



UNION OF EUROPEAN PRACTITIONERS IN INTELLECTUAL PROPERTY
UNION EUROPÄISCHER BERATER FÜR GEISTIGES EIGENTUM
UNION DES PRATICIENS EUROPÉENS EN PROPRIÉTÉ INTELLECTUELLE

G1/18

**Written Statement in accordance with article 10 of the
Rules of Procedure of the Enlarged Board of Appeal**

INTRODUCTION:

The President of the EPO referred, under article 112(1) EPC the following question: *“If the notice of appeal is filed and/or the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed.”* (Case number G1/18)

IN OJ 2018, A71, third parties were given the opportunity to file written statements in accordance with article 10 of the Rules of Procedure of the Enlarged Board of Appeal.

The Union Of European Practitioners In Intellectual Property (UNION-IP) is an Association of practitioners in the field of Intellectual Property, that is of individuals whose principal professional occupation is concerned with Patents, Trade Marks or Designs and related questions and who carry on their profession independently or as employees. UNION-IP is a private, free, international Association which is not dependent on any National or International Authority: it approves its own members, in accordance with its Statutes, in total independence, and likewise decides on its own activities and its own budget. It aims on the one hand to work continuously on current developments in Intellectual Property in Europe, especially by making early submissions during the preparation of proposed laws and treaties with the intention of influencing them; and on the other hand to devote itself to the improvement of professional and personal understanding between European Practitioners in the Intellectual Property field in different countries and different branches of the profession.

The following Written Statement is filed on behalf of UNION-IP.

THE REFERRED QUESTION:

The question referred by the former President by including the expression “and/or” seems to envisage three questions:

- 1) If the notice of appeal is filed after expiry of the two-month time limit under Article 108 EPC, is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed;
- 2) If the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed;

Reinier Wijnstra - Patents Commission President

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- 3) If the notice of appeal is filed *and* the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed

Considering the above, the first two questions need to be addressed, while the answer to the third question will follow from the first two answers.

RELEVANT LEGAL PROVISIONS:

Article 108 (Time limit and form)

“Notice of appeal shall be filed, in accordance with the Implementing Regulations, at the European Patent Office **within two months of notification of the decision. Notice of appeal shall not be deemed to have been filed until the fee for appeal has been paid.** Within four months of notification of the decision, a statement setting out the grounds of appeal shall be filed in accordance with the Implementing Regulations.” (our emphasis)

Rule 99 (Content of the notice of appeal and the statement of grounds)

“(1) The notice of appeal shall contain:

- (a) the name and the address of the appellant as provided in [Rule 41, paragraph 2\(c\)](#);*
- (b) an indication of the decision impugned; and*
- (c) a request defining the subject of the appeal.*

(2) In the statement of grounds of appeal the appellant shall indicate the reasons for setting aside the decision impugned, or the extent to which it is to be amended, and the facts and evidence on which the appeal is based.

(3) Part III of the Implementing Regulations shall apply mutatis mutandis to the notice of appeal, the statement of grounds and the documents filed in appeal proceedings.” (our emphasis)

Rule 101 (Rejection of the appeal as inadmissible)

“If the appeal **does not comply with [Articles 106](#) to [108](#), [Rule 97](#) or [Rule 99, paragraph 1\(b\)](#) or [\(c\)](#) or [paragraph 2](#), the Board of Appeal shall reject it as inadmissible, unless any deficiency has been remedied before the relevant period under [Article 108](#) has expired.**

(2) If the Board of Appeal notes that the appeal does not comply with [Rule 99, paragraph 1\(a\)](#), it shall communicate this to the appellant and shall invite him to remedy the deficiencies noted within a period to be specified. If the deficiencies are not remedied in due time, the Board of Appeal shall reject the appeal as inadmissible.” (our emphasis)

Rule 103 (Reimbursement of appeal fees)

“(1) The appeal fee shall be reimbursed in full

(a) in the event of interlocutory revision or where the Board of Appeal deems an appeal to be allowable, if such reimbursement is equitable by reason of a substantial procedural violation, or

(b) if the appeal is withdrawn before the filing of the statement of grounds of appeal and before the period for filing that statement has expired.

(2) The appeal fee shall be reimbursed at 50% if the appeal is withdrawn after expiry of the period under paragraph 1(b), provided withdrawal occurs:

(a) if a date for oral proceedings has been set, at least four weeks before that date;

(b) if no date for oral proceedings has been set, and the Board of Appeal has issued a communication inviting the appellant to file observations, before expiry of the period set by the Board for filing observations;

(c) in all other cases, before the decision is issued.

(3) The department whose decision is impugned shall order the reimbursement if it revises its decision and considers reimbursement equitable by reason of a substantial procedural violation. In all other cases, matters of reimbursement shall be decided by the Board of Appeal.” (our emphasis)

For sake of understanding, question 2 above referred will be addressed prior to question 1.

QUESTION 2: If the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed.

To answer to this question, we should start by interpreting article 108 EPC, in particular, by seeking the ordinary meaning to be given to the terms of the treaty in their context and in light of its object and purpose (article 31 of the Vienna Convention on the Law of Treaties).

The wording of article 108 EPC, second sentence, gives the interpreter clear guidance on the consequence of the late payment of the appeal fee, when it reads “*that the notice of appeal **shall not be deemed to have been filed** until the fee for appeal has been paid*”. In fact, the legislator opted to create a legal fiction from which arises that the appeal would only be considered deemed to be filed when the fee for appeal has been paid. And, *a contrario*, if no appeal fee has been paid,

the appeal is deemed not to have been filed. Consequently, the notice of appeal, even if physically exists in the EPO, it is considered by the law as nonexistence and cannot produce legal effects. The fact that rule 101 EPC (“*Rejection of the appeal as inadmissible*”) refers to the compliance with article 108 EPC does not change this fact, because article 108 EPC *i)* already gives the legal consequence for the late payment of the fees (which is a prerequisite for the existence of the appeal) and *ii)* it prevails over the implementing regulations.

Moreover, article 51 (2) EPC also provides for a further fact pointing to the link between the time limit and the payment of the appeal fee as prescribed in article 108 EPC, as no further time limit for paying the appeal fee is provided in the implementing regulations.

These facts also point to a conclusion that only in cases in which the appeal is considered deemed to have been filed (i.e., when the notice of appeal is duly filed and the fee is paid within the specified time limit), will it be possible to assess the admissibility of the appeal under rule 101(1) EPC.

Bearing in mind the above, if the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, the appeal has to be deemed not to have been filed.

Having responded to the first part of question 2, it should be considered if the fee that was late paid must be reimbursed.

A direct consequence of an appeal to be deemed not to have been filed where the appeal fee is paid after expiry of the time limit of article 108 is that the appeal fee should be reimbursed, as it lacks legal basis.

Further indications exist in the implementing regulations, since rule 103 (b) EPC provides that the appeal fee shall be reimbursed in full in case the appeal is withdrawn before the filing of the statement of grounds of appeal and before the period for filing that statement has expired. Being true that no reference is made of a possible reimbursement in case the appeal fee is late paid, it is also true that no exclusion of such possibility is provided.

In fact, if the legislator has considered the reimbursement of the appeal fee in case of withdrawal to be fair, i.e., in a case in which the appeal was considered to be duly filed and it did exist (certainly with more work being carried out by the EPO), an interpretation which refused the non-reimbursement in case of non-existence of the appeal (derived from the late payment of the appeal fee), would totally contradict the intention of the legislator and would not be an interpretation in good faith as provided in article 31 of the Vienna Convention on the Law of Treaties.

In accordance with article 125 EPC, in the absence of procedural provisions, the general principles of law must arise. Therefore, if an appeal fee was paid after the time limit of article 108 EPC, it must be refunded as lacking a legal basis (J2/78, J21/80, J16/82, J24/87).

QUESTION 1: If the notice of appeal is filed after expiry of the two-month time limit under Article 108 EPC (in the assumption that the appeal fee was paid within such time limit), is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed.

Article 108 first sentence EPC refers that “*notice of appeal shall be filed, in accordance with the Implementing Regulations, at the European Patent Office within two months of notification of the decision*”. However, and contrary to the case of the late payment of the appeal fee as explained above, this article does not literally provide for the legal consequence for the late filing of the notice of appeal.

However, a teleologic and systematic interpretation must be conducted by an interpreter. If the legislator provided as legal consequence for the late payment of the appeal fee the non-existence of the notice of appeal as above explained, the late submission of a notice of appeal must also lead to the late submitted notice of appeal being deemed not filed, by majority of reason. If not, the legal consequence of the late payment (a mere administrative act, which has as premise that the notice of appeal was indeed filed) would have a most serious consequence than the late filing of the requirement by which the parties demonstrate their intention of contesting a decision by means of appeal.

Having responded to the first part of question 1, it should be considered if the fee linked to a notice of appeal late filed must be reimbursed. The reasons which ground the reimbursement of the fees in this case are the same, *mutatis mutandis*, as the ones set forth above for question 2. Considering the above, if the appeal is filed after expiry of the two-month time limit under Article 108 EPC, the appeal is deemed not to have been filed and the fee must be reimbursed as having no legal basis.

QUESTION 3: If the notice of appeal is filed *and* the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, is the appeal inadmissible or is it deemed not to have been filed, and must the appeal fee be reimbursed.

Considering that the answers to question 1 and 2 are the same, there appears to be no logical reason why the third question should be answered differently. Therefore, the appeal is deemed not to have been filed and the fee must be reimbursed as having no legal basis

FURTHER CONSIDERATIONS:

Provisions of the EPC with similar wording:

The understanding set out above for questions 1 and 2 is further supported by considering other provisions of the EPC (and its Implementing Regulations) with the same wording used in article 108 EPC, notably:

- Article 94 (1) second sentence EPC - Request for examination;
- Article 99 (1) second sentence EPC – Opposition;
- Article 105a (1), last sentence EPC - Request for limitation or revocation;
- Article 112a (4) last sentence EPC – Request for review by the Enlarged Board of Appeal;
- Rule 89 (2) last sentence EPC - Intervention of the assumed infringer;
- Rule 136 (1) last sentence EPC – Re-establishment.

In all the cases above listed, the legal consequence for the non-payment or late payment is being considered by the EPO to be that the request is deemed not filed and not that the request is inadmissible. There is no reason that justifies that article 108 should be interpreted differently. In this sense, and by conducting a systematic interpretation, the answer to the referred questions must be that if the notice of appeal is filed and/or the appeal fee is paid after expiry of the two-month time limit under article 108 EPC, the appeal is deemed not to have been filed and the appeal fee must be reimbursed.

Case-Law and the Guidelines for Examination:

In circumstances like the present case, the majority of the Boards of Appeal decision concluded that the appeal was deemed not have been filed and, consequently, the appeal fee must be reimbursed (J21/80, T41/82, T1325/15 and T2406/16).

With regard to T 1897/17 which represents the deviating decision, it is understood – as previously referred – that the wording of rule 101 (1) EPC cannot be taken into consideration independently of the remaining provisions, especially those defined in the Convention – articles 108 and 51 (2) EPC –, and should be interpreted within the terms of the Vienna Convention on the Law of Treaties.

Considering the majority of the case-law and the principle of good faith, the reasonable expectation of the parties should not be violated. In this respect, the Guidelines for Examination (November 2018) must also be considered.

Furthermore, and although of lesser relevance, according to A-X, 10.1.2. the payment of a fee after expiry of the applicable time limit is not valid and must be refunded. Therefore, also for this

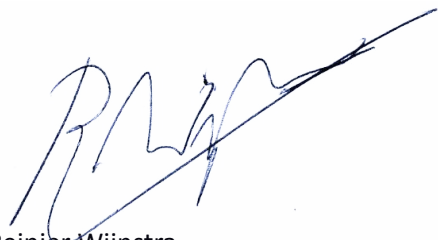
reason it is reasonably expectable that the parties consider that the late payment of the appeal fees must be refunded, due to the non-existence of the appeal and by majority of reason where the notice of appeal is not filed in due time.

CONCLUSIONS:


Bearing in mind the above, it is clear that the answer to the referred question should be that: If the notice of appeal is filed and/or the appeal fee is paid after expiry of the two-month time limit under Article 108 EPC, the appeal is deemed not to have been filed, and the appeal fee is to be reimbursed.

This statement has been drafted by Rui Gomes and Joana Piriquito Santos, both members of the Patents Commission of UNION-IP, and approved by the Patents Commission, the Bureau, and the Executive Committee of UNION-IP.

Signed at Brussels on 30 November 2018.

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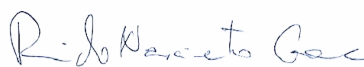
Reinier Wijnstra
President of the Patents Commission

A handwritten signature in blue ink, appearing to be 'JY Plaçais'.

Jean-Yves Plaçais
President

A handwritten signature in blue ink, appearing to be 'Joana Piriquito Santos'.

Joana Santos
Member of the Patents Commission

A handwritten signature in blue ink, appearing to be 'Rui Gomes'.

Rui Gomes
Member of the Patents Commission