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**Datasheet for the decision  
of 10 December 2010**

**Case Number:** T 1587/07 - 3.4.03

**Application Number:** 00968720.3

**Publication Number:** 1218861

**IPC:** G07F 7/10

**Language of the proceedings:** EN

**Title of invention:**

System and method for global internet digital identification

**Applicant:**

MASTERCARD INTERNATIONAL, INC.

**Opponent:**

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**Headword:**

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**Relevant legal provisions:**

RPBA Art. 12(4), 13(1), 15(3)

**Relevant legal provisions (EPC 1973):**

EPC R. 71(2)

**Keyword:**

"Non-attendance at oral proceedings"

"Main request and auxiliary request - not admitted"

**Decisions cited:**

T 0602/03, T 1704/06, T 0991/07, T 1867/07, T 0361/08

**Catchword:**

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## Summary of Facts and Submissions

- I. This concerns an appeal by the appellant (applicant) against the decision of the examining division dated 14 March 2007, refusing European patent application No. 00 968 720 which was published under the publication No. WO 01/27887 A1.
- II. The examination proceedings can be summarized as follows:
- With a letter dated 20 March 2006 the appellant submitted a new set of claims on which the examination was to be based. Method claim 1 of that set contained the following steps:
    - (I) "storing secret data which is shared with the ID holder",
    - (II) "using the secret data to generate a cryptographic transaction certificate",
    - (III) "storing transaction data related to at least one of the identification data, the authorization request message, the authentication operation, the authorization response message, and the output response message, said transaction data including said transaction certificate",
    - (IV) "incorporating the transaction certificate into payment transaction data", and
    - (V) "using the payment transaction data to initiate a payment".

- In the communication annexed to the summons of 15 September 2006 to attend oral proceedings before the examining division, an objection was raised that claim 1 filed with letter dated 20 March 2006 was not clear contrary to the requirements of Article 84 EPC 1973. In particular, it was held that it was not clear what the secret data related to, and with which of the other entities the ID holder shared the secret data (feature (I)), and it was also not indicated which of the entities involved in the method performed the steps (II) to (V).
  
- In its letter of reply to the summons to oral proceedings before the examining division dated 22 January 2007, the appellant submitted a new main and a new auxiliary request. In the letter it was stated that the claims were revised to address, *inter alia*, the examining division's clarity objections. Method claim 1 of the main request and method claim 1 of the auxiliary request contained the following steps:
  - (1)<sub>E</sub> "providing an ID holder (100) with identification data and a shared secret possessed by the ID issuer (500)",
  - (2)<sub>E</sub> "receiving, into the central switch (300), payment transaction data from the open network provided by the ID holder (100) wherein the payment transaction data includes the authorization response cryptogram",
  - (3)<sub>E</sub> "transmitting a payment request message including the authorization response

cryptogram to the ID issuer (500) via the trusted network (400)",

(4)<sub>E</sub> "using, by the ID issuer (500) the stored data and the shared secret possessed by the ID holder (100) and the ID issuer (500) to perform an authentication operation upon the payment request message including the authorization response cryptogram, and generating a payment authorization response message on the basis of the authentication operation".

- In the decision under appeal the examining division refused the application because the subject-matter of the independent claims according to the main and auxiliary requests contained subject-matter which extended beyond the content of the application as filed contrary to the requirements of Article 123(2) EPC 1973. In particular, it was held that features (1)<sub>E</sub> to (4)<sub>E</sub> cited above contained subject-matter extending beyond the application as filed.

III. The appeal proceedings can be summarized as follows:

- With the statement of the grounds of appeal dated 24 July 2007, the appellant requested that a patent be granted on the set of claims accompanying the letter. Method claim 1 of that set contained the following steps:

(1)<sub>A</sub> "providing an ID holder (100) with a digital ID by the ID issuer (500), the ID holder

- (100) possessing a shared secret shared only with the ID issuer (500)",
- (2)<sub>A</sub> "receiving, into the central switch (300), payment transaction data from the open network provided by the ID holder (100) wherein the payment transaction data includes a transaction certificate based on the authorization response cryptogram",
- (3)<sub>A</sub> "transmitting a payment request message including the transaction certificate based on the authorization response cryptogram to the ID issuer (500) via the trusted network (400)",
- (4)<sub>A</sub> "using, by the ID issuer (500), as in conventional legacy payment systems and methods the shared secret possessed by the ID holder (100) and the ID issuer (500) to perform an authentication operation upon the payment request message including the authorization response cryptogram, and generating a payment authorization response message on the basis of the authentication operation".

- In the communication pursuant to Article 15(1) of the Rules of Procedure of the Boards of Appeal of the European Patent Office (RPBA, OJ EPO 2007, 536), annexed to the summons to attend oral proceedings on 10 December 2010, the board made the preliminary remarks that the independent claims filed with the letter stating the grounds of appeal contained subject-matter which extended beyond the application as filed contrary to Article 123(2) EPC and were not clear contrary to

the requirements of Article 84 EPC 1973. In particular, the opinion was stated that features (2)<sub>A</sub>, (3)<sub>A</sub>, and (4)<sub>A</sub> of claim 1 extended beyond the application as filed. The appellant was also reminded of the provisions of Article 13 RPBA.

- In its reply to the summons to oral proceedings dated 19 November 2010, the appellant submitted two new sets of claims as a main request and an auxiliary request, respectively, to replace the claims on file.
  
- Oral proceedings were held on 10 December 2010 before the board in the absence of the appellant, of which the board had been informed with a letter dated 6 December 2010.

IV. Claim 1 according to the main request and the auxiliary request read as follows (the features which are essentially the same as the features (I) to (V) referred to in point II. above, are highlighted by the board):

Main request:

"1. A method for verifying an identity of an ID holder (100), comprising the steps of:

- providing a central switch (300) in communication with a first network and a second network (400);
- receiving, into the central switch (300) identification data from the first network, wherein the identification data has been provided by the ID holder (100) and transmitted into the first network;
- controlling the central switch (300) to use the

identification data to generate an authorization request message having a format suitable for transmission through the second network;

controlling the central switch (300) to transmit the authorization request message into the second network (400) to an ID issuer (500);

receiving, into the central switch (300), an authorization response message from the second network (400), wherein the authorization response message has been generated by the ID issuer (500) in response to the authorization request message;

controlling the central switch (300) to use the authorization response message to generate an output response message having a format suitable for transmission through the first network; and

controlling the central switch (300) to transmit the output response message into the first network;

wherein the authorization response message is generated by performing an authentication operation upon the authorization request message, said method further comprising **storing transaction data related to at least one of the identification data, the authorization request message, the authentication operation, the authorization response message, and the output response message;**

wherein the transaction data comprises a **cryptographic transaction certificate**, said method further comprising:

**storing secret data which is shared with the ID holder (100); and**

**using the secret data to generate the transaction certificate;**

further comprising:



**incorporating the transaction certificate into payment transaction data; and**  
**using the payment transaction data to initiate a payment."**

Auxiliary request:

"1. A method for verifying an identity of an ID holder (100) , comprising the steps of:

receiving identification data from at least one of a first network and an ID requestor (200);

using the identification data to generate an authorization request message having a format suitable for transmission to at least one of a second network ((400) and an ID issuer (500);

transmitting the authorization request message to said at least one of a second network (400)and an ID issuer (500);

receiving, from said at least one of a second network (400) and an ID issuer (500), an authorization response message generated in response to the authorization request message;

using the authorization response message to generate an output message having a format suitable for transmission to said at least one of a first network and an ID requestor ((200); and

transmitting the output message to said at least one of a first network and an ID requestor (200);

wherein the authorization response message is generated by performing an authentication operation upon the authorization request message, said method further comprising **storing transaction data related to at least one of the identification data, the authorization request message, the authentication**

operation, the authorization response message, and the output message;

wherein the transaction data comprises a cryptographic transaction certificate;

said method further comprising:

storing secret data which is shared with the ID holder (100); and

using the secret data to generate the transaction certificate;

incorporating the transaction certificate into payment transaction data; and

using the payment transaction data to initiate a payment."

- V. The appellant's arguments made in writing, as far as they are relevant to this decision, can be summarized as follows:

Claim 1 according to the main and auxiliary requests was based on claims 1, 26-28 and 36, 50-52 as published, respectively, while claim 2 according to the main and auxiliary requests was based on claims 59 and 73-75 as published. Therefore, the objections raised in the annex to the summons to oral proceedings regarding added subject-matter under Article 123(2) EPC were made moot.

## Reasons for the Decision

1. Admissibility of the appeal

The appeal is admissible.

2. *Procedural matters*

- 2.1 As announced in advance, the duly summoned appellant did not attend the oral proceedings. The proceedings were however continued without the appellant in accordance with Rule 71(2) EPC 1973.

According to Article 15(3) RPBA, the "Board shall not be obliged to delay any step in the proceedings, including its decision, by reason only of the absence at the oral proceedings of any party duly summoned who may then be treated as relying only on its written case".

The purpose of oral proceedings is to give the party the opportunity to present its case and to be heard. However a party gives up that opportunity if it does not attend the oral proceedings. This view is supported by the explanatory note to Article 15(3) (former Article 11(3) RPBA) which reads:

"This provision does not contradict the principle of the right to be heard pursuant to Article 113(1) EPC since that Article only affords the opportunity to be heard and, by absenting itself from the oral proceedings, a party gives up that opportunity" (see CA/133/02 dated 12 November 2002).

- 2.2 It is established case law of the boards of appeal that an appellant who submits amended claims shortly before the oral proceedings and subsequently does not attend these proceedings must expect a decision based on objections which might arise against such claims in his absence (see e.g. T 602/03, point 7 of the reasons). Therefore, an appellant who submits new claims after

oral proceedings have been arranged but does not attend these proceedings must expect that the board decides that the new claims are not allowable because of deficiencies, such as for example lack of clarity (see e.g. T 991/07 and T 1867/07, Reasons, point 3.5), or lack of inventive step (see e.g. T 1704/06, Reasons, point 7.6). However, it is the board's view that the appellant must also expect a decision not admitting a new request into appeal proceedings pursuant to Article 13 RPBA in his absence. This is in particular the case, if the appellant's attention was drawn to the provisions of Article 13 RPBA in the communication annexed to the summons to oral proceedings.

- 2.3 In the present case, the amendments filed were not admitted into the appeal proceedings for the reasons as detailed below. The appellant had to expect a discussion on the admission of its newly filed set of claims during oral proceedings, in particular because reference was made to Article 13 RPBA in the communication under Article 15(1) RPBA. Due to the appellant's absence in the oral proceedings, relevant issues regarding Article 13 RPBA could not be discussed with the appellant as for example the reason for reintroducing features which were deleted in first instance proceedings at a late stage of the appeal proceedings. However, a duly summoned appellant who by his own volition does not attend the oral proceedings cannot be in a more advantageous position than he would have been, if he had attended. The voluntary absence of the appellant can therefore not be a reason for the board not to raise issues it would have raised if the appellant had been present.

Since the appellant did not appear in order to explain why the amendments to its case should be admitted into the appeal proceedings the board could only rely on the appellant's written submissions. In this context, the board notes that, although the appellant was informed in the communication under Article 15(1) RPBA that amendments would be subject to Article 13 RPBA and that compliance with, *inter alia*, Article 84 EPC 1973 would have to be discussed, no comments on these matters were presented in writing. The voluntary absence of the appellant was not a reason for delaying a decision and the board was also in a position to decide at the conclusion of the oral proceedings, since the case was ready for decision (Article 15(5) and (6) RPBA).

3. Admission of the main and auxiliary requests  
(Article 13 RPBA)

3.1 According to Article 12(2) RPBA, the statement of the grounds of appeal shall contain a party's complete case. Any amendment to a party's case after it has filed its grounds of appeal may, according to Article 13(1) RPBA, be admitted and considered at the board's discretion. The discretion shall be exercised in view of, *inter alia*, the complexity of the new subject-matter submitted, the current state of the proceedings and the need for procedural economy.

3.2 The sets of claims submitted as a main request and an auxiliary request were filed with the letter dated 19 November 2010, i.e. after the board's communication under Article 15(1) RPBA and shortly before the oral proceedings. Hence the amendments to the appellant's case were filed after the statement of the grounds of

appeal. Thus the new requests are an amendment to the appellant's case within the meaning of Article 13(1) RPBA. The admission of these requests is therefore at the board's discretion.

- 3.3 When exercising its discretion under Article 13(1) RPBA, the board cannot ignore what happened during the proceedings before the examining division.

During the examining proceedings, with the letter dated 22 January 2007, the appellant submitted new requests with a method claim which contained the steps (1)<sub>E</sub> to (4)<sub>E</sub> replacing features (I) to (V) of the claims according to the request then on file (see point II. above). According to the submissions in this letter (page 1, second paragraph), these claims had been revised to address the examining division's clarity objections (see point II. above).

- 3.4 With the statement of the grounds of appeal, the appellant filed a new set of claims wherein features (1)<sub>E</sub> to (4)<sub>E</sub> of claim 1 were replaced by features (1)<sub>A</sub> to (4)<sub>A</sub>. The appellant stated that the claims had been revised to overcome the objections in the decision under appeal relating to added subject-matter (Article 123(2) EPC 1973), in particular, the added-subject matter objections concerning the features (1)<sub>E</sub> to (4)<sub>E</sub> (see points 10 and 11., items a), e) and f) of the statement).

- 3.5 In its reply to the summons to attend oral proceedings before the board, the appellant submitted two new sets of claims as a main and an auxiliary request, to overcome the objections raised in the annex to the

summons to oral proceedings regarding added subject-matter under Article 123(2) EPC.

However, the appellant reintroduced in claim 1 of the main request and auxiliary request the features which are essentially the same as features (I) to (V) which had been deleted from the method claim in examination proceedings to overcome the clarity objections under Article 84 EPC 1973 (see points II. and IV. above). Consequently, the objections regarding the lack of clarity of features (I) to (V), raised by the examining division in the communication annexed to the summons to oral proceedings, also concern claim 1 of the present main request and auxiliary request.

3.6 The newly filed claims raise thus the same issues which have already been raised in the proceedings before the examining division and which could have been dealt with in the decision under appeal if the appellant had not replaced the features (I) to (V) of claim 1 by the features (1)<sub>E</sub> to (4)<sub>E</sub>. Thus, in the board's view, the appellant could have presented requests comprising claims with features which are essentially the same as the features (I) to (V) during the examination proceedings.

3.7 In view of the particular circumstances of the first instance proceedings, the board considers it appropriate, when exercising its discretion under Article 13(1) RPBA, to take into account also the provisions of Article 12(4) RPBA. According to Article 12(4) RPBA, the board has the discretionary power to hold inadmissible requests which could have been presented or were not admitted in the first

instance proceedings. It is the board's view that this applies all the more to requests that were filed and subsequently withdrawn in the first instance proceedings, since such a course of events clearly shows that these requests could have been presented in the first instance proceedings. These criteria, which are applied by the board when exercising its discretion under Article 12(4) RPBA, can also be applied by the board when exercising its discretion under Article 13(1) RPBA (see also T 361/08, Reasons, point 13). The fact that the appellant had chosen to file the present main request and auxiliary request after it filed the grounds of appeal should not put the appellant in a better position than if it had filed this request with the statement of grounds for appeal. Otherwise it would be easily possible for the appellant to circumvent the provisions of Article 12(4) RPBA.

- 3.8 In the present case, the appellant withdrew its request filed with letter 20 March 2006 comprising claim 1 with the features (I) to (V) during the first instance proceedings (cf. point II. above). If the appellant had filed a request comprising claims with the features (I) to (V) with the statement of grounds of appeal, the board would have exercised its discretion according to Article 12(4) RPBA and would have most likely not admitted this request into the appeal proceedings. Consequently, the fact alone that the request comprising claim 1 with the features (I) to (V) was submitted and subsequently withdrawn in the first instance proceedings is for the board a sufficient reason not to admit the main request and auxiliary request, both comprising claims with features which are



essentially the same as the features (I) to (V), into appeal proceedings.

In addition, the present main request and auxiliary request were submitted at a very late stage of the appeal proceedings and new issues concerning clarity (Article 84 EPC 1973) could well arise due to the presence of claims for which a decision of the first instance was not given because of the appellant's withdrawal of the request filed with the letter dated 20 March 2006. Therefore the board takes the view that the appellant's behaviour counteracts procedural economy.

3.9 In view of the above, the board did not admit the main request and auxiliary request to the appeal proceedings, exercising its discretion pursuant to Article 13(1) RPBA

4. The appellant stated in the letter dated 19 November 2010 that the new sets of claims were filed as a main request and an auxiliary request "to replace the claims on file", thereby effectively withdrawing the previous requests. As the board does not admit the main and auxiliary request into the proceedings, there is no admissible request. Consequently, the appeal must fail.

**Order**

**For these reasons it is decided that:**

The appeal is dismissed.

The Registrar:

The Chairman:

S. Sánchez Chiquero

G. Eliasson