

**Decree
of the Federal Patent Office
No. 350 from July 23, 1991
on remuneration of patent representatives**

The Federal Patent Office, in agreement with the Chamber of Patent Representatives passed, pursuant to § 39 of the Act on Patent Representatives (Act n° 237/1991 Coll.) the following Decree:

General provisions

§ 1

The patent representative provides professional assistance to natural and juristic persons in matters related to the industrial property against a remuneration. The amount of the remuneration and the method for its determination shall be governed by the provisions of this Decree.

§ 2

(1) The remuneration shall be paid for the single tasks making part of the professional assistance or for arranging the entire matter or for providing professional assistance to a certain extent and for a certain period.

(2) The remuneration covers the expenses for administrative and other tasks carried out in connection with the provision of professional assistance.

§ 3

When concluding the agreement on the provision of professional assistance the patent representative shall agree with the person who ordered the service (hereinafter referred to only as the "client"):

- (a) the type of remuneration,
- (b) the reduction or the increase, if any, of the base hourly rate or the remuneration having form of a lump sum or a share remuneration, or agreeing the remuneration for the single professional tasks.

§ 4

The patent representative may provide professional assistance gratuitously only in case of a simple advise providing basic information or with regard to the client's economic and social situation.

§ 5

Patent representative's remuneration

- (1) The agreed-upon remuneration may have one of the following forms:
 - (a) remuneration based on the number of hours purposefully incurred in arranging the matter and based on the hourly rate (hourly remuneration),
 - (b) remuneration in form of a lump sum (lump sum remuneration),
 - (c) remuneration in form of a share on the matter being arranged (share remuneration),
 - (d) remuneration for the single professional tasks (tariff remuneration).

(2) The methods for the remuneration determination specified under subsection 1 may be combined.

Hourly remuneration

§ 6

(1) The base rate for the hourly remuneration shall be 200 Sk for each hour or part thereof.

(2) A patent representative may agree with the client to reduce the base hourly rate up to one half. The increase of the base hourly rate up to three times may be agreed if the matter is extremely complex or if foreign legislation or foreign language must be used to arrange the matter.

(3) When providing simple advise the parties may agree the base hourly rate divided in quarters of an hour or parts thereof.

§ 7

(1) If the patent representative agrees with the client the hourly remuneration, he must:

- a) inform the client on the presumed hours needed to carry out his tasks,
- b) warn the client in case of significant overrun of the anticipated number of hours for his professional service prior to such an overrun; otherwise the representative shall not be entitled to the increased remuneration.

(2) The patent representative must submit to the client, together with the invoice, the details on the number of hours actually consumed.

Lump sum remuneration

§ 8

(1) The lump sum remuneration may be agreed for:

- (a) the complete arrangement of the matter or a package of matters,
- (b) provision of professional assistance during a specific period or for an undetermined period.

(2) When determining the lump sum remuneration the presumed difficulty of the assistance, with regard to the tasks and to the time budget, must be taken into account and so must be the base hourly rate.

§ 9

In case the patent representative does not provide professional assistance up to the complete arrangement of the matter or if he does not provide professional assistance for the entire agreed-upon period, he shall be entitled to the proportionate part of the lump sum remuneration, in this case he must provide the client with details on the tasks he has performed.

§ 10

Share remuneration

(1) If the nature of the matter so allows the share remuneration may be agreed, having form of a share on the value of the matter being arranged.

(2) The share remuneration may not exceed 20% of the matter being arranged.

§ 11
Tariff remuneration

(1) The remuneration for the single professional tasks shall be agreed between the patent representative and the client according to the tariff, the rates shall be agreed in consideration of the difficulty of the professional task in terms of professional requirements and time consumed.

(2) The professional tasks shall mean mainly the following activities:

- (a) initial negotiations with the client, including the acceptance of the representation and its preparation,
- (b) follow-up discussions with the client exceeding one hour,
- (c) submission of written application with the Federal Patent Office or a different administrative authority, if appropriate,
- (d) personal presence during the proceedings in front of the Federal Patent Office or a different administrative authority, if appropriate,
- (e) carrying out of researches,
- (f) professional analysis, preparation of the application for the registration of the industrial property,
- (g) preparation and presentation of legal remedies, proposal for cancellation of the registration, for the renewal, proposal to open the proceedings to declare or to abolish the patent, contracts on assignment of industrial property, license contract,
- (h) execution of the documents on deeds.

(3) Those professional tasks which are not specified under subsection 2 shall be remunerated as the tasks which are the most close as far as their nature and purpose is concerned.

Expenses in cash and compensation for the time lost

§ 12

Besides the remuneration the patent representative shall be entitled to:

- (a) reimbursement of the cash expenses purposefully incurred in providing professional assistance, in particular the travel expenses, post expenses and telephone calls, opinions of experts, fees, translations and copies,
- (b) compensation for the time lost.

§ 13

(1) The patent representative may agree with the client on the nature and the amount of some cash expenses which are expected to be incurred in connection with the provision of professional assistance.

(2) When the patent representative and the client agree the remuneration they may also agree on a lump sum representing the reimbursement of all or some cash expenses which are expected to be incurred in connection with the provision of professional assistance. In this case the client may not ask for the details of these cash expenses to be presented together with the invoice and the patent representative shall not be entitled to the reimbursement of those expenses which exceed the lump sum agreed by the parties.

(3) Unless otherwise provided by the Decree hereunder the reimbursement of travel expenses shall be governed by the legislation on travel expenses reimbursement.¹⁾

§ 14

(1) The compensation for the time lost is due if the tasks are performed in a place other than the patent representative's seat, it is meant to account for the time lost during the travel to the place and back.

(2) The compensation under subsection 1 amounts to 20 Sk for every half hour or part of it.

Common and final provisions

§ 15

(1) In case of a foreign-exchange non-resident being the patent representative's client the parties may agree the method for the determination of the remuneration and its amount which are usual in the country where the client has his residence or his seat or which are usually required to carry out the similar professional tasks abroad.

(2) If the subject matter of the proceedings is a claim payable in foreign currency and if it is not contrary to special legislation²⁾ the patent representative's remuneration may be agreed in foreign currency.

(3) The agreement under subsections 1 and 2 shall not be considered when determining the expenses of the proceedings to be reimbursed by a different natural or juristic person, the patent representative must notify the client accordingly.

§ 16

This Decree shall come into effect on September 1, 1991.

1) Decree of the Federal Ministry of Labour and Social Affairs on Travel Expenses Reimbursement in the later wording (Act n° 33/1984 Coll.)

2) Foreign Exchange Act (Act n° 528/1990 Coll.)

The Act on Economic Relations with Foreign Countries (Act n° 42/1980 Coll.) in the later wording

Decree of the Federal Ministry of Finance on Authorisation to sell goods and provide services against foreign currency at the territory of the Czech and the Slovak Republic Territory