of a patent for a secret invention are made by the federal executive authority on intellectual property, or if the decision granting a patent for a secret invention has been taken by an authorized authority - that authority. The empowered authority that registers a secret invention and granted a patent for that secret invention notifies the federal executive authority on intellectual property. The empowered authority that has registered a secret invention and granted it a patent makes changes to correct obvious and technical errors in a patent for a secret invention and (or) in the State Register of Inventions of the Russian Federation.

2. Information on applications and patents for secret inventions, as well as the changes in the registers relating to secret inventions are not published in the State Register of Inventions of the Russian Federation. All disclosures of information about such patents are made in accordance with the law on state secrets.

Article 1403. Changes to the level of secrecy classification and the declassification of secret inventions

1. Changes in level of secrecy rating and the declassification of secret inventions as well as changes or the removal of secrecy classification from the application documents and patents for secret inventions are conducted out in accordance with the law on state secrets.

2. When raising the level of secrecy classification of an invention, the federal executive authority on intellectual property sends the application documents for a secret invention, depending on the subject matter, to the appropriate authorized authority. Further consideration of the application which was incomplete when the level of secrecy classification was raised is completed by that authorized authority. When lowering the secrecy classification of an invention, the subsequent processing of an application for the secret invention is carried out by the same authorized authority that had previously processed the application.

3. In case of declassification of an invention, the authorized authority sends the declassified application documents to the federal executive authority on intellectual property. The further consideration of which was not completed before the time of declassification by the empowered authority, is carried out by that federal executive authority.

Article 1404. Recognizing the ineffectiveness of a secret invention patent granted by an empowered authority

An appeal against the granting by an empowered authority of a secret invention patent on the grounds provided by Sub-Paragraphs 1-4 of Article 1398(1) of this Code is submitted to this authorized authority and processed in accordance with its established procedures. That authority's decision of such an appeal is approved by the head of that authority, enters into force on the date of its approval, and can be challenged in court.

Article 1405. The exclusive right to a secret invention

1. The use of a secret invention and the disposition of the exclusive right to a secret invention must conform to the law on state secrets.

2. The transfer of the exclusive right under a contract of alienation of a patent, the right to use a secret invention under a licensing contract are subject to state registration with the authority that granted the patent for the secret invention or with its legal successor and in the absence of a legal successor, with the federal executive authority on intellectual property.

3. A public offer to conclude a contract on the alienation of a patent and a declaration for an open license provided for respectively by Article 1366(1) and Article 1368(1) of this Code are not allowed for a secret invention.

4. The compulsory license provided for by Article 1362 of this Code is not available for a secret invention.

5. The activities provided for by Article 1359 of this Code, as well as the use of a secret invention by a person who was not aware and could not have been aware of the existence of a patent for the invention are not considered an infringement of the exclusive right of the patent owner of a secret invention. Following the declassification of the invention or notification of the said person by the patent owner of the existence of a patent for the particular invention, such person is obliged to cease to use the invention or to conclude a licensing contract, except where the right of prior use was being exercised.

6. The levy of execution on an exclusive right to a secret invention is not allowed.

§ 8. The protection of the rights of inventors and patent owners

Article 1406. Disputes relating to the protection of patent rights

1. Disputes relating to the protection of patent rights are considered by courts. Such matters include, in particular, disputes over:

- 1) the authorship of an invention, an utility model, or an industrial design;
- 2) establishing who is the patent owner;
- 3) any infringement of the exclusive right to an invention, utility model, or industrial design;
- 4) the conclusion, on the performance, on the amendment and termination of contracts for the transfer of an exclusive right (patent alienation) and licensing contracts for the use of an invention, an utility model, an industrial design;
- 5) the right of prior use;
- 6) the right of subsequent use;
- 7) the amount, term, and manner for the payment of remuneration.

2. In the circumstances referred to in Articles 1387, 1390, 1391, 1398, 1401 and 1404 of this Code, the protection of patent rights is done in accordance with the administrative procedures in Article 1248(2) and (3) of this Code.

Article 1406-1. Liability for the infringement of the exclusive rights to an invention, an utility model, or an industrial design

Should the exclusive right to an invention, an utility model, or an industrial design be infringed, the author or other right owner, along with the use of other applicable remedies and punitive sanctions established by this Code (Articles 1250, 1252, and 1253), has the right, at his option, to demand from the infringer, instead of claiming damages, the payment of compensation:

- 1) in the amount from ten thousand to five million rubles as determined at the discretion of the court on the basis of the nature of infringement;
- 2) twice the value of the right to use the invention, utility model, or industrial design as determined on the basis of the price usually charged under comparable circumstances for the legal use of the invention, utility model, or industrial design in the way that the infringer has employed.

Article 1407. The publication of court decisions on a patent infringement

The patent right owner has the right in accordance with Sub-Paragraph 5 Article 1252(1) of this Code, to require the publication in the official bulletin of the federal executive authority on intellectual property of decisions of the intellectual property court on the unlawful use of an invention, an utility model, an industrial design or other infringement of his rights.

Chapter 73. THE RIGHT TO SELECTION ACHIEVEMENTS

§ 1. General Provisions

Article 1408. The rights to selection achievements

1. The following intellectual rights belong to the author of a selection achievement meeting the conditions for legal protection under this Code (a selection achievement):

- 1) the exclusive right;
- 2) the right of authorship.

2. In the circumstances provided by this Code, the author of a selection achievement also has other rights, including the right to obtain a patent, the right to name the selection achievement, and the right to remuneration for an employment selection achievement.

Article 1409. The effectiveness of an exclusive right to selection achievements in the territory of the Russian Federation

Within the territory of the Russian Federation, an exclusive right is recognized to a selection achievement that is certified by a patent granted by the federal executive authority on selection achievements or by a patent valid within the territory of the Russian Federation under the international treaties of the Russian Federation.

Article 1410. The author of a selection achievement

The author, a person whose creativity has led to the creation, derivation, or discovery of a selection achievement, is considered an author of that selection achievement. The person named as an author in an application for the granting of a selection achievement patent is considered the author of that selection achievement, unless it is proven otherwise.

Article 1411. Co-authors of a selection achievement

1. Natural persons, whose joint creative work has created, derived, or discovered a selection achievement are considered co-authors.

2. Each of those co-authors has the right to use the selection achievement at his discretion unless an agreement between them provides otherwise.

3. The relationship of co-authors, regarding the sharing of the income from the use of a selection achievement and the disposition of the exclusive right to that selection achievement are governed by this provisions of Article 1229(3).

The disposition of the right to obtain a selection achievement patent is shared jointly by co-authors.

4. Each of the co-authors has the right to protect his rights independently.

Article 1412. Objects of intellectual property rights in selection achievements

1. The objects of intellectual rights to selection achievements are plant varieties and animal breeds registered in the State Register of Protected Selection Achievements, if these results of intellectual activity meet the established requirements for such selection achievements set forth by this Code.

2. Varieties of plants that, regardless of the grounds for eligibility for protection are determined by characteristics of the given genotype or combination of genotypes, distinguished from other plant groups of the same botanical taxonomy by one or several characteristic features.

A variety may be represented by one or more plants, a part or several parts of a plant, provided that this part or these parts can be used for the reproduction of the whole plants of the variety. Clone, line, first generation hybrid, and population are protectable categories of plant varieties.

3. An animal breed is a group of animals that irrespective of protectability possess genetically determined biological and morphological attributes and features, some of which are specific to the group and distinguish it from other groups of animals. A breed may be represented by a female or a male individual or by pedigree material that are designated for the reproduction of the breed (pedigreed animals), their gametes or zygotes (embryos). Types and cross-breed are protectable categories of animal breeds.

Article 1413. The conditions for protecting of a selection achievement

1. A patent will be granted for a selection achievement that meets

the criteria for eligibility and referring to the botanical and zoological genera and species, whose list is established by the federal executive authority exercising for normative and legal regulation in the sphere of agriculture.

2. The criteria for eligibility as a selection achievement are novelty (Paragraph 3 of this Article), distinctness (Paragraph 4 of this Article), uniformity (Paragraph 5 of this Article), and stability (Paragraph 6 of this Article).

3. A variety of plants or breed of animals will be considered new, if on the filing date of a patent application, the seeds or breeding material of this selection achievement have not been sold or not otherwise transferred by the breeder, his legal successors, or with their consent to other persons for their use of the selection achievement:

1) within the territory of the Russian Federation earlier than one year before that date;

2) within the territory of another State earlier than four years or, if it concerns grape varieties, decorative trees, or fruit crops and forest tree breeds, earlier than six years before that date.

4. A selection achievement should be clearly distinguishable from any other selection achievement existing at the time of filing the patent application.

A selection achievement, listed to official bulletins or a reference collection or which is precisely described in a publication, is considered as a well-known selection achievement.

Applying for a patent also makes a selection achievement well-known as of the filing date, provided that the selection achievement patent is granted;

5. Plants of the same variety, animals of the same breed should be sufficiently uniform in their characteristics, taking into account individual variations that may occur owing to the nature of reproduction;

6. A selection achievement is considered stable, if its basic features remain unchanged after repeated propagation or, in the case of a special cycle of reproduction, at the end of each such cycle.

Article 1414. State registration of a selection achievement

The exclusive right to a selection achievement is recognized and protected, subject to the state registration of the selection achievement in the State Register of Protected Selection Achievements, under which the federal executive authority on selection achievements grants a selection achievement patent to the applicant.

Article 1415. A selection achievement patent

1. A selection achievement patent certifies the priority of a selection achievement, the authorship, and the exclusive right to a selection achievement.

2. The scope of protection of intellectual rights in a selection achievement is provided on the basis of a patent that is determined by the combination of essential features set forth in the description of the selection achievement.

Article 1416. An author's certificate

The author of a selection achievement has the right to obtain an author's certificate, which is granted by the federal executive authority on selection achievements and confirms his authorship.

Article 1417. State incentives for the creation and use of selection achievements

The State encourages the creation and use of selection achievements and provides their authors as well as other owners of the exclusive right to a selection achievement (patent owners) and licensees using selection achievements, benefits in accordance with the legislation of the Russian Federation.

§ 2. Intellectual property rights in selection achievements

Article 1418. The right of authorship in a selection achievement

The right of authorship, i.e., the right to be recognized as the author of a selection achievement is inalienable and non-transferable, including when the exclusive right to a selection achievement is assigned or transferred to another person or when the right to its use is passed to another person. Waivers of this right are null and void.

Article 1419. The right to name a selection achievement

1. The author has the right to name the selection achievement.
2. The name of a selection achievement ought to clearly identify it, be short, and be different from the names of existing selection achievements of the same or similar botanical or zoological species. It cannot consist only of digits, leading to confusion concerning the features, origin, or significance of the selection achievement or the identity of its author, and should not contradict the principles of humanity and morality.
3. The name of a selection achievement proposed by the author or with his consent by another (the applicant) filing the patent application must be approved by the federal executive authority on selection achievements.

Where the proposed name does not satisfy the requirements provided in Paragraph 2 of this Article, the applicant, at the request of that federal authority will propose a different name within thirty days.

When before the expiration of that time, the applicant does not propose a different name that meets the established requisites, or he challenges the refusal to approve his name for a selection achievement in court, the federal executive authority on selection achievements has the right to refuse to register the selection achievement.

Article 1420. The right to obtain a selection achievement patent

1. The right to obtain a selection achievement patent originally belongs to the author of that selection achievement.
2. The right to obtain a selection achievement patent may be passed

to another person (legal successor) or be transferred to him in cases and on the grounds prescribed by law, including by way of succession by inheritance or by contract, in particular, under a labor contract.

3. A contract for the alienation of a right to obtain a selection achievement patent must be made in writing. The failure to do so, makes the contract invalid.

4. The risk of non-protectability is borne by the person who purchases an alienated right to obtain a selection achievement patent, unless other provision is made in the parties' contract.

Article 1421. The exclusive right to a selection achievement

1. In accordance with Article 1229 of this Code, the exclusive right to use a selection achievement in the manner prescribed by Paragraph 3 of this Article belongs to the patent owner. The patent right owner may dispose his exclusive right to a selection achievement.

2. The exclusive right to a selection achievement also applies to plant material, i.e. to a plant or a part of it, used for purposes other than the reproduction of the variety, to commodity animals, i.e., to animals used for purposes other than the reproduction of the breed, which were obtained from seeds or from breeding animals, if such seeds or breeding animals were placed into the market without the permission of the patent owner. In such cases, the seeds are considered as a plant or a part of it used for the reproduction of the variety.

3. The following actions are considered as the use of seeds and breeding material of a selection achievement:

- 1) production and reproduction;
- 2) conditioning for further propagation;
- 3) an offer for sale;
- 4) sale and other methods of introducing into civil commerce;
- 5) export from the territory of the Russian Federation;
- 6) import into the territory of the Russian Federation;
- 7) storage for any of the purposes specified in Sub-Paragraphs 1 to 6 of this Paragraph.

4. The exclusive right to a selection achievement also extends to

seeds of a variety and breeding material that:
essentially inherit the features of other protected (source) plant varieties or breed of animals, if this protected variety or breed is not themselves a selection achievements essentially inheriting the features of other selection achievements;
are not clearly distinguishable from the protected plant varieties or animal breeds;
requires the repeated use of the protected varieties for seed production.

A selection achievement essentially inheriting the features of another protected (source) selection achievement is recognized as a selection achievement if it, while clearly distinguishable from the source:

inherits the most essential features of the source selection achievement or of a selection achievement that itself inherits the essential features of the source selection achievement, while retaining the basic characteristics of the genotype or combination of genotypes of the source selection achievement;
complies with the genotype or combination of genotypes of the source selection achievement save for deviations caused by the use of techniques such as individual selection from the source plant varieties or animal breeds, the selection of an induced mutant, reverse cross-breeding, genetic engineering.

Article 1422. Activities not constituting an infringement of the exclusive right to a selection achievement

The exclusive right to a selection achievement is not infringed by:

- 1) activities conducted to satisfy personal, family, domestic, or other non- entrepreneurial needs, when the purposes are not for profit;
- 2) activities performed for scientific research or experimental purposes;
- 3) the use of the protected selection achievement as the starting material for the creation of other plant varieties and animal breeds, as well as activities on the subject of these created varieties and breeds, in accordance with Article 1421(3) of this Code, except for the cases provided for in Article 1421(4) of this Code;
- 4) the use of plant material obtained at a farm for two years after obtaining them as seeds for growing, in the territory of this farm, plant varieties that are listed among the plants of genera and

species designated by the Government of the Russian Federation. The proposition provided for in this sub-paragraph applies to individual entrepreneurs and legal entities classified as small and medium-sized businesses according to the law, as well as to citizens;

5) reproduction of commodity animals for their use at a specific farm;

6) any actions done with seeds, plant material, breeding material, and commodity animals that have been placed on the market by the patent owner or by another person with his consent except:

the further reproduction of plant varieties and animal breeds;

the export from the territory of the Russian Federation of plant material or commodity animals allowing their propagation and

reproduction in the country in which the particular genus or species is not protected, except for export for the purpose of processing for subsequent consumption.

Article 1423. A compulsory license for a selection achievement

1. After the expiration of three years from the date of granting a selection achievement patent, any person wanting and ready to use that selection achievement, when the patent owner refuses to conclude a licensing contract for the production or sale of seeds or breeding material, under terms corresponding to established practice, has the right to go to court with a legal claim against the patent owner seeking the grant of a simple compulsory (non-exclusive) license for use of that selection achievement in the territory of the Russian Federation. The claims of this person must elaborate the proposed terms of that license, including the scope of use of the selection achievement, size, method, and terms of payment.

When the patent right owner fails to prove that there are good reasons to prevent granting to the applicant the right to use of the respective selection achievement, a court may decide to grant of a license and on the proposed terms. The total amount of payment for that license is set in the court decision but not a price lower than the price for a license granted under comparable circumstances.

2. On the basis of a court decision as provided for by Paragraph 1 of this Article, the federal executive authority on selection achievements carries out the state registration of and granting of the right to use a selection achievement under the terms of a simple compulsory (non-exclusive) license.

3. On the basis of a court decision granting a simple compulsory (non-exclusive) license, the patent right owner is obliged in exchange for a fee and reasonable terms and conditions, to provide the owner of such a license for seeds or breeding material, amounts sufficient for utilizing a simple compulsory (non-exclusive) license.

4. The effectiveness of such a simple compulsory (non-exclusive) license may be terminated by a court based upon a suit by the patent owner if the license owner violates the terms under which it was granted or if the original circumstances have changed so much that had they existed at the time of granting of a compulsory license, it would either not have been granted at all or if granted, the license would have been on substantially different terms.

Article 1424. The term of effectiveness of an exclusive right to a selection achievement

1. The term of effectiveness of an exclusive right to a selection achievement and of the patent certifying that right is calculated from the date of official registration of the selection achievement in the State Register of Protected Selection Achievements and is thirty years.

2. For varieties of grape, decorative, and fruit tree cultures and forest tree breeds, including their rootstock, the term of effectiveness of the exclusive right and of the patent certifying that right is thirty five years.

Article 1425. The transition of a selection achievement into the public domain

1. On the termination of an exclusive right to a selection achievement, it transitions into the public domain.

2. A selection achievement in the public domain may be used freely by any person without anyone's consent or permission and without the payment of any remuneration for its use.

§ 3. The disposition of an exclusive right to a selection achievement

Article 1426. A contract for the alienation of an exclusive right to a selection achievement

Pursuant to a contract for the alienation of an exclusive right to a selection achievement (a contract to alienate a patent), one party (the patent right owner), transfers or undertakes commitment to transfer an exclusive right to the respective selection achievement in full to another party - the recipient of an exclusive right (the purchaser of a patent).

Article 1427. A public offer to conclude a contract for alienation of a selection achievement patent

1. An applicant, who is the author of a selection achievement, when applying for the grant of a selection achievement patent, may submit a statement that, in the event of a selection achievement patent being granted, he is obliged to conclude a contract for the alienation of that patent under terms corresponding to established practice with any citizen of the Russian Federation or Russian legal entity, who first declares such a desire and notifies the patent owner and the federal executive authority on selection achievements. When such a statement is submitted, the patent fees provided for by this Code for an application for the grant of a selection achievement patent and for the patent granted on such an application, the applicant is not be charged.

The federal executive authority on selection achievements publishes information about such statements in its official bulletin.

2. A person who has concluded a contract on the alienation of a patent with the patent owner on the basis of the statement specified in Paragraph 1 of this Article is obliged to pay the full amount of patent fees from which the applicant (the patent right owner) was relieved. Future patent fees are paid in accordance with the established procedures.

The state registration of a transfer of an exclusive right to the purchaser under a contract for the alienation of a patent shall be carried out by the federal executive authority on selection achievements subject to the payment the of patent duties, from which the applicant (patent right owner) was relieved.

3. If within two years from the date of publication of information on the granting of a patent, with respect to which a statement was made, and the federal executive authority on selection achievements does not receive written notice of the desire to conclude a contract for the alienation of the patent, the patent right owner may file with this federal authority a petition to withdraw his statement. In such a case, under this Code, the patent fees from which the applicant (the patent owner) was relieved, are subject to payment. In the future, further patent fees are paid in accordance with established procedures.

The federal executive authority on selection achievements publishes in its official bulletin information on the withdrawal of such statements.

Article 1428. A licensing contract granting the right to use a selection achievement

Under a license contract one party, the patent right owner (the licensor) grants or is undertaking commitments to grant to the other party, the user (the licensee), the right to use the respective selection achievement, certified by a patent, with the conditions in the contract.

Article 1429. An open license for a selection achievement

1. A patent right owner may file with the federal executive authority on selection achievements a statement about the possibility of granting to any person the right to use a selection achievement (an open license).

In such a case, the fee for maintaining a patent in force is reduced by fifty percent starting from the year following the year of publication of information about the open license by the federal executive authority on selection achievements.

The conditions under which the right to use the selection achievement may be granted to any person are provided to the federal executive authority on selection achievements, which shall publish the relevant information on an open license in its official bulletin, at the expense of the patent right owner. The patent owner is obliged to conclude a licensing contract under the terms of a simple (non-exclusive) license with a person who has expressed a desire to use the selection achievement.

2. At the end of two years from the date of publication of the

information on an open license by the federal executive authority on selection achievements in its official bulletin, the patent right owner is entitled to file with that federal authority a petition for withdrawal of his statement about the open license.

When no one person expressed the desire to use the selection achievement before the withdrawal of the open license, the patent right owner must pay the rest of the patent maintenance fee for the term following the date of publication of the information on an open license, and to pay it in full in the future.

When licensing contracts are concluded on the terms of an open license before the withdrawal of the open license offer, those licensees retain their rights for the term of effectiveness of those contracts. In such circumstances, the patent right owner pays the full patent maintenance fee from the date of withdrawal of his open license offer.

The federal executive authority on selection achievements publishes information on the withdrawal of a declaration for an open license in its official bulletin.

§ 4. A selection achievement created, inferred, or discovered in the performance of duties while working under a labor contract

Article 1430. An employment selection achievement

1. A selection achievement created, derived, or discovered by an employee in the performance of his working duties or a specific task set by his employer is recognized as that employment selection achievement.

2. The right of authorship to an employment selection achievement belongs to the employee (the author).

3. The exclusive right to an employment selection achievement and the right to obtain a patent belong to the employer, if the labor or civil law contract between the employee and the employer does not provide otherwise.

4. In the absence of a contract between the employer and the employee providing otherwise (Paragraph 3 of this Article), an employee must notify his employer in writing about his creation, breeding, or discovery in the performance of his working duties or in a specific task set by his employer, of results with regard to which the granting of legal protection as a selection achievement is possible.

When the employer, within four months following the date of notification by the employee of his creation, derivation, or discovery of a result with regard to which the granting of legal protection as a selection achievement is possible, fails to file a patent application for this selection achievement with the federal executive authority on selection achievements, transfer the right to obtain a patent for an achievement to another person, or inform the employee to keep the information about the result secret, the right to obtain a patent for such selection achievement is returned to the employee. In such circumstances, the employer, during the duration of the patent will have the right to use the selection achievement in his own production on the terms of a simple (non-exclusive) license and pay compensation to the patent owner, the amount, terms, and procedure for payment to be determined by a contract between the employee and the employer and, in the event of any dispute - by a court.

5. The employee shall have the right to remuneration paid by employer for use of a selection achievement created, derived, or discovered in the line of duty in the amount and on the terms that are determined by an agreement between them, but not less than in an amount constituting two percent of the amount of the annual income from use of the selection achievement, including the income from the granting of licenses. A dispute on the amount, method, or on terms of remuneration paid by the employer for use of the employment selection achievement shall be ruled by a court.

Remuneration is to be paid to the employee within six months after the end of each year during which the selection achievement is used. The right to remuneration for an employment selection achievement is unalienable but it may be transferred to the author's heirs for the remaining portion of the term of effectiveness of his exclusive right.

6. A selection achievement created, derived, or discovered by an employee using monetary, technical, or other material assets of the employer, but not in the performance of his working duties or in a specific task set by the employer is not considered an employment selection achievement. The right to obtain a patent for that selection achievement and the exclusive right to such selection achievement belongs to the employee. In such circumstances, the employer shall have the right at his discretion to demand the grant of a free, simple (non-exclusive) license to use of the selection achievement for his own needs for the term of effectiveness of the exclusive right to the selection achievement or to reimbursement of the costs incurred by him in connection with the creation, derivation, or discovery of such selection achievements.

Article 1431. Selection achievements created, derived, or discovered on order

1. The right to obtain a patent and the exclusive right to a selection achievement that has been created, derived, or discovered under a contract whose subject matter was the creation, derivation, or discovery of such selection achievement (by order) will be owned by the customer, except as otherwise provided by the contract made between the contractor (performer) and the customer.

2. When the right to obtain a selection achievement patent and the exclusive right to a selection achievement, under Paragraph 1 of

this Article, belong to the customer, the contractor (performer) has the right to use the selection achievement for his own needs on the terms of free simple (non-exclusive) license during the term of the patent, unless their contract provides otherwise.

3. If, in accordance with the contract between the contractor (performer) and the customer, the right to obtain a selection achievement patent and the exclusive right to a selection achievement belong to the contractor (performer), the customer is entitled to use the selection achievement for the purposes for which the contract had been made with a free simple (non-exclusive) license for the duration of the patent.

4. The author of a selection achievement defined in Paragraph 1 of this Article who is not the patent owner will receive remuneration in accordance with Article 1430(5) of this Code.

Article 1432. A selection achievement created, bred, or discovered under a State or municipal contract

The provisions of Article 1371 of this Code apply to selection achievements created, derived, or discovered under a State or municipal contract.

§ 5. Obtaining a selection achievement patent. The termination of a selection achievement patent

Article 1433. An application for the granting of a selection achievement patent

1. An application for a selection achievement patent (patent application) is filed with the federal executive authority on selection achievements by the person having the right to obtain that patent under this Code (applicant).

2. A patent application will contain:

- 1) a request for granting a patent, indicating the author of the selection achievement and the person in whose name the patent is requested and their places of permanent or actual residence;
- 2) the questionnaire for the selection achievement;.

3. The requirements for the documents constituting a patent application are determined on the basis of this Code by the federal executive authority exercising normative and legal regulation in the sphere of agriculture.

4. A patent application must relate to one selection achievement only.

5. The documents referred to in Paragraph 2 of this Article are submitted in Russian or another language. If the documents submitted are not in Russian, translations into Russian must be attached to the patent application.

Article 1434. The priority of a selection achievement

1. The priority of a selection achievement is the filing date of a patent application with the federal executive authority on selection achievements.

2. When on the same day, the federal executive authority on selection achievements receives two or more applications for the same selection achievement, priority is established by the date of the earlier sent application. If the examination finds that these applications have the same date of dispatch, the patent is to be granted to the application with the lower registration number from the federal executive authority on selection achievements, unless

other provisions exist in agreements between the applicants.

3. If an application filed with the federal executive authority on selection achievements was preceded by an application filed by the applicant in a foreign State with which the Russian Federation has concluded a treaty on protection of selection achievements, the applicant enjoys the priority of the first application during the twelve months following its filing.

In applications sent to the federal executive authority on selection achievements, the applicant must indicate the priority date of the first application. Within six months from the date of receipt of that application by the federal executive authority on selection achievements, the applicant must submit a copy of the first application, certified by a competent authority of the respective foreign state, with its translation into Russian. When these conditions are fulfilled, the applicant need not submit supplementary documentation and materials regarding testing during three years from the filing date of the first application.

Article 1435. The preliminary examination of a selection achievement patent application

1. During the preliminary examination of a patent application, the priority date is established; the presence of the documents listed in Article 1433(2) of this Code confirmed, and their conformity with statutory requirements checked. A preliminary examination of a patent application is made during one month.

2. During a preliminary examination, the applicant may supplement, clarify, or correct the application documents on his own initiative. The federal executive authority on selection achievements may request missing or clarifying documents from the applicant and the applicant is required to submit them within prescribed time limits. When documents missing from the application filing date are not submitted within the prescribed time limits, the application will not be examined and the applicant is notified.

3. On completion of its preliminary examination, the federal executive authority on selection achievements will promptly notify the applicant of positive results.

Information about the acceptance of applications is published in the official bulletin of that federal authority.

4. If the applicant does not agree with the decision of the federal executive authority on selection achievements regarding that preliminary examination, a term of three months is allowed from the date of receipt of its decision to bring a court challenge.

Article 1436. The provisional legal protection of a selection achievement

1. A selection achievement for which an application is filed with the federal executive authority on selection achievements enjoys provisional legal protection as a selection achievement as of its filing date until the date of a patent being granted.

2. After the granting of a selection achievement patent, the patent right owner is entitled to receive monetary compensation from any person who, without the permission of the applicant, commits actions referred to in Article 1421(3) of this Code, during the provisional legal protection of the selection achievement. The amount of compensation is determined by an agreement between the parties and, in the event of a dispute - a court.

3. During the provisional protection of a selection achievement, an applicant is permitted to sell or transfer seeds or breeding materials only for scientific purposes, as well as in cases where the sale or transfer is connected with the alienation of the right to obtain a selection achievement patent or with the production of seeds or breeding material to build-up a reserve stock.

4. The provisional legal protection of the selection achievement is ineffective where the patent application has not been accepted for review (Article 1435) or if there has been a decision to refuse to grant a patent and the possibility of appeal provided for by this Code has expired or if any of the requirements of Paragraph 3 of this Article have been violated by the applicant.

Article 1437. The examination of a selection achievement for its novelty

1. Any interested person may petition for an examination for novelty of a claimed selection achievement within six months following the date of publication of information on the patent application by the federal executive authority on selection achievement.

The federal executive authority on selection achievement notifies the applicant of the receipt of such a request and about its substance. The applicant can submit to the federal executive authority on selection achievement his reasoned objection during the three months following the date of his receipt of that notification.

2. Based upon the materials before the federal executive authority on selection achievement, a decision is reached and notified to the interested person. If the selection achievement does not meet the criterion of novelty, a decision to refuse a patent is made.

Article 1438. The testing of selection achievements for their distinctiveness, uniformity, and stability

1. The tests of a selection achievement for its distinctiveness, uniformity, and stability are conducted according to procedures and terms established by the federal executive authority exercising normative and legal regulation in sphere of agriculture.

The applicant is required to provide the necessary quantity of seeds or breeding material for testing to the place and within the term specified by the federal executive authority on selection achievement.

2. For the purposes provided by Paragraph 1 of this Article, the federal executive authority on selection achievement may use the results of tests conducted by the competent authorities of other states that have concluded relevant treaties, the results of tests conducted by other Russian organizations under contract with the State authority, and the data provided by the applicant.

Article 1439. The procedure for the state registration of a selection achievement and the granting of a patent

1. Where a selection achievement meets the criteria for legal protection (Article 1413(2)) and where the selection achievement meets the requirements of Article 1419 of this Code, the federal executive authority on selection achievement grants a selection achievement patent, prepares a description of the selection achievement, and enters the selection achievement into the State Register of Protected Selection Achievements.

2. The following information is contained in the State Register of Protected Selection Achievements:

- 1) the genus and type of the plant or animal;
- 2) the name of the plant variety or animal breed;
- 3) the date of the state registration of the selection achievement and its registration number;
- 4) the name or designation of the patent owner and his place of permanent or actual residence;
- 5) the name of the author of the selection achievement and his place of residence;
- 6) a description of the selection achievement;
- 7) the fact of the transfer of a selection achievement patent to another person disclosing his name and place of permanent or actual residence;
- 8) information on any licensing contracts that have been concluded;
- 9) the date of termination of the effectiveness of the selection achievement patent disclosing the reason for its termination.

2-1. On the basis of a right owner's application, the federal executive authority on selection achievement makes changes related to information on the right owner and (or) the author of the selection achievement, including the name of the right owner, his location or place of residence, the name of the author of the selection achievement, postal address, as well as changes to correcting obvious and technical mistakes to the State Register of Protected Selection Achievements and to the patent for a selection achievement.

3. The selection achievement patent is granted to the applicant. Where several applicants are indicated in patent application, the patent is granted to the first named applicant and may be used by the applicants jointly under the agreement made between them.

4. The form of the selection achievement patent and the information to be included therein shall be determined by the federal executive authority on selection achievement.

Article 1440. The preservation of a selection achievement

1. A patent right owner is obliged to maintain the variety of plants or breed of animals during the term of effectiveness of the selection achievement patent preserving the features specified in the description of the variety of plants or breed of animals existing on the date of the addition of the selection achievement

into the State Register of Protected Selection Achievements.

2. A patent right owner, at the request of the federal executive authority on selection achievement, is obliged to send, at his own expense, seeds or breeding material for routine tests and to provide, upon request, access for on-site inspection.

Article 1441. The recognition of a selection achievement patent as invalid

1. A patent for a selection achievement may be declared invalid during its term of effectiveness, if it is determined that:

1) the patent was granted on the basis of unverified data presented by the applicant on the uniformity and stability of the selection achievement.

2) on the date of granting the selection achievement patent, it did not meet the criteria of novelty or distinctness;

3) the person named in the patent as the patent owner was not legally entitled to that patent.

2. The grant of a selection achievement patent may be challenged by any person who knows of the violations listed in Paragraph 1 of this Article by filing a statement with the federal executive authority on selection achievement.

The federal executive authority on selection achievement sends a copy of such challenges to the patent owner, who has three months, following the forwarding of that challenge, to submit his reasoned objection.

The federal executive authority on selection achievement will decide such challenges within six months of the date of their filing, unless additional testing is required.

3. A selection achievement patent determined to be invalid is annulled from the filing date of the patent application. In such cases, licensing contracts made before an ineffectiveness decision retain their effectiveness to the extent they were executed before that determination.

4. The recognition of a selection achievement patent as invalid overturns the decision of the federal executive authority on selection achievement granting that patent (Article 1439) and cancels its entry in the State Register of Protected Selection

Achievements.

Article 1442. The early termination of a selection achievement patent

A patent for a selection achievement is subject to early termination in the following circumstances:

- 1) the selection achievement no longer meets the criteria of uniformity and stability;
- 2) the patent right owner as requested has not provided to the federal executive authority on selection achievement the seeds, breeding material, documents, and information necessary to test the safety of the selection achievement within twelve months or has not provided an opportunity for an on-site inspection of the selection achievement for such purposes;
- 3) the patent right owner filed an application for the early-termination of the patent with the federal executive authority on selection achievement;
- 4) the patent right owner failed, within the prescribed term, to pay the fees required to maintain his patent in force.

Article 1443. The publication of information about selection achievements

1. The federal executive authority on selection achievement publishes an official bulletin containing information :

- 1) on patent applications filed with the priority date of the selection achievement, the name or names of the applicant, the name of the selection achievement, and the name of the author of the selection achievement unless he has declined to be identified as such;
- 2) on decisions taken on granting patent application;
- 3) on changes in the names of selection achievements;
- 4) on the invalidation of patents for selection achievements;
- 5) other information regarding the protection of selection achievements.

2. Following the publication of information on an application for the granting of a selection achievement patent and on the decision made on that application, any person has the right to review the application materials.

Article 1444. The use of a selection achievement

1. Seeds and breeding material sold in the Russian Federation shall be provided with a document certifying their variety, breed, and origin.

2. For selection achievements included in the State Register of Protected Selection Achievements, the document specified in Paragraph 1 of this Article is to be given only by patent owners and licensees.

Article 1445. The patenting of selection achievements in foreign countries

An application for a selection achievement patent may be filed in a foreign country. The costs associated with the protection of selection achievements outside of the Russian Federation are borne by the applicant.

§ 6. The defense of the rights of the authors of selection achievements and other patent owners

Article 1446. The infringement of the rights of the authors of selection achievements or other patent owners

The rights of the author of a selection achievement or other patent owners are infringed by:

- 1) the use of a selection achievement in violation of Article 1421(3) of this Code;
- 2) the naming and (or) sale of selection achievement seeds or breeding material under names different from their actual registered selection achievement names;
- 3) the use of the name and (or) sale of a registered selection achievement on other seeds or breeding material when they are not genuine seeds or breeding material of that selection achievement;
- 4) the use of a name for and (or) sale of seeds or breeding material with a name that is confusingly similar to the name of a registered selection achievement.

Article 1447. The publication of court decisions on the infringement of exclusive rights to a selection achievement

The author of a selection achievement or other patent right owner is entitled to demand the publication, by the federal executive authority on selection achievement in its official bulletin, of court decisions on the illegal use of selection achievements or other violations of the rights of a patent owner under Article 1252(1) of this Code.

Chapter 74. THE RIGHTS TO AN INTEGRATED CIRCUIT TOPOGRAPHY

Article 1448. Integrated circuit topographies

1. An integrated circuit topography refers to the three-dimensional presentation of the combination of elements constituting an integrated circuit and their interconnections fixed upon a physical medium. An integrated circuit is a micro-electronic article in its final or intermediate form created to perform the functions of an electric circuit, the elements and interconnections of which are integrated in the interior matrix and (or) on the surface of the material acting as the medium for the manufactured article.

2. The legal protection provided by this Code applies only to the original topography of integrated circuits, created as a result of the intellectual activity of an author and being unknown to the author and (or) specialists in the field of integrated circuit topographies on the date of its creation. A topography of integrated circuits is considered original unless proven to be otherwise. The topographies of integrated circuits, consisting of elements that are known to those skilled in the field of integrated circuit topographies on the date of their creation can obtain legal protection, if the spatial geometric arrangement of these elements together and links between them as a whole is original.

3. The legal protection provided by this Code does not apply to any idea, method, system, technology, or encoded information that can be embodied in an integrated circuit topography.

Article 1449. Rights in integrated circuit topographies

1. The following intellectual rights belong to the author of an integrated circuit topography, meeting the conditions for legal protection provided by this Code (topography):

- 1) an exclusive right;
- 2) the authorship right.

2. In cases provided for by this Code, the author of an integrated circuit topography also has other rights, including the right to remuneration for use of an employment topography.

Article 1450. The author of an integrated circuit topography

A person whose creative work leads to the making of an integrated

circuit topography is considered as its author. The person named as the author in the application for the state registration of an integrated circuit topography is considered as the author of this topography, unless it is proven otherwise.

Article 1451. The co-authors of an integrated circuit topography

1. Several persons whose joint creative work results in the creation of an integrated circuit topography are considered as co-authors.

2. Each of these co-authors has the right to use the topography at his discretion unless there is an agreement between them that provides otherwise.

3. The provisions of Article 1229(3) of this Code govern the relations between co-authors with regard to the sharing of the income from the use of an integrated circuit topography and the disposition of their exclusive rights in that topography. The disposition of the right to receive a certificate on the state registration of their integrated circuit topography is shared by co-authors jointly.

Article 1452. State registration of an integrated circuit topography

1. The right owner at his discretion during the term of effectiveness of an integrated circuit topography (Article 1457) may register that topography with the federal executive authority on intellectual property.

A topography containing information that constitutes a state secret, cannot be subject to the State registration. A person who submits an application for the state registration of a topography (the applicant) is responsible for any disclosure of the information about a topography containing state secrets pursuant to the legislation of the Russian Federation.

2. If, before filing an application for the state registration of a topography (application for registration), the topography was used, an application may be filed within not more than two years following the first use of that topography.

3. A registration application is limited to a single topography and must contain:

1) an application for the state registration of the topography

specifying the person in whose name the requested state registration is to be made and the author, unless he declines the right to be named, their places of permanent and actual residence, and the date of the first use of the topography if it has already taken place;
2) the materials being deposited that identify the topography, including an abstract;

4. The regulations regarding an application for registration are determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

5. On the basis of the application for registration, the federal executive authority on intellectual property shall check the necessary documents and their conformity with the requirements of Paragraph 3 of this Article. When the check has been passed successfully, the federal authority shall enter the topography in the Register of Topographies of Integrated Circuits, grant a certificate of state registration of the integrated circuit topography to the applicant, and publish the information on the registered topography in its official bulletin.

At the request of the federal executive authority on intellectual property or on his own initiative, the author or another right owner are entitled to add, clarify, and correct the registration application documents before the time of state registration.

6. The procedure of the state registration of integrated circuit topographies, the forms of the certificates of state registration, the list of information to be included on the certificates, and a list of the information to be published by the federal executive authority on intellectual property in its official bulletin are determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

7. On the basis of the right owner's petition, the federal executive authority on intellectual property makes changes to the information about the right owner and (or) the author of the topography, including the name of the right owner, his location or place of residence, the name of the author of the topography, his postal address, as well as changes to correct any obvious and technical errors for the Register of Integrated Circuit Topographies and to the certificate of state registration of that topography.

The federal executive authority on intellectual property publishes in its official bulletin, information on any changes in the entries made in the Register of Integrated Circuit Topographies.

8. The information entered in the Register of Integrated Circuit Topographies is considered reliable, unless it is proven otherwise. The applicant is responsible for the accuracy of the registration information that is submitted.

Article 1453. An authorship right in an integrated circuit topography

The authorship right of, i.e. the right to be recognized as the author of a topography, is inalienable and non-transferable, including when there is a transfer to another person or transfer to him of the exclusive right to a topography and when there is a grant to another person of the right to use it. Any waiver of this right is invalid.

Article 1454. The exclusive right to a topography

1. The right owner has the exclusive right to use a topography in accordance with Article 1229 of this Code in any manner not inconsistent with the law (the exclusive right to a topography), including methods set out in Paragraph 2 of this Article. The right owner may dispose the exclusive right to the topography.

2. The use of a topography are actions aimed at earning a profit, in particular:

- 1) the reproduction of a topography as a whole or in part by inclusion in an integrated circuit, or otherwise, except for the reproduction of a part of the topography that is not original;
- 2) the import into the territory of the Russian Federation, sale, and other introduction into civil commerce of the topography or of an integrated circuit, including this topography, or of articles including such integrated circuits.

3. A person who independently creates a topography identical to another topography may have an independent exclusive right to his topography.

Article 1455. The mark of legal protection for integrated circuit topographies

In order to notify others of his exclusive right to a topography, the right owner has the right to use a mark of protection, which is placed on the topography as well as on products containing such a topography, and it consists of a capital letter "T", the starting date of the exclusive right to a topography and information identifying the right owner.

Article 1456. Actions that are not infringements upon an exclusive right to a topography

The following actions are not infringements the exclusive right to a topography:

- 1) the actions specified in Article 1454(2) of this Code with respect to an integrated circuit which includes an illegally reproduced topography, as well as with regard to the incorporation of such an integrated circuit product where the person who commits such acts did not know or should not have known that the integrated circuit incorporated an illegally reproduced topography. Upon notification about an unlawfully reproduced topography, a person may use up the on-hand stock of products, which include integrated circuits with the illegally reproduced topography and products ordered up to this point in time. In these circumstances, such persons are obliged to pay compensation for use of the topography to the right owner, proportionate to the remuneration that would have been paid in comparable circumstances for a similar topography.
- 2) use of a topography for personal purposes, not pursuing any profit, as well as for evaluation, analysis, research, or teaching;
- 3) the distribution of integrated circuits with a topography which previously was legally introduced into commerce by the person having the exclusive right to the topography or by another person having permission from the right owner.

Article 1457. The term of effectiveness of an exclusive right to a topography

1. An exclusive right to a topography is valid for ten years.
2. The term of effectiveness of an exclusive right to a topography is calculated either from the date of the first use of the topography, which means the earliest date established by documents of its introduction into civil commerce in the Russian Federation or

in any foreign country, of an integrated circuit, which includes this topography, or of articles incorporating such an integrated circuit, or from the date of registration of the topography with the federal executive authority on intellectual property, depending upon which of these events occurred earlier.

3. When an identical original topography is independently created by another author, the exclusive rights to both topographies terminate after the expiration of ten years from the date of appearance of the exclusive rights to the first of them.

4. Upon the termination of the exclusive right to a topography, the topography goes into the public domain, i.e., it may be used freely by any person without anyone's consent or permission and without the payment of any remuneration.

Article 1457-1. The transfer of exclusive rights to a topography through inheritance

The provisions on the transfer of an exclusive right by inheritance (Article 1283) apply to the exclusive right to a topography.

Article 1458. A contract for the alienation of an exclusive right to a topography

Under a contract for the alienation of an exclusive right to a topography, one party (the right owner) transfers or undertakes to transfer his exclusive right to a topography in full to another party, the recipient of an exclusive right to a topography.

Article 1459. A licensing contract granting the right to use a topography

Under a licensing contract, one party, the owner of an exclusive right to a topography (the licensor) - provides or agrees to provide to the other party (the licensee) the right to use this topography within the terms established by the contract.

Article 1460. The form of a contract disposing of an exclusive right to a topography and the state registration of the transfer of an exclusive right to a topography, its pledge, and the provision of the right to use a topography

1. A contract for the alienation of an exclusive right to a topography and a licensing contract must be concluded in writing. A

failure to comply with this written contractual format results in the ineffectiveness of the contract.

2. If a topography has been registered (Article 1452), the alienation and pledge of the exclusive right to the topography, the provision on a contractual right to use the topography and the transfer of an exclusive right to the topography without a contract shall be subject to state registration by the federal executive authority on intellectual property in the manner prescribed by Article 1232 of this Code.

Article 1461. An employment topography

1. A topography, created by an employee in connection with the performance of his working duties or as a specific task set by the employer, is considered to be an employment topography.

2. The right of authorship to an employment topography, belongs to the employee (to the author).

3. The exclusive right to an employment topography belongs to the employer, if the labor or civil law contract between him and the employee does not provide otherwise.

4. If the exclusive right to a topography belongs to the employer or is transferred to a third party, the employee is entitled to receive remuneration from the employer. The amount of remuneration, the terms and procedure of its payment are determined by the contract between the employer and employee and, in case of dispute - by a court.

The right to remuneration for an employment topography is inalienable, but it does pass to the author's heirs for the remaining term of effectiveness of his exclusive right.

If the exclusive right to a topography belongs to the author, the employer has a right to use this topography under a simple (non-exclusive) license subject to the payment of remuneration to the right owner.

5. A topography created by an employee using the financial, technical, or other material assets of his employer, but not in connection with the performance of his working duties or a specific task set by the employer, is not an employment topography. The

exclusive right to such topography belongs to the employee. In such circumstances, the employer has the right at his option to either a free simple (non-exclusive) license for his own needs for the term of effectiveness of the exclusive right to the topography or reimbursement for his expenses in connection with the creation of this topography.

Article 1462. A topography created under a contract

1. The exclusive right to a topography, created under a contract or agreement to perform research, development, and technological works, which does not expressly provide for its creation, belongs to the contractor (the performer), unless the contract provides otherwise. In such circumstances, the customer is entitled, unless the contract provides otherwise, to use the topography created in this manner for the purposes for which the contract was made under a simple (non-exclusive) license during the term of effectiveness of such exclusive rights, without payment of any additional remuneration. When the contractor (performer) transfers the exclusive right to the topography to another person, the customer retain his right to use the topography under the original licensing terms.

2. Where, in accordance with the contract between the contractor (performer) and the customer, the exclusive right to a topography has been delivered to the customer or transferred to a third person designated by him, the contractor (performer) has the right to use the topography for his own needs under the terms of a free simple (non-exclusive) license during the duration of the exclusive right to the topography, unless the contract provides otherwise.

3. The author of the topography referred to in Paragraph 1 of this Article, who does not have an exclusive right to such topography is entitled to remuneration under Article 1461(4) of this Code.

Article 1463. A topography created on order

1. When a topography is created under a contract, the subject of which was its creation (on order), the exclusive right to such topography is owned by the customer unless the contract between the contractor (performer) and the customer provides otherwise.

2. Where, in accordance with Paragraph 1 of this Article, the exclusive right to a topography belongs to the customer or to a

third party designated by him, the contractor (performer), unless the contract provides otherwise, has the right, to use this topography for his personal needs under a free simple (non-exclusive) license during the term of effectiveness of the exclusive right.

3. Where, in accordance with a contract between the contractor (performer) and the customer, the exclusive right to a topography belongs to the contractor (performer), the customer shall have the right to use the topography for the purposes for which an appropriate contract has been made under the conditions of a free simple (non-exclusive license) during the term of effectiveness of his exclusive right.

4. The author of a topography created on order, who is not the right owner shall be paid remuneration in accordance with Article 1461(4) of this Code.

Article 1464. A topography created under a State contract

The provisions of Article 1298 of this Code apply correspondingly to a topography created under a State or municipal contract.

Chapter 75. THE RIGHT TO TRADE SECRETS (KNOW-HOW)

Article 1465. Trade secrets (Know-How)

1. A trade secret (know-how) is information of any kind (production, technological, economic, organizational, and others), about the results of intellectual activity in the sphere of science and technology and the methods of performing professional activities that have an actual or potential value by virtue of its being unknown to third persons, to which third persons do not have free access on a lawful basis and with respect to which the owner of such information takes reasonable measures to keep it confidential, in particular by introducing a regime of commercial secrecy regime.

2. A trade secret is not information that is subject to mandatory disclosure nor is it prohibited, by a law or any other legal act, from being the subject of restricted access.

Article 1466. The exclusive right to a trade secret

1. The owner of a trade secret has the exclusive right to use it in accordance with Article 1229 of this Code in any manner not inconsistent with law (the exclusive right to a trade secret), including in the manufacture and implementation of economic and organizational solutions. The owner of a trade secret may dispose of his exclusive right.

2. A person that has in good faith and independently of the other holders of the information constituting the contents of the protected trade secret shall acquire an independent exclusive right to this trade secret.

Article 1467. The term of effectiveness of an exclusive right to a trade secret

The exclusive right to a trade secret is valid as long as the confidentiality of the information constituting its contents is maintained. From the moment of disclosure of the confidential information, the exclusive right to the trade secret terminates for all of the right owners.

Article 1468. A contract for the alienation of an exclusive right to a trade secret

1. Under a contract for the alienation of an exclusive right to a

trade secret, one party (the right owner), transfers or is undertakes to transfer the exclusive right to a trade secret in full to another party, the recipient of the exclusive right to the trade secret.

2. In the event of the alienation of an exclusive right to a trade secret, the person who has disposed of his right is obliged to maintain the confidentiality of the trade secret until the expiration of the exclusive right to the trade secret.

Article 1469. A licensing contract granting a right to use a trade secret

1. Under a licensing contract, one party - the owner of an exclusive right to a trade secret (the licensor), grants or agrees to grant to another party (the licensee) the right to use the trade secret of production with the conditions set forth in the contract.

2. A licensing contract may be concluded with an indication or without specifying the term of its effectiveness. In such circumstances, where the term of effectiveness is not specified in the contract, either party may at any time withdraw from the contract, notifying the other party not later than six months before his intended repudiation, unless a longer time is provided for by the contract.

3. In granting the right to use a trade secret, the person who has disposed of his right is obliged to maintain the confidentiality of the trade secret during the entire term of effectiveness of the licensing contract.

Persons who have obtained rights under a licensing contract are required to maintain the confidentiality of the trade secret until the termination of the exclusive right to that trade secret.

Article 1470. An employment trade secret

1. The exclusive right to a trade secret, created by an employee in connection with the performance of his duties or a specific task set by the employer (employment trade secret) belongs to the employer.

2. A person, who in connection with his working duties or a specific task set by his employer has learned about a trade secret, is obligated to maintain the confidentiality of that information until

expiration of the exclusive right to that trade secret.

Article 1471. A trade secret produced in the performance of work done under a contract

Where a trade secret is obtained in the performance of a contract for research, development, and technological work under either a State or municipal contract for state or municipal needs, the exclusive right to a trade secret belongs to the contractor (performer) unless otherwise provided by the respective contract (or State or municipal contract).

Article 1472. Liability for infringement upon an exclusive right to a secret of production.

1. An infringer upon an exclusive right to a trade secret, including a person who has illegally obtained information constituting a trade secret and who has disclosed or used this information, and also a person obliged to maintain the confidentiality of that trade secret in accordance with Article 1468(2), Article 1469(3), or Article 1470(2) of this Code, is obligated to pay the damages caused by his violation of the exclusive right to that trade secret, unless other liability is provided for by law or by a contract with this person.
2. A person who uses a trade secret and did not know and did not have reason to know that the use was illegal, including owing to the fact that he obtained access to the trade secret accidentally or by mistake, will not bear liability in accordance with Paragraph 1 of this Article.

Chapter 76. THE RIGHTS TO THE MEANS OF INDIVIDUALIZATION OF LEGAL ENTITIES, GOODS, WORKS, SERVICES, AND ENTERPRISES

§ 1. The right to a firm name

Article 1473. Firm names

1. A legal person is a commercial organization that acts in the civil marketplace under its trade name, which is defined in its founding documents and is entered in the Unified State Register of Legal Entities for the official registration of legal entities.

2. The firm name of a legal person should contain an indication of its organizational and legal form and the actual name of the legal person, which cannot consist solely of words denoting an occupation.

3. A legal person should have one full name and has the right to have an abbreviated name, both in the Russian language. A legal person has the right to have also a full (or) abbreviated firm name in any language of the peoples of the Russian Federation and (or) in a foreign language.

The firm name of a legal person in Russian and the languages of the peoples of the Russian Federation may contain foreign borrowings in Russian transcription or in transcriptions of the languages of the peoples of the Russian Federation respectively, with the exception of terms and abbreviations reflecting the organizational and legal form of the legal person.

4. The firm name of the legal person cannot consist of:

1) the full or abbreviated official names of foreign countries, as well as words derived from such names;

2) the full or abbreviated official names of federal authorities of state power, authorities of state power of subjects of the Russian Federation, and authorities of local self-government;

3) [*repealed*];

4) the full or abbreviated names of public associations;

5) designations that are contrary to the public interest and also to principles of humanity and morality.

The firm name of a state unitary enterprise may indicate that such enterprise belongs, respectively to the Russian Federation or to a subject of the Russian Federation.

Inclusion in the firm name of a legal person of the official name of

the Russian Federation or Russia, as well as words deriving from these names are allowed when there has been permission given in accordance with the procedures established by the Government of the Russian Federation.

When such permissions for the inclusion in the firm name of a legal person of the official name of the Russian Federation or Russia and also words derived from these names are withdrawn, the legal person within three months is obliged to make appropriate changes to its founding documents.

5. If the firm name of a legal person does not comply with the requirements of Article 1231-1 of this Code, Paragraphs 3 and 4 of this Article, the authority making the state registration of legal entities is entitled to file a legal claim against such a legal person to compel changes to its firm name. In such circumstances, the provisions of Article 61(2) and (3) of this Code do not apply.

Article 1474. The exclusive right to a firm name

1. A legal entity has the exclusive right to use its firm name as means of identification in any manner not contrary to the law (the exclusive right to a firm name), including through its indication on signs, letterheads, invoices, and other documents, announcements and advertising, and on goods or their packaging, or on the Internet. Abbreviated firm names, and also firm names in the languages of the peoples of the Russian Federation and foreign languages are protected as an exclusive rights to the firm name, provided that they are included in the Single State Register of Legal Entities.

2. The disposition of the exclusive right to a firm name (including by its alienation or granting to another person of the right to use that firm name) is not allowed.

3. Use by a legal entity of the firm name identical to the firm name of another legal entity or confusingly similar to it shall not be allowed if the aforesaid legal entities conduct similar activity and the firm name of the second legal entity was included in the Single State Register of Legal Entities earlier than the firm name of the first legal entity.

4. A legal entity who has violated the provisions of Paragraph 3 of this Article shall be obligated, upon demand of the right owner and

at his choice, to cease using the firm name identical to the firm name of the right owner or confusingly similar to it with respect to kinds of activity similar to those conducted by the right owner or to change its firm name, as well as is bound to compensate the right owner for the resulting damages.

Article 1475. The term of effectiveness of an exclusive right to a firm name in the territory of the Russian Federation

1. The exclusive right to a firm name included in the Single State Register of Legal Entities is effective on the territory of the Russian Federation.

2. The exclusive right to a trade name arises from the date of state registration of the legal entity and terminates at the time of the removal of the trade name from the Single State Register of Legal Entities in connection with the termination of the legal entity or the change of its trade name.

Article 1476. The correlation between rights to a firm name with rights to a firm name and to a trademark and to a service mark

1. A firm name or its separate elements may be used by the right owner as part of a commercial name owned by him.

A firm name included in a commercial designation is protected independently of the protection of a commercial designation.

2. A firm name or its separate elements may be used by the right owner in a trademark or service mark owned by him.

A firm name included in a trademark or service mark is protected independently of the protection of the trademark or service mark.

§ 2. The right to a trademark and the right to a service mark

1. General Provisions

Article 1477. The trademark and service mark

1. An exclusive right certified by a trademark certificate (Article 1481) is recognized for a trademark, i.e., a sign intended to individualize the goods of legal entities and individual entrepreneurs.

2. The provisions of this Code related to trademarks shall be applied to service marks, i.e., the signs intended to individualize the the work or services performed by legal entities or individual entrepreneurs.

Article 1478. The owner of an exclusive right to a trademark

The owner of an exclusive right to a trademark may be a legal entity or an individual entrepreneur.

Article 1479. The effectiveness of an exclusive right to a trademark in the territory of the Russian Federation

An exclusive right to a trademark registered by the federal executive authority on intellectual property is valid within the territory of the Russian Federation, as well as in other circumstances provided for by international treaties of the Russian Federation.

Article 1480. State registration of a trademark

The state registration of a trademark is made by the federal executive authority on intellectual property in its State Register of Trademarks and Service Marks of the Russian Federation (State Register of Trademarks) by the procedure as is provided for by Articles 1503 and 1505 of this Code.

Article 1481. A trademark certificate

1. A trademark certificate is granted for trademarks registered in the State Register of Trademarks.

2. A trademark certificate certifies the priority of a trademark and the exclusive right to the trademark with regard to the goods specified in the certificate.

Article 1482. The types of trademarks

1. Words, figures, three-dimensional, and other indications or combinations thereof may be registered as trademarks.
2. A trademark may be registered in any color or color combination.

Article 1483. The grounds for refusing to register a trademark

1. State registration as trademarks shall not be allowed for designations that are not distinctive or consisting only of the following elements:
 - 1) those that have gone into general use for the indication of goods of the specific kind;
 - 2) those that are generally accepted symbols and terms;
 - 3) those that characterize goods, including indicating their kind, quality, quantity, nature , purpose, value, as well as the time, place, or method of their production or sale;
 - 4) those that represent the form of goods which is determined exclusively or mainly by the properties or purposes of the goods. These elements may be included in a trademark as unprotected elements, provided that they do not occupy a dominant position.

1-1. The provisions of Paragraph 1 of this Article do not apply with regard to the designations which:

- 1) have acquired a distinctive ability through their usage;
- 2) consist only of the elements cited in Sub-Paragraphs 1-4 of Paragraph 1 of this Article and form a combination having a distinctive ability.

2. State registration as trademarks of signs is not allowed that refer to objects that are not subject to legal protection in accordance with Article 1231-1 of this Code or are confusingly similar to them.

3. State registration as trademarks is not allowed of designations presenting or containing elements that:

- 1) are false or liable to mislead the consumer as to the goods or their manufacturer;
- 2) are contrary to the public interest, the principles of humanity and morality.

4. State registration of trademarks is not allowed that are identical or confusingly similar to official names or are images of particularly valuable objects of the cultural heritage of the peoples of the Russian Federation or of the world's cultural and natural heritage, as well as with images of cultural value which are in collections and funds, if the registration is sought in the name of persons who are not their owners, lacking the consent of the owners or by persons expressly authorized by the owners for the registration as trademarks.

5. When under an international treaty of the Russian Federation, the state registration of trademarks is not allowed for trademarks constituting or containing elements that are protected in one of the States - members of such international agreements may use such trademarks as designations identifying wines or spirits as originating from its territory (produced within the borders of that State) and having a particular quality, reputation, or other characteristics, which are principally determined by their origin, if the trademark is intended to refer to wines or spirits not originating in the territory of that geographical area.

6. Designations may not be registered as trademarks that are identical or confusingly similar to:

- 1) the trademarks of other persons, who have applied for their registration (Article 1492) with regard to similar goods and having an earlier priority, if the application for state registration of trademark was not withdrawn, revoked, or not recognized for either the lack of a decision on the denial of state registration;
- 2) the trademarks of other persons, which are protected in the Russian Federation, including in accordance with an international treaty of the Russian Federation regarding similar goods having an earlier priority;
- 3) the trademarks of other persons, which have been recognized under this Code as generally known trademarks in the Russian Federation, with regard to similar goods with an earlier priority date than that of the claimed designation.

The registration of a trademark for goods of the same designation being confusingly similar to the trademarks referred to in Paragraphs 1 and 2 of this Paragraph, is permitted with the consent of the right owner, provided that such registration may not be the purpose of misleading the consumer. Once given, consent cannot be

withdrawn by a right owner.

The provisions of the fifth Sub-Paragraph of this Paragraph do not apply to the designations that are confusingly similar to collective marks.

7. Designations cannot be registered as trademarks for any products if they are identical or confusingly similar to a geographical indication or an appellation of origin that is protected in accordance with this Code, or to a designation whose application for registration was filed before the priority date of the trademark, with the exception of when such a geographical indication or appellation of origin, or a designation that is confusingly similar to the above, is included as an unprotected element in a trademark registered in the name of a person owning the right to use such a geographical indication or appellation of origin, provided that the trademark undergoing registration relates to the same products for whose individualization such a geographical indication or appellation of origin has been registered.

8. Designations may not be registered with respect to similar goods, if they are identical or confusingly similar to a trade name or commercial designation protected in the Russian Federation (or individual elements of such a name or designation) or to the name of a selection achievement, registered in the State Register of Protected Selection Achievements, the rights to which arose from other persons in the Russian Federation before the priority date of the trademark undergoing registration.

9. Designations may not be registered as trademarks if they are identical to:

1) the title of a work of science, literature or art known in the Russian Federation on the filing date of the application for state registration of a trademark (Article 1492), a literary character or quotation from such work, a work of art or a fragment of the same, without the consent of the right owner, if the rights to the respective work arose before the priority date of the registered trademark;

2) the name (Article 19), the pseudonym (Article 1265(1) and Sub-Paragraph 3 of Article 1315(1)) or their derivative designations, a portrait or image of a famous person in the Russian Federation on the filing date of the application, without the consent of that

person or his heir;

3) an industrial design, a mark of compliance, the rights to which arose before the priority date of the registered trademark.

The provisions of this Paragraph also apply to those indications which are confusingly similar to the objects specified therein.

10. Designations whose elements are protected under this Code, designations confusingly similar to them, as well as the objects listed in Paragraph 9 of this Article protected in compliance with this Article, may not be registered as trademarks with regard to similar goods.

State registration as trademarks of such designations is allowed where there is the required consent in accordance with Paragraph 6 and Sub-Paragraphs 1 and 2 of Paragraph 9 of this Article.

11. On the grounds given in this Article, no legal protection is granted to trademarks registered pursuant to the international treaties of the Russian Federation.

2. The use of a trademark and the disposition of an exclusive right to a trademark

Article 1484. The exclusive right to a trademark

1. The person in whose name a trademark is registered (the right owner) has the exclusive right to use the trademark in accordance with Article 1229 of this Code in any way not inconsistent with law (the exclusive right to a trademark) including the ways set out in Paragraph 2 of this Article. The right owner may freely dispose of his exclusive right to a trademark.

2. The exclusive right to a trademark may be realized through the individualization of the goods, works, or services for which the trademark has been registered, in particular by the placement of the trademark:

- 1) upon goods, including on the labels and packaging of goods, which are produced, offered for sale, sold, presented at exhibitions and fairs, or otherwise introduced into civil commerce in the territory of the Russian Federation, or are stored or transported for these purposes, or imported into the territory of the Russian Federation;
- 2) in the performance of work, provision of services;
- 3) upon documents related to the introduction of goods into civil commerce;
- 4) in offers for the sale of goods, the performance of works, and the provision of services as well as in announcements, on signboards and in other advertising;
- 5) on the Internet, including in a domain name and for other methods of addressing.

3. No one has the right to use, without the permission of the right owner, signs similar to his trademark with respect to the goods for the individualization of which the trademark has been registered or similar goods, if the consequence is a likelihood of confusion.

Article 1485. The symbol of protection of a trademark

The right owner of an exclusive right to a trademark, for notification purposes, can use a symbol of protection to manifest his right to legal protection, which is placed alongside the registered trademark and consists of the Latin capital letter "R" or the Latin capital letter "R" in a circle ® or the written text "trademark" or "registered trademark" and which confirm that the

sign used is a trademark that is protected on the territory of the Russian Federation.

Article 1486. The consequences of the non-use of a trademark

1. The legal protection of a trademark may be terminated prematurely with regard to all goods or part of the goods, for the individualization of which the trademark has been registered, due to the continuous non-use of that trademark for three-years.

The interested person who believes that the right owner does not use the trademark in respect of all goods or part of the goods for the individualization of which the trademark is registered shall direct the right owner the proposal to apply to the federal executive authority on intellectual property with an application for a waiver of the right to a trademark or to conclude with an interested party, an agreement on the alienation of the exclusive right to a trademark in respect of all goods or parts of goods for individualization of which the trademark is registered (hereinafter - the proposal of the person concerned).

The offer of the interested person is sent to the right owner, as well as to the address indicated in the State Register of Trademarks or in the corresponding register provided for by the international treaty of the Russian Federation.

The offer of the interested person can be sent to the right owner not earlier than three years after the state registration of the trademark.

If within two months from the date of submission of the offer of the interested person the right owner does not file an application for the waiver of the right to a trademark and does not conclude an agreement with the interested party on the alienation of the exclusive right to a trademark, the interested person within thirty days after the expiration of the said two months has the right to apply to a court with a statement of claim for early termination of the legal protection of a trademark as a result of its non-use.

A new offer of an interested person can be sent to the right owner of the trademark not earlier than after the expiration of a three-month period from the date of sending the previous offer of the interested person.

The decision on early termination of the legal protection of the trademark as a result of its non-use is taken by the court in the event that the trademark owner does not use the trademark in relation to the relevant goods for individualization of which the

trademark is registered within three years immediately preceding the date of the offer to the right owner of the offer of the interested person.

Legal protection of a trademark terminates on the date of entry into legal force of the court decision.

2. For the purposes of this Article the use of a trademark is recognized as being by the right owner or other person to whom that right has been granted on the ground of a licensing contract in accordance with Article 1489 of this Code, or by another person exercising the use of that trademark under the control of the right owner, provided that this use of the trademark is conducted in accordance with Article 1484(2) of this Code, unless these respective actions are not connected with the introduction of the goods into civil commerce, and the use of a trademark with some alteration of individual elements not affecting the essence of the trademark and not limiting the protection that it has been granted.

3. The burden of proof regarding of the use of the trademark lies with the right owner.

In addressing the grant of the early termination of legal protection for a trademark due to its non-use, evidence presented by the right owner of the fact that the trademark has not been used due to circumstances beyond his control may be taken into account.

4. The termination of legal protection for a trademark means the termination of the exclusive right to it.

Article 1487. The exhaustion of the exclusive right to a trademark

It is not an infringement of the exclusive right to a trademark when it is used by other persons with regard to goods that have been introduced into civil commerce within the territory of the Russian Federation directly by the right owner or with his consent.

Article 1488. A contract for the alienation of an exclusive right to a trademark

1. Under a contract for the alienation of the exclusive right to a trademark, one party (the right owner) transfers or undertakes to transfer in full, the exclusive right to the trademarks with regard to all of the goods or with regard to part of the goods for the individualization of which, it has been registered to the other

party - the recipient of that exclusive right.

2. The alienation of an exclusive right to a trademark through a contract is not allowed, if it can mislead the consumer with respect to the goods or their manufacturer.

3. The alienation of an exclusive right to use a trademark that includes as an unprotected element a geographical indication or appellation of origin for which legal protection has been provided within the territory of the Russian Federation (Paragraph 7 of Article 1483) is permitted only if the licensee has the exclusive right to use such a geographical indication or appellation of origin.

Article 1489. A licensing contract granting the right to use a trademark

1. Under a licensing contract, one party - the owner of an exclusive right to a trademark (the licensor) grants or undertakes to grant to the other party (the licensee) a right to use a trademark within certain contractual limits with or without specifying the territory upon which this use is allowed with regard to all or some of the goods for which the trademark is registered.

1-1 A licensing contract that grants the right to use a trademark should contain, in addition to the terms provided by Article 1235(6) of this Code, the list of the goods for which a right to use the trademark is authorized.

2. A licensee is obliged to insure the correspondence of the quality of goods produced or sold by him and upon which he fixes a licensed trademark to the requirements for quality set by the licensor. The licensor has the right to monitor compliance with this condition. The licensee and the licensor share joint and severally liable for claims made against the licensee as a manufacturer of the goods.

3. The grant of a right to use a trademark that includes as an unprotected element a geographical indication or appellation of origin for which legal protection has been provided within the territory of the Russian Federation (Paragraph 7 of Article 1483) is permitted only if the licensee has the exclusive right to use such a geographical indication or appellation of origin.

Article 1490. Form of and state registration of contracts disposing the exclusive right to a trademark, of the pledge of the exclusive right to a trademark, and granting the right to use a trademark

1. A contract of alienation of an exclusive right to a trademark, a licensing contract, as well as other contracts for the disposition of an exclusive right to a trademark shall be made in writing. The failure to comply with the requirement of a written contract, invalidates it.

2. The alienation and pledge of the exclusive right to a trademark, granting on a contractual basis the right to its use, the transfer of an exclusive right to a trademark without a contract are each subject to state registration in accordance with Article 1232 of this Code.

Article 1491. The term of effectiveness of an exclusive right to a trademark

1. The exclusive right to a trademark shall be effective for ten years after the filing date of the state registration of the trademark by the federal executive authority on intellectual property or in the case of a trademark registration under a divisional application, from the date of the initial application.

2. The term of effectiveness of an exclusive right to a trademark may be renewed for a further ten years on the request of the right owner that is filed during the last year of this right's effectiveness.

The renewal of the term of effectiveness of an exclusive right to a trademark may be made an unlimited number of times.

On the request of the right owner, he may be granted six months after the expiration of the term of effectiveness of the exclusive right to file his renewal request.

3. An entry reflecting the extension of the term of effectiveness of an exclusive right to a trademark, is recorded by the federal executive authority on intellectual property in its State Register of Trademarks and on the trademark certificate.

3. State registration of a trademark

Article 1492. An application for a trademark

1. An application for the state registration of a trademark (a trademark application) is filed with the federal executive authority on intellectual property by either a legal entity or an individual entrepreneur (an applicant).

2. Each application for a trademark shall relate to a single trademark.

3. An application for a trademark shall contain:

- 1) an application seeking the state registration of the designation as a trademark with the identification of the applicant, his place of residence or actual location;
- 2) the claimed designation, including a 3D model of the invention in electronic form if the applicant wishes to provide it;
- 3) a list of the goods with regard to which state registration of a trademark is sought and which are grouped according to the International Classification of Goods and Services for the Purposes of the Registration of Marks;
- 4) a description of the claimed designation;

4. The trademark application should be signed by the applicant and in case of an application being made through a patent attorney or other representative- by applicant or his representative who is filing the application.

5. The charter of a collective mark should be attached to a trademark application, if the application is being made for a collective mark (Article 1511(1)).

6. A trademark application is to be filed in the Russian language. The documents attached to an application are to be filed in Russian or another language. If these documents are filed in another language, the application shall be accompanied by their translation into Russian. The translation into Russian shall be submitted by the applicant within two months from the date of notification by the federal executive authority on intellectual property of the obligation to satisfy this requirement.

7. Requirements for the documents included in a trademark application and attachments (application documents) are established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

8. The filing date of a trademark application is the date of receipt by the federal executive authority on intellectual property of the documents specified in Sub-Paragraphs 1-3 of Paragraph 3 of this Article, and if these documents are not filed simultaneously - the date of receipt of the final document.

Article 1493. The right of access to the documents in a trademark application

1. After a trademark application is filed with the federal executive authority on intellectual property, any person is entitled to have access to the documents in the application.

The federal executive authority on intellectual property publishes in its official bulletin information on the applications filed for trademarks.

After publishing information on an application and before making a decision on the state registration of a trademark any person is entitled to file with the federal executive authority on intellectual property a written petition containing arguments as to the non-compliance of the claimed designation with the requirements of Articles 1477 and 1483 of this Code.

2. The procedure for receiving access to application documents and obtaining copies of such documents is established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1494. The priority of a trademark

1. The priority of a trademark is established by the filing date of the trademark application with the federal executive authority on intellectual property.

2. The priority of a trademark application filed by an applicant in accordance with Article 1502(2) of this Code (divisional application) on the basis of another application by this applicant for the same designation (initial application) shall be established by the filing date of the initial application with the federal

executive authority on intellectual property, and when there is the right to an earlier priority for that initial application - on the date of this priority, if on the filing date of the divisional application the initial application has not been withdrawn and is not considered withdrawn, and if the divisional application was filed prior to a decision on the initial application.

Article 1495. The convention and exhibition priority of a trademark

1. The priority of a trademark may be established by the filing date of the first application for a trademark in a member state of the Paris Convention for the Protection of Industrial Property (Convention Priority), if an application for a trademark has been filed with the federal executive authority on intellectual property within six months from that date.

2. The priority of a trademark placed on exhibit at an official or officially recognized international exhibition organized within the territory of one of member states of the Paris Convention for the Protection of Industrial Property may be established by the beginning date of display at such exhibition (Exhibition Priority) if a trademark application is filed with the federal executive authority on intellectual property within six months from that date.

3. An applicant wishing to enjoy the right of convention or exhibition priority must indicate this when filing a trademark application or within two months from that filing date with the federal executive authority on intellectual property and submit the necessary documents confirming the effectiveness of that request, or submit such documents to that federal authority within three months from the application's filing date.

4. The priority of a trademark may be established by the date of international registration of the trademark in accordance with the international treaties of the Russian Federation.

Article 1496. The consequences of a coincidence in trademark priority dates

1. When applications for identical trademarks with regard to wholly or partially overlapping lists of goods are filed by different applicants and these applications have the same priority date, the claimed trademark in respect of the goods for which the lists

overlap may be registered in the name of only one of the applicants, determined by an agreement between them.

2. When applications for identical trademarks with regard to wholly or partially overlapping lists of goods are filed by the same applicant and these applications have the same priority date, the trademark, with respect to the goods for which the lists overlap, may be registered only for one of those applications chosen by the applicant.

3. When applications for identical trademarks are filed by different applicants (Paragraph 1 of this Article), within seven months after the date of receipt of notice from the federal executive authority on intellectual property, those applicants must report to the federal authority of the agreement reached by them about some of the applications seeking state registration of trademark. During this time, an applicant who files applications for identical trademarks (Paragraph 2 of this Article) must report his choice.

If within the established time limits, the federal executive authority on intellectual property does not receive this report or a request for an extension of the time limit, the trademark applications are considered as withdrawn on the basis of a decision by the federal authority.

Article 1497. The examination of a trademark application and supporting application documents

1. An examination of a trademark application is performed by the federal executive authority on intellectual property.

The examination of the application includes formal examination and substantive examination of the designated sign that is claimed as a trademark (the designation applied for).

2. During the examination of a trademark application, but before a decision is made, the applicant is entitled to supplement, clarify, or correct the application documents, including submitting additional materials.

If the additional materials contain a list of goods not specified in the application on its filing date or if the designation of a trademark has been significantly changed, such additional materials will not be accepted. They may, however, be formalized and filed by the applicant as an independent application.

3. A change in the application for a trademark of information about the applicant, including in the case of transfer or acquisition of the right to register a trademark or due to a change in the indication or name of the applicant as well as the correction of the application documents for obvious and technical mistakes may be made before the state registration of the trademark (Article 1503), or before the decision denying the state registration of the trademark.

4. During the examination of a trademark application, the federal executive authority on intellectual property is entitled to ask the applicant to submit additional materials, without which the examination would not be possible.

Such supplementary materials must be submitted by the applicant within three months from the date of receipt of the respective request or of copies of materials opposing the application, provided that these copies were requested by the applicant within two months from the date of receipt by him of the corresponding request from the federal executive authority on intellectual property. If the applicant does not submit the requested additional materials or a petition for an extension of the time for submission, the application is considered as being withdrawn on the basis of a decision of the federal executive authority on intellectual property. Upon the petition of the applicant, the time for the submission of additional materials may be extended by the federal authority, but not by more than six months.

Regarding additional materials, which contain a list of goods not indicated in the application on its filing date or any significant change in the designation that is sought as a trademark, the provisions of Paragraph 2 of this Article apply.

Article 1498. The formal examination of a trademark application

1. Formal examination of a trademark application is to be conducted within one month from its filing date with the federal executive authority on intellectual property.

2. During the formal examination of a trademark application, a check is made for the presence of all necessary application documents and their compliance with the established requirements. As a result of the formal examination, the application is either accepted for further examination or a refusal to accept it for consideration. The

federal executive authority on intellectual property notifies the applicant of these formal examination results. Simultaneously with a notification of a positive formal examination result, the applicant is informed of the filing date of his application established in accordance with Article 1492(8) of this Code.

Article 1499. The examination of the designation claimed as a trademark

1. The examination of a designation that is claimed as a trademark (examination of the indication applied for) is based on an application that has been accepted for further examination after the formal examination is completed.

During this further examination, a designation shall be checked for its compliance with the requirements of Article 1477, Article 1483(1)-(7), Sub-Paragraph 3 of Article 1483(9) (regarding industrial designs), Article 1483(10) (regarding the means of individualization and industrial designs) of this Code and the priority of the trademark shall be established.

In the event of receiving a petition in accordance with the third Sub-Paragraph of Article 1493(1) of this Code, the arguments as to the non-compliance of the claimed designation with the requirements of Articles 1477 and 1483 of this Code are taken into account when conducting a substantive examination of the claimed designation.

2. According to the results of its examination of the claimed designation, the federal executive authority on intellectual property decides either to register the trademark or to reject its official registration. In accordance with the international treaties of the Russian Federation, on the basis of the results of an examination of a trademark the federal executive authority on intellectual property renders a decision to either grant legal protection or to refuse to grant legal protection for the trademark in the territory of the Russian Federation.

3. Before the adoption of a decision to refuse the registration of the trademark or a decision on the state registration of the trademark in respect to the list of goods on the date of the application's filing or in the list that was modified by the applicant in accordance with Article 1497(2) of this Code, the applicant will be notified in writing on the results of the checking

compliance of the claimed designation with the second Sub-Paragraph of Paragraph 1 of this Article and to submit arguments responsive to the reasons elaborated in the notice. The applicant's responsive arguments are taken into consideration in reaching a decision on the examination of the designation provided that they are submitted within six months from the date of that notice being sent to the applicant.

4. A decision on state registration of a trademark may be reviewed by the federal executive authority on intellectual property prior to the registration of a trademark in connection with:

- 1) the receipt of an application with an earlier priority in accordance with Articles 1494, 1495, and 1496 of this Code with an identical or confusingly similar designation and with regard to similar goods;
- 2) state registration of an indication as a geographical indication or appellation of origin, if that indication is identical or confusingly similar to the trademark specified in the registration decision;
- 3) finding an application containing an identical trademark, or the protected and identical trademark with regard to wholly or partially overlapping lists of goods with the same or an earlier trademark priority.
- 4) a change regarding the applicant, which in case of state registration of the indication as a trademark could mislead consumers with respect to the goods or their manufacturer.

Article 1500. Challenging decisions on trademark applications

1. Decisions of the federal executive authority on intellectual property on the refusal to accept a trademark application for consideration, on state registration of a trademark, on refusal to grant state registration of a trademark, and on declaring a trademark application withdrawn, the decision on granting or the refusal to grant legal protection to a trademark in the territory of the Russian Federation or to deny the legal protection thereof in compliance with international treaties of the Russian Federation may be challenged by the applicant by filing an objection with the federal executive authority on intellectual property within four months after sending the relevant decision or copies of materials opposing the application that were requested from the federal executive authority, provided that the applicant requested copies

those materials within two months from the date of receipt of the relevant decision.

2. During an appeal to the federal executive authority on intellectual property, the applicant may make changes to the application documents as are allowed in accordance with Article 1497(2) and (3) of this Code, if such changes eliminate the reasons that were the sole basis for refusal of state registration of the trademark and that the changes allow a decision to be made on the trademark registration.

Article 1501. The restoration of the missed time limits relating to the examination of a trademark application

1. The time limits in Article 1497(4) and Article 1500(1) of this Code when missed by the applicant, may be restored by the federal executive authority on intellectual property with the applicant's petition filed within six months from the date of their expiration, provided that the applicant will indicate the reasons for which this deadline was not met. The applicant's petition for the restoration of an exceeded time limit is to be filed with the federal executive authority simultaneously with the materials that were requested in accordance with Article 1497(4) of this Code or with a petition for an extension of those time limits or along as an appeal with the federal executive authority in accordance with Article 1500 of this Code.

2. The restoration of time limits provided for by Article 1497(4) of this Code is carried out in accordance with the provisions of this Chapter on the basis of the decision of the federal executive authority on intellectual property regarding the reversal of the decisions that declared an application as withdrawn and on the restoration of the missed time limits.

Article 1502. The withdrawal of a trademark application and the filing of a divisional application

1. A trademark application may be withdrawn by the applicant at any stage of the examination, but no later than on the date of state registration of the trademark.

2. During the examination of a trademark application or consideration by the federal executive authority on intellectual

property of an objection against the decision of the federal executive authority on intellectual property on the state registration of a trademark or on the denial of state registration of a trademark adopted on the ground provided for by Article 1483(6) of this Code, the applicant is entitled until the adoption of decision to file with the federal executive authority on intellectual property a divisional application for the same indication. Such an application must contain a list of goods from among those specified in the initial application on its filing date with the said federal authority and not of the same kind with the other goods from the list contained in that initial application, with regard to which the initial application continues to be valid.

Article 1503. The procedure for state registration of a trademark

1. Under a decision on state registration of a trademark adopted in accordance with Article 1499(2) and (4) or Article 1248 of this Code, the federal executive authority on intellectual property within a month from the date of paying the fees for state registration of that trademark and for issuance of its certificate carries out the State registration of that trademark in the State Register of Trademarks.

The State Register of Trademarks contains the trademark, the information on the right owner, the trademark priority date, the list of the goods to be individualized by the registered trademark, the state registration date, other information relating to the registration of the trademark, and also later amendments to these items.

2. When an applicant does not pay under the prescribed procedure the fees specified in Paragraph 1 of this Article, a trademark is not registered and the relevant application is considered withdrawn on the basis of a decision of the federal executive authority on intellectual property.

In the case of a contested decision regarding the trademark's registration in accordance with Article 1248 of this Code, the decision on declaring the application withdrawn is not adopted.

Article 1504. The issuance of a trademark certificate

1. A trademark certificate shall be issued by the federal executive authority on intellectual property in electronic form and, upon request from the applicant, on paper, within one month from the date

of the state registration of the trademark in the State Register of Trademarks.

2. The form of the trademark certificate and information it contains is established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1505. Making changes in the State Register of Trademarks and in a trademark certificate

1. The federal executive authority on intellectual property, at the request of the right owner, makes changes in the State Register of Trademarks and the issued certificate for the trademark relating to the data on registration of the trademark, in particular about the right owner, its designation or his name, location or place of residence, postal address, as well as amendments connected with reductions of the list of goods and services for whose individualization the trademark has been registered and the amendments to the individual trademark elements that do not change its essence, and also amendments that correct obvious and technical mistakes.

2. When contesting the grant of legal protection for a trademark (Article 1512), at the request of the right owner, a separate registration of this trademark with respect to one or some of the goods among those covered in the initial registration that are not of the same kind as the goods, the list of which remains in the original registration, may be divided from the trademark registration with respect to those that are in that registration. Such a request is to be filed by a right owner before a final decision is reached on the dispute about the trademark's registration.

Article 1506. The publication of information on the state registration of a trademark

Information about the state registration of a trademark and entered in the State Register of Trademarks in accordance with Article 1503 of this Code is published by the federal executive authority on intellectual property in its official bulletin promptly after the registration of the trademark in the State Register of Trademarks or after the entry of relevant changes have been made in the State

Register of Trademarks.

Article 1507. The registration of a trademark in foreign states and international registration of a trademark

1. Russian legal entities and citizens have the right to register a trademark in the foreign states or to make its international registration.

2. An application for the international registration of a trademark is filed through the federal executive authority on intellectual property.

4. Features of the legal protection of well-known trademarks

Article 1508. A well-known trademark

1. On a request by persons believing that the trademark used by them or the indication used as a trademark is well-known in the Russian Federation, a trademark protected on the territory of the Russian Federation on the basis of its state registration or in accordance with an international treaty of the Russian Federation, or a designation used as a trademark but not enjoying legal protection on the territory of the Russian Federation, by a decision of the federal executive authority on intellectual property may be recognized as a well-known mark in the Russian Federation if this trademark or this designation as the result of intensive use as of the date on the request has become widely known in the Russian Federation among the relevant consumers with respect to the applicant's goods.

A trademark and a designation used as a trademark cannot be regarded as well-known trademarks if they become widely known after the priority date of an identical or confusingly similar trademark of another person, which is intended to be used with respect to similar goods.

2. A well-known trademark is granted the legal protection provided for by this Code for a trademark.

The grant of legal protection to a well-known trademark means the recognition of an exclusive right to that well-known trademark.

The legal protection of a well-known trademark is valid without any time limit.

3. The legal protection of a well-known trademark also covers goods that are not of the same kind as those with respect to which it was recognized as well-known, if the use made by another person of the trademark with regard to those goods will be associated by consumers with the right owner of the exclusive right to the well-known mark and may impair upon the legitimate interests of that owner.

Article 1509. Provision of legal protection for a well-known trademark

1. Legal protection for a well-known trademark is provided based upon the decision of the federal executive authority on intellectual property that is adopted in accordance with Article 1508(1) of this

Code.

2. A trademark recognized as well-known is entered by the federal executive authority on intellectual property in the List of Well-Known Trademarks in the Russian Federation (List of Well-Known Trademarks).

3. A certificate for a well-known trademark shall be issued by the federal executive authority on intellectual property in electronic form and, upon request from the applicant, on paper, within one month from the date of entering the trademark in the List of Well-Known Trademarks.

The form of the certificate for a well-known mark and information to be given on this certificate is established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

4. Information regarding a well-known trademark is published by the federal executive authority on intellectual property in its official bulletin immediately after its introduction into the List of Well-Known Trademarks.

5. The features of the legal protection of a collective mark

Article 1510. The right to a collective mark

1. An association of persons whose organization and activity does not contravene the legislation of the State in which it has been founded, is entitled to register a collective mark in the Russian Federation.

A collective mark is a trademark meant to indicate that the goods which are produced or sold by persons who are the members of the association have uniform characteristics in terms of their quality or other general properties.

A collective mark may be used by each of the persons who are members of the association.

2. The right to a collective mark may not be alienated and cannot be the subject of a licensing contract.

3. A person who is a member of the association that has registered a collective mark is entitled to use his own trademark along with the collective mark.

Article 1511. State registration of a collective trademark

1. An application for the registration of a collective trademark (application for a collective trademark) filed with the federal executive authority on intellectual property shall be accompanied by a charter of a collective trademark, which must contain:

1) the name of the association that is authorized to register the collective mark in its name (the right owner);

2) a list of persons having the right to use this collective trademark;

3) the purpose for the registration of this collective trademark;

4) a list of and the common characteristics of quality or other general properties of the goods that are to be designated by this collective trademark;

5) the conditions for the use of the collective trademark;

6) the procedures for controlling the use of the collective trademark;

7) provisions on responsibility for violations of the charter of the collective trademark.

2. In the State Register of Trademarks and on certificate for a

collective trademark, in addition to the information specified in Articles 1503 and 1504 of this Code, there will be provided information on the persons having a right to use this collective trademark. This information as well as an extract from the charter of the collective mark on the uniform characteristics of quality and of other common characteristics of the goods for which this trademark has been registered are published by the federal executive authority on intellectual property in its official bulletin. The right owner must inform the federal executive authority on intellectual property of changes that are made to the charter of the collective trademark.

3. In the case where a collective trademark is used on goods not possessing the common characteristics of quality or other general properties, legal protection of the collective trademark may be terminated prematurely in full or in part based upon a court decision rendered at the request of any interested person.

4. A collective trademark and the application for a collective trademark may be converted respectively into a trademark and a trademark application and vice versa. The procedures for such a conversion are established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

6. The termination of an exclusive right to a trademark

Article 1512. The grounds for the challenge and invalidation of legal protection of a trademark

1. Challenging legal protection of a trademark are challenges to a decision on the state registration of a trademark (Article 1499(2)) and its recognition of the exclusive right to the trademark (Articles 1477 and 1481).

Recognition of the ineffectiveness of the grant of legal protection to a trademark entails the cancellation of the decision of the federal executive authority on intellectual property to register the trademark.

2. The grant of legal protection for a trademark may be challenged and rendered invalid:

1) in full or in part for the whole term of effectiveness of the exclusive right to a trademark, if the legal protection was granted in violation of the requirements of Article 1483(1)-(5), (8) and (9) of this Code;

2) in full or in part within a term of five years from the date of publication of the information on the state registration of the trademark in the official bulletin (Article 1506), if legal protection was granted in violation of the requirements of Article 1483(6), (7) and (10) of this Code;

3) in full in the course of the whole term of effectiveness of the exclusive right to a trademark, if the legal protection was granted in violation of the requirements of Article 1478 of this Code;

4) in full in the course of the whole term of effectiveness of the legal protection, if the legal protection was granted to a trademark with a later priority in relation to a recognized well-known registered trademark of another person, the legal protection of which is exercised in accordance with Article 1508(3) of this Code;

5) in full in the course of the whole term of effectiveness of the exclusive right to the trademark, if the legal protection was granted in the name of an agent or representative of the person who the owner of this exclusive right in one of the member states - a member of the Paris Convention for the Protection of Industrial Property, in violation of the requirements of this Convention;

6) in full or in part in the course of the whole term of effectiveness of the legal protection, if the right owner's actions connected with granting legal protection to a trademark or to

another trademark which is similar to it to the point of confusion are declared, under an established procedure to be an abuse of that right or unfair competition;

7) in full or in part for the whole term of effectiveness of the legal protection, if it is provided with a failure to satisfy the requirements of Article 1496(3) of this Code.

The provisions of Sub-Paragraphs 1-3 of this Paragraph apply subject to the circumstances that have occurred as of the date of the filing of objections (Article 1513).

3. The grant of legal protection to a well-known trademark by its registration in the Russian Federation may be contested and recognized as invalid in full or in part during the whole term of effectiveness of the exclusive right to this trademark if legal protection was granted to it in violation of the requirements of Article 1508(1) of this Code.

4. The provision of legal protection in the territory of the Russian Federation to a trademark registered in accordance with the international treaties of the Russian Federation may be contested and invalidated on the grounds provided for by Paragraph 2 of this Article.

Article 1513. The procedure to challenge and to invalidate the granting of legal protection to a trademark

1. The grant of legal protection to a trademark may be contested on the grounds and within the time frame provided by Article 1512 of this Code by the filing of an objection against such a grant with the federal executive authority on intellectual property.

2. Objections against the grant of legal protection to a trademark on the grounds provided for by Sub-Paragraphs 1-4, 6, and 7 of Article 1512(2) and Article 1512(3) of this Code may be filed by an interested person.

3. An objection against the grant of legal protection for a trademark on the grounds provided for by Sub-Paragraph 5 of Article 1512(2) of this Code may be filed by an interested owner of the exclusive right to the trademark in one of the member states of the Paris Convention for the Protection of Industrial Property.

4. Decisions of the federal executive authority on intellectual property to invalidate the legal protection for a trademark or to refuse such recognition will take effect in accordance with the provisions of Article 1248 of this Code and may be contested in court.

5. In the event of recognition that legal protection for a trademark is completely invalidated, the trademark certificate and the entry in the State Register of Trademarks are cancelled.

In the event of recognition that legal protection for a trademark as partially invalidated, a new trademark certificate is made and the appropriate changes are made in the State Register of Trademarks.

6. Licensing contracts concluded before taking a decision on the recognition of the grant of legal protection to a trademark invalid shall be maintained to such an extent to which they have been performed by the time of adopting the decision.

Article 1514. The termination of legal protection for a trademark

1. The legal protection for a trademark is terminated:

1) upon the expiration of the term of effectiveness of the exclusive right to a trademark;

2) on the basis of a court decision rendered in accordance with Article 1511(3) of this Code providing for the early termination of the legal protection of a collective trademark owing to its use on goods not possessing uniform characteristics of their quality or other common properties;

3) on the basis of a decision made in accordance with Article 1486 of this Code regarding the early termination of legal protection of a trademark owing to its non-use;

4) on the basis of a decision by the federal executive authority on intellectual property that terminates early the legal protection for a trademark owing to the termination of a legal entity who was the right owner or the registration of termination of the entrepreneurial activity of an individual entrepreneur being the right owner;

5) when the right owner abandons the right to the trademark;

6) on the basis of a decision of the federal executive authority on intellectual property taken at the request of an interested person on the early termination of the legal protection of a trademark in the case of its conversion into a designation that is in the public

domain as a sign used to designate goods of a particular kind.

7) on the basis of the decision of the federal executive authority on intellectual property, made upon application from any person, to terminate the legal protection of a trademark registered in accordance with Paragraph 7 of Article 1483 of this Code early in the case of termination of the right to use the corresponding geographical indication or appellation of origin.

2. The legal protection of a well-known trademark terminates on the grounds provided for by Sub-Paragraphs 3-6 of Paragraph 1 of this Article as well as by the decision of the federal executive authority on intellectual property in the case of a well-known trademark that loses the characteristics established pursuant to the first Sub-Paragraph of Article 1508(1) of this Code.

3. When there is a transfer of the exclusive right to a trademark made without the conclusion of a contract with the right owner (Article 1241), the legal protection of the trademark may be terminated by a court on suit by an interested person, provided that there is a proof that such a transfer misleads consumers with regard to the goods or their manufacturer.

4. The termination of legal protection of a trademark also means the termination of the exclusive right to that trademark.

5. The legal protection in the territory of the Russian Federation of a trademark registered in accordance with the international treaties of the Russian Federation is subject to termination on the grounds and by the procedures provided for in this Article.

7. The protection of trademark rights

Article 1515. Liability for the illegal use of a trademark

1. Goods, labels, and packaging upon which there is illegally placed a trademark or a confusingly similar sign are considered as counterfeit.

2. A right owner is entitled to demand of the removal from commercial circulation and the destruction, at the expense of the infringer, of counterfeit goods, labels, and packaging of the goods upon which unlawful trademarks or confusingly similar designations were placed. In those cases, where the introduction of such goods into circulation is necessary in public interest, the right owner is entitled to demand the removal of the illegal used trademark or designation similar to it to the point of confusion from the counterfeit goods, labels, and packaging of the goods, at the expense of the infringer.

3. A person who infringes the exclusive right to a trademark in the performance of work or rendering of services is required to remove the trademark or confusingly similar designation from the materials that accompanied the performance of such works or services, including from documentation, advertising, and signage.

4. A right owner is entitled at his option to demand from the infringer instead of compensation for damages:

- 1) the amount of from ten thousand rubles to five million rubles determined at the discretion of the court based upon the nature of the infringement;
- 2) twice the amount of the cost of the goods on which there was illegally placed the trademark or twice the value of the rights of use of the trademark, as on the basis of the price which in comparable circumstances is usually charged for lawful use of the trademark.

5. A person who conducts protection marking with respect to a trademark not registered in the Russian Federation is liable in accordance with the legislation of the Russian Federation.

§ 3. The Right to Use a Geographical Indication or Appellation of Origin of Goods

1. General provisions

Article 1516. Geographical Indication and Appellation of Origin

1. A legally protected geographical indication is a designation that identifies a product originating in a specific geographical area, provided that a specific property, reputation or other characteristics of the product are to a large extent connected with the said geographical area (characteristics of the product). At least one of the stages of the product's manufacture that has considerable influence on the development of the characteristics of the product shall be located in the territory of the geographical area in question.

A legally protected appellation of origin is a symbol that represents or contains a contemporary or historical, formal or informal, full or abbreviated name of a country, city, or rural settlement, locality, or other geographical area, or is derived from such a name, and that has become known as a result of being used with respect to a product whose special properties are exclusively or mainly determined by the natural environment and (or) human factors specific to the geographical area in question. All the stages of the product's manufacture that have considerable influence on the development of the special properties of the product shall be located in the territory of the geographical area in question. The stages and scope of the product's manufacture, as well as the characteristics or special properties of the product, for whose designation the geographical indication or appellation of origin is used, shall comply with the requirements established by the federal laws and other regulations of the Russian Federation. Compliance with these requirements shall be monitored in accordance with the federal laws.

2. State registration as a geographical indication or appellation of origin is not permitted in the following cases:

1) Although the designation is related to the name of the geographical area where the product was initially manufactured or marketed, it has become a designation commonly used in the Russian Federation to indicate a certain product, and is not related to the place of its manufacture.

- 2) The designation is registered as a geographical indication or appellation of origin of a product of the same type.
- 3) The designation is identical or similar to a trademark with an earlier priority date, if the use of such geographical indication or appellation of origin may mislead consumers with respect to the product or its manufacturer.
- 4) The designation is a name of a plant or animal species, and the use of such geographical indication or appellation of origin may mislead consumers with respect to the product.
- 5) The designation may mislead consumers with respect to the product or its manufacturer.
- 6) The application for state registration has been filed for the designation as the geographical indication or appellation of origin of a product that does not meet the requirements specified in the third clause of Paragraph 1 of this Article.

3. The rules of this Code related to geographical indications shall apply to appellations of origin if not established otherwise by this Code.

Article 1517. Validity of the Exclusive Right to Use a Geographical Indication or Appellation of Origin in the Territory of the Russian Federation

1. The exclusive right to use a geographical indication or appellation of origin of goods shall be valid in the territory of the Russian Federation provided that it is registered with the federal executive authority on intellectual property as well as in other cases provided for by international treaties entered into by the Russian Federation.

2. A designation that identifies a product originating in a geographical area located in a foreign state may be registered as a geographical indication, provided that the designation is protected as a geographical indication or any other means of the product individualization in the country of origin of the product, if it meets the requirements of Article 1516 this Code. The owner of the exclusive right to use the geographical indication shall only be the person whose right to such a geographical indication or any other means of the product individualization is protected in the country of origin of the product.

A name of a geographical area that is located in a foreign state may

be registered as an appellation of origin of the product, provided that the name of this area is protected as an appellation of origin in the country of origin of the product. The owner of the exclusive right to use an appellation of origin of the product shall only be the person whose right to such an appellation is protected in the country of origin of the product.

Article 1518. State Registration of a Geographical Indication

1. A geographical indication is recognized and protected through its state registration.

A geographical indication may be registered by one or several citizens, one or several legal entities, or by an association (unit) or other association of individuals, whose establishment and activities do not infringe the laws of the country of origin of the product.

2. Persons who have registered a geographical indication shall be given the exclusive right to use the said geographical indication, provided that the product which the registered geographical indication relates to meets the requirements specified in Article 1516(1) of this Code.

The exclusive right to use a geographical indication with respect to the same geographical indication can be granted to any person who, within the boundaries of the same geographical area, manufactures a product having the special properties listed in the State Register of Geographical Indications and Appellations of Origin of the Russian Federation (the State Register of Indications and Appellations).

2. Use of a Geographical Indication

Article 1519. Exclusive Right to Use a Geographical Indication

1. The right owner has the exclusive right to use a geographical indication in accordance with Article 1229 of this Code in any manner not infringing the law, including by the methods set out in Paragraph 2 of this Article.

If an exclusive right to use a geographical indication is granted to an association of individuals, each individual who is a member of the association and is included in the State Register of Indications and Appellations has the right to use that geographical indication, provided that the geographical indication is used in connection with a product having the special properties listed in the State Register of Indications and Appellations.

2. The use of a geographical indication means, in particular, placing the geographical indication on any of the following:

- 1) on goods, labels, and packaging of goods, that are produced, offered for sale, sold, shown at exhibitions and fairs, or otherwise introduced into civil commerce on the territory of the Russian Federation, or are stored or transported for these purposes, or are imported into the territory of the Russian Federation;
- 2) on forms, invoices, and in other documentation, and in printed publications relating to the introduction of goods into civil commerce;
- 3) in offers for the sale of goods, as well as in ads, on signage, and in advertising;
- 4) on the Internet, including in a domain name and by other means of addressing;

3. The following use of a geographical indication is deemed to be illegal:

- 1) the use of a geographical indication by persons who do not have the right to use it, even if the true appellation of origin is specified, or the geographical indication is used in translation, or with words such as "kind", "type", "imitation", and similar;
- 2) the use of a geographical indication by persons who have the right to use it, when they use it in connection with a product not having the special properties listed in the State Register of Indications and Appellations, or manufactured outside the borders of the geographical area specified in the State Register of Indications

and Appellations;

3) the use of a designation similar to the registered geographical indication for any product, if the designation may mislead consumers with respect to the place of origin of the product or the properties of the product.

4. Products, labels, and packaging of goods with an illegally used geographical indication, or with designations confusingly similar to such a geographical indication, shall be deemed counterfeit.

5. The use of a geographical indication by other persons in connection with products that have been marketed by the right owner in person, or with the right owner's consent, shall not be deemed an infringement of the exclusive right to use the geographical indication.

6. The disposition of the exclusive right to use a geographical indication, including its alienation or granting of the right to use the geographical indication to another person, and transfer of the exclusive right to use a geographical indication without signing a contract, shall not be permitted.

Article 1520. Mark of protection of geographical indication and appellation of origin

1. A person who has the right to use a geographical indication in accordance with Paragraph 2 of Article 1518 of this Code may publicize the said right by placing alongside the geographical indication a protection mark in the form of the wording "registered geographical indication", "registered GI", or a corresponding emblem indicating that the designation is a geographical indication registered in the Russian Federation.

A person who has the right to use an appellation of origin in accordance with Paragraph 2 of Article 1518 of this Code may publicize the said right by placing alongside the appellation of origin a protection mark in the form of the wording "registered appellation of origin", "with protected appellation of origin", "registered AO", or a corresponding emblem indicating that the designation is an appellation of origin registered in the Russian Federation.

2. The federal executive authority on intellectual property shall

approve the emblems specified in Paragraph 1 of this Article.

Article 1521. Implementing Legal Protection for Geographical Indication

1. A geographical indication shall be protected during the whole period of possible manufacture of a product which meets the requirements specified in Paragraph 1 of Article 1516 of this Code.

2. The validity period of the exclusive right to use a geographical indication and the renewal procedure are specified in Article 1531 of this Code.

3. State Registration of a Geographical Indication and Grant of Exclusive Right to Use a Geographical Indication

Article 1522. Applications for a Geographical Indication

1. Applications for state registration of a geographical indication and for the exclusive right to use such a geographical indication, as well as applications for the exclusive right to use a previously registered geographical indication (application for a geographical indication), shall be filed with the federal executive authority on intellectual property.

Applications for geographical indication shall be filed for a single geographical indication.

Applications for a geographical indication may be filed by persons specified in the second clause of Paragraph 1 of Article 1518 of this Code.

2. An application for a geographical indication must contain:

- 1) an application for state registration of a geographical indication and for the exclusive right to use such a geographical indication, or solely for the exclusive right to use a previously registered geographical indication, indicating the name of the applicant and also his/her place of residence or actual location;
- 2) the claimed designation;
- 3) an indication of the product with regard to which state registration of a geographical indication and the exclusive right to use such a geographical indication, or solely the exclusive right to a previously registered geographical indication, are sought;
- 4) an indication of the place of origin (manufacture) of the product (the boundaries of a geographical area);
- 5) information on the connection of the properties of the product with its place of origin (manufacture) (for an application for state registration of a geographical indication and for the exclusive right to use such a geographical indication);
- 6) a description of the properties of the product, including the raw material(s) used to manufacture the product, and the physical, chemical, microbiological, organoleptic or artistic properties of the product;
- 7) a description of the product' manufacturing method, and information on the product's storing and transportation requirements, if there is a significant impact on the development and maintenance of the product properties;

- 8) a description of the monitoring procedures to ensure compliance with manufacturing requirements and maintenance of the properties of the product with regard to which legal protection of the geographical indication is sought;
- 9) a list of persons who have the right to use the geographical indication if the application for the geographical indication is filed by an association of individuals, and the conditions of use of the geographical indication by the individuals who are the members of that association;
- 10) information that proves the right to manufacture the product if so required by the federal laws.

3. An application for a geographical indication shall be accompanied by documents proving that the applicant manufactures a product that has respective properties related to a large extent to its geographical origin, as well as the information specified in Paragraph 2 of this Article.

If an application for a geographical indication is filed by several persons, the documents specified in the first clause of this Paragraph with regard to the product of each applicant shall be attached to the application.

If an application for a geographical indication is filed by an association of individuals, the documents specified in the first clause of this Paragraph shall be accompanied by documents proving that the individuals who are the members of that association manufacture or market a product that has respective properties related to a large extent to its geographical origin, and/or use the claimed indication with regard to that product.

An application for the exclusive right to use a previously registered geographical indication, which identifies a product as originating from the territory of a geographical area located in the territory of the Russian Federation, shall be accompanied by documents proving that the applicant manufactures a product that has the properties specified in the State Register of Indications and Appellations (Article 1529) and complies with the requirements specified in Sub-Paragraph 7 of the Paragraph 2 of this Article.

If the geographical area whose name is claimed as a geographical indication is located outside the Russian Federation, the application must be accompanied by documents proving that such a designation complies with the requirements specified in Paragraph 1 of Article 1516 of this Code and that the applicant has the

exclusive right to use the claimed designation in the country of origin of the product, as well as containing the information specified in Paragraph 2 of this Article.

4. Requirements with regard to the documents included in an application for a geographical indication or attached to it (application documents) shall be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

5. The filing date of an application for a geographical indication shall be the date of the delivery of the documents specified in Paragraph 2 of this Article to the federal executive authority on intellectual property, and, if these documents are not filed simultaneously, the filing date of the last document.

Article 1522-1. Specific Details of an Appellation of Origin

1. An application for state registration of an appellation of origin and for the exclusive right to use such an appellation of origin, as well as an application for the exclusive right to use a previously registered appellation of origin (application for an appellation of origin) must contain the information specified in Sub-Paragraphs 1-4, 7-10 of Paragraph 2 of Article 1522 of this Code, including the following:

- 1) Information proving that the product for which the application for state registration of an appellation of origin has been filed has the special properties specified in the second clause of the Paragraph 1 of Article 1516 of this Code;
- 2) a description of the properties of the product, including the raw material(s) used to manufacture the product, and the physical, chemical, microbiological, organoleptic or artistic properties of the product.

2. If the geographic area, the name of which is applied for as an appellation of origin, is located in the territory of the Russian Federation, the application shall be accompanied by a conclusion on the initiative of the applicant issued by a federal executive authority authorized by the Government of the Russian Federation, or, if unavailable, a conclusion issued by a federal executive authority of a constituent entity of the Russian Federation or an organization authorized by the supreme authority of the constituent

entity of the Russian Federation in the territory of which the geographical area is located (authorized authority), to the effect that the applicant manufactures the product, which meets the requirements specified in Paragraph 1 of Article 1516 of this Code, within the boundaries of the geographic area, thereby proving the information specified in Paragraph 1 of this Article. The application for an appellation of origin and for the exclusive right to use such an appellation of origin shall also be accompanied by documents proving that such an appellation is known with regard to the product.

If an application for an appellation of origin is filed by several persons, the application shall be accompanied by the conclusion specified in the first clause of this Paragraph with regard to the product of each applicant.

If an application for an appellation of origin is filed by an association of individuals, the conclusion specified in the first clause of this Paragraph shall be issued with regard to each individual.

An application for the exclusive right to use a previously registered appellation of origin with regard to a geographical area located in the territory of the Russian Federation shall be accompanied by a conclusion issued by an authorized body to the effect that the applicant manufactures the product, which has the special properties listed in the State Register of Indications and Appellations, within the boundaries of the geographic area.

If the conclusion specified in the first and fourth clauses of this Paragraph is not submitted by the applicant, the federal executive authority on intellectual property shall request the conclusion or information included therein from the authorized body. The conclusion shall be issued by the authorized body following the procedure established by that body if the applicant has submitted the documents required for the procedure.

The authorized body shall exercise control over preservation of the special properties of the product for which the appellation of origin has been registered, and shall issue a conclusion about the continuation (or otherwise) of the conditions specific to the geographical area and the potential (or lack of) to manufacture the product, which has the specific properties listed in the State Register of Indications and Appellations, for which the appellation of origin has been registered. The control procedure shall be established by the federal laws or by the Government of the Russian

Federation.

If the geographical area with regard to which the application for an appellation of origin has been filed is located outside the Russian Federation, the application must be accompanied by a document proving that the applicant has the right to use the claimed appellation of origin in the country of origin of the product.

3. An appellation of origin and an application for an appellation of origin may be transformed into a geographical indication and an application for a geographical indication, respectively, provided that the requirements of the Code are complied with. The procedure of such transformation shall be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

4. Requirements with regard to the documents included in an application for a geographical indication and attached to it (application documents) shall be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1523. Examination of Applications for Geographical Indication and Introduction of Changes to Application Documents

1. The examination of an application for a geographical indication shall be conducted by the federal executive authority on intellectual property.

The examination of an application for a geographical indication shall include a formal examination and a substantive examination of the designation claimed as the geographical indication (claimed designation).

2. During the examination of an application for a geographical indication, the federal executive authority on intellectual property shall be entitled to request additional materials from the applicant without which the examination cannot be carried out.

Such additional materials shall be submitted by the applicant within three months of the request by the federal executive authority on intellectual property. Upon petition by the applicant, this period may be extended for no more than six months, provided that the petition has been received before the expiration of the deadline for responding to the said request. If the applicant does not observe

the established deadline or does not reply to the request for additional materials, the application shall be deemed withdrawn by the decision of the federal executive authority on intellectual property.

Article 1524. Formal Examination of Applications for an Appellation of Origin of Goods

1. During the formal examination of an application for a geographical indication, the presence of the necessary application documents and their compliance with the established requirements shall be verified. Based upon the results of the formal examination, the application shall be accepted for further examination or a decision shall be made to reject the application.

When an application is accepted, the applicant shall receive a notification that the formal examination has been passed successfully, and shall simultaneously be informed of the filing date of the application in accordance with Paragraph 5 of Article 1522 of this Code.

2. The federal executive authority on intellectual property shall make the information related to the application for a geographical indication available to the public by publishing the information on the application accepted for examination and the information included therein, following the procedure established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property. The federal executive authority on intellectual property shall inform the authorized bodies and the bodies exercising control specified in Paragraph 1 of Article 1516 of this Code that an application for a geographical indication has been filed.

3. Within three months of publication of the information specified in Paragraph 2 of this Article, any person shall have the right to file an objection to the federal executive authority on intellectual property, objecting to the provision of legal protection to the geographical indication and/or to the grant of the exclusive right to use the geographical indication.

4. After publication of the information specified in Paragraph 2 of this Article, any person shall have the right to inspect the application documents. The procedure for document inspection and

provision of copies of the said documents shall be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1525. Examination of Designations Claimed as a Geographical Indication or Appellation of Origin of Goods

1. The examination of a designation claimed as a geographical indication or appellation of origin (examination of the claimed designation) for compliance of such a designation with the requirements of this Code shall be made based on the application accepted for further examination as a result of the said application's formal examination.

During the examination of a designation claimed as a geographical indication, a check shall be conducted to verify that the designation complies with the requirements of Paragraph 1, Sub-Paragraphs 1, 2, 5, and 6 of Paragraph 2 of Article 1516 of this Code and that the information and documents specified in Article 1522 of this Code have been provided.

During the examination of a designation claimed as an appellation of origin, a check shall be conducted to verify that the designation complies with the requirements of Paragraph 1, Sub-Paragraphs 1, 2, 5, and 6 of Paragraph 2 of Article 1516 of this Code and that the information and documents specified in Article 1522-1 of this Code have been provided.

2. According to the results of the examination of the claimed designation, the federal executive authority on intellectual property shall make a decision to conduct the state registration of a geographical indication and to grant the exclusive right to use the geographical indication, or a decision to conduct the state registration of an appellation of origin and to grant the exclusive right to use such an appellation of origin, or a decision to refuse to conduct the state registration of an appellation of origin and/or to refuse to grant the exclusive right to such a designation.

If an application for a geographical indication includes a request for the grant of an exclusive right to use a previously registered geographical indication, the federal executive authority on intellectual property shall decide to either grant or refuse to grant such an exclusive right.

Any objections made by the body exercising control specified in Paragraph 1 of Article 1516 of this Code to the registration of a

geographical indication or an appellation of origin shall be taken into account by the federal executive authority on intellectual property when making a decision based on the results of the examination of the claimed designation.

In the case of an anticipated refusal to conduct the state registration of a geographical indication and/or to grant the exclusive right to use the geographical indication, or to conduct the state registration of an appellation of origin and/or to grant the exclusive right to use the appellation of origin, a written notice shall be sent to the applicant of the results of the check of the claimed designation regarding compliance with the requirements specified in Articles 1516 and 1522 or 1522-1 of this Code, together with a suggestion that the applicant provide an explanation with regard to the motives specified in the notice. The applicant's explanation shall be taken into consideration when making a decision based on the results of the examination of the claimed designation, if such explanation is provided within three months of the date on which the notice was sent to the applicant.

Article 1526. Decisions Based on Results of Examination of Objections to Provision of Legal Protection to a Geographical Indication and/or to Grant of Exclusive right to Use a Geographical Indication

1. Based on the results of the examination of the objection specified in Paragraph 3 of Article 1524 of this Code to the provision of legal protection to a geographical indication and/or to the grant of an exclusive right to use a geographical indication, the federal executive authority on intellectual property shall make a decision whether to conduct the state registration of a geographical indication and to grant the exclusive right to use the geographical indication, or to refuse to conduct the state registration of a geographical indication and/or to refuse to grant the exclusive right to use such a geographical indication, taking into consideration the examination of the claimed designation (Paragraph 1 of Article 1525 of this Code).

If an application for a geographical indication applies for the exclusive right to use a previously registered appellation of origin, based on the results of the examination of the objection specified in Paragraph 3 of Article 1524 of this Code to the grant of the exclusive right to use the geographical indication, the federal executive authority on intellectual property shall make a

decision whether to grant or refuse to grant the exclusive right, taking into consideration the examination of the claimed designation.

2. The decisions specified in Paragraph 1 of this Article shall result in the revocation of the decision to conduct the state registration of a geographical indication and/or to grant the exclusive right to use a geographical indication (Article 1525).

3. The procedure for examining objections to the provision of legal protection to a geographical indication and/or to the grant of the exclusive right to use a geographical indication shall be established by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1527. Withdrawal of Applications for Geographical Indication

1. An application for a geographical indication may be withdrawn by the applicant at any stage of its consideration prior to the entry into the State Register of Indications and Appellations of the information on the state registration of the geographical indication and/or on the grant of the exclusive right to use such a geographical indication.

2. An application for a geographical indication shall be deemed withdrawn based on the decision of the federal executive authority on intellectual property to deem the application withdrawn.

Article 1528. Appealing Decisions on Applications for Geographical Indication: Deadline Extension

1. Decisions of the federal executive authority on intellectual property to refuse to accept an application for a geographical indication for examination, or to deem such an application withdrawn, as well as decisions by that authority based on the results of the examination of a claimed designation (Article 1525), may be appealed by the applicant through filing an appeal with the federal executive authority on intellectual property within three months of the date of sending the respective decision.

2. When the deadline specified in Paragraph 2 of Article 1523 of this Code and Paragraph 1 of this Article is missed by the applicant, the said deadline may be extended by the federal

executive authority on intellectual property upon petition by the applicant filed within six months of the deadline expiration date, provided that the applicant provides good reasons for missing the deadline.

A petition for the extension of the missed deadline shall be submitted by the applicant to the federal executive authority on intellectual property, together with the additional material requested in accordance with Paragraph 2 of Article 1523 of this Code, or with a petition to extend the deadline established for the submission of the said material, or simultaneously with the filing of an appeal to the federal executive authority on intellectual property in accordance with Paragraph 1 of this Article.

Deadline extensions in accordance with this Paragraph shall be made on the basis of the decision of the federal executive authority on intellectual property to reverse the decision to deem the application withdrawn and to extend the missed deadline.

Article 1529. Procedure for the State Registration of a Geographical Indication

1. Following the decision based on the results of the examination of a claimed designation (Article 1525), and if there are no objections as specified in Paragraph 3 of Article 1524 of this Code, or based on the results of the examination of an objection to the provision of legal protection to the geographical indication and/or to the grant of the exclusive right to use the geographical indication (Article 1526), the federal executive authority on intellectual property shall conduct the state registration of the geographical indication in the State Register of Indications and Appellations.

2. The information to be entered in the State Register of Indications and Appellations is as follows: the geographical indication, information on the person or persons who have the exclusive right to use the geographical indication, indication and description of the special properties of the product for whose individualization the geographical indication has been registered, and other information relating to the registration and/or the grant of the exclusive right to the geographical indication, extension of the term of the exclusive right, as well as subsequent changes to this information.

Article 1530. Issuance of a Certificate of Exclusive Right to Use a Geographical Indication or Appellation of Origin of Goods

1. A certificate of exclusive right to use a geographical indication or appellation of origin shall be issued by the federal executive authority on intellectual property in electronic form and, upon request from the applicant, on paper, after the payment of the fees for the issuance of the certificate of exclusive right to use a geographical indication or appellation of origin.

2. The form of a certificate of exclusive right to use a geographical indication or appellation of origin, and the list of information to be included therein, shall be determined by the federal executive authority exercising normative and legal regulation in the sphere of intellectual property.

Article 1531. Validity Period of Certificate of Exclusive Right to Use a Geographical Indication or Appellation of Origin

1. A certificate of exclusive right to use a geographical indication or appellation of origin shall be valid for ten years from the filing date of the application for geographical indication or appellation of origin with the federal executive authority on intellectual property.

2. The validity period of a certificate of exclusive right to use a geographical indication or appellation of origin may be extended upon request from the owner of the certificate. The application shall be accompanied by documents proving that the applicant manufactures a product that has the characteristics listed in the State Register of Indications and Appellations, or a conclusion of an authorized body that the applicant manufactures a product that has the special properties listed in the State Register of Indications and Appellations.

With respect to a geographical indication that identifies the product as originating from a geographic area located outside the territory of the Russian Federation, the right owner shall submit a document proving his/her right to use the designation in the country of origin of the product as of the filing date of the request for the extension of the validity period of the certificate.

With respect to an appellation of origin that is the name of a geographic area located outside the territory of the Russian Federation, the right owner shall submit a document proving his/her

right to use the appellation of origin in the country of origin of the product as of the filing date of the request for the extension of the validity period of the certificate.

An application for the extension of the validity period of the exclusive right shall be filed during the last year of the validity period.

Upon request from the right owner, the right owner may be given six months after the expiration of the validity period of the exclusive right to use a geographical indication or appellation of origin to file a request for extension of the validity period.

The certificate shall be renewed each time for a validity period of ten years.

The validity period of the exclusive right shall be extended each time for ten years.

3. A record of the extension of the validity period of the exclusive right to use a geographical indication or appellation of origin shall be entered in the State Register of Indications and Appellation by the federal executive authority on intellectual property.

Article 1532. Changes to Information Registered in the Register of Indications and Appellation

1. The federal executive authority on intellectual property, upon request from the right owner, shall change the information registered in the State Register of Indications and Appellations related to the state registration of a geographical indication or appellation of origin and the grant of an exclusive right to use a geographical indication or appellation of origin (Paragraph 2 of Article 1529). Such changes shall apply in particular to the name of the right owner, his/her location or place of residence, address for correspondence, information about the list of persons who have the right to use the geographical indication or appellation of origin, the terms of use of the geographical indication or appellation of origin by any individuals who are members of the association, as well as amendments to correct obvious and technical mistakes.

2. Requests for changes to information related to the state registration of a geographical indication or appellation of origin, including the information specified in Sub-Paragraphs 1-4 and 6-9 of Paragraph 2 of Article 1522 and Paragraph 1 of Article 1522-1 of

this Code, shall be accompanied by documents or a conclusion of an authorized body proving the necessity for the said changes.

Article 1533. Publication of Information on the State Registration of a Geographical Indication

Information related to the state registration of a geographical indication and/or the grant of an exclusive right to use such a geographical indication entered in the State Register of Indications and Appellations shall be published by the federal executive authority on intellectual property in its official bulletin immediately after the entry is made in the State Register of Indications and Appellations.

Article 1534. Registration of Geographical Indication in Foreign Countries

1. Russian legal entities and citizens of the Russian Federation shall have the right to register a geographical indication in foreign countries.

2. An application for registration of a geographical indication in a foreign country can be filed after the state registration of the geographical indication and the grant of the exclusive right to the said geographical indication in the Russian Federation.

4. Termination of Legal Protection of a Geographical Indication and of the Exclusive Right to a Geographical Indication

Article 1535. Grounds for Contesting and Recognizing as Invalid the Grant of Legal Protection to a Geographical Indication and of the Exclusive Right to a Geographical Indication

1. Contesting the provision of legal protection to a geographical indication means contesting the decision of the federal executive authority on intellectual property to conduct the state registration of a geographical indication and to grant the exclusive right to such a geographical indication as well as to use such a geographical indication.

Contesting the grant of the exclusive right to a previously registered geographical indication means contesting the decision to grant the exclusive right to use a previously registered geographical indication and to issue a certificate for the exclusive right to use the said geographical indication.

Recognition of the invalidity of the provision of legal protection to a geographical indication entails the revocation of the decision of the federal executive authority on intellectual property to conduct the state registration of the geographical indication and to grant the exclusive right to use that geographical indication, the deletion of the record made in the State Register of Indications and Appellations, and also the invalidation of the certificate of the exclusive right to use the said geographical indication.

Recognition of the invalidity of the grant of the exclusive right to use a previously registered geographical indication entails the revocation of the decision of the federal executive authority on intellectual property to grant the exclusive right to use the previously registered geographical indication, the deletion of the record made in the State Register of Indications and Appellations, and also the invalidation of the certificate of the exclusive right to use the said geographical indication.

2. Provision of legal protection to a geographical indication may be challenged and invalidated at any time of its entire validity period if the legal protection has been provided in violation of this Code, except in the cases specified in the second clause of this Paragraph. The grant of the exclusive right to a previously registered geographical indication may be challenged and invalidated

at any time of the entire validity period of the exclusive right to a previously registered geographical indication if the exclusive right has been granted in violation of this Code.

Provision of legal protection to a geographical indication may be challenged and invalidated within five years of the date of publication of the information on the geographical indication's state registration in the official bulletin if the legal protection was provided in violation of Sub-Clauses 3 and 4 of Paragraph 2 of Article 1516 of this Code.

3. A stakeholder, including an authorized body or a body exercising control as specified in the third clause of Paragraph 1 of Article 1516 of this Code, may file an appeal with the federal executive authority on intellectual property on the grounds provided in Paragraph 2 of this Article.

Article 1536. Termination of Legal Protection of a Geographical Indication and of Exclusive Right to such Geographical Indication

1. Legal protection of a geographical indication shall be terminated when:

- 1) the conditions specific to the geographical area or the potential to manufacture the product, which has the specific properties listed in the State Register of Indications and Appellations with regard to the geographical indication, cease to exist;
- 2) legal protection of the geographical indication in the country of origin of the product is terminated.

2. The validity of the exclusive right to use a geographical indication shall be terminated in the event that:

- 1) the product produced by the right owner ceases to possess the special properties indicated in the State Register of Indications and Appellations with regard to the geographical indication;
- 2) the right owner has lost the right to manufacture the product which has the specific properties listed in the State Register of Indications and Appellations with regard to the geographical indication;
- 3) the requirements specified in the third clause of Paragraph 1 of Article 1516 of this Code are not complied with;
- 4) the right owner systematically violates the conditions of manufacturing method, storage and transportation of the product listed in the State Register of Indications and Appellations;

- 5) the legal protection of the geographical indication has been terminated on the grounds specified in Paragraph 1 of this Article;
- 6) the legal entity (the right owner) has been liquidated, or the individual entrepreneur (the right owner) has terminated his/her entrepreneurial activities, or the citizen has died;
- 7) the validity period of the exclusive right has expired;
- 8) the owner of the exclusive right has filed a request with the federal executive authority on intellectual property;
- 9) a foreign legal entity, foreign citizen, or stateless person has lost the right to use the geographical indication in the country of origin of the product.

3. Any person, including an authorized body or a body exercising control as specified in the third clause of Paragraph 1 of Article 1516 of this Code, may file a request for the termination of legal protection of the geographical indication and the validity of the exclusive right to use the geographical indication with the federal executive authority on intellectual property on the grounds provided in Paragraph 1 of this Article, and, on the grounds provided in Paragraph 2 of this Article, a request for the termination of the validity of the exclusive right to use the geographical indication. The legal protection of a geographical indication and the validity of the exclusive right to use the geographical indication shall be terminated on the basis of the decision of the federal executive authority on intellectual property.

5. Protection of Geographical Indication and Appellation of Origin

Article 1537. Liability for Illegal Use of Geographical Indication and Appellation of Origin

1. The right owner shall be entitled to demand the withdrawal from circulation and destruction of counterfeit goods, labels, and packaging with an illegally used geographical indication or appellation of origin, or confusingly similar designations, at the expense of the infringer. In cases when the introduction of such goods into circulation is necessary in the public interest, the right owner shall have the right to demand the removal of illegally used geographical indication or appellation of origin, or confusingly similar designations, from counterfeit goods, labels, and packaging, at the expense of the infringer.

2. A right owner is entitled to demand at his option from the infringer instead of the payment of damages as his compensation:

- 1) in the amount from ten thousand rubles to five million rubles determined at the discretion of the court based upon the nature of the infringement;
- 2) double the cost of the counterfeit goods with an illegally used geographical indication or appellation of origin.

3. A person who has used a symbol of protection with respect to the appellation of origin with respect to a designation of a place of origin not registered in the Russian Federation is legally liable as provided by the legislation of the Russian Federation.

§ 4. The right to a commercial designation

Article 1538. A commercial designation

1. Legal entities conducting business activities (including non-commercial organizations to which a right to conduct of such activity has been granted in accordance with the law by their founding documents) as well as individual entrepreneurs can use for the individualization of their commercial, industrial, and other enterprises (Article 132) commercial designations that are not firm names and are not subject to mandatory inclusion in their founding documents and the Unified State Register of Legal Entities.

2. A commercial designation may be used by the right owner for the individualization of one or several enterprises. Two or more commercial designations cannot be used at the same time for the individualization of one enterprise.

Article 1539. The exclusive right to a commercial designation

1. A right owner has an exclusive right of use of a commercial designation in any manner not contrary to a law as a means of individualization of an enterprise belonging to him (the exclusive right to a commercial designation) including by indicating that commercial designation on signs, letterheads, invoices, and other documents, in announcements and in advertising, and on goods and their packaging, on the Internet, if such a designation has sufficient distinctive features and its use by the right owner for individualization of his enterprise is known within a particular territory.

2. The use of a commercial designation is not allowed if it could be misleading as to the ownership of the enterprise to a specific person, in particular designations confusingly similar to another firm name, trademark, or a commercial designation protected by an exclusive right and belonging to another, who has corresponding exclusive rights that arose earlier.

3. A person who has violated the provisions of Paragraph 2 of this Article is obliged on demand of the right owner to stop the use of the commercial designation and to compensate the right owner for his damages.

4. The exclusive right to a commercial designation may be transferred to another person (including by contract, by way of universal legal succession, and on other established legal grounds) only within the enterprise for the individualization of which the designation is used.

If the commercial designation is used by the right owner to individualize several enterprises, the transfer to another person of the exclusive right to a commercial designation as a part of one of those enterprises deprives the right owner of the right of use of this commercial designation for the individualization of his other enterprises.

5. A right owner may grant to another person the right of use of his commercial designation on the terms and conditions provided by a lease of the enterprise (Article 656) or as a contract for a franchise (Article 1027).

Article 1540. The exclusive right to a commercial designation

1. On the territory of the Russian Federation an exclusive right to a commercial designation used for the individualization of the enterprise located in the territory of the Russian Federation shall be effective.

2. The exclusive right to a commercial designation terminates if the right owner does not use it continuously during the course of a year.

Article 1541. The relationship of the right to a commercial designation with the rights to a firm name and trademark

1. The exclusive right to a commercial designation including the firm name of the right owner or its individual elements arises and is legally effective independent of the exclusive right to a firm name.

2. A commercial designation or the individual elements of this name may be used by the right owner in his trademark. A commercial designation included in a trademark is protected independently of the protection of the trademark.

Chapter 77. THE RIGHT TO USE THE RESULTS OF INTELLECTUAL ACTIVITY OF A UNIFIED TECHNOLOGY

Article 1542. The right to technology

1. A unified technology as used in this Chapter recognizes a result of technical and scientific activity expressed in an objective form that includes some combination of inventions, utility models, industrial designs, software, or other results of intellectual activity that are subject to legal protection in accordance with the provisions of this Section and that may serve as the technological basis for certain practical activity in the civil or military field (an unified technology).

A unified technology may also include results of intellectual activity that are not subject to legal protection under the provisions of this Section, including technical data and other information.

2. The exclusive rights to the result of intellectual activity that is a part of a unified technology are recognized and shall be protected in accordance with the provisions of this Code.

3. The right to use the results of intellectual activity of a unified technology as part of a complex object (Article 1240) belongs to the person who organized the creation of the unified technology (the right to an unified technology) based upon contracts with the owners of the exclusive rights to the result of the intellectual activities, that is a part of the unified technology. A unified technology system may also include protected results of intellectual activity created by the person who has organized that creation.

Article 1543. The scope of the right to a unified technology

The provisions of this Chapter apply to the relationships connected with right to a unified technology of civil, military, special, or dual purpose items, created by or with the involvement of the federal budget or the budgets of the subjects of the Russian Federation allocated for the payment for works done under governmental contracts, under other agreements to finance using budget revenues and expenditures, and also as grants.

These provisions do not apply to relationships arising in the creation of a unified technology at the expense of or with the use

of the federal budget or the budgets of the subjects of the Russian Federation on a reimbursable basis as a budget credit.

Article 1544. The right of the person, who has organized the creation of a unified technology, to use the results of that intellectual activity

1. A person who has organized the creation of a unified technology at the expense of or with the involvement of funds of the federal budget or of the budget of a subject of the Russian Federation (the performer) is entitled to the unified technology with the exception of the cases when this right, in accordance with Article 1546(1) of this Code, belongs to the Russian Federation or to a subject of the Russian Federation.

2. A person, who in accordance with Paragraph 1 of this Article, is entitled to a right to a unified technology, is obliged to promptly take the measures provided for by the legislation of the Russian Federation to be recognized as the owner and to secure his rights to the results of his intellectual activity, incorporated in a unified technology (to apply for patents, seek the state registration of the results of the intellectual activities, introduce a confidentiality and non-disclosure regime regarding the information, make contracts for the alienation of exclusive rights and licensing contracts with the owners of exclusive rights to the corresponding results of intellectual activities incorporated in the unified technology, and take other measures), if such measures have not already been taken before or during the creation of the unified technology.

3. In cases where this Code allows for different methods of legal protection of intellectual activity that comprises a unified technology, a person who owns the rights to that technology chooses the manner of legal protection that most closely fits his interests and insures the practical application of the unified technology.

Article 1545. The obligation to use a unified technology

1. A person who, in accordance with Article 1544 of this Code is entitled to a unified technology is required to use it (implementation).

Any person to whom this right is transferred or who acquires it in accordance with the provisions of this Code also has the same duty.

2. The content of the duty to implement a unified technology, the time limits, other terms and the procedure for the performance of these duties, the consequences of their non-performance, and their termination is determined by the Government of the Russian Federation.

Article 1546. The rights of the Russian Federation and the subjects of the Russian Federation to the technology

1. The right to technology developed at the expense or with the involvement of funds of the federal budget shall belong to the Russian Federation when:

- 1) A unified technology is directly connected with ensuring the defense and security of the Russian Federation;
- 2) the Russian Federation before the unified technology was developed or thereafter undertook the financing of work to bring the unified technology to the stage of practical realization;
- 3) the performer fails to insure, within of six months after completing work for the development of the unified technology, to take all actions needed for the recognition of or securing of his exclusive rights to the results of the intellectual activities that are included in the system of the unified technology.

2. The right to technology developed at the expense or with the involvement of funds of the budget of a subject of the Russian Federation belongs to the subject of the Russian Federation when:

- 1) the subject of the Russian Federation before the unified technology had been developed or thereafter undertook the financing of work to bring the unified technology to the stage of practical realization;
- 2) the performer fails to insure, within six months after completing work for the development of the unified technology, to take all actions needed for recognition of or securing of his exclusive rights to the results of intellectual activities that are included in the system of the unified technology.

3. In cases when, pursuant to Paragraphs 1 and 2 of this Article, the right to the unified technology belongs to the Russian Federation or to a subject of the Russian Federation, the performer is obligated in accordance with Article 1544(2) of this Code to take measures to be recognized and to secure his rights to the results of intellectual activity for subsequent transfer of these rights to the

Russian Federation and the subjects of the Russian Federation, respectively.

4. The management of the right to a unified technology belonging to the Russian Federation shall be exercised in a manner determined by the Government of the Russian Federation.

The management of the right to the unified technology belonging to a subject of the Russian Federation shall be exercised in a manner determined by the executive authorities of the respective subject of the Russian Federation.

5. The disposition of the right to a unified technology belonging to the Russian Federation or a subject of the Russian Federation shall be made subject to the provisions of this Section.

Aspects of the disposition of the right to a unified technology belonging to the Russian Federation are determined by the law on the transfer of federal technology.

Article 1547. The alienation of the right to a unified technology belonging to the Russian Federation or to a subject of the Russian Federation

1. In the cases provided for by Sub-Paragraphs 2 and 3 of Article 1546(1) and Article 1546(2) of this Code, not later than six months after the date of receipt by the Russian Federation or by a subject of the Russian Federation of the rights to the results of intellectual activity that are required for the practical use of the results in the same technology, the right to that technology shall be alienated to a person interested in implementing this technology and having a real capability for its realization.

In the circumstances provided in Sub-Paragraph 1 of Article 1546(1) of this Code, the right to the technology must be alienated to a person interested in implementing the technology and possessing a real capability for its implementation immediately after the Russian Federation loses the need to keep this right for itself.

2. The alienation by the Russian Federation or by a subject of the Russian Federation of the right to the technology to third parties must be carried out by a general rule of value from the results of a competitive tender.

Should alienation of the rights belonging to the Russian Federation or to a subject of the Russian Federation through a tender not

succeed, such a right may be transferred by an auction.

The procedure for conducting a tender or auction for the alienation by the Russian Federation or a subject of the Russian Federation of the right to a unified technology as well as possible cases and procedure for the transfer by the Russian Federation or a subject of the Russian Federation without a tender or an auction shall be determined by the law on the transfer of federal technology.

3. Performers who organized the results of intellectual activity including in a unified technology system will enjoy a priority right, *ceteris paribus*, to conclude a contract for the acquisition of that technology from the Russian Federation or a subject of the Russian Federation.

Article 1548. Remuneration for the right to a technology

1. The right to technology shall be granted without remuneration in the cases envisioned by Article 1544 and Article 1546(3) of this Code.

2. In cases when the right to technology is alienated under the contract, including through a tender or auction, the amount, terms, and procedure for remuneration will be determined by agreement by the parties.

3. When the implementation of a unified technology has an important socio-economic significance or important significance for the defense or security of the Russian Federation and the cost of its implementation is such that the cost of acquisition of the right to the technology is economically ineffective, the transfer of rights to such a technology by the Russian Federation, the subject of Russian Federation or other right owner who have received the respective right gratis also may be exercised gratis. The cases in which the transfer of rights to technology can be exercised gratis will be determined by the Government of the Russian Federation.

Article 1549. The right to a unified technology belonging jointly to several persons

1. The right to technology developed with the involvement of budget funds and funds of other investors may belong at the same time to the Russian Federation, a subject of the Russian Federation, other investors in the project, as the result of which the technology has

been developed by the performer and other right owners.

2. If the right to technology belongs to several persons, they shall exercise this right jointly.

The disposition of a right to technology belonging jointly to several persons shall be exercised by mutual consent.

3. A transaction for the disposition of the right to the unified technology, made by one of the persons who jointly owns the right to the technology may be invalidated at the request of other right owners because the person who has made the transaction lacked the necessary authority in the case where there is proof that the other party was aware or should have been aware of the absence of this authority.

4. The revenue from the utilizations of the unified technology, the right to which belongs to several right owners as well as the allocation of this right is divided among the right owners by their mutual agreement.

5. If a part of the technology, the right to which belongs to several persons, can be independent, an agreement between the right owners will determine how much of the rights to the unified technology belongs to each of the right owners. A part of technology may have an independent meaning, if it can be used separate of the other parts of this technology.

Each of the right owners has the discretion to use the relevant part of the technology, which has independent meaning, except as otherwise stipulated by the agreement between them. Thus, the right to the technology as a whole, as well as the disposition of the right to it is exercised jointly by all of the right owners. Income from the use of part of the unified technology go to the person possessing the rights to this specific part of the technology.

Article 1550. The general conditions for the transfer of rights to a unified technology

Unless otherwise provided by this Code or any other law, a person who has the right to a unified technology may at his discretion transfer it in whole or in part to other persons by contract or other transaction including a contract for the alienation of this

right, a licensing contract, or any other contractual form containing the elements of a contract for the alienation of rights or a licensing contract.

The right to a unified technology will be transferred with respect to all of the results of intellectual activity included in a system of an unified technology as a whole. The assignment of rights to specific results (to a part of the technology) shall be permitted only in cases when such a part of a unified technology has independent significance in accordance with Article 1549(5) of this Code.

Article 1551. Conditions governing the export of a unified technology

1. A unified technology is intended to be implemented and applied (implementation) primarily in the territory of the Russian Federation.

The right to technology may be transferred for use of a unified technology in the territories of foreign States with the consent of the State customer or the manager of budget funds in accordance with legislation on foreign economic activity.

2. Transactions involving the use of a unified technology outside of the Russian Federation is subject to the state registration in the federal executive authority on intellectual property.

The non-observance of the legal requirements for the state registration of transactions renders it void.