



Practice Note - Ownership of Files

File ownership has been the subject of a number of complaints to the Trans-Tasman IP Attorneys Board (the Board). This Practice Note is published by the Board to help registered patent attorneys and registered trade marks attorneys (**collectively, 'registered attorneys'**) understand their obligations and to assist with the provision of client property to the client or the client's representative in a reasonable timeframe, if requested.

Responsibilities of registered attorneys to act in a timely manner

The Board expects that registered attorneys maintain matter files in such a manner that the client's property is, or can be, readily identified. This assists the registered attorney in promptly complying with any request for the delivery of the client's property to the client or the client's new representative.

Legislative requirements

The *Code of Conduct for Trans-Tasman Patent and Trade Marks Attorneys 2018* (the Code) deals generally with the professional conduct required of registered attorneys. Section 25 of the Code deals with client or former client property, including the delivery of a client's property when requested by the client. However, a registered attorney need not provide the client's property if the client has not satisfied a lien imposed in accordance with the *Patents Regulations 1991* (Cth) or the *Trade Marks Regulations 1995* (Cth), or the *Patents Act 2013* (NZ) or otherwise by law.

A registered attorney may claim a lien over client documents if outstanding fees are owing to the registered attorney. If a registered attorney is running several files for a client, then the lien may be applied to all the client's files.

Which parts of attorney files are client property that should be delivered to the client on request?

Examples of client property held by a registered attorney (whether held in paper or electronic form) during a retainer include:

- documents¹, samples or other material created by the client either prior to, or during, the retainer, or documents, samples or other materials otherwise owned by the client given to the registered attorney for the purpose of doing the work subject to the retainer.
- documents sent to, or from, the registered attorney as representative of the client. E.g. correspondence with IP Offices or correspondence with third parties for the client's benefit.
- any other documents prepared by the registered attorney for the benefit of the client.
- documents prepared by a third party and sent to the registered attorney at the client's expense.
- documents brought into existence by a registered attorney who acts only as an agent for the client for this purpose.
- any other documents, including file notes of telephone discussions, prepared by the registered attorney at the client's expense and for the benefit of the client.

¹ A document is defined in this Practice Note as a piece of written, printed, or electronic matter that provides information or evidence, or that serves as an official record.

Registered attorneys should note that paragraph 25(1)(b) of the Code provides for the registered attorney to release 'documents, samples or material to which the client may have access under an agreement between the registered attorney and the client'. This category of documents, samples or material will be determined by the nature of the agreement between the client and the registered attorney. However, this provision should not be viewed as removing the client's right to its property. Registered attorneys may seek to clarify these matters in their standard retainer terms for the avoidance of doubt.

Which parts are not client property?

Examples of documents that are not client property include:

- documents given to a registered attorney for the registered attorney's own use and benefit.
- documents prepared by the registered attorney at no charge to the client solely for the registered attorney's own benefit, protection, or records, such as:
 - (i) notes of attendances by the registered attorney on the client; and
 - (ii) internal records and memos about work done or work to be done.

Can an attorney levy charges for the storage, extraction, copying or provision of a client's file (and if so, when)?

A client should not be charged for a registered attorney retaining a copy of the client's property.

In practice, a registered attorney should not levy service charges for providing to the client its property unless the registered attorney and client have otherwise agreed. If a charge has been agreed, then it is recommended that the charge reflect the approximate cost to the registered attorney of providing the client property.

In the absence of such an agreement, if a registered attorney were to charge an unreasonable amount for document storage, extraction, copying or provision of client property it could be found that such conduct is inconsistent with the registered attorney's obligation to act in the best interests of the registered attorney's client.

If you have any questions or concerns, please contact the Secretary, Trans-Tasman IP Attorneys Board at: secretary.ttipab@ipaaustralia.gov.au