



Case Number : J 8/92

DECISION
of 23 November 1992
of the Legal Board of Appeal
correcting errors in the decision
of 6 October 1992

Appellant :

SCLAVO S.p.A.
Via Fiorentina, 1
I - 53100 Siena (IT)

Representative :

Gervasi, Gemma
NOTARBARTOLO & GERVASI Srl
Viale Bianca Maria 33
I - 20122 Milano (IT)

Decision under appeal :

Decision of the Receiving Section of the
European Patent Office of 6 December 1991, by
which refund of the surcharge under Article 8(3)
RFees-EPC was refused.

Composition of the Board :

Chairman : O. Bossung
Members : J.C. De Preter
S. Perryman

In application of Rule 89 EPC the decision in the appeal case J 8/92 given on 6 October 1992 is hereby ordered to be corrected by the insertion of "RFees-" before "EPC" on the front page.

The Registrar:

The Chairman:

M. Beer

O. Bossung

A		B	X	C	
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File Number: J 8/92
Application No.: 91 109 883.8
Publication No.:
Title of invention:

Classification:

D E C I S I O N
of 6 October 1992

Applicant: SCLAVO S.p.A.

Headword: Date of payment/SCLAVO
EPC Article 8(3) and (4) RFees - amended version
Keyword: Date of "actual entry" at EPO bank



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Decision under appeal : Decision of the Receiving Section of the European Patent Office of 6 December 1991, by which refund of the surcharge under Article 8(3) EPC was refused.

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Summary of Facts and Submissions

- I. European patent application No. 91 109 883.8 was filed on 17 June 1991. The period for payment of the application, search, designation and claim fees totalling ITL 5,979,000 expired on 17 July 1991. The Applicant paid in these fees in cash on 15 July 1991 (Monday) at a post office in Milan into the Giro account of the EPO at the Centro Compartimentale Servizi Bancoposta (CCSB) in Milan. Further the Applicant provided the EPO with evidence by a letter dated 16 July, received on 17 July, of this payment by enclosing a photocopy of the payment receipt.
- II. The Receiving Section of the European Patent Office informed the Applicant by a communication on EPO-Form 1137 dated 14 August 1991 that the fees were paid on 19 July 1991 after expiry of the period for payment, and indicated inter alia that the fees could still be validly paid if, within a period of grace of one month after notification, evidence were provided that the payment was effected in a Contracting State before expiry of the period of payment and a surcharge of 10% on the late-paid fees, but not exceeding DEM 300 were also paid under Article 8(3,4) of the Rules Relating to Fees (hereinafter RFees). No reference was made to the fact that evidence of payment into the Giro account of the EPO was already on file. The Applicant paid such a surcharge equivalent to DEM 300 as a precautionary measure and under protest, stating in its letter dated 18 September 1991 that the sum paid was "actually entered" in a Giro account held by the European Patent Office on 15 July 1991 as per the evidence sent the EPO in the Applicant's letter dated 16 July. The Applicant applied for an appealable decision by the Receiving Section on the matter, making clear in its submission that its concern was to have a decision clarifying what is to be considered as the date on which payment is made into

the Giro Account in Italy of the EPO under Article 8(1)(a) as amended.

- III. The Receiving Section of the EPO held in a decision dated 6 December 1991, that (a) the payment of the fees was made after expiry of the time limit, but that (b) with payment of the surcharge within the period of grace, these fees are considered to have been validly paid and that (c) the surcharge, having been validly paid, shall not be refunded.
- IV. The Applicant appealed against this Decision by letter dated 3 February 1992, received on 4 February. The Grounds of Appeal were immediately stated in this letter and the Appeal fee paid. The Applicant requested that the Decision of 6 December 1991 be set aside, that it be acknowledged that the payment of fees had been made in due time, namely, within the term set by the Rules Relating to Fees as amended on 7 December 1990 which entered into force on 3 January 1991, and that the surcharge payment and the Appeal fee be refunded.
- V. The Board of Appeal procured and considered the statement of account of CCSB Milano dated 19 July 1991 ("Situazione conto al ...") and for the purpose of comparison also procured and considered that of 18 July 1991. In the former statement the amount in question is listed with "Data 15.07" as "Versamento" (payment-in). That statement reproduces the "Situazione conto al 19.07.91" and was received by the EPO on 2 August 1991. It was accompanied by a Post Office voucher date stamped 15 July 1991 giving on its reverse side details of the payment and its purpose, and a notice concerning the legal effect of such payment.

Reasons for the Decision

1. The appeal is admissible.
2. Legal background and history of Article 8 RFees
 - 2.1 Article 8 of the RFees of the EPC lays down as the date on which payment shall be considered to have been made the date of "actual entry" in an account of the EPO. The EPO holds accounts with those banks and post offices in the Contracting States (hereinafter "EPO-banks") which are listed in the Official Journal of the EPO. In the version of Article 8 RFees in force before 3 January 1991 for payments in or remittances to the accounts of the EPO the significant date was that on which the paid in or remitted amount was entered ("gutgeschrieben wird" - "est porté au crédit"). This date (C) of entry can be later than the date (A), on which the payment was effected or the date (B) on which the payment was irrevocable, respectively, (considered from the point of view of commercial law) became the disposable property of the EPO.
 - 2.2 In the jurisprudence of the Boards of Appeal of the EPO the date (B) of irrevocability is equated to the date (C) of entry (jurisprudence summarised in J 24/86 of 13 February 1986 in OJ EPO 1987, 399). It was only in this way that an inappropriate result could be prevented in those cases in which the delay in the entry, which was not the fault of the patent Applicant because outside of his control, would have led to an irremediable loss of rights. According to European law if payment of the so-called initiating fees and examination fees is late re-establishment of rights is precluded by Article 122(5) EPC (in practice this now means the time limits resulting from Rules 85(a) and 85(b) EPC). It would have been contradictory to punish the Applicant with an irremediable

loss of rights for the delay in a book-keeping entry which occurs in an EPO bank, and thus within the sphere of responsibility and control of the EPO.

2.3 In national patent laws by way of contrast there is the possibility of re-establishment of rights even in these cases; partly it is even possible to make good delays in the book-keeping entry not attributable to the fault of the Applicant in an even simpler manner (on this see Order No. 953 in Italian law). The national patent laws further to a great extent refer to the date (A) on which the payment is effected. This is mostly the case where post payments in are concerned. The date of payment in is however also the determining date in Greece, in the case where the bank, at which payment in is made, "co-operates with the [Greek] Patent Office". Reference may here be made to the EPO brochure "National law relating to the EPC" Chapter VIII column 4. For European law, that is for the choice between "sending theory" (effecting) and "receipt theory" (entry) attention is also drawn to Gall, Münchener Kommentar, Article 51, marginal note 151 and following. By the above-mentioned jurisprudence of the Boards of Appeal of the EPO the "receipt theory" (entry) was already modified to the extent that the date (B) of irrevocability was equated with the date (C) of entry.

2.4 The practicability of this jurisprudence was however called into question by a decision of the Boards of Appeal themselves (T 47/88 of 17 October 1988 in OJ EPO 1990, 35). This decision was wholly based on a purely legally and theoretically possible revocability of a payment, although in practice it was irrevocable. This led to different treatment of Giro account payments in for Italy (earlier decision T 214/83 of 3 September 1984 in OJ EPO 1985, 10) and Luxembourg (above-mentioned decision J 24/86) on the one hand where the effectuation date (A)

of the payment was considered the significant date, and on the other hand for Germany where after the above-mentioned decision T 47/87 only the date (C) of entry was recognised as being legally significant.

2.5 The President of the EPO considered it necessary to propose to the Administrative Council the amended version of Article 8 RFees presently in force (Doc. CA/52/90 Rev. 2e of 14 November 1990). This amended version now makes it possible that not only the date (B) of irrevocability, but already the effectuation date (A) takes the place of the date (C) of entry. All that is required is an extra payment of 10% of the fee(s), with a maximum of DEM 300. This can be seen as a departure to some extent from the "entry theory" or at least a modification of this theory. In principle however the date (C) of entry is retained. The reason for this is stated as being that the administration of the EPO needs a date which (1) can easily be determined from the statements of account and which (2) is uniform for all Contracting States. Whether the latter is the case may be doubted in view of the different working procedures of the EPO banks in the different Contracting States. Nevertheless the amended version of Article 8 RFees must be welcomed as a substantial improvement favouring applicants. A loss of rights by a delay in the book-keeping entry is excluded; at worst the Applicant has to pay a surcharge. The improvement achieved does not however preclude there being problems remaining or newly created (due to the surcharge).

3. The decision in the appeal in the specific case of a payment to the "Centro Compartimentale Servizi di Bancoposta" (CCSB) Milano

3.1 The Receiving Section has not investigated the facts, that is, it has neither procured nor considered the relevant statements of account. In accordance with decision J 23/82 (OJ EPO 1983, 127) this results in the impugned decision being set aside and the case being remitted. It should have been recognised that a ruling was required on a point of importance and that the Applicant was seeking this. A request for an appealable decision does not mean that necessary investigations can be omitted. Although the improvement achieved with the amendment of Article 8 RFees deserves full recognition, this does not mean that existing or newly created problems can be ignored. There also appear necessary further investigations beyond those carried out by the Board of Appeal itself, namely investigations of the accounting entries made in practice by other EPO banks.

3.2 If a legal norm, here Article 8 RFees, focuses upon the date of "entry", or now respectively "actual entry", then this must be defined. The dates which are attributed by the banks to statements of account cannot simply be assumed to be the date of the "entry". Sometimes the date of compilation of the statement (or "datum" for short) is referred to. "Entries" may have taken place earlier than a later dated statement of account; "entries" can also have been made with retroactive effect and are then usually equivalent to a retroactive "value date". In the present case too, the situation is not unambiguous. In the statement of account of CCSB Milano two dates are given: firstly "Data 15.07." (Monday); this is the effectuation date (A) that is here the date of payment made. Further there is given a "Situazione conto" 19 July (Friday).

3.2.1 The first question that arises is, whether the latter date is to be considered as the date, on which the amount is actually entered ("tatsächlich gutgeschrieben" - "effectivement porté au crédit") in the account. "Actually entered" (and the German and French equivalents) could be understood as referring to completion of the mechanics of the book-keeping entry. The two statements of account which are available to the Board of Appeal (of 18 and 19 July) make it possible that the statements while reproducing the "situazione conto al" were compiled later. This would also be supported by the fact that from the CCSB Milano summarises statements of other CCSB of the same date. Further in the explanation relating to the statement (Avvertenze Nr 1) the credit and debit entries are referred to in the past tense ("... accreditamento ... effettuate"). Finally so much time passed between 19 July and 2 August when the statement was received by the EPO that the date of "actual entry" might not be the date of "situazione" but some later date. While it is convenient to assume that at least "19" is to be considered as the date of entry, there are no compelling reasons for doing so.

3.2.2 If one concludes that the date "Data 15.07." cannot be recognised as the determining date of payment, then this is not wholly free of problems. After all this date is the determining date on which under Italian law the debtor fulfils his obligation to pay. This is also the determining date of payment for fee payments to the Italian Patent Office. The position under Italian law is not compelling for the shaping of European law. However the question arises, what useful purpose is served if European law is needlessly construed to be at odds with the position under national law. The date "data" can be read off by the administration of the EPO just as easily from the statement of account as can the date of the "situazione conto".

3.2.3 For someone who effects a payment at an EPO bank, the later date of "actual entry" - whatever may be understood by this term - cannot be foreseen or controlled. This date lies within the sphere of responsibility of the EPO, for the EPO stands in a contractual relationship with the EPO bank. If the payment is effected at an EPO bank it appears inappropriate only to give the payer security if the payment is made ten days before the due date. If the payment is to an EPO bank it appears acceptable to consider as the determining date the date of effectuation. The EPO should be in a position to ensure with EPO banks that the day of effectuation is recorded in a manner which the EPO can clearly recognise. This is already the case with the Italian CCSB with its indication "data". By the indication "data" of the CCSB, as also with a "value date" before the date of entry the EPO is stated to be the owner by its own bank. The test question should further be posed in this case, if withdrawal of the application on Tuesday, 16 July 1991 would have made it possible to pay back the amount of the fees, even though these fees had been payable since the date of application (17 June 1991) and the EPO had become the owner of the amount of the fees on 15 July 1991 on payment in. The determining date of payment must of course be the same for each way of viewing the matter, thus either 15 or 19 July. The test question however shows that it would be unnatural to take as the determining date of payment a date later than the day on which the EPO obtained the property in the sum of the fees.

3.2.4 The final point to be examined in this case is whether the letter from the Applicant, received by the EPO on the last day of the payment period, namely 17 July 1991, is of no significance, although the EPO had thereby been provided with evidence of the (completed!) payment by means of a photocopy of the payment receipt. If this letter is to be

considered as without significance then the Applicant is in a worse position than if there had been handed in on its behalf a letter with a cheque or debit order. A cheque first has to be presented for payment and a debit order executed, and in neither case is there certainty of final payment. The completed payment into an EPO account at an EPO bank has by comparison greater value. Thus the completed payment should not be depreciated compared to the sending of a cheque or a debit order. For all that remains to be done is a bookkeeping entry, which takes place solely in the sphere of responsibility of the EPO.

4. Further considerations

4.1 The case is remitted, because a final decision would require closer investigation of the systems operated by EPO banks as well as an invitation under Article 12a of the Rules of Procedure of the Boards of Appeal (OJ EPO 1989, 361) to the President of the EPO to comment in writing or orally. Remitting the case, further allows examination of the question whether in respect of EPO banks the date (A) of effectuation of such a payment cannot be chosen by the EPO as the determining date of payment under the provisions of Article 8 RFees. This would also make the surcharge superfluous, which might be desirable for the following considerations.

4.2 Even though it is said in Article 8(4), that the EPO "may request the person who made the payment to produce evidence [of timely effectuation] ... and, where required, pay a surcharge ... within a period to be specified by it" presumably the Office must do so if the person making the payment does not voluntarily take these steps. Including the time of processing and the time allowed for postal delivery (ten days) the one month period granted the Applicant (in practice) affords him a further period of

two to three months in which to consider his decision. Without incurring any risk, he can decide whether or not to make the original payment "valid" by paying the surcharge. In the case of payments which initiate a procedure, or continue it, or by which a patent application is maintained in force (that is opposition, appeal, and annual renewal fees) the payer can for little money and no risk leave the Office, other parties to the same proceedings and third parties in a temporary state of uncertainty. This uncertainty could be extended by about three months by means of an application under Article 121 for further processing. With respect to the appeal fee the amended Article 8 RFees thus opens the possibility of a "conditional appeal".

- 4.3 By remitting the case, the Board of Appeal leaves open the question, whether the surcharge paid to preserve the Applicant's rights should be paid back - as requested by the Appellant. At present this appears secondary. It is more important that the provisions of Article 8 and their effects be thoroughly reconsidered.

Order

For these reasons, it is decided that:

1. The decision under appeal is set aside.
2. The case is remitted to the first instance.
3. Reimbursement of the appeal fee is ordered.

The Registrar:

The Chairman:

M. Beer

O. Bossung