

Rules of Professional Conduct for Patent Attorneys Holding and Acting within the Scope of Litigation Right Certificates (Special Rules of Professional Conduct)

I. Definitions

“Certificate” shall mean a certificate issued by the Chartered Institute of Patent Attorneys within the scope of the rights granted under the Courts and Legal Services Act 1990.

“Patent Attorney Litigator” shall mean a patent attorney holding a current Certificate.

“Litigation Work” shall mean the provision of professional services within the scope of a Certificate by or under the supervision of a Patent Attorney Litigator.

“Firm” shall mean a sole practitioner, a partnership or a body corporate carrying on business as a patent attorney, registered trademark attorney or solicitor, or whose primary purpose is to provide intellectual property advice to third parties for payment in respect of those services.

“Member of a Firm” shall mean an employee of the Firm and also the sole practitioner in the case of a sole practitioner, a partner of the Firm in the case of a partnership, a director of the Firm in the case of a company, and a member of the Firm in the case of a Limited Liability Partnership.

“CIPA” shall mean the Chartered Institute of Patent Attorneys.

“Employed Patent Attorney Litigator” shall mean an employee of an employer that is not a Firm.

II. Scope of Rules

a. These Rules shall apply to Patent Attorney Litigators when performing Litigation Work.

b. A Patent Attorney Litigator shall be responsible for ensuring that all Litigation Work performed by a person under his or her supervision shall be conducted in accordance with these Rules.

c. A Patent Litigator shall, by applying for and holding a Certificate, agree subject to any appeal to be bound by all requirements and procedures and decisions of any person, body or committee set up to enforce these Rules and shall co-operate fully and promptly in establishing the facts in relation to any alleged breach of these Rules.

d. If any provision of these Rules imposes requirements additional to or different from those of other rules of conduct to which a Patent Attorney Litigator is subject, these Rules shall prevail.

III. Basic Principles

A Patent Attorney Litigator shall neither do anything nor permit any person to do anything on his or her behalf, which compromises or impairs or is likely to compromise or impair any of the following:

- a. the independence or integrity of the Patent Attorney Litigator;
- b. a person's freedom to instruct a Patent Attorney Litigator or other professional person of his or her choice;
- c. the Patent Attorney Litigator's duty to act in the best interest of the client;
- d. the Patent Attorney Litigator's duty to the Court, which shall prevail over his or her duty to any client; and
- e. the Patent Attorney Litigator's proper standard of work.

IV. Competence

a. A Patent Attorney Litigator shall decline to undertake Litigation Work outside his or her expertise or competence.

b. A Patent Attorney Litigator shall consider whether, having regard to :

- the circumstances (including in particular the gravity, complexity and likely cost) of the case;
- the nature of the Patent Attorney Litigator's practice;
- the Patent Attorney Litigator's ability, experience and seniority; and
- the Patent Attorney Litigator's relationship with the client;

the best interests of the client would be served by the Patent Attorney Litigator, another Patent Attorney Litigator whether within the same patent attorney's Firm or not, a solicitor, or some other person providing litigation services.

c. The consideration referred to in Rule IV.b shall be given as soon as practicable after receiving instructions and from time-to-time thereafter, particularly when circumstances change, and a file note shall be made on each occasion such consideration is given. If the Patent Attorney Litigator considers that the best interests of the client would be served by some other person acting, he or she must advise his or her client accordingly.

V. Conflicts of Interest

a. 1 A Patent Attorney Litigator must not accept instructions to act for two or more clients where there is a conflict or a significant risk of conflict between the interests of the clients.

2. If a Patent Attorney Litigator acquires or has acquired relevant knowledge concerning a current or a former client in the course of acting for that client in any capacity, the Patent Attorney Litigator must not accept instructions to act against that client or shall henceforth

cease to act against that client. The term “relevant knowledge” shall mean such knowledge of the client or the client’s affairs that is not widely disseminated to the public and that is, or is likely to become, relevant to the action concerned against the client.

3. A Patent Attorney Litigator must not continue to act for two or more clients where a conflict of interests arises between those clients.

4. A Patent Attorney Litigator must not act where his or her interests conflict with those of a client.

b. A Patent Attorney Litigator must not allow any person to perform Litigation Work under his or her supervision when the Patent Attorney Litigator knows or has reasonable grounds for suspecting that such person has a conflict of interest in respect of the Litigation work.

c. A Patent Attorney Litigator who is a Member of a Firm or who is instructed by a Firm shall not act for a client in litigation against any other party who, to the Patent Attorney Litigator’s knowledge after reasonable enquiry, is also a client of the Firm or concerning whom the Firm has relevant knowledge unless both the clients after being fully informed specifically approve of the Firm acting in the litigation.

d. Subject to Rule VI, an Employed Patent Attorney Litigator may only undertake Litigation Work for a person other than his or her employer if:

- he or she declines to act for that person if any conflict arises between the employer and that person; and
- he or she informs that person in writing prior to commencing the or each piece of Litigation Work that he or she is an employee and that he or she must decline to act further for that person if any conflict arises between the employer and that person.

VI. Employed Patent Attorney Litigators

a. An Employed Patent Attorney Litigator shall not act in the course of his employment with his employer as a Patent Attorney Litigator except in accordance with the following provisions of Rule VI.

b. In the course of his employment, an employed Patent Attorney Litigator may act for the employer and the following related bodies:

- the employer’s holding, associated or subsidiary company;
- a partnership, syndicate or company by way of joint venture in which the employer and others have an interest;
- a trade association of which the employer is a member;
- a club, association, pension fund or other scheme operating for the benefit of employees of the employer;
- where the employer is a public body, for another public body or statutory officer to which the employer is statutory empowered to provide legal services;

- where the employer is an association whose members are limited to persons engaged or concerned in a particular trade, occupation or activity or otherwise having a community of interest, and is formed bona fide for the benefit of its members and not formed directly or indirectly for the benefit of the Patent Attorney Litigator or primarily for securing assistance in legal proceedings, for a member of such an association.

- a person with whom the employer has a joint interest in the outcome of any proceedings, including in particular any licensee or licensor of the employer, or any joint owner with the employer of any intellectual property rights the subject of the relevant Litigation Work, providing that such joint interest is bona fide for the employer's benefit and is not formed directly or indirectly for securing assistance in legal proceedings.

c. Subject to the following provisions, an Employed Patent Attorney Litigator may also act for the following persons:

- a fellow employee;

- a director, company secretary or board member of the Patent Attorney Litigator's employer;

- an employee, director, company secretary, board member or trustee of the employer or of a related body of the employer within the meaning of paragraph b above; provided that in each such case

a) the matter relates to or arises out of the work of such person for the employer,

b) the Patent Attorney Litigator is satisfied that such person does not wish to instruct some other representative, and

c) no charge is made to such person, in relation to the Patent Attorney Litigator's costs, unless such costs are recoverable from any other source.

d. The Employed Patent Attorney Litigator shall, before accepting instructions to act for bodies or persons other than the employer in accordance with these Rules, give written notice to the client that the employer is not able, by way of insurance or otherwise, to indemnify the client adequately in the event of a claim against the Patent Attorney Litigator for which the employer would be vicariously liable, if that be the case.

e. The Employed Patent Attorney Litigator shall, before accepting instructions to act for bodies or persons other than the employer in accordance with these Rules, give written notice to the client that the Patent Attorney Litigator is not covered by insurance in relation to professional negligence, if that be the case.

f. Where an Employed Patent Attorney Litigator is acting for body or person other than the employer in accordance with these Rules, any information disclosed to the Employed Patent Attorney Litigator by the client is confidential and cannot be disclosed to the employer except with the express consent of the client;

g. Interpretation:

1. "holding" and "subsidiary" Company have the meanings assigned to them by the Company's Act 1985 (as amended from time to time) and two companies are "associated" where they are subsidiaries of the same holding company or companies; and

2. any references to a Patent Attorney Litigator's employer include the employer's holding, associated or subsidiary company, and any references to an employee include references to an employee of such holding, associated or subsidiary company.

VII. Non-Discrimination

A Patent Attorney Litigator must not discriminate on the grounds of race, sex, disability, sexual orientation or religion in his or her professional dealings with clients, employees, solicitors, other patent attorneys, barristers or any other person. Furthermore, a Patent Attorney Litigator in any instance in which he is providing advocacy services in the course of Litigation Work must not withhold those services -

- on the ground that the nature of the case is objectionable to him or to any section of the public;
- on the ground that the conduct, opinions or beliefs of the prospective client are unacceptable to him or to any section of the public; and
- on any ground relating to the source of any financial support which may properly be given to the prospective client for the proceedings in question (for example, on the ground that such support will be available under the Legal Aid Act 1988).

VIII. Confidentiality

- a. Except properly for conduct of work on behalf of the client, a Patent Attorney Litigator is under a duty to keep confidential to his or her own Firm the affairs of a client and to ensure that the staff of the Firm do the same.
- b. The duty under Rule VIII.a applies irrespective of the source of that information.
- c. The duty under Rule VIII.a continues until the client permits disclosure or waives the confidentiality.

IX. Fees

- a. A Patent Attorney Litigator must not charge unjustifiable fees having regard to fees generally charged by professionals in the conduct of litigation of comparable complexity and difficulty to the Litigation Work in question.
- b. A Patent Attorney Litigator who is retained in connection with Litigation Work shall not enter into any arrangement to receive a contingency fee in respect of that work except if permitted to do so by the Lord Chancellor in accordance with any statute or statutory instrument or otherwise in accordance with any rule of law.

X. Legal Aid

A Patent Attorney Litigator is under a duty to consider and advise the client on the availability of legal aid where the client might be entitled to assistance or legal aid under the Legal Aid Act 1988 or any succeeding Act.

XI. Duties of a Patent Attorney Litigator

- a. A Patent Attorney Litigator whilst under a duty to do the best for a client must never deceive or mislead the Court.
- b. A Patent Attorney Litigator must not make or instruct counsel to make an allegation which is intended only to insult, degrade or annoy the other side, a witness or any other person.
- c. A Patent Attorney Litigator is under a duty to attend or arrange for the attendance of a responsible representative throughout any Court hearing attended by counsel.
- d. A Patent Attorney Litigator must comply with any order of the Court which the Court can properly make requiring the Patent Attorney Litigator and his or her Firm to take or refrain from taking some particular course of action.
- e. A Patent Attorney Litigator must comply with the letter and spirit of any undertaking given to the Court or other party whether or not that undertaking is supported by consideration.

XII. Procedural

Each Patent Attorney Litigator or Firm shall have an established procedure for dealing with complaints in regard to Litigation Work. Written details of the procedure must be available whenever a client requests them. In addition, a client shall be informed in writing, when first engaging a Patent Attorney Litigator or a Firm to do Litigation Work (whether or not the client is already a client of the Patent Attorney Litigator or his Firm in respect of other work), that such a procedure exists and that, for resolution of a complaint, the client should first contact the Patent Attorney Litigator or his Firm.

In order to reduce misunderstandings concerning the levels of fees charged for Litigation Work, the client must also be informed in writing of the basis on which the work is to be charged.

XIII. Professional Indemnity Insurance

- a. Each Patent Attorney Litigator or his or her Firm must take out and maintain professional indemnity insurance cover for Litigation Work. When commencing and renewing such insurance, each Patent Attorney Litigator or his or her Firm shall ensure that the insurance provides cover in respect of each and every claim brought in the United Kingdom or elsewhere in the European Union of at least the Minimum Value (as defined in the next sentence) prevailing at the time of commencement or renewal. The Minimum Value shall be determined by the Council of CIPA from time to time but shall never be a value less than £1,000,000.
- b. A Patent Attorney Litigator shall not limit liability for professional negligence below the Minimum Value.
- c. Any limitation of liability for negligence in respect of Litigation Work must be clearly drawn to the attention of a client and be understood and accepted by him or her.
- d. The provisions of Rule XIII shall not apply to an Employed Patent Attorney Litigator when he or she is acting within the meaning of Rule VI.b or c.