

INVENTORS ASSOCIATION OF WESTERN AUSTRALIA INC**ASSOCIATION NO. A823757****Incorporated as an Association under the****Western Australia Associations Incorporation Act, 1895 – 1982****on 25 October 1988.*****DRAFT*****Code of Ethics****June 2007****GENERAL GUIDANCE FOR MEMBERS**

Complaints against an accredited Company Member may be received from another member or from a member of the public at large. These shall be reviewed by the Ethics sub-committee in a manner that ensures procedural fairness. Complaints and deliberations of the Ethics sub-committee, appeals and matters relative to Ethics complaints remain confidential, unless Ethics Committee decisions are made public in accordance with rule provisions.

APPLICABLE TO

Company Members – Australian-registered companies, businesses, partnerships and sole traders with a commercial interest in investing in inventions, or in assisting inventors to develop, protect, manufacture, promote, license or sell their inventions in whatever form (eg a design, patent, or product). Such assistance shall include but not limited to services such as engineering design and marketing consultancy, patent attorney services, financing and finance facilitation, manufacturing and sales agents, licensees, franchisees and investment agencies etc., and entities with a commercial interest in assisting the Association achieve its objects in return for payment. Applications for membership of the Association under clause 4.1.3 shall carry an implicit commitment by the applicant to abide by the Association's Code of Ethics.

Any breach of the specific clauses of the Code of Ethics may be a cause for complaint. Breaches without dishonesty, intent, repetition or reckless incompetence should be deemed as "noncompliance" which could result in personal counselling and/or admonition, but not suspension. More serious breaches involving these characteristics should be deemed as "unethical behaviour" and could give rise to suspension, expulsion, and/or publication and withdrawal of the right to use the Inventors Association Accredited Company Member logo on letter heads and advertising materials. Procedures for suspension or expulsion of a member are provided in the Rule 10 of the inventors Association of Western Australia constitution or Rules of the Association.

OBJECTS

The objects of the Code of Ethics:

- To promote ethical practice and to repress malpractice amongst inventors and inventor service providers.
- **To settle disputed points of practice and to decide all questions of professional usage and etiquette affecting members of Association**
- To protect the interests of inventors through the promotion of improvements in service standards and business practices.
- To provide a basis for the Inventors Association to award accreditation to companies that undertake to maintain the business practice in accordance with the code.
- To provide a basis for the Inventors Association monitor the business practices of company Members for compliance with the code.
- To provide promotional opportunities for accredited company members services.

CODE OF ETHICS

- 1 **Company members shall only perform work in areas of their own competence.**
- 2 **Company Members shall not act in a fraudulent or deceitful manner.**
- 3 **Company Members should be open and transparent in all matters relating to fees for services.**
- 4 **Company Members shall act promptly but only within the agreed scope of work**
- 5 **Company Members should respect their clients confidentiality and privacy.**
- 6 **Company members shall avoid engagements where there is a possible conflict of interest**

GUIDELINES

- 1 **Company members shall only perform work in areas of their own competence.** Company Members should represent themselves and their abilities honestly to clients. If an assignment requires qualifications or experience not possessed by the member, they should recommend that their client obtain further advice. They should ensure that any sub consultants or sub contractors they may employ have the relevant qualifications and experience for the task. Company Members shall declare their qualifications and should provide capability statements and lists of clients on request. Company members shall not represent themselves as patent or trademark attorneys unless they are registered under the Trademark Act. Members shall neither falsify nor misrepresent their own or their associate's qualifications, experience and prior responsibility;
- 2 **Company Members shall not act in a fraudulent or deceitful manner.** Company Members should never engage in fraudulent or dishonest practices nor knowingly continue in partnership or act in professional matters with any person who has been removed from membership or whose membership of the Association has been suspended and not re-instated, because of unprofessional conduct. Company Members shall not use association with other persons, corporations or partnerships to conceal unethical acts;
- 3 **Company Members should be open and transparent in all matters relating to fees for services.** Company Members should provide their potential clients with a details of any proposed scheme of work including the objective of the proposed work, the scope and proposed work procedures, a cost estimate, time estimate, possible consequences of any outcome and any risks to the client. The Company member should at the request of the client detailed cost and timing estimates. Members should attach importance to loyalty and conduct the relationship in a spirit of good faith and open and transparent communication. Company Members should always advise their client or employer when, in their reasonable opinion, a project appears unviable, could endanger the anyone in the community or is in conflict with this Code of Ethics. If a client wishes to proceed with the project contrary to the Member's advice, the member should clearly explain what the consequences could be and, if necessary, withdraw from the project. Company Members should seek financial compensation only for undertaking work for their client. Company Members neither solicit nor accept financial or any other consideration from material or equipment suppliers as a consequence of specifying their products, or from contractors, their agents or other parties arising out of work for which they are responsible.
Members should not undertake work on a basis which involves an undisclosed speculative fee or undisclosed remuneration which is conditional on implementation of the work. (b) shall not accept compensation, financial or otherwise, from more than one party for services on the same project, unless the circumstances are fully disclosed to, and agreed to by all interested parties; **shall not undertake professional work on a basis which involves an undisclosed speculative fee or undisclosed remuneration which is conditional on implementation of the work. (b) members shall reveal the existence of any interest, pecuniary or otherwise, that could be taken to**

affect their judgement in a technical matter about which they are making a statement or giving evidence. shall neither solicit nor accept financial or other valuable considerations, including free designs, from material or equipment suppliers for specifying their products

- 4 **Company Members shall act promptly** but only within the agreed scope of work, and he shall keep the client informed on the progress of the work and possible cost variations and or delays. Variations in scope shall be approved by the client prior to execution.
- 5 **Company Members should respect their clients confidentiality and privacy** and not disclose any confidential information or trade secrets acquired in the course of providing their services, without the express prior permission of the client. On the completion of services the Company member shall maintain confidentiality, shall not use any intellectual property gains in any manner, or use any trademarks, trade names, designs or procedures.
- 6 **Company members shall avoid engagements where there is a possible conflict of interest.** Company Members should always avoid assignments that may be perceived as a conflict between the interests of their client, or their own private interests. If such a situation arises, members should inform their client at the earliest opportunity and attempt resolution in a manner acceptable to all parties.

COMPLAINTS AGAINST A COMPANY MEMBER.

The main objective of this code is to protect inventors from unethical, illegal or unreasonable behaviour by companies purporting to be "helping" inventors.

There are usually two parties in every agreement and every argument. If an inventor expects a service provider to behave honourably, then he too must behave honourably.

Minimum behaviour standards for inventors:

- 1 Inventors must be cooperative and assist the service provider with the all information he requires to develop a strategy and budget for the service sought.
- 2 The inventor must get and understand the achievable outcomes and timeframes for the service, then give clear and timely instructions to the service provider based on his advice.
- 3 The inventor must assist the service provider by providing prompt replies to questions and requests for more information.
- 4 The inventor must settle accounts promptly and provide upfront payments when these are required and are in accordance with the inventor's instructions.

The inventor should protect his own interests by:

- 5 Reading and understanding all correspondence from the service provider; this correspondence should be diligently filed
- 6 Keeping a record of all instructions given to the service provider including the date and how the instruction was delivered. Where instructions are given verbally these should be backed up in writing.
- 7 Keeping a diary of meetings, events and progress milestones.

The inventor has grounds for complaint if the service provider is a Company Member and has breached this code.

Minor complaints should in the first instance be settled by direct negotiation with the service provider. Inventors are invited to fairly report on the negotiations.

Where more serious breaches of the code have been perpetrated, the inventor should report the incident to the President of the Inventors Association (Box 776 Balcatta WA 6924) in writing as soon as possible.

The President shall investigate both sides of the incident and determine what steps should be taken next. This may involve a caution, suspension or expulsion following Rule 10 of the constitution.