

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 1908
OFFERED BY MR. SCHIFF OF CALIFORNIA**

Page 58, strike lines 1 through 20 and insert the following:

1 “(1) DEFENSE.—A patent may be held to be
2 unenforceable, or other remedy imposed under para-
3 graph (3), for inequitable conduct only if it is estab-
4 lished, by clear and convincing evidence, that—

5 “(A) the patentee, its agents, or another
6 person with a duty of disclosure to the Office,
7 with the intent to mislead or deceive the patent
8 examiner, misrepresented or failed to disclose
9 material information concerning a matter or
10 proceeding before the Office; and

11 “(B) in the absence of such deception, the
12 Office, acting reasonably, would, on the record
13 before it, have made a prima facie finding of
14 unpatentability.

Page 58, line 21, strike “(B)” and insert “(2)” and
adjust the margins accordingly.

Page 59, insert the following after line 7:

1 “(3) REMEDY.—Upon a finding of inequitable
2 conduct, the court shall balance the equities to de-
3 termine which of the following remedies to impose:
4 “(A) Denying equitable relief to the patent
5 holder and limiting the remedy for infringement
6 to damages.
7 “(B) Holding the claims-in-suit, or the
8 claims in which inequitable conduct occurred,
9 unenforceable.
10 “(C) Holding the patent unenforceable.
11 “(D) Holding the claims of a related pat-
12 ent unenforceable.”.

Page 59, line 8, strike “(3)” and insert “(4)”.