

CODE OF ETHICS OF THE PATENT ATTORNEY PROFESSION

Pursuant to Article 33, paragraph 2 of the Act No. XXXII of 1995 on Patent Attorneys, as amended, the Hungarian Chamber of Patent Attorneys (hereinafter referred to as "Chamber") issues the following Code of Ethics.

1. Basic principles

1.1 The patent attorney shall perform the duties laid down in the law in a conscientious and professional manner. His/her professional activity and human behaviour shall correspond to the dignity of the patent attorney profession.

1.2 The information and advice given by the patent attorney to clients shall be reliable. He/she shall act as an independent counsel by serving the interests of the client without making a personal selection, in an unbiased and unprejudiced manner, irrespective of his/her personal feelings.

1.3 In matters related to his/her profession, the patent attorney shall not knowingly make false statements.

1.4 The patent attorney shall not contribute to the circumvention of stipulations of the law or to abusing rights.

1.5 The patent attorney is expected to keep his/her professional knowledge up to date and to strive to extend it.

1.6 The patent attorney is responsible for making sure that persons who are not patent attorneys and who are employed or assigned by him/her or his/her office in the course of exercising his/her profession shall observe the rules of this Code of Ethics within the scope of the employment or assignment.

2. Patent attorney's relationship with the public

2.1 The patent attorney shall not use a designation misleading to the public on his/her name plate, in his/her office, on his/her rubber-stamp, letterhead, visiting card and other prints, or in any other way.

2.2 In order to inform the public and/or to attract clients, the patent attorney has the right to insert advertisements and to carry out promotional activity, provided that the advertisements and promotion are fair, restricted to correct professional information, modest, in good taste and not harmful to the dignity of the patent attorney profession.

2.3 In his/her advertising and promotional activities, it is prohibited for the patent attorney

- to compare his/her professional services, including charges, with services of another patent attorney, patent attorney partnership, patent

attorney company, or other person or organisation representing clients on a professional basis in a deceptive manner;

- to make use of his/her client's name without the client's consent;

- to use the name of another patent attorney, patent attorney partnership, patent attorney company, or other person or organisation representing clients on a professional basis, unless there is a written agreement concluded with the involved party;

- to announce and intermediate offers to sell or buy industrial property rights and to undertake such negotiations, unless upon instructions of the client to this effect.

2.4 In order to attract clients, the patent attorney shall not make use of a proxy, agent or tout; the patent attorney shall not provide reimbursement or other consideration for recommending him/her to persons seeking advice.

2.5 The patent attorney shall refrain from all statements that could impugn the reputation of, or undermine public confidence in, the patent attorney profession or any of its members, or the Chamber.

2.6 The patent attorney shall not make reference to his/her earlier or current office, public role, or social assignment so as to lead to the pretence that he/she is in a position more favourable than others to handle matters.

3. Patent attorney's relationship with clients

3.1 The patent attorney shall always handle the case entrusted to him/her by the client with appropriate care and expertise. He/she shall keep his/her client informed of the status of the case, with special regard to deadlines and consequences of omission.

3.2 The patent attorney is obliged to proceed within the framework of the client's assignment. He/she may only take measures beyond the scope of the assignment if authority to do so is given by the law or if the presumed interest of the client so requires; however, in this case the client shall be informed without delay.

3.3 The patent attorney shall respect the principle that the client is the master of his case. If he/she receives unlawful, non-professional or inappropriate instructions from the client, he/she must warn the client if this is possible under the circumstances. If the client maintains the unlawful instructions in spite of being warned, such instructions shall not be carried out by the patent attorney. If the unlawful, non-professional or inappropriate instructions are maintained, the patent attorney may resign from the case.

3.4 The patent attorney is not released from the obligation to observe provisions of the law and rules of the Chamber by client's instructions that are contrary to such provisions or rules.

3.5 The patent attorney is not obliged to serve interests of the client that are not connected with the performance of the assignment.

3.6 The patent attorney shall not claim a share in the authorship of intellectual property rights as compensation for his/her work as a patent attorney.

3.7 The patent attorney is obliged to pass on any cash received for a client or for another person to the addressee without delay, if applicable by exercising his/her right to set off.

3.8 The patent attorney shall not make the hand-over of documents to which the client is entitled subject to the settlement of a debt owed by the client. This provision shall not apply to delivering copies of documents that have already been handed over or sent to the client.

3.9 The patent attorney has the right to demand from the client an advance payment adequate to the expected charges and costs, or the advance payment of the expected charges and costs. If the patent attorney has tied the handling of the case or the taking of measures to a preliminary payment, he/she is not obliged to take these measures until the specified amount is received on his/her account or in cash.

3.10 If the patent attorney declines an order due to any reason, he/she is obliged to provide advice to the client in order to avoid any imminent damage.

3.11 The patent attorney shall not accept an order in a case in which he/she proceeded earlier as a judge or examiner.

3.12 The patent attorney shall decline an order, which is manifestly contradictory to the interests of a client already represented by him/her. If the conflict of interests between clients already represented by the patent attorney becomes manifest during the life of the assignments, the patent attorney may attempt to resolve the conflict of interests with the cooperation of both clients. If reconciliation is not carried out or fails to bring results, in the particular case or cases the patent attorney shall resign from representing at least one of the clients, depending on the circumstances. However, he/she may continue representing both clients in cases which are not related to the case or cases involved in the conflict of interests, provided that this is not objected to by the client.

3.13 If the conflict of interests referred to in point 3.12 arises between clients represented by a patent attorney partnership or patent attorney company, the patent attorney partnership or company may only represent both clients if

- both clients give their consents thereto,

- the cases involved in the conflict of interests are handled within the patent attorney partnership or company by different persons authorised to represent, who may not have acquired information about the case of the adverse party, and

- obtaining such information in the future is excluded by closed handling of the cases within the partnership or company.

3.14 The patent attorney is released from his/her confidentiality obligation as soon as the secret information becomes public.

4. Relations with other patent attorneys

4.1 The patent attorney shall maintain good fellowship towards other patent attorneys. Good fellowship includes especially mutual courtesy and refraining from enticing clients from each other in an unfair manner.

4.2 A patent attorney shall not behave in an offending or disdainful manner vis-à-vis other patent attorneys. Especially to be avoided is any disdaining of the quality of the work of another patent attorney before a client or an authority.

4.3 The competition among patent attorneys, including price competition, shall be fair in all respects, shall correspond to the law and shall keep with higher moral standards to be expected from a patent attorney.

4.4 The patent attorney shall refrain from a unilateral relationship and/or an exchange of views with a client about a case where he/she knows or must know from the circumstances that the case is or was handled by another patent attorney. It is an exception if the client contacts the patent attorney in order to request an independent opinion or to change his representative. In case of a request for an independent opinion, the patent attorney may only inform the other representative thereon with the client's consent.

4.5 If the patent attorney is instructed by a client to take over the representation of a case handled by another patent attorney, the patent attorney – provided that the assignment is accepted – shall inform the previous representative upon taking over the representation, unless the previous representative has already been informed. At the request of the client or the new representative, the previous representative is obliged to transfer to the new representative the documents and data necessary to handle the case. The previous representative may also inform the new representative of other circumstances related to the case.

4.6 If possible, the patent attorney shall contact an adverse party represented by another patent attorney through the other patent attorney.

4.7 Regarding points 4.1 to 4.6, advocates and other persons authorised

to represent clients on a professional basis are also deemed as another patent attorney and representative.

4.8 As far as possible, any disputes among patent attorneys shall be settled amicably, preferably with the participation of an intermediating patent attorney. If such attempts fail, they shall first turn to the Ethics Committee of the Chamber to act as a reconciliation body.

5. Patent attorney's relationship with authorities

5.1 The patent attorney shall respect the dignity of authorities and persons representing authorities, and shall make efforts to ensure that his/her clients also do the same.

5.2 Documents submitted by the patent attorney to authorities and his/her verbal statements made before or relating to an authority shall be objective, courteous and free of personal sentiments and comments.

5.3 The patent attorney shall not refer to his/her personal relationship with a person working for an authority before a client or an authority. By his/her behaviour, he/she shall not create such an impression that his/her personal relationship could have a favourable influence on handling cases.

6. Patent attorney's relationship with the Chamber

6.1 In the absence of express authorisation, the patent attorney shall not represent the Chamber and shall not make any statement on behalf of the Chamber.

6.2 The patent attorney has the right to seek an opinion on a specific ethical issue from the Ethics Committee of the Chamber. The Chairman and members of the Ethics Committee are subject to confidentiality obligation regarding the involved persons and any facts and circumstances that have come to their knowledge. The Ethics Committee may publish its opinion while maintaining anonymity. The opinion of the Ethics Committee is not binding on the Disciplinary Committee of the Chamber.

6.3 In formulating its opinion referred to in point 6.2, the Ethics Committee decides on the basis of a simple majority vote. In the case of a tie, the vote of the Chairman of the Ethics Committee shall decide. For a quorum, it is necessary for the Chairman or Deputy Chairman of the Ethics Committee and at least one half of its members to be present.

6.4 If the patent attorney receives a final sentence in criminal proceedings, he/she shall report it to the Chamber.

7. Rules related to patent attorney candidates

7.1 The patent attorney shall share his/her knowledge and experience with a patent attorney candidate practising under his/her supervision. He/she

shall make sure that the patent attorney candidate receives practical training in as wide a range of patent attorney activities as possible.

7.2 The patent attorney shall prudently supervise the professional activity of the patent attorney candidate practising under his/her supervision.

7.3 The rules of this Code of Ethics shall be applied to patent attorney candidates *mutatis mutandis*.

8. Rules related to professional Community representatives in industrial property

8.1. The rules of this Code of Ethics shall be applied to professional Community representatives in industrial property (hereinafter referred to as "Community representatives") with the exceptions set out in points 8.2 and 8.3.

8.2. The rules of this Code of Ethics shall be applied to Community representatives entered into the list of Community representatives with respect to their patent attorney activity in Hungary.

8.3. The rules of this Code of Ethics shall be applied to Community representatives providing services on a temporary basis with respect to their patent attorney activity in representing clients in Hungary. For other activities of such a Community representative, the rules of that member country shall be applied where he/she is entitled to pursue patent attorney activity.

9. Closing provisions

This Code of Ethics was adopted by the General Assembly of the Chamber on 30 June 1998 and entered into force on 1 September 1998. This Code of Ethics was amended by the General Assembly on 18 April 2000 and on 21 April 2004, the latter amendment shall enter into force on 1 May 2004.