Please note that the translation provided below is only provisional translation and therefore does NOT represent an official document of Republic of Croatia. It confers no rights and imposes no obligations separate from does conferred or imposed by the legislation formally adopted and published in Croatian language.

Please note that this translation is a purified text version including amendments and decisions on the Act finishing with and including the final Amendments to the Act from the Official Gazette no. 117/2003.

Please note that Official Gazette no. 88/2001 "Arbitration Act" cancels articles 468a – 487 of this Civil Procedure Act.

Bolded letters mark the latest changes made to CPA in amendments "Official Gazette" no 117/2003.

CIVIL PROCEDURE ACT

- amended text –

Part One

GENERAL PROVISIONS

Title One

Article 1

This Act shall regulate the procedural rules under which courts shall hear and decide disputes over the basic rights and obligations of man and citizen, over personal and family relations and in labour, commercial, property and other civil law disputes, if the law does not prescribe for some of these disputes that the court shall resolve them subject to the rules of some other procedure.

Article 2

In civil contentious proceedings, courts shall decide within the limits of the claims put forward in the proceedings.

The court may not refuse to decide on a claim falling within its jurisdiction.

Article 3

The parties may freely dispose of the claims put forward by them in the proceedings.

They may waive their claims, admit their adversary's claims and reach a settlement.

The court shall not admit dispositions by the parties, which are contrary to *ius cogens* and the rules of public morality.

Article 4

As a rule, courts shall decide claims on the basis of oral, direct and public trials.

Article 5

The court shall give an opportunity to every party to enter his or her plea regarding the claims and allegations made by the opposing party.

The court shall be authorised to decide on claims about which the opposing party was not given the opportunity to enter his or her plea only if this is provided for by this Act.

Article 6

Civil proceedings shall be conducted in the Croatian language and with the use of Latin script, unless the use of another language or script has been introduced in individual courts.

Article 7

The parties are obliged to impart the facts on which their claims are based and propose evidence to establish these facts.

The court is authorized to establish facts which the parties have not presented and hear evidence which the parties have not proposed only if it suspects that the parties are intending to dispose of claims which they may not dispose of, (Article 3, Paragraph 3) if the law does not prescribe otherwise.

The court cannot found its decision on facts and evidence about which the parties have not been given the opportunity to make their observations

Article 8

The court shall decide, at its discretion, which facts it will find proved, after conscientious and careful assessment of all the evidence presented individually and as a whole and taking into consideration the results of the entire proceedings.

Article 9

Before the court, the parties and the intervenor shall be obliged to speak the truth and avail themselves of the rights granted to them by this Act in a conscientious manner.

Article 10

The court is obliged to conduct the proceedings without causing any delays, within a reasonable time, and with the minimum of costs, and prevent any form of abuse of rights in the proceedings.

The court shall fine with a monetary fine of 500.00 to 10,000.00 kunas for a physical person or 2,500.00 to 50,000.00 kunas for a legal entity anyone who attempts to abuse the rights they have in the proceedings, unless this Act prescribes otherwise.

The monetary fine in Paragraph 2 of this Article may be imposed on a party or the intervenor, or their legal representative if he/she is responsible for the abuse of rights.

The monetary fine shall be imposed by the first instance court. A single judge or the president of the chamber shall impose the fine outside of the trial hearing .

If the court deciding on a legal remedy suspects that any of the persons participating in the proceedings has seriously abused the rights belonging to them in the proceedings, it shall order the first instance court to examine if this kind of abuse was committed.

In the case in Paragraph 5 of this Article, the single judge, or the President of the chamber of the first instance court shall impose a monetary fine or shall establish by a ruling that no serious abuse of rights was committed. A copy of the decision of the first instance court shall always be sent to the court from Paragraph 5 of this Article.

The monetary fine imposed shall be collected ex officio as a monetary claim according to the rules of execution procedure.

Article 11

The party who, for reasons of ignorance, fails to avail himself or herself of the rights belonging to him or her under this Act shall be instructed by the court as to which procedural actions he or she may take.

Article 12

When for a court decision to be made, it is necessary to previously settle an issue regarding the existence of a right or legal relationship, and no decision on this issue has yet been made by the court or other competent body (preliminary issue), the court may settle this issue on its own, unless otherwise provided for by separate regulations.

A court decision on a preliminary issue shall have legal effect only in the litigation in which this issue was settled.

In civil proceedings, when it comes to the existence of a criminal offence and perpetrator's criminal liability, the court shall be bound by a legally effective judgment by the criminal court which found the defendant guilty.

Article 13

Judicial advisors are authorized in the first instance to conduct civil proceedings, assess the evidence and establish the facts. On the basis of proceedings so conducted, the judicial advisor shall submit to the judge, who is so authorized by the president of the court, a written proposal on the basis of which the judge shall render a decision. In the introduction to the decision it shall be stated that the decision was rendered on the basis of a proposal by a judicial advisor.

If he/she does not accept the proposal given by the judicial advisor, the competent judge shall conduct proceedings him/herself.

Judicial advisors are authorized in civil proceedings to conduct proceedings and propose a decision to the judge in disputes for the payment of monetary claims, if the value of the subject of the dispute does not exceed 50,000.00 kunas, or in commercial disputes if the value of the subject of the dispute does not exceed 500,000.00 kunas.

In second instance proceedings and proceedings conducted upon extraordinary legal remedies, judicial advisors shall report on the state of the case file and prepare a draft decision.

Article 14

If, for particular actions, the law does not specify in which form they may be undertaken, the parties shall undertake procedural actions either in writing outside of hearing or orally at a hearing.

Title Two

THE JURISDICTION AND COMPOSITION OF THE COURT

1. Common Provisions

Article 15

Immediately after receiving the complaint, the court shall assess, *sua sponte*, whether it has jurisdiction and in which composition it has jurisdiction.

This assessment of jurisdiction shall be made on the basis of the allegations in the complaint and on the basis of the facts known to the court.

If, in the course of the proceedings, there is a change of circumstances on which the court jurisdiction is based, the court which had jurisdiction at the time when the complaint was filed shall retain jurisdiction, even if these changes would trigger the jurisdiction of another regular court of the same type, if the law does not specifically state otherwise.

Article 16

Until the decision becomes legally effective., the court shall *sua sponte* take care to see whether the resolution of a particular dispute falls within the court jurisdiction.

When, in the course of the proceedings, until the decision becomes legally effective, the court establishes that resolution of a particular dispute does not fall within the jurisdiction of a court, but of another domestic body, it shall declare its lack of jurisdiction, set aside the procedural actions that have been undertaken and dismiss the complaint.

When, in the course of the proceedings, until the decision becomes legally effective, the court establishes that resolution of a particular dispute does not fall within the jurisdiction of a court in the Republic of Croatia, it shall *sua sponte* declare its lack of jurisdiction, set aside the procedural actions that have been undertaken and dismiss the complaint, except in cases when jurisdiction of a court in the Republic of Croatia is subject to the respondent's consent and the respondent has given this consent.

Article 17

The court may sua sponte declare itself to lack subject matter jurisdiction at the latest at the preparatory hearing or, if one is not held, until the respondent begins litigation on merits at the first trial hearing.

In the case of an objection by the respondent regarding the subject matter jurisdiction of the court, the court may declare that it lacks subject matter jurisdiction only if the respondent lodges this objection at the latest at the preparatory hearing or, if one was not held, at the first trial hearing before starting the litigation on merits.

No appeal shall be permitted against a ruling by a higher court of first instance by which it declared its subject matter jurisdiction or against a ruling by which this court declared its lack of subject matter jurisdiction and transferred the case to a lower court of first instance of the same type.

If the preparatory hearing has already been held, or, if one was not held, after the respondent at the first trial hearing has begun litigation on the merits of the case, a court of one type, whether sua sponte or upon the objection by the respondent submitted after the preparatory hearing, or if one was not held, after the respondent has begun litigation on the merits of the case, may only declare itself to lack subject matter jurisdiction for a case from the jurisdiction of a court of another type when the law specifically so prescribes.

Article 18

When a chamber in the course of the proceedings, or the president of the chamber at the preparatory hearing, either *sua sponte* or upon the parties' objections, establishes that the dispute in question is to be heard by a single judge of the same court, the proceedings shall, after this ruling becomes legally effective, continue before a single judge, preferably before the president of this chamber acting in the capacity of a single judge. The single judge shall be bound by a legally effective decision assigning the case to its jurisdiction.

In the case referred to in Paragraph 1 above, the chamber may, depending on the status of the proceedings, decide not to assign the case to a single judge, but to conduct the proceedings on its own. No appeal shall be permitted against this decision by the chamber.

The provisions of Paragraphs 1 and 2 above shall also apply when, in the course of the proceedings before a chamber, there is a change of circumstances or when the plaintiff reduces the amount of the claim, as a result of which the dispute is to be heard by a single judge.

If the chamber has rendered a decision on a dispute that had to be heard by a single judge, this decision may not be challenged on the grounds that the decision on the dispute has not been rendered by a single judge.

When, in the course of the proceedings, a single judge, either *sua sponte* or upon the parties' objections, finds that jurisdiction over the trial in question lies with a chamber of the same court, the proceedings shall continue before the chamber. No appeal shall be permitted against this ruling by a single judge.

Article 19

Up to the time a decision is rendered on the merits, the court shall stay the civil proceedings by a ruling if it establishes that the proceedings are to be conducted according to the rules of *ex parte* procedure. After the ruling becomes legally effective, the proceedings shall continue according to the rules of *ex parte* procedure, before the court having jurisdiction.

The actions undertaken by the court handling the litigation (on site inspection, expert witnessing, hearing witnesses, etc.) and the decisions taken by this court shall not be deemed without importance for the sole reason that they were undertaken in civil contentious proceedings.

Article 20

The court may, upon an objection by the respondent, declare its lack of territorial jurisdiction, provided that the objection was filed no later than at the preliminary hearing, or, if no such hearing has been held, until the respondent begins litigation on the merits at the first trial hearing.

The court may *sua sponte* declare its lack of territorial jurisdiction only when another court has exclusive territorial jurisdiction, no later than at the preliminary hearing, or, if no such hearing has been held, until the respondent begins litigation on the merits at the first trial hearing.

Article 21

After the ruling becomes legally effective by which it was declared to lack jurisdiction (Articles 17 and 20) the court shall transfer the case to the court with jurisdiction or one of the more courts with optional jurisdiction

The court to which the case has been transferred as being the court having jurisdiction shall continue the proceedings as if they had been initiated before it.

If a decision on the lack of jurisdiction was rendered at a trial, the court to which the case has been transferred shall schedule a trial and proceed as if the trial is conducted before the court in an altered composition (Article 315, Paragraph 3). If the decision on the lack of jurisdiction was rendered at a preparatory hearing, no new preparatory hearing shall be scheduled if the president of the chamber considers that it is not necessary in view of the actions undertaken at the preceding preparatory hearing.

Procedural actions undertaken by the court lacking jurisdiction (on site inspection, expert witnessing, hearing witnesses, etc.) shall not be deemed as without importance for the sole reason that they were undertaken by the court lacking jurisdiction.

Article 22

If the court to which the case has been transferred to as the competent court considers that jurisdiction lies with the court which has transferred the case to it or with another court, it shall send the case to the court which is to settle this conflict of jurisdiction, except when it finds that the case has been transferred to it as a result of an obvious mistake, instead of being transferred to another court, in which case it shall transfer the case to the other court and inform the court which has transferred the case to it about this fact.

The court from Paragraph 1 of this Article to whom the case is transferred as having jurisdiction, may sua sponte or at the proposal of one of the parties, act in accordance with this provision at the latest at the first hearing held after the case has been transferred to it.

When, upon an appeal against a decision by the court of first instance declaring its lack of territorial jurisdiction, a decision is rendered by the court of second instance, this decision shall, in respect of jurisdiction, also be binding on the court to which the case was transferred, if the court of second instance which rendered this decision has jurisdiction to settle conflicts of jurisdiction between these courts.

A decision by the court of second instance court on the court of first instance's lack of subject matter jurisdiction shall be binding on each court to which the same case is subsequently transferred, if the court of second instance has jurisdiction to settle conflicts of jurisdiction between these courts.

Article 23

Conflicts of jurisdiction between courts of the same type shall be settled by a higher court, immediately superior to both of them.

Conflicts of jurisdiction between courts of different types shall be settled by the Supreme Court of the Republic of Croatia.

The conflict of jurisdiction in Paragraphs 1 and 2 of this Article shall be resolved by a single judge of the court with jurisdiction.

Article 24

A decision on a conflict of jurisdiction may be rendered even when the parties have not previously entered their pleas as to the jurisdiction.

Until a conflict of jurisdiction is settled, the court to which the case was transferred shall be obliged to undertake urgent procedural actions.

No appeal shall be permitted against the ruling on conflict of jurisdiction.

Article 25

Every court shall undertake procedural actions in its own area but in exceptional circumstances and for justifiable reasons, a court may conduct certain actions in the area of another court. However, in case of risk of delay, the court shall also undertake individual actions in the area of a neighbouring court. It shall notify the court on whose area the action was undertaken.

Article 26

In relation to the jurisdiction of the courts in the Republic of Croatia over foreigners who enjoy immunity in the Republic of Croatia and over foreign states and international organizations, the rules of international law shall apply.

In case of doubt as to the existence and scope of the right to immunity, explanation shall be given by the ministry responsible for justice affairs.

2. Jurisdiction of Courts in Disputes with International Elements

Article 27

A court in the Republic of Croatia shall have jurisdiction over a trial when its jurisdiction over disputes with an international element is explicitly laid out in the law or international agreement. If the law or international agreement does not contain any explicit provision on the jurisdiction of a court in the Republic of Croatia over specific types of disputes, the court in the Republic of Croatia shall also have jurisdiction over trials in this type of disputes when its jurisdiction originates in the provisions on territorial jurisdiction of courts in the Republic of Croatia.

Article 28

In the case of statutory maintenance disputes, in which the plaintiff is the person seeking such maintenance, jurisdiction shall also lie with courts in the Republic of Croatia, when the plaintiff has permanent or temporary residence in the Republic of Croatia.

Article 29

In the case of disputes for establishing the existence or non-existence of marriage, annulment of marriage or divorce (marital disputes), jurisdiction shall lie with courts in the Republic of Croatia if both spouses are citizens of the Republic of Croatia or if only one of them is a citizen of the Republic of Croatia.

If neither of the spouses is a citizen of the Republic of Croatia, marital disputes shall lie within the jurisdiction of courts in the Republic of Croatia only if the national laws of both spouses allow such jurisdiction and if the spouses' last common residence was in the territory of the Republic of Croatia or if the respondent has permanent residence in the Republic of Croatia. If the national law of the spouses does not allow jurisdiction of a court in the Republic of Croatia, this court may have jurisdiction only if both spouses have permanent residence in the Republic of Croatia if they agree with the jurisdiction of a court in the Republic of Croatia.

Courts in the Republic of Croatia shall have exclusive jurisdiction over marital disputes, in which the respondent is a citizen of the Republic of Croatia and has permanent or temporary residence in the Republic of Croatia.

Article 30

In case of disputes for establishing or denying paternity or maternity, jurisdiction shall lie in courts in the Republic of Croatia if at least one party is a citizen of the Republic of Croatia.

If neither party is a citizen of the Republic of Croatia, a court in the Republic of Croatia shall have jurisdiction if the respondent has permanent or temporary residence in the Republic of Croatia. When the complaint is filed by a child, a court in the Republic of Croatia shall also have jurisdiction when the child has permanent or temporary residence in the Republic of Croatia.

If a complaint is filed against a child who is a citizen of the Republic of Croatia and has permanent or temporary residence in the Republic of Croatia, exclusive jurisdiction shall lie with a court in the Republic of Croatia.

Article 31

Until the probate proceedings conducted before a court in the Republic of Croatia are concluded by a legally effective decision, disputes over succession relations and disputes over creditors' claims against the testator shall lie within jurisdiction of a court in the Republic of Croatia even when the respondent does not have permanent or temporary residence in the Republic of Croatia.

Article 32

In the case of disputes over the right to use and dispose of, and put lien on an aircraft, maritime vessel and inland navigation vessel in social ownership, over ownership rights and other rights on vessels and aircrafts owned by citizens and civil law legal entities, and arising out of lease relations involving an aircraft and vessel, a court in the Republic of Croatia shall have jurisdiction when a registry is kept in the territory of the Republic in which the aircraft or vessel is registered.

In the case of trespass disputes involving aircrafts or vessels referred to in Paragraph 1 above, a court in the Republic of Croatia shall have jurisdiction when a registry is kept in the territory of the Republic of Croatia in which the aircraft or vessel is registered or when the trespass occurred in the territory of the Republic of Croatia.

3. Subject Matter Jurisdiction

Article 33

In civil proceedings, courts in the Republic of Croatia shall hear cases within the limits of their subject matter jurisdiction, as determined by the law.

Article 34

Municipal courts in civil proceedings always adjudicate in the first instance in disputes:

1. over maintenance;
2. over the existence or non-existence of marriage, on annulment of marriage and divorce;
3. over establishment or disputing of paternity or maternity;
4. about which parent a child shall live with and parental care (custody), if at the same time divorce, the existence or non-existence of marriage or annulment of marriage is also being resolved;
5. on material and personal easements;
6. over trespass,
7. arising from leasing, renting and housing relations (apart from disputes from Article 34b point 1);
8. over correction of information and payment of damages arising from publication of information;
9. over protection from illegal actions;
10. from labor relations instituted by an employee against a decision to terminate an employment contract.

Municipal courts adjudicate in the first instance in all other disputes from Article 1 of this Act which are not in the first instance jurisdiction of commercial or another type of court.

When within the territory of a county court there are several municipal courts established, the law may prescribe that only some of the municipal courts shall adjudicate in certain types of dispute from the competence of municipal courts in the territory of the same county court.

Municipal courts shall perform the work of legal aid, if the law does not prescribe otherwise.

Article 34a

County courts in civil proceedings:

1. adjudicate in the first instance in disputes as prescribed by the law;

2. resolve disputes over conflict of jurisdiction between municipal courts to which they are the immediately superior court;

3. decide on appeals against decisions by municipal courts rendered in the first instance;

4. carry out other tasks as prescribed by the law.

Article 34b

Commercial courts in civil disputes in the first instance adjudicate:

1. in disputes arising from commercial contracts and in disputes over payment of damages arising from these contracts between persons who perform commercial activities;

2. disputes arising from the foundation, work and termination of trading companies and the disposal of membership and membership rights in trading companies;

3. disputes between members of trading companies themselves and between members of a trading company and the company related to the management of the company and the running of the company's business and the rights and obligations of members of the company arising from their position in the company, disputes between the president and members of the management board or supervisory board of the company and the company or its members which arise in relation to their work in the company or for the company;

4. disputes about the liability of members of a trading company, a member of the management board or supervisory board of a trading company for the liabilities of the trading company.

5. disputes in which the party is a person in respect of which bankruptcy proceedings have been opened, regardless of the character of the other party and the time of the institution of the dispute and all disputes arising from bankruptcy, if for individual types of dispute the law does not specifically prescribe that courts of another type always have subject matter jurisdiction (Article 34, Paragraph 1);

6. in disputes relating to ships and navigation on the sea and inland waterways and in disputes to which navigation law is applied (navigational disputes) apart from disputes over passenger transport;

7. in disputes relating to airplanes and disputes to which air navigation law is applied, apart from disputes over passenger transport;

8. in disputes related to the protection and use of industrial property, copyright and related rights and other intellectual property rights, for the protection and use of

inventions and technical advances and trade name, if this is not regulated differently by a separate law;

9. in disputes arising from the acts of unfair market competition, monopolistic agreements and disruption of equality on the single market of the Republic of Croatia;

10. in disputes between persons from point one of this Article where other physical or legal persons are also participating as co-litigants as in Article 196, Paragraph 1, point 1 of this Act.

Article 34c

The High Commercial Court of the Republic of Croatia in civil proceedings:

1. adjudicates in the first instance in cases prescribed by the law;

2. decides on appeals against decisions by commercial courts rendered in the first instance,

3. decides on conflicts over territorial jurisdiction between commercial courts,

4. carries out other tasks as prescribed by the law.

Article 34d

The Supreme Court of the Republic Croatia in civil proceedings:

1. decides on appeals against first instance decisions by county courts and the High Commercial Court of the Republic of Croatia and against its own first instance decisions if the law does not prescribe otherwise;

2. decides on motions for revision on points of law;

3. resolves disputes over jurisdiction between courts in the territory of the Republic of Croatia if it is the immediately superior court for both of them;

carries out other tasks as prescribed by law.

Establishing the Amount of the Subject of the Dispute

Article 35

When the amount of the subject of the dispute is relevant for establishing subject matter jurisdiction, the composition of the court, the right to lodge a request for revision on points of law and in other cases provided for in this Act, it shall be deemed that the amount of the subject matter of the dispute shall be deemed to include only the amount of the principal claim.

Interest, litigation costs, penalty charges and other subordinate claims shall be taken into account only if they are part of the principal claim.

Article 36

If the claim relates to future recurrent payments, the amount of the subject of the dispute shall be calculated to reflect their sum, but it shall not exceed the amount equal to their sum for a period of five years.

Article 37

If one complaint against the same respondent includes several claims arising from the same factual and legal base, the value of the subject of the dispute is determined according to the sum of amounts of all claims.

If claims in the complaint arise from a variety of grounds or different plaintiffs put forward individual claims or individual claims raised against several respondents, the value of the subject of the dispute shall be established according to the value of each individual claim.

Article 38

Article 38 is deleted.

Article 39

If the complaint only requests the provision of security for a claim or putting a lien, the amount in the dispute shall be determined according to the amount of the claim to be secured. However, if the value of the collateral is lower than the claim to be secured, the amount in dispute shall be the value of the collateral.

Article 40

If the claim does not relate to a monetary sum, but the plaintiff has stated in the complaint that instead of satisfaction of this claim, he or she consents to receiving a particular monetary sum, the amount in dispute shall be this sum.

In other cases, when the claim does not relate to a monetary sum, the amount in dispute indicated by the plaintiff in the complaint shall be relevant.

If in the case from Paragraph 2 of this Article the plaintiff has obviously set the value of the subject of the dispute too high or too low, causing the question to arise of subject matter jurisdiction, the composition of the court, the type of proceedings, the right to put forward a request for revision on points of law, the authorization for representation or the right to payment of costs of the proceedings, the court shall sua sponte or following an objection by the respondent, no later than at the preparatory hearing, or if one is not held then at the first trial hearing before which the respondent has begun litigation on the merits of the case, quickly and in the most appropriate manner, examine the accuracy of the value set and by a ruling against which no separate appeal is permitted, determine the value of the subject of the dispute.

If after the respondent has begun litigation on the merits it is established that the plaintiff has omitted to set the value of the subject of the dispute, the first instance court shall quickly and in the appropriate manner, after it has given the parties the opportunity to express their opinion, determine the value of the subject of the dispute by a ruling against which no separate appeal is permitted.

The court shall act in the manner prescribed in Paragraph 4 of this Article even after an appeal or a motion for revision on points of law has been lodged, before the case is sent to a higher court for a decision on these legal remedies.

4. Composition of the Court

Article 41

In civil proceedings in the first instance disputes are decided by a single judge, if the law does not prescribe that a chamber shall adjudicate.

In the second instance courts shall adjudicate in a chamber, if the law does not prescribe otherwise

In the case of a motion for revision on points of law, courts shall decide in a chamber, if the law does not prescribe otherwise.

The president of the chamber may take only those procedural actions and render only those decisions as authorised by this Act.

Article 42

In the case of a motion for revision on points of law, courts shall decide in a chamber, if the law does not prescribe otherwise.

Article 43

Article 43 is deleted.

Article 44

When hearing cases in the second instance in a session of a chamber, the court shall decide in a chamber composed of three judges, if the law does not prescribe otherwise. The higher court shall also decide in this composition in all other cases, unless the law prescribes otherwise.

A single judge of a higher court shall decide on an appeal against a ruling, if the law does not prescribe otherwise.

When deciding on a motion for revision on points of law against a second instance decision, the Supreme Court of the Republic of Croatia shall adjudicate in a chamber composed of five judges, unless this Act prescribes otherwise.

When deciding on motion for revision on points of law against a second instance ruling rendered by a single judge of a lower instance court, the Supreme Court of the Republic of Croatia shall adjudicate in a chamber composed of three judges.

Article 45

Repealed

5. Territorial Jurisdiction

a) General Territorial Jurisdiction

Article 46

The court which has general territorial jurisdiction for the respondent shall be competent for adjudication, unless the law provides for the exclusive territorial jurisdiction of another court.

In the cases provided for by this Act, in addition to the court of general territorial jurisdiction, another designated court shall also be competent for adjudication. .

Article 47

General territorial jurisdiction shall lie with the court on whose territory the respondent has permanent residence.

If the respondent does not have permanent residence in the Republic of Croatia, general territorial jurisdiction shall lie with the court on whose territory the respondent has temporary residence.

If, in addition to permanent residence, the respondent also has temporary residence in another place, and, based on circumstances, it may be assumed that he or she will stay there for a longer period, general territorial jurisdiction shall also lie with the court in the respondent's temporary residence.

Article 48

For adjudication in disputes against legal entities the court in whose territory their registered head office is located shall have general territorial jurisdiction.

For adjudication in disputes against counties, the City of Zagreb, cities and municipalities, the court in whose territory their representative body is located shall have general territorial jurisdiction.

For adjudication in disputes against the Republic of Croatia the court in whose territory the plaintiff is resident, or has its seat within the Republic of Croatia shall have general territorial jurisdiction. If the plaintiff does not have residence or a seat in the Republic of Croatia the court in whose territory the Croatian Parliament is located shall have general territorial jurisdiction in disputes against the Republic of Croatia.

Article 49

In the case of disputes against a citizen of the Republic of Croatia permanently residing in a foreign country, where he or she was sent for service or work by a state body or legal person, general territorial jurisdiction shall lie in the court in the place where he or she had his or her last permanent residence in the Republic of Croatia.

b) Special Territorial Jurisdiction

Jurisdiction for Co-litigants

Article 50

If several persons have been sued in one complaint (Article 196, Paragraph 1, Subparagraph 1) and they are not within the territorial jurisdiction of the same court, jurisdiction shall lie in the court which has territorial jurisdiction for one of the respondents, and if there are principal and subsidiary obligors among then, the court which has territorial jurisdiction for any of the principal obligors.

Jurisdiction in Disputes over Statutory Maintenance

Article 51

In case of disputes over statutory maintenance, in which the plaintiff is a person seeking such maintenance, jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie with the court on whose territory the plaintiff has permanent or temporary residence.

If, in disputes over statutory maintenance with an international element, a court in the Republic of Croatia has jurisdiction because the plaintiff has permanent residence in the Republic of Croatia, territorial jurisdiction shall lie with the court on whose territory the plaintiff has permanent residence.

If a court in the Republic of Croatia has jurisdiction because the respondent has property in the Republic of Croatia from which maintenance may be collected, territorial jurisdiction shall lie with the court on whose territory this property is located.

Jurisdiction in Disputes for Damages

Article 52

In the case of tort disputes, jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie with the court on whose territory the harmful action was performed or in the court on whose territory the harmful consequence occurred.

If the damage occurred as a result of death or bodily injury, jurisdiction shall, in addition to the court from Paragraph 1 above, also lie with the court on whose territory the plaintiff has permanent or temporary residence.

The provisions of Paragraphs 1 and 2 above shall also apply to disputes against insurance companies for compensation of damage to third parties in accordance with the regulations on

direct liability of insurance companies, whereas the provision of Paragraph 1 shall also apply in disputes regarding reimbursement claims on account of compensation of damage against reimbursement debtors.

Article 53

In the case of disputes regarding the protection of rights on the basis of written warranties against manufacturers which have issued such warranties, jurisdiction shall, in addition to the court of general territorial jurisdiction for the respondent, also lie with the court of general territorial jurisdiction for the seller who, on the occasion of sale, furnished the manufacturer's written warranty to the buyer.

Jurisdiction in Marital Disputes

Article 54

In case of disputes over establishing the existence or non-existence of marriage, annulment of marriage or divorce (marital disputes), jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie with the court on whose territory the spouses had their last common residence.

If, in marital disputes, a court in the Republic of Croatia has jurisdiction because the spouses had their last common residence in the Republic of Croatia, or because the plaintiff has permanent residence in the Republic of Croatia, territorial jurisdiction shall lie with the court on whose territory the spouses had their last common residence or the court on whose territory the plaintiff has permanent residence.

If the plaintiff does not have permanent or temporary residence in the Republic of Croatia, the Federal Court shall determine which court in the Republic of Croatia shall have territorial jurisdiction.

Article 54a

If, in disputes regarding the spouses' property relations, a court in the Republic of Croatia has jurisdiction because the spouses' property is located in the Republic of Croatia or because, at the time when the complaint is filed, the plaintiff has permanent or temporary residence in the Republic of Croatia, territorial jurisdiction shall lie with the court on whose territory the plaintiff has permanent or temporary residence at the time when the complaint is filed.

Jurisdiction in Disputes over Establishing or Denying Paternity or Maternity

Article 55

In disputes over establishing or denying paternity or maternity, the child may file a complaint either with the court of general territorial jurisdiction or with the court on whose territory he or she has permanent or temporary residence.

If, in disputes over establishing or denying paternity or maternity, a court in the Republic of Croatia has jurisdiction because the plaintiff has permanent residence in the Republic of Croatia, territorial jurisdiction shall lie with the court on whose territory the plaintiff has permanent residence.

Jurisdiction in Disputes over Immoveable Property and in Trespass Disputes

Article 56

For adjudication in disputes over ownership and other property rights to immoveable property, in disputes over trespassing on real estate and disputes arising from lease or rent

relations on immoveable property, jurisdiction shall lie exclusively with the court on whose territory the immoveable property is located.

If immoveable property extends over the territories of several courts, each of these courts shall have jurisdiction.

In case of disputes over trespass on moveable property, jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie with the court on whose territory the trespass occurred.

Jurisdiction in Disputes over Aircrafts and Vessels

Article 57

When a court in the Republic of Croatia has jurisdiction for adjudication in disputes over ownership and other property rights to ships or airplanes and in disputes arising from lease relations over ships and airplanes, territorial jurisdiction shall exclusively lie with the court on whose territory the registry is kept in which the ship or the airplane is registered.

When disputes over trespass on vessels or aircrafts referred to in Paragraph 1 above fall within the jurisdiction of a court in the Republic of Croatia, territorial jurisdiction shall lie in the court on whose territory the registry is kept in which the vessel or aircraft is registered and the court on whose territory the trespass occurred.

Jurisdiction over Persons regarding which there is no General Territorial Jurisdiction in the Republic of Croatia

Article 58

A complaint involving property claims against a person regarding whom there is no general territorial jurisdiction in the Republic of Croatia may be filed with any court on whose territory this person's property or the object requested by the complaint is located.

If a court in the Republic of Croatia has jurisdiction because the obligation occurred during the respondent's stay in the Republic of Croatia, territorial jurisdiction shall lie with the court on whose territory the obligation occurred.

In disputes against a person regarding whom there is no general territorial jurisdiction in the Republic of Croatia, with respect to obligations to be fulfilled in the Republic of Croatia, a complaint may be filed with the court on whose territory these obligations are to be fulfilled.

Jurisdiction According to the Place where the

Branch of a Legal Person is Located

Article 59

In case of disputes against a legal person which has a branch outside its seat, if the dispute occurs in relation to the activity of this unit, jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie in the court on whose territory this operating unit is located.

Jurisdiction According to the Place where the Representative Office of a Foreign Person is Located in the Republic of Croatia

Article 60

In disputes against physical or legal persons with their seat in a foreign country, with respect to obligations that were established in the Republic of Croatia or that are to be fulfilled in the Republic of Croatia, a complaint shall be filed with the court on whose territory its permanent

representative office for the Republic of Croatia or the seat of the body with which the performance of its operations has been entrusted is located.

Jurisdiction over Disputes Arising from Relations with Military Units

Article 61

In disputes arising from relations with military units, jurisdiction shall exclusively lie with the court on whose territory the headquarters of the military unit are located.

Jurisdiction in Disputes Arising from Inheritance-law Relations

Article 62

Until a legally effective decision is rendered in probate proceedings, for disputes arising out of inheritance-law relations and disputes regarding creditors' claims against the testator, territorial jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie with the court on whose territory the court conducting the probate proceedings is located.

Jurisdiction for Disputes in Enforcement and Bankruptcy Proceedings

Article 63

In the case of disputes arising in the course or in relation to court or administrative enforcement proceedings, or in the course or in relation to bankruptcy proceedings, territorial jurisdiction shall exclusively lie with the court on whose territory the court conducting the enforcement or bankruptcy proceedings or the court on whose territory the administrative enforcement is carried out is located.

Article 63a

In disputes where bankruptcy proceedings have been instituted in respect of both parties the court with territorial jurisdiction is the one before which the bankruptcy proceedings were instituted first in respect of one of the parties.

As an exception to the provisions of Paragraph 1 of this Article, in disputes from this provision over preferred creditors' rights, over the existence or non-existence of claims against a bankruptcy debtor, over the existence of liability of the bankruptcy estate and contesting the legal actions of the bankruptcy debtor, the court on whose territory the seat of the bankruptcy debtor is located has territorial jurisdiction.

Jurisdiction According to the Place of Payment

Article 64

In the case of disputes initiated by a holder of a promissory note or check against its drawer, jurisdiction shall, in addition to the court of general territorial jurisdiction, also lie with the court in the place of payment.

Jurisdiction in Employment-related Disputes

Article 65

If the plaintiff in an employment-related dispute is an employee, the trial shall, in addition to the court having territorial jurisdiction for the respondent, also lie within the jurisdiction of the court on whose territory the work was or is performed or of the court on whose territory the work should be performed, as well as the court on whose territory the employment commenced.

Reciprocal Jurisdiction for Complaints against Foreign Citizens

Article 66

If, in a foreign country, a citizen of the Republic of Croatia may be sued before the court which, under the provisions of this Act, would not have territorial jurisdiction over the civil-law matter concerned, the same jurisdiction shall apply to trials against citizens of that foreign country before a court in the Republic of Croatia.

c) Determination of Territorial Jurisdiction by a Higher Court

Article 67

If the court having jurisdiction may not proceed upon a case because of the disqualification of judge or for any other reason, it shall bring this to the attention of an immediately superior court which shall rule that another court having subject matter jurisdiction from its area should proceed upon the case concerned.

Article 68

The competent first instance court may itself or at the proposal of the party request the highest court of a particular type to order another court with subject matter jurisdiction from its territory to adjudicate in a specific case if it is clear that this would facilitate the conduct of the proceedings or there exist other important reasons for this.

The first instance court shall decide on the proposal of the party in Paragraph 1 of this Article by a ruling against which no appeal is permitted.

A single judge of the highest court of particular type shall decide on the request by the first instance court in Paragraph 1 of this Article

Article 69

If a trial is within the jurisdiction of a court in the Republic of Croatia, but it is not possible to establish which court has territorial jurisdiction under the provisions of this Act, the Supreme Court of the Republic of Croatia shall, upon a motion by a party, determine which of the courts having subject matter jurisdiction shall have territorial jurisdiction.

d) Agreement on Territorial Jurisdiction

Article 70

Unless the law provides for the exclusive territorial jurisdiction of a court, the parties may agree that their case is to be heard in the first instance by a court which does not have territorial jurisdiction, provided that this court has subject-matter jurisdiction.

If the law provides that two or more courts have territorial jurisdiction for a specific dispute, the parties may agree that their case is to be heard in the first instance by one of these courts or another court having jurisdiction.

This agreement shall only be valid if made in writing and if it concerns one or more disputes, which all arise out of a particular legal relationship.

The plaintiff shall enclose the document on agreement with the complaint.

An agreement on territorial jurisdiction shall be concluded in writing also if it is concluded by the exchange of letters, telegrams, faxes or other telecommunication methods which provide written evidence of the agreement concluded.

The parties may agree that their case be heard by a foreign court, if one of the parties is a foreign physical or legal person, and the dispute in question is not among those which fall

within the jurisdiction of a court in the Republic of Croatia under the provisions of this Act governing exclusive jurisdiction in disputes with an international element or exclusive territorial jurisdiction.

Title Three

DISQUALIFICATION

Article 71

A judge may not perform any judicial function:

1) if he or she himself or herself is a party, legal representative or agent of a party, if he or she and the party are co-beneficiaries, co-obligors or reimbursement obligors or if he or she has been heard as a witness or an expert witness in the same case;

2) if he or she is employed, either steadily or temporarily, by the legal person which is a party in the proceedings;

3) if the party, the party's representative or agent is his or her relative in the direct line up to any degree or in the collateral line up to the fourth degree, or his or her spouse, or a common law spouse or in-law up to the second degree, regardless of whether or not the marriage was ended;

4) if he or she is the guardian, adoptive parent or adopted child of the party, the party's representative or agent;

5) if he/she has participated in the same case in proceedings before a lower court or before another body,

6) if he/she participated in bankruptcy proceedings upon which the dispute arose or participated as the bankruptcy judge or as member of the bankruptcy chamber,

7) if other circumstances exist which cast doubt on his or her impartiality.

Article 72

As soon as he or she learns of the existence of any of the reasons for disqualification referred to in Article 71, Subparagraphs 1 to 6 of this Act, a judge shall stop working on the case in question and inform thereof the president of the court, who shall designate his or her deputy. If the president of the court has been disqualified, he or she shall designate his or her deputy from among judges of that court. If this is not possible, he or she shall proceed under Article 67 of this Act.

If a judge considers that other circumstances exist which cast doubt on his or her impartiality (Article 71, Subparagraph 7), he or she shall inform thereof the president of the court, who shall decide on disqualification. Until the president of the court issues a ruling, the judge may only undertake actions which must not be postponed.

Article 73

The parties may only seek the disqualification of the judge who is participating in specific proceedings, or the president of the court who should decide on the request for disqualification.

A request for disqualification is not permitted:

1) where the general disqualification is requested of all judges of a specific court or all judges who could adjudicate in a case;

2) if a decision has already been rendered upon it;

3) where there is no reason given why disqualification is requested.

The requests from Paragraph 2 of this Article shall be dismissed by the single judge or the president of the chamber before which the proceedings are pending in relation to which the disqualification is requested.

No separate appeal is permitted against the ruling in Paragraph 3 of this Article.

If the request for disqualification in Paragraph 2 of this Article is submitted in the legal remedy, it shall be dismissed by the president of the first instance court.

The party is obliged to file the request for disqualification of the judge as soon as he/she learns of a reason for disqualification, and at the latest by the conclusion of the trial before the first instance court and if there was no trial, by the time the decision is rendered.

The party may include a request for disqualification of a judge of a higher court in the legal remedy or in the reply to the legal remedy.

Article 74

The party's motion for disqualification shall be decided by the president of the court, if the law does not prescribe otherwise.

If the party moves for disqualification of the president of the court, a decision on disqualification shall be made by the president of an immediately superior court.

The parties' motion for disqualification of the president of the Supreme Court of the Republic of Croatia shall be decided by this court sitting in a chamber composed of five judges.

A copy of the statement by the judge whose disqualification is requested, or a report on the inquiry carried out by the president of the court shall be served on the parties, who may make a statement on it within three days

No appeal shall be permitted against a ruling granting or dismissing a motion for disqualification and no separate appeal shall be permitted against a ruling rejecting it.

Article 75

When a single judge, the president of the chamber, a member of the chamber or the president of the court learns that a motion has been put forward for his/her disqualification he shall stop working on that case completely, and if the disqualification is requested for the reasons from Article 71, subparagraph 7 of this Act, he/she may only undertake actions which entail a risk of delay until a ruling is issued on this motion.

As an exception to the provisions of Paragraph 1 of this Article a single judge or president of the chamber may decide by a ruling against which no appeal is permitted to continue work if he/she finds that the motion for disqualification is manifestly unfounded and that it has been lodged to prevent or hinder the judge from undertaking certain actions, or in order to stall the proceedings.

In the case in Paragraph 2 of this Article, the single judge or the president of the chamber shall order copies to be made of the case file and for the copy of the case file to be sent on for a decision together with the motion on disqualification.

If the motion for disqualification is granted, the actions which have been undertaken and the decisions rendered in the sense of Paragraphs 2 and 3 of this Article shall be quashed by the single judge or the president of the chamber who takes over the further conduct of the proceedings.

The court shall impose a monetary fine, with the appropriate application of the provisions of Article 10 of this Act, on a party or intervenor, or their representative if it is established that the motion for disqualification was manifestly unfounded and was only lodged to hinder or prevent the court from undertaking certain actions or to stall the proceedings.

At a motion by the opposing party, the court shall without delay decide by a ruling on the payment of costs which were incurred by that party by the lodging of the unfounded motion for disqualification. No separate appeal is permitted against this ruling and enforcement may be sought on the basis of it even before it becomes legally effective.

Article 76

The provisions on disqualification of judges shall also apply, as appropriate, to judicial advisors and court reporters.

A single judge or the president of the chamber shall decide on the disqualification of judicial advisors or court reporters.

Title Four

PARTIES AND THEIR LEGAL REPRESENTATIVES

Article 77

Every physical and legal person may be a party in the proceedings.

Separate regulations shall determine who else, in addition to physical and legal persons, may also be a party in the proceedings.

As an exception, the court handling the litigation may recognise, with legal effect in a particular litigation, the status of a party to forms of association which do not have the capacity to be a party under the provisions of Paragraphs 1 and 2 above, if it establishes that, in view of the matter of dispute, they substantially comply with the essential requirements for acquiring the capacity to be a party, and in particular if they dispose of property on which enforcement may be carried out.

No separate appeal shall be permitted against a ruling from Paragraph 3 above recognising the status of a party.

Article 78

When the public prosecutor or any other state body is authorized by law to initiate civil proceedings they may undertake actions in the proceedings necessary to exercise their authority

Article 79

A party who has full disposing capacity may undertake procedural actions by himself or herself (litigation capacity).

A person who has attained the age of majority and whose disposing capacity has partially been limited shall have the litigation capacity within the limits of his or her disposing capacity.

A minor person who has not acquired full disposing capacity shall have the litigation capacity only within the limits in which his or her disposing capacity is recognised.

Article 80

Parties who do not have the litigation capacity shall be represented by their legal representatives.

The parties' legal representatives shall be designated by the law or act by the competent state body issued in accordance with the law.

Article 81

The legal representative may undertake all procedural actions on behalf of the party. However, if separate regulations provide that a legal representative must have special authority to file or withdraw a complaint, admit or waive a claim, reach a settlement or undertake other procedural actions, he or she may undertake these actions only if he or she has been given such authority.

The person appearing as a legal representative shall, at the court's request, prove that he or she is a legal representative. When special authority is required for undertaking particular procedural actions, the legal representative shall prove that he or she has been given such authority.

When the court establishes that the legal representative of a person who has a legal guardian does not exercise sufficient care in representation, it shall inform the guardianship body about it. If the representative's failure to act may result in damage for that person, the court shall hold the proceedings and propose that another legal representative be designated.

Article 82

In the course of the whole proceedings the court shall, *sua sponte*, pay attention to whether the person appearing as a party may actually be a party in the proceedings, whether he or she has litigation capacity, whether the party who lacks litigation capacity is represented by his or her legal representative and whether the legal representative has special authority, when necessary.

Article 83

When the court establishes that the person appearing as a party may not be a party in the proceedings, and if such deficiency may be removed, it shall invite the plaintiff to make the necessary amendments to the complaint or it shall take other measures so that the proceedings may continue with the person who may be a party in the proceedings.

Also, when the court establishes that a party has no legal representative or that the legal representative lacks special authority, when such authority is necessary, it shall request the competent guardianship body to appoint a guardian for the party lacking litigation capacity or it shall invite the legal representative to obtain special authority or it shall take other measures necessary for proper representation of the party lacking litigation capacity.

The court may specify a time limit within which the deficiencies from Paragraphs 1 and 2 above must be removed.

Until these deficiencies are removed, only procedural actions may be undertaken whose delay might result in harmful consequences for the party.

If the deficiencies mentioned cannot be removed or if the specified time limit expires the court shall, by a ruling, set aside the procedural actions undertaken if they have been affected by these deficiencies and dismiss the complaint if the nature of the deficiencies is such that they prevent further conduct of the litigation.

No appeal shall be permitted against the ruling ordering measures for the removal of deficiencies.

Article 84

If, in the course of the proceedings before the court of first instance, it emerges that regular proceedings for appointing a legal representative for the respondent would last a long time, which could result in harmful consequences for one or both of the parties, the court shall appoint a temporary representative for the respondent.

Subject to the requirement from Paragraph 1 of this Article, the court shall in particular appoint a temporary representative for the respondent in the following cases:

1) if the respondent lacks litigation capacity and does not have a legal representative;

2) if conflicting interests exist between the respondent and his or her legal representative;

3) if both parties have the same legal representative;

4) if the respondent's whereabouts are unknown and the respondent does not have an agent;

5) if the respondent or his or her legal representative, who do not have an agent in the Republic of Croatia, are in a foreign country and service could not be effected.

The court shall immediately inform the guardianship body and the parties, when possible, about the appointment of a temporary representative.

The court may also appoint a temporary representative for a legal person, applying in the appropriate manner the provisions of the previous Paragraphs of this Article.

If in the course of the proceedings after the lodging of a complaint the reasons for which, according to the previous provisions of this Article, a temporary representative may be appointed for the respondent also arise in relation to the plaintiff, the court shall also appoint a temporary representative for the plaintiff.

Article 85

In the proceedings for which a temporary representative has been appointed, this representative shall have the same rights and duties as a legal representative. The temporary representative shall exercise these rights and duties up until the party or his/her legal representative appears before the court, or until the guardianship body informs the court that it has appointed a guardian.

Article 86

If a temporary representative has been appointed for the party for the reasons set forth in Article 84, Paragraph 2, Subparagraphs 4 and 5 of this Act, the court shall issue a notice to be published in the Official Gazette and posted on the court's bulletin board, as well as in another appropriate way, if necessary.

The notice shall specify: the designation of the court which appointed the temporary representative, the legal basis, the name of the party for whom a representative is appointed, the matter of dispute, the name of the representative and his/her occupation and residence and information that the representative will represent the party in the proceedings up until the party or his/her agent appears before the court or up until the guardianship body informs the court that it has appointed a guardian.

Article 87

Repealed

Article 88

The litigation capacity of a foreign citizen before the court in the Republic of Croatia shall be assessed according to the law of the country of his or her citizenship.

A foreign citizen who lacks litigation capacity under the law of the country of his or her citizenship, but has litigation capacity under the law of the Republic of Croatia may undertake procedural actions by himself or herself. The legal representative may only undertake procedural actions up until the time the foreign citizen states that he or she is taking over the conduct of the litigation.

Chapter Five

AGENTS

Article 89

Parties may undertake procedural actions either personally or through agents, but the court may invite a party who has an agent to declare himself or herself in person before the court about the facts to be established in the litigation.

A party represented by an agent may always appear before the court in person and give statements alongside with his or her agent.

Article 89a

Only an attorney may represent a party as an agent, if the law does not prescribe otherwise.

A party may be represented by a person as an agent who is in an employment relationship with him/her if he/she has full disposing capacity.

A party may be represented by a blood relative in a legal line, a brother, sister or marriage partner – if he/she has full disposing capacity and if he/she is not illegally practicing law.

Article 90

If a person appears as an agent who cannot be an agent according to the provisions of Article 89a of this Act, the court shall preclude that person from further representation and inform the party of this.

An appeal against the ruling on preclusion from representation does not postpone the execution of the ruling.

If it is established that an agent who is not an attorney is not capable of carrying out this duty, the court shall caution the party of the consequences which may occur as a result of inadequate representation.

Article 91

If, in litigations involving property claims, the amount in dispute exceeds KN 50,000.00, agents for legal persons may only be persons who have passed the bar exam.

Article 92

Procedural actions undertaken by the agent within the limits of the power of attorney shall have the same legal effect as if they were undertaken by the party himself or herself.

Article 93

A party may change or revoke his or her agent's statement at the hearing at which the statement was made.

If the agent admitted a fact at the hearing not attended by the party or if he or she admitted a fact in a filing and the party subsequently changed or revoked this admission, the court shall assess both statements pursuant to Article 221, Paragraph 2 of this Act.

Article 94

The scope of the power of attorney shall be determined by the party.

The party may authorise the agent to undertake either some procedural actions or all procedural actions.

Article 95

If a party has granted power of attorney to a lawyer, authorising him or her to conduct litigation, and has not specified the authority granted, the lawyer shall be authorised, on the basis of such power of attorney to:

1) perform all procedural actions and, in particular, file a complaint, withdraw it, admit a claim or waive a claim, reach a settlement, lodge a legal remedy, waive or withdraw it and move for issuance of injunctions;

2) file requests for enforcement or for securing evidence and undertake necessary procedural actions in relation to these requests;

3) receive from the opposing party the costs that have been granted;

4) transfer the power of attorney to another lawyer or authorise another lawyer to undertake only particular procedural actions.

In order to file a motion for a retrial, a lawyer needs a special power of attorney, if more than six months have passed since the legal effectiveness of the decision.

A law apprentice who has not passed the bar exam may substitute for an attorney who has employed him/her only before a first instance court, and in proceedings where the value of the dispute does not exceed 50,000.00 kunas.

A law apprentice who has passed the bar exam may substitute for an attorney without any limitations.

Article 96

If the party has failed to specify in the power of attorney, his or her agent's authority, the non-lawyer agent may, on the basis of this power of attorney, perform all procedural actions, but he or she will always need explicit authority to withdraw the complaint, admit or waive the claim, reach a settlement, waive or withdraw a legal remedy or transfer the power of attorney to another person, and lodge legal remedies against legally effective decisions.

Article 97

A party shall grant power of attorney in writing or orally to be recorded in the minutes at the court.

An illiterate party or a party unable to sign shall, instead of the signature, put a fingerprint of his or her forefinger on the written power of attorney. If, in this way, power of attorney is granted to a person who is not a lawyer, the presence of two witnesses to sign the power of attorney shall be required.

If the court has doubts about the truthfulness of a written power of attorney, it may order, by a ruling, that a certified power of attorney be submitted. No appeal shall be permitted against this ruling.

Article 98

An agent shall submit a power of attorney when undertaking the first procedural action.

The court may allow that procedural actions for a party be temporarily undertaken by a person who has not submitted a power of attorney, but shall, at the same time, order this person to submit subsequently, within a specified time limit, either a power of attorney or the party's approval for the performance of a procedural action.

The court shall postpone rendering a decision, until the time limit for submission of a power of attorney has expired. If this time limit has expired, the court shall continue the proceedings, without taking into account the actions performed by the person who did not have power of attorney.

In the course of the whole proceedings, the court shall pay attention whether the person appearing as an agent is duly authorised. If the court establishes that the person appearing as an agent is not duly authorised, it shall set aside the procedural actions undertaken by this person, unless these actions were subsequently approved by the party.

Article 99

A party may, at any time, revoke a power of attorney, and an agent may, at any time, cancel it.

The revocation or cancellation of a power of attorney shall be brought to the attention of the court conducting the proceedings, either in writing or orally and this is to be recorded in the minutes.

The revocation or cancellation of power of attorney shall be effective for the opposing party from the moment when it was brought to his or her attention.

After having cancelled the power of attorney, the agent shall perform the actions for the person who granted the power of attorney to him or her for another month, if it is necessary to prevent any damage which may occur during this period.

Article 100

If an agent is given authority to perform all procedural actions, and the party loses procedural capacity, or his/her legal representative dies or loses disposing capacity, or if the legal representative is relieved of his/her duties, the agent is authorize and shall undertake all further procedural actions, but a new legal representative may revoke the power of attorney.

In cases specified in Paragraph 1 above, the authority of a non-lawyer agent that must be explicitly stated in the power of attorney (Article 96) shall always end.

Article 101

With the death of a physical person, or the termination of a legal person, the power of attorney which he/she issued is also terminated.

In case of bankruptcy, the power of attorney issued by the bankruptcy debtor shall terminate when legal consequences occur that arise from the opening of the bankruptcy proceedings, under the regulations in force, if the law does not prescribe otherwise.

As an exception to Paragraphs 1 and 2 above, an agent shall be obliged to undertake procedural actions for another month, if this would be necessary to prevent damage to the party.

Title Six

LANGUAGE IN THE PROCEEDINGS

Article 102

When participating in hearings and taking other oral procedural actions before the court, parties and other participants in the proceedings shall have the right to use their own language. If the proceedings are not conducted in the language of the party or other participants in the proceedings, interpretation into their language shall be provided for them of everything that is said at the hearing as well as of any documents that are used at the hearing for the purpose of evidence-taking.

Parties and other participants in the proceedings shall be informed about their right to follow oral proceedings before the court in their own language, assisted by an interpreter. They may waive their right to interpretation, if they state that they speak the language in which the proceedings are conducted. It shall be recorded in the minutes that they were given the information and the minutes shall include the parties' or participants' statements.

Interpretation shall be performed by interpreters.

The costs of interpretation shall be paid by the party or participant to whom they relate.

Article 103

Summonses, decisions and communications of the court shall be sent to parties and other participants in the proceedings in the Croatian language and Latin script.

Article 104

Parties and other participants in the proceedings shall file their complaints, appeals and other submissions with the court in the Croatian language and the Latin script..

Article 105

The use of the languages and scripts of national minorities in civil proceedings is regulated by a separate law.

The costs of interpretation in to the language of the national minority which arise from the application of the provisions of the Constitution of the Republic of Croatia, this Act or other acts on the rights of members of national minorities to use their own language, shall be paid from the court funds.

Title Seven

SUBMISSIONS

Article 106

Complaints, answers to the complaint, legal remedies and other statements, motions and notifications given outside of trial shall be filed in writing (submissions).

Submissions shall be comprehensible and shall contain everything which is necessary for them to be proceeded upon. In particular, they shall specify: the name of court, the name, occupation and permanent or temporary residence of the parties, their legal representatives and agents, if any, the subject matter of dispute, the contents of the statement and the submitter's signature.

The party or his /her representative shall sign their names at the end of the submission.

If the statement contains a claim, the party shall state in the submission the facts on which he/she bases his or her claim and the evidence, when necessary.

The statement that is given in a submission may, instead of by submission, be given orally and recorded in the minutes at the court handling the litigation.

Article 107

Submissions to be served on the opposing party shall be furnished to the court in a sufficient number of copies for the court and the opposing party. The same shall be done when the submission is accompanied by attachments.

If several persons who have a common legal representative or agent are on the opposing side, submissions and attachments may be filed for all these persons in only one copy.

Article 108

Documents attached to the submission shall be filed in an original or a copy.

If the party attaches an original document, the court shall keep this document and allow the opposing party to examine it. When it is not necessary any longer for this document to be kept at the court, it shall be returned to the submitter at his or her request, but the court may request the submitter to attach a copy of the document for the files.

If a document has been attached in a copy, the court shall, at a motion of the opposing party, invite the submitter to file an original document with the court and shall allow the opposing party to examine it. When necessary, the court shall fix a time limit within which the document is to be furnished or examined.

No appeal shall be permitted against these rulings.

Article 109

If a submission is incomprehensible or does not contain everything necessary in order that it may be proceeded upon, the court shall instruct the submitter to amend or supplement it and, for this purpose, it may invite him or her to come to the court or return the submission to him or her, for amendment.

When the court returns the submission to the submitter for amendment or supplementation, it shall fix a time limit in which the submission is to be re-filed.

If a time-bound submission is amended or supplemented and furnished to the court within a time limit fixed for amendment or supplementation, it shall be deemed to have been filed on the date when it was filed for the first time.

If a submission is not returned to the court within a fixed time limit, it shall be deemed to have been withdrawn. If it is returned without having been amended or supplemented, it shall be dismissed.

If the submissions or enclosures are not submitted in a sufficient number of copies, the court shall order for them to be copied at the party's expense, with the appropriate application of the regulations on court taxes.

Article 110

The first instance court shall impose a monetary fine of 500.00 to 5,000.00 kunas on a physical person or 2,000.00 to 20,000.00 kunas on a legal person, for offending the court, a party or other participant in the proceedings in the submission. A monetary fine may also be imposed on the party's representative and the intervenor if he/she is responsible for offending the court.

The provisions of Article 10 of this Act shall be applied in the appropriate manner in the cases in Paragraph 1 of this Article.

The provisions of the previous Paragraphs of this Article shall be applied to all cases when the court imposes a monetary fine according to the provisions of this Act, unless it is expressly prescribed otherwise for individual cases

Title Eight

TIME LIMITS AND HEARINGS

Time Limits

Article 111

If time limits are not fixed by law, they shall be fixed by the court having regard to all the circumstances of the case.

A time limit fixed by the court may be extended upon motion of an interested person if there are legitimate reasons for this.

The motion shall be put forward before the expiration of the time limit for which extension is requested.

No appeal shall be permitted against a ruling about the extension of a time limit.

Article 112

Time limits shall be computed in days, months, and years.

If a time limit has been computed in days, the day when service or notification was made or the day of the event from which the time limit begins to run shall not be included in such time limit. The time limit shall, however, start on the first subsequent day.

Time limits computed in months or years shall terminate upon the expiration of the day of the last month or year bearing the same date as those on which the time limit began to run. If there is no such date in the last month, the time limit shall expire on the last day of that month.

If the last day of a time limit falls on a legal holiday or on a Sunday or on any other day when the court is not open, such time limit shall not expire before the end of the first subsequent working day.

Article 113

In case of a submission which must be submitted within a fixed time limit, it shall be deemed that it was furnished within the prescribed time limit if it was delivered to the competent court before the expiration of such time limit.

If a submission was sent by registered mail or by telegraph, the date put by the post office as the date of submitting the submission to the post for mail shall be deemed to be the date of its delivery to the court to which it was addressed.

If a submission sent by telegraph does not contain everything which is necessary to proceed upon it, it shall be deemed that it was submitted within the prescribed time limit if the

submission that is in order is subsequently delivered to the court or if it is sent by registered mail within three days of the day when the telegram was delivered to the post.

In case of persons on compulsory military service, the day when a submission was delivered by them to their military formations or military institutions or headquarters shall be deemed as the day of its delivery to the court.

The provision of Paragraph 4 of this Article shall also refer to other persons serving in military formations or institutions or headquarters in places where there are no regular post offices.

In case of persons deprived of liberty, the day of delivery of a submission to the management of the prison, penitentiary or a correctional home shall be deemed as the day of its delivery to the court.

If a submission which must be submitted within a fixed time limit is delivered or sent to the court having no jurisdiction before the expiration of such time limit and if it then reaches the court having jurisdiction after the expiration of such time limit, it shall be deemed that it has been delivered within the prescribed time limit if its delivery to the court having no jurisdiction was due to the submitter's ignorance or obvious mistake.

Provisions of Paragraphs 1 to 7 of this Article shall also apply to time limits by which a complaint has to be filed under regulations on a particular subject, as well as to the period of statute of limitations for a claim or any other right.

Hearings

Article 114

Hearings shall be scheduled by the court when prescribed by law or when it would be required for the purpose of the proceedings. No appeal shall be permitted against the ruling by which a hearing was scheduled.

The court shall timely summon to the hearing the parties and such other persons whose presence is deemed necessary. The summons to be served on the party shall be accompanied by the submission which gave cause for the scheduling of the hearing. The summons shall indicate the place, room and time of the hearing.

If the summons is not accompanied by the submission, they shall indicate the names of the parties, matter of controversy and the action that should be taken at the hearing.

The court shall specifically warn the parties in the summons about legal consequences of their failure to appear at a hearing.

Article 115

A hearing shall, as a rule, be held in the court building.

The court may decide that a hearing should be held outside the court building when it finds out that it would be necessary or time-saving or that it would reduce the cost of the proceedings. No appeal shall be permitted against such ruling.

Article 116

The court may adjourn a hearing when it would be necessary for the purpose of provision of evidence or for other legitimate reasons.

When a hearing is adjourned, the court shall immediately communicate to the parties the place and time of the new hearing, if possible.

No appeal shall be permitted against such ruling.

Motion to restore a prior status

Article 117

If a party fails to appear at a hearing or to meet a deadline for taking an action in the proceedings, and, for that reason, he or she loses the right to take that action, the court shall permit such party, upon his or her motion, to take that action later on (motion to restore a prior status), if it deems that there were legitimate reasons for the omission.

The return to a prior status is not permitted if the omission by the party may be ascribed to a vital procedural violation for which a legal remedy may be requested.

When a motion to restore a prior status is granted, the status of the litigation prior to the omission shall be restored and any decisions that were made by the court because of the above omission shall be vacated.

Article 118

A motion to restore a prior status shall be put forward to the court at which the omitted action was supposed to be taken.

The motion shall be put forward within fifteen days of the day when the reason for the omission ceased to exist; and if the party learned about the omission at a later time, the above 15-days time limit shall start running on the date when he or she learnt about it.

If the party was cautioned in the summons to undertake some procedural action or in a summons to a hearing of the consequences of omission, it shall be deemed that he/she learned of the omission on the day when the time limit expired by which the action should have been taken, or the day when the hearing was held to which he/she was summoned.

After the expiration of three months of the date of the omission, no motion to restore a prior status may be put forward.

If a motion to restore a prior status is put forward because of a failure to meet a deadline, the movant shall, at the same time when he or she puts forward the motion, take the omitted action.

Article 119

No motion to restore the prior status shall be permitted if the party has failed to meet the deadline for putting forward the motion to restore the prior status or if he or she has failed to appear at the hearing scheduled in relation to the motion to restore a prior status.

Article 120

A motion to restore a prior status shall, as a rule, not affect the course of the litigation, but the court may decide that the proceedings be suspended until the ruling on the motion becomes legally effective.

If the court has decided that the proceedings should be suspended, and appellate proceedings are pending before a higher court, such higher court shall be informed about that decision.

Article 121

Untimely and inadmissible motions to restore a prior status shall be dismissed by a ruling issued by a single judge or the President of the Chamber.

The court shall schedule a hearing regarding a motion to restore a prior status, unless the court takes judicial notice of the facts on which the motion is based.

Article 122

No appeal shall be permitted against a ruling granting a motion to restore a prior status, except where the motion was granted in violation of Article 117, Paragraph 2 and Article 119 above or where it was untimely put forward.

Article 122a

A party who requests a return to a prior status is obliged to refund all procedural costs to the opposing party caused by the omission and decision on the motion for a return to a prior status, regardless of the outcome of the dispute. The court is obliged to decide by a ruling on the motion by the opposing party for refunding of procedural costs without delay, regardless of the decision on the merits of the case. No appeal is permitted against this ruling, and execution founded on it may be sought before it becomes legally effective.

Title Nine

MINUTES

Article 123

Minutes shall be taken of the actions taken at the hearing.

Minutes shall also be taken of important statements and notifications made by parties or other participants outside of a hearing. No minutes shall be taken of less important statements or notifications; they shall just be recorded in the case file in the form of an official note.

Minutes shall be taken by a court reporter.

Article 124

The following information shall be entered in the minutes: name and composition of the court, place where action is taken, date and hour when action is taken, indication of the matter of controversy and names of the attending parties or third parties and their legal representatives or agents.

Minutes shall contain essential information about the contents of the action taken. The minutes of the trial shall in particular contain the following information: whether the trial was held in open court or not, the parties' statements, their motions, evidence they offered, evidence that was produced. Minutes shall also contain the statements made by witnesses and expert witnesses and decisions rendered by the court at the hearing.

Article 125

Minutes shall be taken in an orderly manner; nothing may be deleted, added or changed in them. Crossed-out text shall remain legible.

Article 126

Minutes shall be taken by the single judge or the President of the Chamber. He or she shall say to the court reporter, in a loud voice, what he or she should record in the minutes.

Parties shall have the right to read the minutes or to request that the minutes be read to them, as well as to lodge their objections as to the contents of the minutes.

That right shall also be exercised by other parties whose statements have been recorded in the minutes, but only in relation to the parts of the minutes containing their statements.

Any correction or addition with regard to the contents of the minutes that are supposed to be made upon objections lodged by the parties or other persons or *proprio motu*, shall be recorded at the end of the minutes. At such persons' request, objections that have not been accepted shall also be recorded in the minutes.

Article 127

Minutes shall be signed by a single judge or the President of the Chamber, court reporter, parties or their legal representatives or agents and interpreter.

Witnesses and expert witnesses shall sign their statements in the minutes when they are heard before a delegated judge or the President of the Chamber.

An illiterate person or a person unable to sign shall put on the minutes a fingerprint of his or her forefinger, and the court recorder shall write his or her name and surname under such fingerprint of his or her forefinger.

If a party, his or her legal representative or agent, witness or expert witness leaves before the signing of the minutes, or if he or she will not sign the minutes, that shall be recorded in the minutes. The reason for this, stated by them, shall also be indicated.

Article 128

Separate minutes shall be taken of deliberations and voting. If a higher court unanimously made a decision in the proceedings related to a legal remedy, no minutes shall be taken, but notes on deliberations and voting shall be made on the original decision.

Minutes of deliberations and voting shall specify the course of the voting and the decision reached.

Dissenting opinions shall be attached to the minutes of deliberations and voting, unless they have been recorded in the minutes themselves.

Minutes or a note on voting shall be signed by all members of the Chamber and by the court reporter.

Minutes on deliberations and voting shall be put in a sealed envelope. These minutes may be examined only by a higher court when deciding on a legal remedy, and in such case the minutes shall, after examination, be once again put in a sealed envelope. On the envelope there shall be an indication that the minutes have been examined.

Title Ten

RENDERING DECISIONS

Article 129

The court shall render decisions in the form of judgements or rulings. The court shall decide on a claim by a judgement, whereas in trespass proceedings it shall decide by a ruling.

When not deciding by a judgement, the court shall decide by a ruling. In the proceedings for a payment order, the ruling granting the claim shall be issued in the form of a payment order.

The decision on costs within a judgement shall be considered a ruling.

Article 130

Chambers render decisions after deliberation, by voting.

In the room where deliberations and voting take place only the members of the chamber and the court reporter may be present.

When a decision on simple issues needs to be rendered, the chamber may also render a decision at the session itself.

Article 131

The president of the chamber shall manage the deliberations and voting and shall vote last. He or she shall take care that all issues are discussed comprehensively and fully.

The majority of votes shall be required for each decision rendered by the chamber.

Members of the chamber may not refuse to vote on issues raised by the president of the chamber. A member of the chamber, who was in the minority when vote was taken on a previous issue, may not abstain from voting on an issue to be decided later.

If, in relation to particular issues to be decided, votes are split between several different opinions, so that neither of them has the majority, the issues shall be separated and voting repeated until a majority is achieved. If, in relation to the amount of a monetary sum or quantity, votes are split between more than two opinions, deliberations shall be repeated about the reasons for each of these opinions and if, after this, a majority can still not be achieved, the votes cast for the highest monetary sum or quantity shall be added to the votes cast for the next lower monetary sum or quantity until a majority is achieved.

Article 132

Before deciding on the merits, the court shall decide whether it is necessary to supplement the proceedings. It shall also decide on other preliminary issues.

If it is necessary to decide on several claims when a ruling is issued on the merits, a vote shall be taken on each claim separately.

Title Eleven

SERVICE OF COMMUNICATIONS OF THE COURT AND EXAMINATION OF CASE FILES

Manner of Service

Article 133

Communications of the court shall be served by mail, or through a particular court officer or court employee, through the competent administrative body, a notary public or directly by the court.

If the service is not performed by mail, the person who performs the service is obliged to prove his/her authorization to the person on whom the communication is being served at his/her request.

The persons whom the courier from Paragraph 1 of this Article, finds at the place where the service is to be effected are obliged to prove their identity, at his/her request.

If necessary, the courier is authorized to seek police assistance to establish the identity of persons he/she finds at the place where the service is to be effected and for the performance of other service activities. The costs that are incurred as a result shall be included in the costs of the proceedings.

Article 133a

At the request of a party who states that he/she is prepared to pay the costs incurred, the court may, by a ruling against which no appeal is permitted, order that the service of a court communication be assigned to a notary public. In this case, the court shall place the communication to be served together with the ruling in a special envelope and give this to that party.

The notary public whom the party asks to perform the service is obliged to perform this act according to the rules of this Act on service. In the case of the service of court communications from Paragraph 1 of this Article, the notary public has the rights and obligations of a court courier. The notary public may be substituted in the performance of this task by a notary public assessor or a apprentice notary public.

The notary public shall make minutes of receiving the communication for service and of all actions undertaken regarding this service.

The notary public shall furnish the court directly and without delay with a notarized copy of the minutes of receiving the communication for service and a certificate of the service effected or the failure to effect the service of the communication, with a notarized copy of the minutes of all actions undertaken.

The costs incurred by the service on the parties by a notary public shall be paid directly to the notary public. A notary public who has not been given an advance to cover service costs is not obliged to effect the service, and the notary public shall write a record of this fact and directly inform the court accordingly.

The parties do not pay notary public taxes for actions undertaken in relation to service of a communication by a notary public.

The costs of service by a notary public are included in the costs of the proceedings, if the court deems them to be necessary.

Article 133b

If, before filing the complaint with the court in a written agreement concluded with the plaintiff, the respondent agrees for service in disputes to which the agreement relates to be effected to a specific address in the Republic of Croatia or through a specific person in the Republic of Croatia, the complaint and other communications of the court in the proceedings shall be served on the respondent, at the motion of the plaintiff, at that address or to that person. It shall be deemed that service has been effected on the respondent when the communication is served on the person specified in the agreement.

If the service in Paragraph 1 of this Article is not possible, the court shall order for further service of communications on the respondent to be effected by placing the communication on the court bulletin board. The service shall be deemed to have been effected on the expiry of the eighth day from the day the communication is displayed on the court's bulletin board.

The plaintiff is obliged to enclose the agreement from Paragraph 1 of this Article with the complaint if he/she moves in it for service to be effected at the address or through the person specified in that agreement. A plaintiff who in the complaint does not move for service to be effected at a specific address or through a person given in an agreement, may later during the

course of the proceedings move for the service of communications on the respondent to be effected at that address or through that person, if it could not be effected at the address given in the complaint.

The agreement from Paragraph 1 may be concluded in relation to a specific dispute if it has already arisen, or in relation to future disputes which may arise from specific legal relation.

If the respondent is a physical person who does not perform a registered occupation, the agreement from Paragraph 1 of this Article is only valid if the signature of the respondent has been notarized. If the respondent is a physical person who does perform a registered activity, the agreement from Paragraph 1 of this Article in relation to disputes, which are not related to that activity, is only legally valid if the respondent's signature on it is notarized.

If the respondent after the complaint has been served on him/her requests for service to be effected to another address in the Republic of Croatia, the service shall be effected at that address if the conditions under which it is to be effected are not significantly more difficult than those under which service was effected according to the agreement from Paragraph 1 of this Article.

The court shall decide by a ruling on the request by the respondent for service to be effected at a new address, after the plaintiff has been given the opportunity to reply to this. Until the court decides on the request in Paragraph 6 of this Article, the service shall be effected at the address or to the person from the agreement in Paragraph 1 of this Article.

No appeal is permitted against the court ruling granting or rejecting the request from Paragraph 6 of this Article. Service of this ruling shall be effected at the address or to the person from Paragraph 1 of this Article.

The costs incurred from the motion by the respondent from Paragraph 6 of this Article shall be borne by the respondent regardless of the outcome of the dispute.

Article 133c

If the parties reach an agreement about this during the proceedings, the court shall decide for them to send submissions and other court communications directly to each other, by registered mail with a return slip.

If either of the parties is a legal person or a physical person with a registered occupation, the communication from Paragraph 1 of this Article may be handed over directly at its head office with a certificate of taking possession of the communication verified by its seal.

In litigation where both parties are represented by attorneys or public prosecutors, the court may order for the representatives of the parties to send communications directly to one another – by mail with a return slip or for them to hand them in directly to the office or the registry office.

Article 134

Service to state bodies and legal persons shall be made by delivering the communication of the court to the person authorized to receive service or to an employee found in the office or business premises.

When a communication of the court is to be served on the public prosecutor's office, service shall be made by delivering the communication of the court to their registry office. The date when the communication of the court was delivered to the registry office shall be deemed as the date of service.

The service under the provisions of Paragraph 1 above shall be made even when the parties referred to in that Article appointed one of their employees as their agent.

Article 134a

Service shall be effected on a legal person who is registered in a specific court or other register at the address given in the complaint. If service at the address given in the complaint is not effected, service shall be effected at the address of the seat of that person written in the register. If service is not effected at that address either, it shall be effected by displaying the communication on the court's bulletin board. The service shall be deemed to have been effected on the expiry of the eighth day from the day the communication is displayed on the court's bulletin board.

The provisions of Paragraph 1 of this Article shall be applied to physical persons who perform certain registered occupations (tradesmen, individual salesmen, notaries public, attorneys, doctors etc.) when service is effected on these persons in relation to their occupation.

Article 134b

If, on the basis of a specific person's request and the approval of the president of the court, service is effected on him/her at the court, the communications addressed to him/her by the court shall be placed in a post box in a room assigned by the court for this purpose. Service shall be effected by an official of the court.

The president of the court may order by a ruling rendered in administrative proceedings, that all attorneys who have their own registry offices in the territory of his/her court shall receive court communications through the post boxes in Paragraph 1 of this Article. An attorney has the right to appeal against this ruling to the president of the directly superior court within eight days.

Communications which are served through a post box may not be accessible to the persons on whom they are being served until they have signed the acknowledgement of delivery. Communications are served in the closed envelopes, used to effect service by post. When the communication is handed over, all the communications placed in the post box must be taken together.

On each communications served in the manner prescribed in Paragraphs 1 and 2 of this Article, a note shall be made of the day it was placed in the post box of the person on whom service is effected in this manner.

In the cases in Paragraphs 1 and 2 of this Article attorneys are obliged to take the communication from the post box within eight days in the manner prescribed in Paragraphs 3 and 4 of this Article. If the communication is not taken within that time limit, service shall be effected by placing the communication on the court's bulletin board. It shall be deemed that service has been effected on the expiration of the eighth day from the day the communication was placed on the bulletin board.

Service is deemed to be valid when in the cases in Paragraphs 1 and 2 of this Article, it is effected in other ways prescribed by law, other than by means of a post box.

The president of the court shall withdraw his/her approval from Paragraph 1 of this Article if it is established that the person to whom it was given does not take the communications regularly or attempts to abuse this form of service.

Article 135

Summons shall be served on military personnel, members of police forces and people employed in land, river, maritime and air transport through their command or immediate

superior. Other communications of the court may also be served on them in this manner, if necessary.

Article 136

When service is to be made on persons or institutions in a foreign country or on foreigners enjoying the right to immunity, it shall be made through diplomatic channels, except as otherwise provided in an international agreement or in this Act (Article 146).

If service of a communication of the court has to be made on the citizens of the Republic of Croatia in a foreign country, that may be done through the competent consular or diplomatic representative of the Republic of Croatia performing consular functions in the foreign country concerned. Such service shall be valid only if the person on whom the communication of the court is to be served agrees to receive it.

Article 137

Service shall be made on persons deprived of liberty through the management of the prison, penitentiary or correctional home.

Article 138

When a party has a legal representative or agent, service shall be made on the legal representative or agent, except as otherwise provided in this Act.

If a party has several legal representatives or agents, it shall be sufficient to make service on only one of them.

Article 139

Service on a lawyer acting as a party's agent may also be made by delivering the communication of the court to a person working in his or her office.

Article 140

Service shall be made on a working day and in particular from seven a.m. to eight p.m. and in the dwelling house or workplace of the person on whom the service is to be made, or at the court when the said person is found there.

Service may also be made in another time and place, upon obtaining consent from the person on whom the service is to be made.

If it deems it to be necessary, the court shall order for the service to be effected in any other place or at any other time. In the case of this form of service, the person on whom the communication is served shall be handed a copy of the court ruling by which it was ordered. This ruling does not need to include an explanation.

The provision that the service be effected only on working days and at the times prescribed in Paragraph 1 of this Article does not apply to service by post or by a notary public.

Article 141

If the person on whom a communication of the court is to be served is not found in his or her dwelling house, service shall be made by delivering the communication of the court on an member of age of his or her household who shall be obliged to receive the communication of the court.

If the person on whom the service of the communication is to be effected is not found in his/her home, and if it cannot be handed to any adult members of his/her household, the communication shall be handed to the caretaker or neighbor, if they agree to this, and the service shall be effected in this way.

If service is made at the workplace of the person on whom a communication of the court is to be served, and if that person is not found there, the service may be made on a person working at the same workplace, provided that he or she agrees to receive the communication of the court.

Delivery of a communication of the court to another person shall not be permitted if such person participates in the litigation as an adversary of the person on whom the service is to be made.

Persons on whom according to the provisions of the previous Paragraphs the communication is served in place of the person on whom it is to be served, are obliged to pass the communication on to that person. If by their own fault they fail to pass the communication on, they are liable to the person in whose name they received the communication for the harm they cause to him/her in this way.

Article 142

A complaint, an ex parte payment order, against legally effective judgment, a judgment and a ruling against which an appeal and legal remedy is permitted shall be served on the party or his or her legal representative or agent in person. Personal service of other communication of the court shall be made only when it is expressly provided for by this Act or when the court deems that greater caution is needed because of original documents attached to them or for some other reason.

If the person on whom personal service of a communication of the court must be made is not found in the place where service is to be made, the courier shall be informed as to when and where he or she could find that person. Furthermore, the courier shall leave for him or her - with any of the persons referred to in Article 141, Paragraphs 1, 2 and 3 above - a written notice indicating the day and hour when he or she should be in his or her dwelling house or workplace in order to receive the communication of the court. If, after that, the courier is still unable to find the person on whom the communication of the court is to be served, the provisions of Article 141 above shall apply and it shall be deemed that the service has been properly effected.

If the communication of the court referred to in Paragraph 1 above must be served on a state body or legal person, service shall be made in accordance with the provisions of Article 134 above.

Article 143

In case it is established that the person on whom a communication of the court is to be served is absent and that the persons referred to in Article 141, Paragraphs 1, 2 and 3 cannot serve on him or her the communication of the court in time, such communication of the court shall be returned to the court with the indication of the whereabouts of the absent person, with an indication of the person who supplied this information.

Refusal to Receive

Article 144

If the person to whom a communication of the court is addressed, or an member of age of his or her household, or an authorized person or employee of a state body and legal person

refuses to receive the communication of the court without a lawful reason, the courier shall leave it in the dwelling house or in the premises where such person works or attach it to the door of the dwelling house or premises. The courier shall indicate on the acknowledgment of delivery the day, time and reason for such refusal, as well as the place where the communication of the court was left and, in that way, it shall be deemed that the service has been effected.

Change of Address

Article 145

The party and his/her representative are obliged to inform the court immediately of any change in their address during the proceedings up to the expiration of the time limit of six months after the first instance decision has become legally effective, against which no appeal has been lodged, or after the service of the second instance decision by which the proceedings are concluded with legal effect.

If a revision on points of law is lodged against the legally effective decision within the time limit in Paragraph 1 of this Article, this time limit is extended until six months have passed from the service on the party of the decision to reject or dismiss the revision or the disputed decision is revised.

If a motion for a retrial is lodged against the legally effective decision within the time limit in Paragraph 1 of this Article, this time limit shall be extended up until the expiration of six months after the first instance decision becomes legally effective in those proceedings, against which no appeal was lodged, or until the expiration of the time limit of six months from the service on the party of the second instance decision by which the retrial proceedings were concluded with legal effect.

If upon an extraordinary legal remedy the legally effective decision is quashed and the case remanded for a retrial, it shall be deemed that the time limit in Paragraph 1 of this Article has not begun to run.

If the party or his/her representative do not immediately notify the court of a change of address, and as a result it is not possible to effect service orderly, the court shall order for further services in the dispute to be effected by placing the communication on the court bulletin board, until the party or his/her representative notify the court of the new address.

Service in Paragraph 5 of this Article is deemed to have been effected upon the expiration of eight days from the day the communication is placed on the bulletin board.

If the representative changes his/her address for receiving communications before the expiration of the time limit in Paragraphs 1 to 3 of this Article, and does not notify the court of this fact, the court shall appoint another representative to receive communications on whom the service will be effected.

In the case from Paragraph 7 of this Article, the court may impose a monetary fine on the previous representative for the service of communications for a violation of his/her duty to notify the court of a change of address.

Representative for receiving court communications

Article 146

A plaintiff or his/her representative who are in a foreign country, and the plaintiff does not have an agent in the Republic of Croatia, are obliged when filing the complaint to appoint an agent to receive communications from the court in the Republic of Croatia. If they fail to do this, the court shall dismiss the complaint.

On the occasion of the service of the first communication from the court, the court shall order a respondent or his/her representative who are in a foreign country when the respondent does not have an agent in the Republic of Croatia, to appoint an agent for receiving communications from the court in the Republic of Croatia, with a caution that if he/she fails to do so, the court will appoint a representative for the respondent, at his/her expense, to receive court communications from the ranks of attorneys or notaries public and inform the respondent through this representative or his/her representative about this appointment.

For parties who revoke the power of attorney of an agent for receiving court communications but at the same time do not appoint another agent, the court shall effect service of communications by placing them on the bulletin board of the court, until the party appoints another agent to receive communications.

An agent for receiving communications who informs the court of the fact that he/she has revoked the power of attorney and presents indisputable evidence that the party has received that revocation, is obliged to continue receiving communications for the party until the expiration of thirty days from the day when he/she presents this evidence to the court. If the party does not notify the court within thirty days of the day of receiving notice of revocation of power of attorney, or the appointment of a new agent for receiving communications, the court shall act pursuant to the provisions of Paragraph 3 of this Article.

The plaintiff is obliged to provide a deposit of funds to cover the costs of the appointment and work of the respondent's agent for receiving communications from the court on the basis of a court ruling against which no appeal is permitted. If the plaintiff does not deposit these funds within the time limit set by the court in its ruling, the court shall dismiss the complaint.

The rules about appointing a representative for the plaintiff to receive court communications shall also be applied as appropriate to intervenors.

Article 147

When proceedings have been jointly instituted by multiple claimants who do not have a joint legal representative or agent, the court may invite them to appoint, within a specified time limit, a joint agent for receiving communications of the court. At the same time the court shall inform the plaintiffs who it will consider as their joint agent for receiving communications of the court if they fail to appoint such agent themselves.

Provisions of Paragraph 1 above shall also apply if several persons have been sued as *joint* defendants.

Establishment of Address

Article 148

If a party is unable to find out by himself or herself the address of the person on which a communication of the court is to be served, the court shall make efforts to obtain the necessary information from the competent state body or in another way.

Acknowledgment of Delivery

Article 149

The certificate of service (acknowledgement of delivery) shall be signed by the recipient who shall also write on it the date of receipt. If the service is on a state body, legal person or physical person who performs a registered occupation the recipient shall place the seal of that body or person alongside the signature. The courier shall mark on the acknowledgement of

delivery why no mark of a seal or stamp was placed on the acknowledgement of delivery when the communication was served on that body or person.

If the recipient is illiterate or unable to sign, the courier shall write his or her name and surname and date of receipt in letters, and make a remark about why the recipient did not put his or her signature.

If the recipient refuses to sign the acknowledgment of delivery, the courier shall indicate it on the acknowledgment of delivery and write in letters the date of delivery, and in that way it shall be deemed that the service was effected.

If the service has been effected in accordance with the provisions of Article 142, Paragraph 2 above, the acknowledgment of delivery shall, along with a certification of receipt of the communication of the court, contain also the indication that a written notice has previously been made.

If the service is not effected on a state body or legal person, the courier shall request proof of identity from the person to whom the communication is given, if he/she does not know him/her personally.

The courier shall write on the acknowledgment of delivery the name and surname of the person to whom the communication was given and indicate that he/she knows the person to who he/she gave the communication personally, or the number of the document by which he/she established his/her identity and by whom it was issued.

A courier who is not a notary public shall indicate legibly on the acknowledgement of delivery his/her name and surname and capacity, and sign it.

If necessary the courier shall write written minutes of the service and enclose it with the acknowledgement of delivery.

When a communication of the court has been delivered to the person other than that on whom the communication of the court was supposed to be served, the courier shall indicate on the acknowledgment of delivery the relationship between those two persons.

If the date of receipt has been wrongly indicated on the acknowledgment of delivery, it shall be deemed that the service was effected on the day when the communication of the court was delivered.

If the acknowledgment of delivery is missing, service may be proved in other ways.

Article 149a

The court may impose a monetary fine on a person who, in the cases prescribed in this Chapter, unjustifiably refuses to prove his/her identity or receive the communication from the court and a person who in any way hinders service consciously making it impossible or difficult to apply the provisions of this Chapter, with the appropriate application of Article 110 of this Act.

A party, who has incurred additional costs through the person in Paragraph 1 of this Article and the behavior described in those provisions, may request the court to order that person to refund these costs, regardless of whether he/she has received a monetary fine or not. The court is obliged to decide this request by a ruling without delay, regardless of the decision on the merits of the case. A separate appeal is permitted against this ruling, but enforcement of the ruling may be sought before it becomes legally effective.

Article 149b

The court may impose a monetary fine on a courier who does not perform the work of service conscientiously and as a result there is a significant delay in the proceedings, applying the provisions of Article 110 of this Act in the appropriate manner.

A party who incurs additional costs in the proceedings as a result of the unconscientious performance of duty by the courier in Paragraph 1 of this Article, may in those proceedings request the court to order that courier or the legal person who is liable for him/her according to general rules on the payment of damages, to refund those costs. The court is obliged to decide on this request by a ruling without delay, regardless of the decision on the merits of the case. An appeal is permitted against this ruling, but enforcement of the ruling may be sought even before it becomes legally effective.

The party may file the request for refunding of costs in Paragraph 2 of this Article within fifteen days of learning of the reasons, which justify the request, and at the latest up to the legal effectiveness of the decision or the conclusion of the proceedings in the case of a legal remedy.

Examination and Copying of the Case File

Article 150

Parties shall have the right to examine and copy the files relating to the litigation in which they participate.

Other persons having a legitimate interest may be allowed to examine and copy particular case files. When the proceedings are still pending, a leave for that shall be granted by a single judge or the President of the Chamber and when the proceedings have been ended it shall be granted by the President of the Court or judge.

Article 151

Litigation costs shall include expenses incurred in the course of or in relation to the proceedings.

Litigations costs shall also include remuneration for the work of lawyers and other persons to whom the law recognises the right to remuneration.

Article 152

Each party shall cover, in advance, the costs he or she incurred as a result of his or her actions.

Article 153

When a party proposes evidence, he or she shall be obliged, by order of the court, to pay, in advance, the amount needed to cover the costs to be incurred in relation to the introduction of evidence.

When evidence is proposed by both parties or when it is ordered by the court *sua sponte*, the court shall order that the amount needed to cover the costs be deposited by both parties in equal parts. If the court ordered hearing of evidence *sua sponte*, it may order that the amount be deposited by only one of the parties.

The court shall not take the evidence if the amount needed to cover the costs is not deposited within the time limit fixed by the court. In this case, the court shall, taking account of all the circumstances, assess, at its own discretion, the importance of the fact that the party failed to deposit the amount needed to cover the costs within the time limit specified.

If the court hears evidence even though a deposit for its presentation has not been given, it shall order the party by a ruling to pay a certain sum to the witness or the expert witness within eight days. An appeal against this ruling does not postpone enforcement.

As an exception to the provision of Paragraph 3 above, if the court *sua sponte* orders the hearing of evidence for the purpose of establishing facts in relation to the application of Article 3, Paragraph 8 above, and the parties fail to deposit the specified amount, the costs of hearing of evidence shall be covered from the court funds.

Article 154

A party who loses a case completely is obliged to pay the costs of the opposing party and his or her intervenor.

If a party is partially successful in his or her suit, the court may, in view of the success achieved, order each party to bear their own costs or for one party to pay the other and his or her intervenor a proportional share of the costs.

The court may decide that one party should pay all the costs, which the opposing party and his or her intervenor incurred, if the opposing party did not succeed in only a proportionally insignificant part of his or her claim and separate costs were not incurred as a result of that part.

According to the results of the hearing of evidence, the court shall decide whether the costs from Article 153, Paragraph 5 of this Act shall be paid by one or both parties or if those costs will be paid from the court funds.

Article 154a

In proceedings where the public prosecutor or other state body appears as a party, a decision on the costs of the proceedings shall be rendered in favor of or against the Republic of Croatia.

Article 155

In deciding which costs are to be paid to the party, the court shall take into consideration only costs which were necessary for the conduct of the case. The court shall decide which costs were necessary and on the level of these costs, taking careful consideration of all the circumstances.

If there is a prescribed tariff for attorney's fees and other costs, these costs shall be calculated according to this tariff.

Article 156

A party is obliged, regardless of the outcome of the case, to pay the opposing party costs, which he or she has caused by his or her own fault or by events that happened to him or her.

The court may decide that the legal representative or agent of the party must pay the opposing party costs he or she has caused by his or her own fault.

The court is obliged to decide by a ruling without delay on requests for payment of costs from Paragraphs 1 and 2 of this Article, regardless of the decision on the merits of the case. A

separate appeal is not permitted against this ruling, and enforcement of that ruling may be sought before it becomes legally effective.

Article 157

If the respondent did not give any cause for the complaint and if in his or her response to the claim he or she admits the claim at the preparatory hearing, and if one was not held, at the trial, before beginning litigation on the merits of the case, the plaintiff shall pay the respondent the costs of the case.

Article 158

A plaintiff who withdraws the complaint is obliged to pay the opposing party the costs of the proceedings. However, if the complaint is withdrawn immediately after the respondent has satisfied the plaintiff's claim, the costs of the proceedings shall be paid to the plaintiff by the respondent.

A party who waives the legal remedy is obliged to pay the opposing party the costs incurred upon a legal remedy.

Article 159

Each party shall bear his or her own costs if the case is concluded with a court settlement, and it is not otherwise agreed in the settlement.

The costs of an attempted settlement (Article 324) which is unsuccessful are included in the costs of the case.

Article 160

In a dispute for exclusion of certain things from enforcement the claim is allowed for the exclusion of those things, and the court establishes that the respondent as a creditor in enforcement proceedings had justifiable reasons to believe that no third person had any right to these things, it shall be ordered that each party shall bear his or her costs.

Article 161

Co-litigants shall pay costs in equal amounts.

If there is a significant difference in terms of their share in the subject of the dispute, the court shall determine the proportion of the costs to be paid by each co-litigant according to the proportion of his or her share.

Co-litigants who have agreed together on the merits of the case shall be liable together for the costs awarded to the opposing party.

The remaining co-litigants shall not be liable for costs caused by separate procedural actions taken by individual co-litigants.

Article 162

When a public prosecutor participates in the proceedings as a party, he or she has the right to repayment of costs according to the provisions of this Act, but does not have the right to a fee.

Article 163

The provisions on costs are also applied to parties who are represented by the public prosecutor's office. In this case the costs of the proceedings also include the amount that would be allowed to the party as the attorney's fee.

Article 164

The court shall decide on the reimbursement of costs at the specific request of a party. in chambers.

The party shall state in the request the costs for which he or she is seeking reimbursement.

The request for reimbursement of costs shall be submitted by the party at the latest by the conclusion of the litigation preceding the decision on costs. If the decision is to be rendered without previous litigation the party is obliged to include the request for reimbursement of costs in the motion about which the court has to decide.

The court shall decide on the request for reimbursement of costs in the judgment or ruling, which concludes the proceedings before that court.

In the decision by which the proceedings are concluded for one of the co-litigants, the court shall also decide on the request for the payment of costs of the parties between whom the proceedings before that court are concluded by that decision.

If the judgment or ruling ordering the reimbursement of costs is pronounced orally, the court may decide for the amount of the costs to be calculated in the judgment or ruling expressed in writing if the ruling is to be served on the parties.

In the course of the proceedings the court shall only decide by a separate ruling on the payment of costs, if the right to payment of costs does not depend on the decision on merits.

In the case from Article 158 of this Act, if the withdrawals of the complaint or the legal remedy are not carried out at the trial, the request for payment of costs may be submitted no later than fifteen days after the notice of the withdrawal is received.

Article 165

In an interim partial or judgment the court may order the decision on costs to be left for a later judgment unless the partial judgment concerns the case in Article 164 Paragraph 5 of this Act.

Article 166

If the court dismisses or rejects a legal remedy, it shall decide on the costs incurred in the proceedings resulting from that legal remedy.

When the court amends the decision against which a request for legal remedy was submitted or if it annuls that decision and dismisses the complaint, it shall decide on the costs for the entire proceedings.

When a decision is quashed upon a legal remedy and the case is remanded for a retrial, the decision on litigation costs relating to the legal remedy shall be left for the final decision.

The court may act according to the provisions of Paragraph 3 of this Article even if the decision is only partially quashed upon a legal remedy.

Article 167

The decision on costs contained in the judgment may only be challenged by an appeal against the ruling if at the same time the decision on merits is also being challenged.

If one party challenges the judgment only in terms of the costs, and the other in terms of the merits, a higher court shall decide on both legal remedies by one decision.

Costs in proceedings for the securing of evidence

Article 168

The costs of proceedings for securing evidence shall be paid by the party who submitted the motion to secure the evidence. He or she shall also pay the costs of the opposing party or the interim representative appointed.

The party may also subsequently obtain payment of costs as part of the litigation costs according to his or her success in the litigation.

Securing litigation costs

Article 169

If a foreign citizen or a person without citizenship sues in the Republic of Croatia, he or she is obliged to secure litigation costs to the respondent at his or her request.

The respondent is obliged to file this request at the latest at the preparatory hearing and if one is not held, then at the trial before he or she begins litigation on the merits, or as soon as he or she learns that the conditions exist for requesting security.

Security is given in cash money, but the court may approve the giving of security in another form.

Article 170

The plaintiff does not have the right to secure the litigation costs.

1) If in the state the plaintiff comes from citizens of the Republic of Croatia are not obliged to give security

2) If the plaintiff is enjoying the right of asylum in the Republic of Croatia;

3) If the complaint relates to the plaintiff's claim from his or her employment contract in the Republic of Croatia;

4) If the dispute is about the existence or non-existence of marriage, the annulment of marriage or divorce or to establish or contest paternity or maternity;

5) If it is a case of a dispute over promissory notes or cheques, a counter complaint or the issue of a payment order.

In cases of doubt about whether citizens of the Republic of Croatia are obliged to pay security in the state from which the plaintiff comes, the federal administrative body competent for judicial affairs shall issue instructions.

Article 171

The court, in a ruling allowing the request for security of litigation costs, shall determine the amount of security and the time limit by which the security is to be given and it shall caution the plaintiff regarding the consequences prescribed by law if it is not shown that the security was given within the time limit set.

If the plaintiff does not prove that he or she has given the security for the litigation costs within the given time limit, it shall be deemed that the complaint has been withdrawn or that the plaintiff has waived his or her right to legal remedy if the request for security was not filed until the proceedings on the legal remedy.

A respondent who files a request in good time for the plaintiff to secure the costs is not obliged to continue proceedings on the merits of the case until a legal effective decision is rendered on his or her request and if the request is allowed until the plaintiff deposits the

security. However, if the court dismisses the request for security, it may decide to continue with proceedings before that ruling becomes legal effective.

Exemption from payment of litigation costs

Article 172

The court may exempt from payment of litigation costs a party who in terms of his or her financial situation is unable to pay those costs without harm to the vital support of him or herself and his or her family.

Exemption from payment of litigation costs covers exemption from payment of fees and exemption from payment of a deposit for expenses of witnesses, expert witnesses, inquiries and court announcements.

The court may exempt a party from payment of court taxes under the conditions prescribed by the Act on Court Fees.

In rendering a decision on exemption from payment of litigation costs, the court shall carefully assess all the circumstances, and especially take into account the value of the subject of the dispute, the number of people the party supports and the income of the party and the members of his or her family.

Article 173

The decision on the exemption from payment of litigation costs shall be rendered by the first instance court at the motion of the party.

The party shall furnish a certificate with the motion from the competent administrative body on his or her financial means.

The certificate of financial means shall indicate the amount of tax paid by the household and individual members of the household and other sources of income and the overall material situation of the party to whom the certificate is issued.

More detailed regulations on the issue of certificates of financial means shall be adopted by the authority determined by special regulations.

When necessary the court itself may, *sua sponte*, obtain the necessary data and information about the financial means of the party who is requesting exemption and may also hear the opposing party on the subject.

No appeal is permitted against the court ruling allowing the party's motion.

Article 174

When a party is completely exempted from payment of litigation costs (Article 172, Paragraph 2), the first instance court shall at his or her request, order an agent to represent him or her, if this is necessary for the protection of the rights of the party.

The party who has been given an agent is exempted from payment of the real expenses and fees of the agent appointed.

An attorney shall be appointed as agent; but if in the seat of the court there are insufficient attorneys, another person may be appointed as agent who is trained as a lawyer and is able to provide the necessary legal assistance.

An agent who is an attorney shall be appointed by the President of the court. If a lower first instance court is located in the seat of a higher first instance court, the agent shall be selected by the President of the higher first instance court.

The agent appointed may for justified reasons request to be relieved of his or her duties. A decision shall be made on this by the President of the Chamber in chambers and not at the trial. No appeal is permitted against the court decision relieving the agent of his or her duties.

No appeal is permitted against the court ruling allowing the request by the party for the appointment of an agent.

Article 175

When the party is completely exempted from paying litigation costs (Article 172, Paragraph 2), a deposit shall be paid from the court funds for the expenses of witnesses, expert witnesses, inquiries and the publication of court announcements and the actual costs of the agent appointed.

Article 176

The ruling on exemption from payment of litigation costs and the appointment of an agent may be annulled by the first instance court in the course of the proceedings if it establishes that the party is capable of paying the litigation costs. On that occasion the court shall rule whether the party is to refund completely or in part the costs and fees from which he or she was previously exempted and the real expenses and fees of the agent appointed.

He or she must first and foremost repay the sum paid from the court funds.

Article 177

Fees and expenses paid from the court funds and the actual expenses and fee of the agent appointed comprise part of the litigation costs.

The court shall decide according to the provisions on the payment of costs on the payment of these costs by the adversary of the party who is exempted from payment of litigation costs.

Fees and expenses paid from the court funds shall be *sua sponte* collected, *propiro motu,* by the first instance court from the party who is obliged to pay them.

If the party opposing the party who has been exempted from payment of litigation costs is ordered to pay litigation costs, and it is established that he or she is not capable of paying those costs, the court shall subsequently order for the costs from Paragraph 1 of this Article to be paid in full or partially by a party who is exempted from payment of litigation costs from the money awarded to him or her. This does not touch on the rights of that party to request repayment from his or her adversary for what he or she has paid.

Article 178

A foreign citizen shall be exempted from paying litigation costs only under the condition of reciprocity.

If there is doubt regarding the existence of reciprocity, instructions shall be given by the federal administrative body competent for judicial affairs.

Article 178a

Article 178a is deleted

CHAPTER THIRTEEN

LEGAL ASSISTANCE

Article 179

Courts are obliged to offer one another legal assistance in civil proceedings.

If the requested court does not have jurisdiction to carry out the tasks it is requested to do, it shall pass on the request to a court with jurisdiction or another state body and inform the requesting court of this; if it does not know of a court or state body with jurisdiction it shall return the request.

If there are several courts in one place with subject matter jurisdiction for offering legal assistance, the request for legal assistance may be submitted to any of these courts, if special regulations do not prescribe otherwise.

Article 180

Repealed

Article 181

Courts shall offer legal assistance to foreign courts in cases prescribed by international agreements and when there exists reciprocity in the offer of legal assistance. In cases of doubt regarding the existence of reciprocity instructions shall be given by the ministry responsible for judicial affairs.

A court shall deny legal assistance to a foreign court if the performance of an act is requested which contravenes the public policy of the Republic of Croatia. In this case the court competent for giving legal assistance shall forward the case *sua sponte* to the Supreme Court of the Republic of Croatia for a final decision.

The provisions of Article 179, paragraphs 2 and 3 of this Act also apply to dealing with a request of a foreign court.

Article 182

Courts offer legal assistance to foreign courts in the manner prescribed by domestic law. The action, which is the subject of the request by the foreign court, may be carried out in the manner requested by the foreign court if this procedure does not contravene the public order of the Republic of Croatia.

Article 183

If it is not agreed otherwise by an international agreement, courts shall proceed on requests for legal assistance from foreign courts only if they are delivered through diplomatic channels and if the request and enclosures are written in one of the languages in official use in the court or if an authorized translation in that language is enclosed.

Article 184

If not regulated otherwise by an international agreement, requests by domestic courts for legal assistance shall be sent to foreign courts through diplomatic channels. Requests and enclosures must be written in the language of the requested state or an authorized translation in that language must be enclosed with them.

THE COURSE OF PROCEEDINGS

A. Proceedings before first instance courts

TITLE FOURTEEN

COMPLAINT

Article 185

Civil proceedings are instituted by complaints

The content of complaints

Article 186

A complaint must contain a specific claim regarding the merits and incidental claims, the facts on which the plaintiff bases the claim, evidence to support these facts and other information which must be enclosed with every submission (Article 106).

When the subject matter jurisdiction, composition of the court, type of proceedings, the right to request revision on points of law, authorization for representation or the right to payment of costs depends on the value of the subject of the dispute, and the subject of the claim from the complaint is not a sum of money, the plaintiff shall indicate in the complaint the value of the subject of the dispute.

The court shall proceed on the complaint even if the plaintiff has not stated the legal grounds for the complaint; even if the plaintiff has stated the legal grounds the court is not bound by this.

Article 186a

A person who intends to file a complaint against the Republic of Croatia is obliged before filing the complaint to approach the competent public prosecutor's office with a request for a peaceful solution to the dispute.

If the request in Paragraph 1 of this Article is filed with a public prosecutor's office that lacks jurisdiction, it shall be deemed that it was submitted to the public prosecutor's office with jurisdiction after the expiration of eight days.

The filing of a request as in Paragraph 1 stops the running of the statute of limitations.

A settlement reached between the applicant and the public prosecutor's office, following the request in Paragraph 1 of this Article, is enforceable.

If the request in Paragraph 1 of this Article is not accepted, or no decision is made on it within three months of its filing, the applicant may file a complaint with the competent court.

The court shall dismiss a complaint against the Republic of Croatia filed before a decision on the request for a peaceful solution of the dispute has been rendered, or before the expiration of the time limit in Paragraph 2 of this Article.

The provisions of the previous Paragraphs of this Article shall not apply in cases when a special law prescribes the procedure for a request for a peaceful solution of a dispute to be filed with the competent public prosecutor's office or another body.

Article 186b

A plaintiff vested with a property right interest may request the court to order the respondent, who is according to the contents of the legal relation, obliged to give an account or give an overview of some assets or liabilities, or a respondent who probably knows something about concealed or hidden assets, whether under oath or not, to give an account or hand over a

complete overview of assets or liabilities, or say what he/she knows about the concealed or hidden assets, and to state that the accounts given, the overview of assets and liabilities or the information about concealed or hidden assets is complete and accurate.

In disputes where a claim cannot be raised for the payment of a certain sum of money, the delivery of a certain quantity of replaceable things, the handover of a specific thing or the transfer of a specific right before the respondent has fulfilled his/her obligation to present accounts or submit an overview of assets and liabilities, the plaintiff may also put forward in the complaint, alongside the request for the giving of an account or the overview of assets and liabilities as in Paragraph 1 of this Article, a request by which he/she shall request the court to order the respondent to pay a sum of money, deliver or hand over a thing or transfer a right, whose level, amount or identity will be established only after the respondent has given an account or handed over the overview of assets and liabilities or only after expertise has been undertaken or other evidence heard in relation to the account given or the overview of assets and liabilities given or following the refusal to give an account or the overview of assets and liabilities.

In disputes in which the plaintiff cannot specify the claim before he/she has access to information which the respondent does not wish to give, although it is available to him/her, and which he/she is obliged to give according to the contents of their civil law relationship or which may be deemed to be common to both parties, the plaintiff may put forward in the complaint a claim for the court to order the respondent to pay the amount, hand over the things or transfer the right whose amount, quantity or identity he/she will define only after the respondent has given the necessary information, or only after expertise is conducted or other evidence presented on the information which the respondent is refusing to give.

In the cases in Paragraphs 2 and 3 of this Act, the plaintiff is obliged to file a specific claim within a time limit which the court is to set during the proceedings by a ruling, against which no appeal is permitted.

In the complaint in Paragraph 1 of this Article, the plaintiff is obliged to indicate the value of the dispute pursuant to the provisions of Article 40, Paragraph 2 of this Act. When establishing the claim from Paragraph 4 of this Article the plaintiff is obliged to indicate the value of the subject of the dispute again, pursuant to the provisions of Articles 35 to 37 and Article 39 of this Act.

Article 186c

A plaintiff who shows that it is probable that the respondent is seriously bringing into question the existence of his/her still immature claim, or that the plaintiff shall be obliged to file the claim before a court after it matures, or that for other reasons the plaintiff is vested with a legal interest to do that, may request the court even before the maturity of a claim to order the respondent the due specific performance at the time the claim matures. The time the claim matures should be specifically indicated in the claim.

The court shall dismiss a complaint if it establishes that the plaintiff has no legal interest in requesting the judgment in Paragraph 1 of this Article before the claim matures.

Enforcement on the basis of the judgment granting the request in Paragraph 1 of this Article may be sought only after the claim matures.

Declaratory Complaints

Article 187

The plaintiff in the complaint may request the court to establish the existence or non-existence of a right or legal relation or the authenticity or otherwise of a document.

This form of complaint may be filed when separate regulations so prescribe, when the plaintiff has a legal interest for the court to establish the existence or non-existence of a right or legal relations or the authenticity or otherwise of a document, before the maturity of the claim for the performance based on that relation, or when the plaintiff has some other legal interest for filing this form of complaint.

If the decision on the dispute depends on whether or not there is some form of legal relation which has come into question before or during the course of the litigation, the plaintiff may, put forward a claim for the court to establish whether this relation exists or not, if the court before which the case is being conducted has jurisdiction for this claim.

Putting forward a claim according to the provisions of Paragraph 3 of this Article after the filing of the complaint shall not be deemed an amendment of the claim.

Putting forward several claims in a single complaint

Article 188

A plaintiff may put forward several claims against the same respondent in a single complaint when these claims are related by the same factual and legal grounds. If the claims are not related by the same factual and legal grounds they may be put forward in a single complaint against the same respondent only if the same court has subject matter jurisdiction for each of these claims and if the same form of proceedings are prescribed for all the claims.

The plaintiff may put forward two or more claims which are related to each other in a single complaint in that the court may grant the subsequent claim if it finds that the one that was put forward before it is ill-founded.

According to Paragraph 2 of this Article claims may only be put forward in a single complaint if the court has subject matter jurisdiction for each of the claims put forward and if the same type of proceedings are prescribed for all the claims.

If in the case of some of the claims put forward in the same complaint it is necessary for a Chamber to adjudicate but for the other claims a single judge of the same court, a Chamber shall adjudicate on all the claims.

Counter complaints

Article 189

Up until the conclusion of the trial before the court the respondent may submit a counter complaint with the same court, if the complaint in the counter complaint requests the establishment of a right or legal relation on whose existence or non-existence the decision on the complaint depends, whether completely or in part.

A counter complaint may not be filed if a higher court or a court of another type has subject matter jurisdiction for the claim in the counter complaint.

A counter complaint may be filed even if the same court in a different composition must adjudicate on the claim from the counter complaint.

Amendments to the complaint

Article 190

The plaintiff may amend the complaint right up to the conclusion of the trial.

After the service of the complaint on the respondent, the agreement of the respondent is needed for amendments to the complaint; but even if the respondent objects, the court may allow the amendment if it deems that it would be purposeful for the final resolution or relations between the parties.

It shall be deemed that the respondent has agreed to the amendment to the complaint if he or she begins litigation based on the amended complaint without previously objecting to the amendment.

If the trial court does not have jurisdiction for the amended complaint, it shall send the case to the court with jurisdiction, which will, if the respondent objects to the amendment, decide whether the amendment is allowed.

If a court of the same type but in a different composition needs to adjudicate on the amended complaint it shall proceed in the manner prescribed in Paragraph 4 of this Article (Article 18).

When the court allows the amendment to the complaint, it is obliged to allow the respondent the necessary time to prepare for litigation on the amended complaint, if he or she has not had sufficient time. The court shall proceed in the same way if a respondent who does not object to the amendment requests time for preparation.

If the complaint is amended at a hearing when the respondent is not present, the court shall postpone the hearing and serve a copy of the minutes of that hearing on the respondent.

No appeal is permitted against a ruling by which amendments to a complaint are allowed.

Article 191

An amendment to a complaint is a change of the identity of the claim, an increase in the existing claim or the putting forward of another claim alongside the existing one.

If the plaintiff amends the complaint due to circumstances arising after the filing of the complaint, or where on the basis of the same facts he or she claims another item or sum of money, the respondent may not object to these amendments.

The complaint is not amended if the plaintiff changes the legal grounds for the complaint, if he or she reduces the claim or if he or she has altered, supplemented or corrected individual statements which do not alter the claim.

Article 192

The plaintiff may amend his or her claim right up to the conclusion of the trial in that he or she may sue another person in place of the original respondent.

For an amendment to the claim according to Paragraph 1 of this Article the agreement is needed of the person who is to enter the litigation in place of the respondent; if the respondent has already begun litigation on the merits of the case, his or her agreement is also required.

After the respondent has begun the litigation on the merits, a new plaintiff may only enter the litigation in place of the former plaintiff if the respondent gives his/her assent to this.

The person who enters the litigation in place of the party must accept the status of the litigation at the moment when he or she enters it.

Withdrawal of complaints

Article 193

The plaintiff may withdraw the complaint without the agreement of the respondent before the respondent begins litigation on the merits of the case.

The complaint may be withdrawn later, right up to the conclusion of the trial, if the respondent so agrees. If the respondent is informed within 15 days of the withdrawal of the complaint but does not express an opinion on this, it shall be deemed that he or she has agreed to the withdrawal.

A complaint that is withdrawn shall be deemed not to have been filed and may be filed once again.

The existence of litigation

Article 194

Litigation begins with the service of the complaint on the respondent.

In terms of a claim which the party puts forward in the course of proceedings, the litigation begins at the moment when the adversary is informed of the claim.

Whilst the litigation is underway, new litigation may not be instituted in relation to the same claim between the same parties, and if such litigation is instituted, the court shall dismiss the complaint.

During the course of the entire proceedings the court shall *sua sponte* pay attention as to whether litigation is being conducted on the same claim between the same parties.

Article 195

If any of the parties abalienates the thing or right which is the subject of the litigation, this does not prevent the litigation being concluded between the same parties.

The person who has obtained the thing or right which is the subject of the litigation may only enter the litigation in place of the plaintiff or respondent if both parties agree to this.

TITLE FIFTEEN

Co-litigants

Article 196

Several people may sue or may be sued (co-litigants) through one complaint:

1) If in terms of the subject of the dispute they are in a legal relationship or their rights or liabilities arise from the same facts or legal grounds.

2) If the subject of the disputes are complaints or debts of the same type which are founded on essentially the same facts and legal grounds and if the same court has subject matter and territorial jurisdiction for each claim and every respondent.

3) If this is prescribed by another law

Up to the conclusion of the trial and under the conditions in Paragraph 1 of this Article, a new plaintiff may appear with the plaintiff, or the claim may be extended to another respondent with his or her agreement.

After the respondent has begun litigation on the merits of the case, a new plaintiff may not appear alongside the original plaintiff without the consent of the respondent.

A person who joins the claim or to whom the claim is extended must accept the status of the litigation when he or she joins it.

Article 197

The plaintiff may include in his or her complaint two or more respondents such that he or she may request that the claim be allowed regarding the subsequent respondent if it is dismissed with legally effective decision against the one specified in the complaint before him or her.

The plaintiff may include two or more respondents in the complaint in the manner prescribed in Paragraph 1 of this Article only if he or she puts forward the same claim regarding each one of them or if against each of them he or she puts forward different claims which are related to one another and if the same court has subject matter and territorial jurisdiction for each of the claims.

Article 198

A person who whether totally or in part requests a thing or right regarding which litigation is already pending between other persons, may sue both parties with one complaint before the court before which that litigation is pending, right up until the proceedings are concluded with a legally effective decision.

Article 199

The chief debtor and guarantor may both be sued if this is not in contravention of the contents of the guarantee agreement.

Article 200

Each co-litigant in the case is an independent party and his or her actions or omissions neither help nor harm the other co-litigants.

Article 201

If according to the law or due to the nature of the legal relation the dispute may be resolved only in an equal manner towards all co-litigants (united co-litigants) they shall be deemed to be one party to the litigation, so that if an individual co-litigant omits one procedural action, the effect of the procedural action which the other co-litigants have taken covers those who have not taken that action.

Article 202

If the deadlines for taking certain procedural actions for individual united co-litigants expire at different times, each co-litigant may take that procedural action at any time within the time limit for any one of them to take that action.

Article 203

Each co-litigant has the right to put forward a motion relating to the course of the litigation.

TITLE SIXTEEN

PARTICIPATION BY THIRD PARTIES IN THE LITIGATION

Article 204

Repealed

Article 205

Article 205 and the title above are deleted

The participation of an intervenor

Article 206

A person who has a legal interest that one of the parties succeeds in litigation pending between other persons, may join that party.

The intervenor may enter the litigation during the entire course of the proceedings right up to the legal effectiveness of the decision on the claim, and in the course of proceedings which are continued upon an extraordinary legal remedy.

The intervenor may give a statement about entering the litigation at the hearing or by means of a written submission.

The submission by the intervenor shall be sent to both parties to the litigation; if the statement by the intervenor is given at the hearing, a copy of that part of the minutes shall only be sent to any party who was not present that that hearing.

Article 207

Each party may contest the intervenor's right to participate in the proceedings and propose that the intervenor be rejected, and the court may without any statement by the parties refuse the participation by the intervenor if it establishes that the intervenor has no legal interest.

Until the legal effectiveness of the ruling rejecting the participation of the intervenor, the intervenor may participate in the proceedings and his or her procedural actions cannot be excluded.

No appeal is permitted against the decision by the court to allow participation by the intervenor.

Article 208

The intervenor must accept the status of the case at the moment when he or she becomes involved in the case. In the further course of the litigation he or she is authorized to present motions and take all other procedural actions within the time limits within which the party he or she has joined are able to take the same action.

If the intervenor joins the litigation before the legal effectiveness of the decision on the claim, he or she is also authorized to lodge an extraordinary legal remedy.

If the intervenor lodges a legal remedy, a copy of his or her submission shall be served on the party he or she has joined.

The procedural actions of an intervenor have legal effect for the party he or she has joined if they are not in contravention of his or her own acts.

After the agreement of both parties to the proceedings, the intervenor may enter the litigation as a party in place of the party he or she joined.

Article 208a

The intervenor may not in relation to the party whom he/she joined in previous proceedings claim that the dispute, as it was presented to the court during those proceedings, was not resolved correctly. His/her objection brought forward in a new dispute, that the party he/she joined did not conduct the dispute correctly, may only be allowed to the extent that in view of the state of the dispute at the time of his/her appearance in the previous dispute or statements

or actions by the party, he/she was prevented from undertaking actions which would have led to a more favorable outcome of the dispute, or if the party did not undertake actions deliberately or out of gross neglect, which the intervenor was not aware could be taken.

The provisions of Paragraph 1 of this Article shall also be applied in the appropriate manner to a named predecessor (Article 210) and a third person informed about the litigation (Article 211).

Article 209

If the legal effectiveness of the judgment should also relate to the intervenor, he or she has the position of a single co-litigant (Article 201).

An intervenor with the position of a single co-litigant may also lodge an extraordinary legal remedy in litigation in which he or she has not participated as an intervenor until the decision on the claim becomes legally effective.

Article 209a

The provisions of this Act on the capacity to be a party in the proceedings and on procedural capacity and the representation of parties, and on the submissions by the parties and service on the parties shall also be applied as appropriate to the intervenor.

Appointment of predecessor

Article 210

A person who is accused as the holder of a thing or the beneficiary of a right, and claims that he or she is holding that thing or is making use of the right on behalf of a third party, may at the latest at the preparatory hearing, and if one is not held at the trial before litigation begins on the merits of the case, call that third person (predecessor) to appear in his or her place as a party to the litigation.

The approval of the plaintiff is necessary for the predecessor to take part in the litigation in place of the respondent only if the plaintiff puts forward claims against the respondent which do not depend on whether the respondent has a thing or is benefiting from a right on behalf of a predecessor. If the predecessor is orderly summoned but fails to appear at the hearing or refuses to take part in the litigation, the respondent cannot object to the beginning of the litigation.

Notice to third persons of litigation

Article 211

If the plaintiff or respondent needs a third person to be informed about the beginning of the litigation, in order in this way to realize a specific civil law effect, they may, right up until the legally effective conclusion of the case, do this by means of a submission through the court where the proceedings are pending, giving the reason for the notice and the current status of the litigation.

The party who has informed the third party about the litigation may not for this reason request a stay of proceedings which have begun, any extension of deadlines or postponement of the hearings.

Title Seventeen

STAY, TERMINATION AND SUSPENSION OF PROCEEDINGS

Article 212

Proceedings shall be stayed when,

1) the party dies;

2) the party loses procedural capacity and has no agent in that litigation;

3) the legal representative of the party dies or his/her authorization for representation expires, and the party has no agent in that litigation;

4) a party who is a legal person ceases to exist or when the competent body renders a legally effective decision to ban its operations;

5) the legal consequences of the instituting of bankruptcy proceedings take effect;

6) the party is located in an area which is cut off from the court due to an exceptional event (flooding etc.);

7) due to war or another cause the work of the court is terminated;

it is so prescribed by another law.

Article 213

The court shall also order the stay of the proceedings if it has decided that it does not resolve a preliminary issue itself (Article 12)

If the party is in an area which is cut off from the court due to an extraordinary event (flood etc.). The court may order suspension of the proceedings if the decision on the claim depends on whether a commercial misdemeanor or a criminal offence has been committed which is prosecuted *proprio motu*, who the perpetrator is, and whether he or she is responsible, and especially if there is a suspicion that a witness or expert witness has given a false testimony or that a document used as evidence is counterfeit.

Article 214

Suspension of the proceedings causes the suspension of all deadlines set for taking procedural actions.

During the period while the proceedings are suspended the court may not undertake any action in the proceedings. However if the suspension takes place after the conclusion of the trial, the court may render a decision on the basis of the trial.

If the proceedings are suspended for the reason given in Article 212 point 5 of this act and if due to the institution of bankruptcy proceedings the jurisdiction of the court conducting the proceedings has ceased, that court shall establish the stay of the proceedings by a ruling, declare itself to lack jurisdiction and transfer the case to the court with jurisdiction after the ruling becomes legally effective.

The procedural actions which a party undertakes during the suspension of the proceedings do not have any legal effect towards the other party. Their effect begins after the proceedings are continued.

Article 215

Proceedings which are suspended for the reasons given in Article 212, points 1 to 5 of this Act shall be continued when the heir or guardian, the new legal representative, the trustee or

legal heir of the legal person takes over the proceedings or when the court orders them to do so upon a motion by the opposing party or sua sponte.

In the case in Article 214, Paragraph 3 of this Act, it shall be deemed that the proceedings are continued with the service of the ruling on the stay of the proceedings and the declaration of the court as lacking jurisdiction to the party on whom it is served later.

Proceedings which are stayed for the reasons given in Article 212 point 6 of this Act shall be continued when the party who was located in an area which was cut off from the court by an extraordinary event, takes over the proceedings or when the court upon a motion by the opposing party or sua sponte orders him/her to do so.

If the court suspends the proceedings for the reasons given in Article 213, Paragraph 2 of this Act, the proceedings shall be continued when the proceedings are concluded with a legally effective decision before a court or other competent body or when the court establishes that there is no longer any reason to wait for their conclusion.

In all other cases, suspended proceedings shall be continued upon a motion by a party or sua sponte, as soon as the reasons for the suspension have ceased.

The time limits which were suspended due to the suspension of the proceedings shall begin to run for the interested party completely from the beginning again from the day when the court serves him or her with the ruling on the continuation of the proceedings.

The party who did not file the motion for the continuance of the proceedings shall be served with the ruling on the continuation of the proceedings according to the provisions of Article 142 of this Act.

Article 215a

In the cases where according to this Act the proceedings are halted, the provisions of this Act on the stay of proceedings shall be applied as appropriate.

Article 215b

Proceedings are terminated when the party dies or ceases to exist in proceedings on rights, which are not inherited by his/her heirs, or legal successors.

In the cases in Paragraph 1 of this Article the court shall serve the ruling on termination of the proceedings to the opposing party and the heirs, or the legal successors of the party, after they have been established.

The court shall appoint a guardian pro litem for the heirs of the deceased party, upon a motion by the opposing party or sua sponte, on whom the ruling on the termination of the proceedings shall be served if the court deems that the inheritance proceedings could last a long time.

The ruling on the termination of the proceedings due to the fact that the legal person has ceased to exist shall be served on the opposing party and its legal successor after it has been defined, and if the legal person does not have a legal successor, upon the motion of the opposing party or sua sponte, the ruling on the termination of the proceedings shall be sent to the public prosecutor’s office.

Until the proceedings upon the ruling on the termination are concluded with legally effective decision, regarding the time limits for undertaking legal actions and the rights of the parties and the court to undertake these actions, the rules on the stay of proceedings shall be applied in the appropriate manner, if the previous provisions of this Article do not prescribe otherwise.

Article 216

A stay of the proceedings occurs if both parties reach an agreement on this before the conclusion of the trial or when both parties are absent from the preparatory hearing or a hearing in the trial or when the parties who are present at the hearing do not want to litigate, and when one party who is orderly summoned is absent and the other moves for a suspension;

When the parties agree for the proceedings to be stayed, this stay shall commence on the day when the parties inform the court of their agreement.

The stay of the proceedings shall not commence if both parties fail to appear at the hearing for the presentation of evidence before the President of the Chamber or the requested judge. In this case, if the parties are orderly summoned, the hearing shall be held.

If in the same proceedings the conditions for a stay are fulfilled again, it shall be deemed that the complaint has been withdrawn.

Article 217

If the proceedings are stayed the same legal consequences occur as when the proceedings are suspended, except that time limits established by law do not cease to run.

The proceedings are stayed until one party moves for the proceedings to be continued. This motion may not be filed before the passing of three months from the day the stay of the proceedings commenced.

If neither party files a motion for the continuation of the proceedings within four months of the day when the stay of the proceedings commenced, it shall be deemed that the complaint has been withdrawn.

In the ruling confirming the stay of the proceedings the day from when the proceedings are stayed shall be indicated and the parties warned of the legal consequences from Paragraph 1 to 3 of this Article.

Article 218

An appeal against a ruling confirming (Article 212) or ordering (Article 213) the suspension of the proceedings and against a ruling confirming the stay of proceedings (Article 216) does not delay the legal effect of the ruling.

If at the hearing the court rejects the motion to suspend the proceedings and decides that the proceedings shall continue immediately, no appeal is allowed against this ruling.

TITLE EIGHTEEN

EVIDENCE AND PRESENTATION OF EVIDENCE

Article 219

Each party is obliged to provide facts and present evidence on which his or her claim is based or to refute the statements and evidence of his or her opponent.

The court, if it deems it to be purposeful for a correct solution of the dispute, may caution the parties during the proceedings regarding their duty from Paragraph 1 of this Article and especially of the need to present decisive facts and propose specific evidence and present the reasons why they believe this is necessary.

Article 220

Evidence comprises all facts of importance for rendering a decision.

The court shall decide which of the evidence proposed shall be presented to establish the decisive facts.

Article 221

There is no need to provide evidence for facts, which the party has admitted before the court in the course of the litigation but the court may also order the presentation of evidence for these facts if it deems that the party in his or her admission is seeking to dispose of a claim of which he or she cannot dispose. (Article 3, Paragraph 3).

Taking all circumstances into account, the court shall, according to its conviction, assess whether to accept as granted or disputed the fact which the party first admitted and then completely or partially denied or limited the admission by the addition of other facts.

Facts whose existence is assumed by the law do not need to be proven, but it may be proven that they do not exist if the law does not prescribe otherwise.

It is not necessary to prove facts, which are common knowledge.

Article 221a

If, on the basis of the evidence proposed (Article 8) the court cannot establish a fact with certainty, it shall rule on the existence of the fact by the application of the rule of the burden of proof.

Article 222

If the court is not acquainted with the law that applies in a foreign country, it shall request information from the federal administrative body responsible for judicial affairs.

The court may also request the party to submit a public document issued by the competent foreign authority as confirmation of the law that applies in the foreign country.

Article 223

If it is established that the party has the right to the compensation of damages, a sum of money or replaceable things, but the amount of money or the quantity of things cannot be established or could be established only with an unreasonable amount of difficulty, the court shall decide on this according to its free assessment.

Article 224

In disputes heard by a chamber evidence shall be introduced before the Chamber, but the Chamber may for important reasons decide for certain evidence to be introduced before the President of the Chamber or a judge of a requested court (a requested judge). In this case a record of the evidence introduced shall be read out at the trial.

When the Chamber decides that some evidence is to be introduced before a requested judge, in the request for the introduction of evidence the status of the matter shall be described according to the course of the trial and it shall be especially noted which circumstances need to be taken into consideration in the presentation of evidence.

The parties shall also be informed of the hearing for the provision of evidence before the President of the Chamber or a requested judge, if they have stated that they shall not attend the hearing.

There is no appeal permitted against a ruling by the court assigning the introduction of evidence to the President of the Chamber or a requested judge.

Article 225

The President of the Chamber or the requested judge to whom the introduction of evidence is assigned is also authorized, if the party so moves, to introduce other evidence if he or she deems this to be purposeful.

Article 226

If according to the circumstances it may be assumed that some evidence will not be introduced or that it will not be introduced within an appropriate time period, or if the evidence must be presented abroad, the court shall establish a deadline for waiting for the presentation of evidence by a ruling on the introduction of evidence.

When this deadline expires, the trial will be conducted regardless of the fact that certain evidence has not been presented.

On-site inspection

Article 227

An on-site inspection is carried out when the direct observations of the court are necessary for the establishment of a particular fact or to clarify certain circumstances.

The on-site inspection may be conducted with the participation of an expert witness.

Article 228

The Chamber will authorize the President of the Chamber to carry out an on-site inspection if the thing that needs to be examined cannot be brought into the court or if bringing it would involve significant expense and the Chamber deems that it is not necessary for all the members of the Chamber to make direct observations.

Article 229

If it is necessary to examine an item that is in the possession of one of the parties, a third person, a state authority or a business or other legal person, to whom it has been entrusted in the execution of public authority, the provisions of this Act shall be applied in the appropriate manner in relation to obtaining documents from these businesses or other legal persons.

Documents

Article 230

A document which has been issued in the prescribed form by a state authority within the limits of its competence, and a document issued by a business or another legal person in that form in the course of executing its public authority, assigned to it by law or a regulation based on the law (a public document) is proof of the truth of what it certifies or regulates.

Other documents have the same authority in terms of evidence when they are made equivalent in this respect to public documents by special laws and regulations.

It is admissible to prove that facts in public documents are false or that the document has been incorrectly composed.

If the court doubts the authenticity of the document it may seek the authority from which it is supposed to originate to express an opinion on it.

Article 231

If it is not prescribed otherwise by an international agreement, foreign public documents which are notarized correctly have, under the condition of reciprocity, the same relevance as evidence as national public documents.

Article 232

The party is obliged to furnish the document him or herself to which he or she refers as proof of his or her statement.

A notarized translation shall be furnished along with a document written in a foreign language.

If the document is in the possession of a state authority or a legal or physical person vested with public authority, and the party him/herself is not able to arrange for the document to be handed over or shown, the court shall obtain the document itself upon a motion by the party.

Article 233

When one party refers to a document and claims that it is in the possession of the other party, the court shall order that party to furnish the document, giving him or her certain time limit to do so.

The party may not fail to furnish the documents if he or she him or herself has referred to this document in the litigation as proof of his or her statements, or if it is a document which he or she is obliged by law to hand over or show, or if the document in terms of its content is considered to be shared jointly by both parties.

Regarding the rights of a party to refuse to furnish other documents, the provisions of Articles 237 and 238 of this Act shall be applied in the appropriate manner.

When a party who is ordered to furnish a document denies that that document is in his or her possession, the court may present evidence to establish this fact.

The court, in view of all the circumstances, according to its conviction, shall assess the significance of the fact that the party who has possession of the document refuses to act according to the court ruling ordering him or her to furnish the document or, contrary to the conviction of the court, denies that the document is in his or her possession.

No appeal is permitted against the court decision in Paragraph 1 of this Article.

Article 234

A third person is obliged by order of the court to furnish a document which he/she is legally liable to show or furnish or a document which in terms of its contents applies to both that person and the party who refers to the document. Regarding the right of a third person to refuse to furnish other documents, the provisions of Articles 237 and 238 of this Act shall be applied in the appropriate manner.

Before it renders a decision ordering a third person to furnish a document, the court shall summon the third person to make a statement about it.

When the third person denies his or her obligation to furnish the document which is in his or her possession, the court shall decide whether that third person is obliged to furnish the document.

If the third person denies that the document is in his or her possession, the court may hear evidence for the purpose of establishing the facts.

On the basis of a ruling ordering the third person to furnish a specific document, the court shall carry out the enforcement sua sponte according to the rules of enforcement proceedings even before that ruling becomes legally effective.

The third person has the right to repayment of expenses he or she incurred in relation to furnishing the document. The provisions of Article 249 of this Act shall be applied in the appropriate manner in this case.

Witnesses

Article 235

Everyone who is summoned as a witness is obliged to accept the summons, and if this Act does not prescribe otherwise he or she is obliged to testify.

Only persons may be heard as witnesses who are capable of giving information about facts which have to be proved.

Article 236

A person may not be heard as a witness who in his or her testimony would violate the obligation to keep official or military secrets, until the competent authority frees him or her of that obligation.

Article 237

A witness may refuse to testify:

1) about something the party has confided to him or her as his or her attorney;

2) about something the party or another person has confessed to the witness as a religious confessor;

3) about facts which the witness has learned as an attorney, doctor, or in the performance of any other calling or any other activity if there exists an obligation to keep secret what is learned in the performance of that calling or activity.

A single judge or the President of the Chamber shall point out to these persons that they may refuse to testify.

Article 238

A witness may refuse to answer individual questions if there are important reasons to do so, and especially if by answering these questions he or she would expose to serious disgrace, significant material damage or criminal prosecution him or herself or a blood relative in a legal line of any degree, or a relative in collateral affinity to the third degree including his or her marriage partner or relation by marriage to the second degree even if the marriage has ended, and his or her guardian or ward, adopted parent or child.

A single judge or the President of the Chamber shall point out to the witness that he or she may refuse to give answers to the questions asked.

Article 239

A witness may not refuse to testify, due to the danger of any material harm, about legal business in which he or she was present as an invited witness, about activities which he or she undertook regarding the disputed relation as a legal predecessor or representative of one of the parties, about facts relating to property relations conditioned by family or marriage ties, about facts relating to birth, marriage or death and when he or she is obliged to submit a complaint or give a statement on the basis of separate regulations.

Article 240

The justification of the reason for refusing to testify or respond to certain questions shall be assessed by the court before which the witness should testify. If necessary, the parties shall be heard on this matter beforehand.

The parties have no right to a separate appeal against the court ruling in Paragraph 1 of this Article, but the witness may contest that ruling in an appeal against the ruling on a monetary fine or a prison sentence resulting from a refusal to testify or answer certain questions (Article 248, Paragraph 2).

Article 241

A party who moves for a certain person to be heard as a witness must previously indicate to what that person should testify and give his or her name and surname, occupation and address.

Article 242

Witnesses shall be summoned by service of a written summons containing the surname and name and occupation of the person summoned, the time and place of attendance, the matter in connection with which he or she is being summoned and an indication that he or she is being summoned as a witness. In the summons the witness shall be cautioned about the consequences of unjustified failure to appear (Article 248) and the right to repayment of expenses (Article 249).

Witnesses who due to old age, illness or severe physical impairments are unable to consent to the summons shall be heard in their own home.

Article 243

Witnesses shall be heard individually and without the presence of witnesses who are to be heard later. The witness is obliged to give his or her answers orally.

The witness will be initially cautioned that he or she is obliged to speak the truth, that he or she may not omit anything, and after this he or she shall be cautioned of the consequences of giving a false testimony.

The witness will then be asked to state his or her name, surname, the name of his or her father, occupation, address, place of birth, age and relationship to the party.

Article 244

After these general questions the witness shall be asked to state everything he or she knows about the facts he or she is to testify about, and after this he or she may be asked questions for the sake of confirmation, supplementation or explanation. It is not permitted to ask questions, which already contain the answer to the question.

The witness shall always be asked how he or she knows the facts about which he or she is testifying.

Witnesses may be confronted with each other if their statements do not agree in terms of important facts. Those that are confronted shall be heard individually on every circumstance where there is disagreement and their replies shall be entered in the record.

Article 245

A witness who does not speak the language in which the proceedings are being conducted shall be heard through an interpreter.

If the witness is deaf, the questions shall be asked in writing. If he or she is mute, he or she shall be invited to reply in writing. If it is not possible to conduct the hearing in this manner, a person shall be summoned as an interpreter who is able to communicate with the witness.

The court shall caution the interpreter about the obligation to faithfully transmit the questions being asked of the witness and the statements given by the witness.

Article 246

The court may decide that the witness must take an oath regarding the testimony he or she has given.

The oath is taken orally by saying these words: "I swear on my honor that in everything the court has asked me I have spoken the truth and that I have not concealed anything I know in relation to this matter."

The court may decide for the witness to take the oath before he or she is heard.

Mute witnesses who can read and write shall take the oath by signing the text of the oath, and deaf witnesses shall read the text of the oath aloud. If deaf or mute witnesses do not know how to read or write, they shall take the oath through an interpreter.

If the witness is heard a second time, he or she does not need to take the oath again, but shall only be cautioned regarding the oath he or she has already taken.

Article 247

Witnesses who are not of age or who are unable to comprehend the significance of the oath at the time of testifying shall not take the oath.

The parties and witnesses do not have the right of appeal against the court decision ordering the witness to take the oath or ordering the witness not to take the oath.

Article 248

If a witness who has been orderly summoned fails to appear, and he or she does not excuse his or her failure to appear or without permission or any justified reason leaves the place where he or she is to be heard, the court may order for him or her to be forcibly brought back and to pay the costs that arise from this, and may impose a monetary fine of from 500.00 to 10,000.00 kunas.

If the witness comes and after he or she is cautioned of the consequences refuses to testify or respond to certain questions, and the court deems that the reasons for refusing to answer are not justified, it may impose a monetary fine of from 500.00 to 10,000.00 kunas; and if the witness still refuses to testify after this, the court may imprison him or her. The imprisonment shall last until the witness agrees to testify or until his or her testimony becomes unnecessary, but for no longer than one month.

Any appeal against the ruling imposing a monetary fine or imprisonment does not delay the execution of the ruling, unless the appeal refutes the court decision by which the reasons for the witness refusing to testify or respond to certain questions were not allowed.

In the cases in Paragraph 1 to 3 of this Article the provisions of Article 10 of this Act shall be applied in the appropriate manner.

The court shall decide at a party's request that the witness is obliged to refund costs that arise due to his or her unjustified failure to appear or unjustified refusal to testify.

If the witness subsequently justifies his or her failure to appear, the court shall recall its ruling on the fine, and it may release the witness completely or in part from payment of costs. The court may also recall its ruling on a fine if the witness subsequently agrees to testify.

Article 249

Witnesses have the right to repayment of traveling expenses and expenses for food and accommodation and a refund of lost income.

The witness shall request repayment of expenses immediately after testifying otherwise he or she shall lose this right. The court is obliged to caution the witness of this fact.

In the ruling containing the calculation of the witness's expenses, the court shall prescribe that a certain sum be paid from the sum deposited; if no deposit was paid, it shall order the party to pay the sum to the witness within eight days. An appeal against this ruling does not delay the enforcement of the ruling.

Article 250

The court shall provide evidence by hearing testimony from expert witnesses to confirm and clarify certain facts for which expert knowledge is necessary which the court does not dispose of itself.

Article 251

Expert witness testimony shall be given by expert witnesses selected by the court.

Before it decides which persons it shall take to be expert witnesses, the court shall hear the parties on the matter. In urgent cases, the court may select expert witnesses even though the parties have not been heard.

The court may authorize the President of the Chamber or a requested judge to select expert witnesses if he or she has been entrusted with the provision of evidence by expert testimony.

The court may always select another expert witness in place of a specific expert witness.

Article 252

Expert testimony, as a rule, is given by one expert witness; but if the court assesses that the testimony is complex, it may order two or more expert witnesses.

Expert witnesses are selected primarily from the ranks of permanent court expert witnesses for a specific form of testimony. Expert testimony may also be assigned to a professional establishment (hospital, chemical laboratory, faculty etc.). If there is a special establishment for a specific type of expert testimony (testimony relating to counterfeit money, handwriting, dactiloscopy etc.) this form of testimony, and especially in complex cases, shall be assigned primarily to these establishments.

Article 253

The expert witnesses selected are obliged to accept the summons of the court and present their findings and opinion.

The court shall free the expert witness, at his or her request, from the obligation to testify for the same reasons for which a witness may refuse to testify or answer certain questions.

The court may free the expert witness at his or her request from the obligation to testify for other justified reasons. The authorized person of the body or legal person where the expert witness is employed may also request to be freed from the obligation to testify.

Article 254

An expert witness may be disqualified for the same reasons a judge may be disqualified, but a person may be used as an expert witness who has already been heard as a witness.

The party is obliged to submit a request for the disqualification of the expert witness as soon as he or she learns that there is a reason for disqualification, and at the latest before the beginning of the hearing of evidence by the expert witness. If the court hears the party regarding the character of the expert witness before selecting the expert witness, the party is obliged at that time to make a statement regarding disqualification.

In the request for disqualification, the party is obliged to state the circumstances on which his or her request for disqualification is based.

The court shall decide on the request for disqualification. The judge of the requested court and the President of the Chamber shall decide on disqualification if they have been entrusted with the provision of evidence by expert testimony.

No appeal is permitted against a ruling allowing a request for disqualification, and no separate appeal is permitted against a ruling refusing the request.

If the party discovers reasons for disqualification after the expert testimony has been heard and objects to the expert testimony for this reason, the court shall act as though the request for disqualification were submitted before the expert testimony was heard.

Article 255

The court may impose a monetary fine of from 500.00 to 10,000.00 kunas on an expert witness who fails to appear at the hearing although he or she has been orderly summoned, and does not justify his or her failure to appear, or if the expert witness refuses to testify without any justified reason.

The ruling on the fine may be recalled by the court under the conditions of Article 248, Paragraph 6 of this Act.

At the request of a party, the court may order by a ruling the expert witness to refund expenses he or she has caused by his or her unjustified failure to appear or unjustified refusal to testify. The court is obliged to decide on this request without delay. An appeal against this ruling does not postpone its enforcement.

Article 256

The expert witness has the right to refunding of travel expenses and expenses for food and accommodation, for refunding of lost income and expenses arising from the expertise and the right to payment for the testimony given.

Regarding the refunding of expenses and payment for testimony by expert witnesses, the provisions of Article 249, paragraphs 2 and 3 of this Act shall be applied in the appropriate manner.

Article 257

Expert witnesses shall be summoned by a written summons giving the name and surname and occupation of the person summoned, the time and place of attendance, the case in relation to which he or she is being summoned and an indication that he or she is being summoned as an expert witness. In the summons the expert witness shall be cautioned of the consequences of unjustified failure to appear (Article 255) and the right to refunding of expenses (Article 256).

Article 258

Before beginning to testify, the expert witness shall be instructed to consider carefully the subject of his or her testimony, to state precisely everything he or she observes and finds and to give his or her opinion conscientiously and in accord with the rules of science and his or her skills. He or she shall be cautioned regarding the consequences of giving false testimony.

After this, the expert witness shall be asked to give his or her name and surname, his or her father's name, address, place of birth, age and relationship to the party.

Article 259

The court shall direct the expert testimony, indicate to the expert witness any object he or she should examine, ask questions and, where necessary, seek explanation of the findings and opinion given.

The expert witness may be given clarification, he or she may be permitted to examine the file. At the expert witness's request, new evidence may also be presented to establish facts of importance for the formation of the expert witness's opinion.

Article 260

The court shall determine whether the expert witness shall only present his or her findings and opinion orally at the hearing or also submit them in writing before the hearing. The court shall set a time limit for the submission of written findings and opinions.

The expert witness must always explain his or her opinion. The court shall, where possible, furnish the parties with the written findings and opinion before the hearing at which they are to be heard.

(Editor's note: The text of Amendments instructs this paragraph to be inserted after paragraph 3 of Article 260 although there is no paragraph 3. Therefore, the following paragraph is inserted after paragraph 2)

The provisions of Article 255, Paragraph 3 of this Act shall also be applied in the appropriate manner when the expert witness does not submit his/her findings and opinion within the time limit set by the court.

Article 261

If several expert witnesses are selected, they may submit joint findings and opinion if their findings and opinions agree. If their findings and opinion do not agree, each expert witness shall submit his or her findings and opinion separately.

If the data from the findings of the expert witnesses differ significantly, or if the findings of one or more of the expert witnesses are unclear, incomplete or self-contradictory or contradictory to the circumstances from the inquiry, and these failures cannot be resolved by hearing the expert witnesses again, the expertise shall be repeated with the same or other expert witnesses.

If in the opinion of one or more expert witnesses there are contradictions or failings, or if a reasonable doubt arises regarding the accuracy of the opinion given, and this doubt or failings cannot be resolved by hearing the expert witness again, the opinion of other expert witnesses shall be sought.

Article 262

No appeal is permitted against the court ruling in Articles 251, 252 and 261 of this Act.

Article 263

The provisions of Articles 251, 252, Paragraph 2, Articles 253 to 257, Article 258, Paragraph 2 and Article 262 of this Act shall also be applied as appropriate to interpreters.

Hearing the parties

Article 264

The court may also ascertain disputed facts important for rendering a decision by hearing the parties.

The court may decide to provide evidence by hearing the parties when there is no other evidence or when despite the presentation of other evidence it establishes that this is necessary to ascertain important facts.

Article 265

If it is convinced that the party or the person who is to be heard for the party is not acquainted with the disputed facts, or if it is not possible to hear that party, the court may decide only to hear the other party.

A party will not be heard who refuses to make a statement or who fails to respond to the court summons for no justified reason.

Article 266

The presentation of evidence by hearing parties through the President of the Chamber or a requested judge is permitted only if the party is unable to appear in person due to irresolvable hindrances or if his or her appearance would cause unreasonable expense.

Article 267

In place of a party who lacks litigation capacity his or her legal representative shall be heard. The court may decide that only the party shall be heard instead of or as well as his or her legal representative if this is possible.

In the case of legal persons, the person shall be heard who is designated by law or its by-laws to represent it. If several persons are participating on one side as a party to the dispute, the court shall decide if all these persons shall be heard or only some of them.

Article 268

The summons to the hearing at which evidence is to be presented by hearing the parties shall be served in person on the parties or the person who is to be heard for the party.

If a party has an agent, the summons to the hearing at which evidence is to be presented by hearing the parties, shall be sent to the party or the person who is to be heard for the party through the agent.

In the summons it shall state that evidence is to be presented at the hearing by hearing the parties and that a party who appears at the hearing may be heard in the absence of the other party.

Article 269

No coercive measures may be used towards a party who does not accept the court summons to be heard nor may a party be forced to give a statement.

The court shall, in the light of all the circumstances, assess the significance of the fact that the party has failed to appear at the hearing or that he or she has refused to give a statement.

Article 270

Evidence presented by hearing the parties shall be heard without any oath being taken.

Article 271

The provisions on the presentation of evidence by witnesses shall also be applied to the presentation of evidence by hearing the parties, if it is not prescribed otherwise for hearing the parties.

TITLE NINETEEN

SECURING EVIDENCE

Article 272

If there is justified fear that some evidence will not be presented or that its presentation later will be difficult, it may be moved for this evidence to be presented during or even before the initiation of the litigation.

In the procedure for securing evidence it is not permitted to introduce evidence by hearing the parties.

Securing of the evidence may be requested even after the decision to conclude the proceedings becomes legally effective, if this necessary before or during proceedings on extraordinary legal remedies.

Article 273

If the motion for the securing of evidence is lodged during the court proceedings, the court before which the proceedings are pending is competent to proceed on that motion.

If securing of evidence is requested before the initiation of the proceedings and in urgent cases if the proceedings are already pending, the lower court of the first instance has jurisdiction in whose territory the thing is located which has to be examined or the court in whose territory the person is resident who needs to be heard.

The President of the court or a single judge who is conducting the proceedings shall decide on the motion in Paragraph 1 of this Article, and in the cases from Paragraph 2 of this Article, a single judge of the competent court.

Article 274

In the submission seeking the securing of evidence the mover is obliged to state the rights whose protection depends on the facts which are to be established by the evidence proposed, the reasons why he/she deems it necessary to present this evidence to establish these facts and why it will not be possible to present this evidence later or that its presentation will be more difficult.. In the submission it is necessary to state the name and surname of the opposing party, unless from the circumstances it arises that he or she is unknown.

Article 275

The submission containing the motion for the securing of evidence shall be served on the adversary if he or she is known. If there is any danger of postponement, the court shall decide on the motion even without any previous statement by the opposing party.

In the ruling granting the motion the court shall set a time for a hearing for the presentation of the evidence, giving the facts about which evidence is to be heard and the evidence to be presented. If necessary, the court shall also appoint an expert witness.

If the submission with the motion to secure evidence has not been previously served on the adversary, it shall be served on him or her together with the court ruling granting the motion to secure the evidence.

For an adversary who is unknown or where his or her address is unknown, the court may appoint an interim representative (Article 84) to participate in the hearing for the presentation of evidence. It is not necessary to publish an advertisement for this appointment.

In urgent cases the court may order the presentation of evidence to begin, before the ruling granting the motion to secure evidence is served on the opposing party.

No appeal is permitted against the court ruling granting the motion to secure evidence nor against a ruling in which it is decided that the presentation of evidence is to begin before the ruling is served on the adversary.

Article 276

If the evidence is presented before the proceedings are initiated, the minutes of the presentation of the evidence shall be kept at the court before which the evidence was presented. If the proceedings are pending, and the securing of evidence was not carried out by that court, the minutes shall be sent to the court.

Article 277

After a complaint has been received, preparations for trial shall be made.

These preparations shall include preliminary examination of the complaint, serving the complaint on the respondent for answer, holding of a preparatory hearing and scheduling of the trial.

In disputes heard by a chamber the trial is prepared by the President of the Chamber, who is authorized to render all decisions and take all actions which a single judge is authorized to take whilst preparing for the trial.

In the course of preparations for the trial, the parties may furnish submissions giving the facts which are to be established and evidence whose presentation they propose pursuant to this Act.

In disputes heard by a chamber, the President of the Chamber may hold a preparatory hearing in preparation for the trial pursuant to this Act.

Decisions which the President of the Chamber may render in preparations for the trial only at the preparatory hearing, a single judge may only render at the trial hearing.

Article 278

In the course of preparations for trial, the court is authorized shall be authorized, until the trial hearing, to make decisions on the following matters: participation of a predecessor in right, participation of intervenors, preservation of evidence, amendments to the complaint, litigation costs in case of withdrawal of the complaint, termination or stay of the proceedings, preliminary injunctions, consolidation of cases, separation of cases, fixing or extending of court's time limits, scheduling or adjourning hearings, restoration of the prior status (of a litigation) because of a failure to meet a deadline or to appear at a hearing, exemption of a party from litigation costs, provision of security for litigation costs, payment of advance on costs of taking specific actions in the proceedings, appointment of an interim representative, service of communications of the court, measures for amending submissions, deciding

whether a power of attorney is in order, and any other issues related to the management of the proceedings.

No appeal shall be permitted against a decision rendered by the court during preparations for trial and related to the management of the proceedings.

Article 279

In the course of preparations for trial the court may render a consent judgment, judgment based on waiver, a default judgment or default judgment and record in the minutes a settlement reached between the parties.

Preliminary Examination of the Complaint

Article 280

After preliminary examination of the complaint, the court is authorized to issue rulings referred to in Article 278 above, unless they concern the matters about which a decision may be made, because of the nature of the matter or under the provisions of this Act, only at a later stage of the proceedings.

Article 281

Upon establishing that a complaint is incomprehensible or incomplete, or that it contains defects relating to the plaintiff's or respondent's standing to sue or be sued in a litigation, or defects regarding the legal representation of a party, or defects regarding the representative's authority to initiate litigation when such authority is required, the court shall take necessary measures provided for by this Act (Articles 83 and 109) in order to remedy those defects.

Article 282

After preliminary examination of the complaint, the court shall issue a ruling dismissing the complaint if he or she finds that the claim is not justiciable (Article 16) or that the complaint was submitted untimely, if a time limit for filing of complaint is specified by laws and/or regulations on a particular subject.

The court shall also issue a ruling by which the court declares its lack of jurisdiction (Articles 16 and 21) and assign the case to another regular court.

Article 283

If the court shall consider that there are no sufficient grounds for deciding on an issue that arose during preliminary examination of the complaint, he or she shall postpone making a decision about such matter until answer to the complaint is received or until the preparatory hearing.

Answer to the Complaint

Article 284

If the court considers that further proceedings may be taken on the basis of a complaint, it shall order a copy of the complaint to be served on the respondent for a written answer to the complaint. The court is obliged to caution the respondent in the summons of the legal consequences of not giving an answer to the complaint (Article 331b).

The court may as an exception, immediately schedule a hearing and order a copy of the complaint to be served on the respondent if the special circumstances of the case so demand, and especially if it is necessary for a decision on a motion for the imposition of a preliminary injunction

Article 285

In the answer to the complaint, the respondent may provide observations on the claims and allegations in the complaint and propose evidence to support this observations. Along with the answer to the complaint, the respondent is also obliged to enclose the documents to which he/she refers if that is possible.

The answer to the complaint is to be submitted within a time limit set by the court, but that time limit may not be shorter than fifteen nor longer than thirty days.

After the respondent has submitted an answer to the complaint, in disputes heard by a chamber, the President of the Chamber shall assess whether in view of the motion and statements by the parties, it is necessary to schedule a preparatory hearing or if a trial hearing may be scheduled immediately.

The respondent may answer the complaint in writing although the court has not ordered him/her to do so.

After receiving the answer to the complaint, the court may render all the decisions it can during the course of the preliminary investigation of the complaint.

Article 286

A preparatory hearing shall be scheduled so that enough time is left to the parties for preparation and not sooner than after eight days from the receipt of the summons.

In the summons for a preparatory hearing the parties shall be ordered to bring to the hearing any documents that may serve as evidence, as well as any objects that should be examined in the court.

In the summons to the preparatory hearing, the President of the Chamber is obliged to caution the parties of the legal consequences of failure to present new facts or propose new evidence at that hearing or at the latest at the first trial hearing (Article 299).

If it is necessary to obtain for a preparatory hearing the files, documents or objects kept by the court or by another state body or legal or physical person vested with the exercise of public powers, the court shall order, if the parties have so moved for these objects or documents to be obtained in good time.

Article 287

A preparatory hearing shall commence by presentation of the complaint after which the respondent shall present his or her answer to the complaint.

When necessary, the President of the Chamber shall request the parties to provide clarifications as to their allegations or motions.

Article 288

At a preparatory hearing issues relating to impediments to the case proceeding shall first be discussed, regardless of whether the President of the Chamber postponed deciding these issues after the examination of the complaint, or these issues were raised in answer to the complaint or at the preparatory hearing. Evidence on these issues may be introduced at the preparatory hearing if necessary.

In addition to the ruling that the President of the Chamber is authorized to issue after preliminary examination of a complaint, he or she shall, at a preparatory hearing, also issue a ruling on dismissal of the complaint if he or she finds that litigation involving the claim is

already pending, that a legally effective judgment has been delivered in that case, that a court settlement has been reached on the matter of controversy, or that the plaintiff has no legal interest in filing a complaint for a declaratory judgment.

If the President of the Chamber does not sustain an objection that there existed any of the impediments to carrying out of the proceedings referred to in Paragraph 2 of this Article, the litigation shall continue, and a decision on the objection shall be made by the Chamber either separately or together with the decision on the merits.

At a preparatory hearing the President of the Chamber shall, with regard to the management of the proceedings, have the same powers as the President of the Chamber and the Chamber during the trial.

Article 289

When the President of the Chamber establishes that there are no impediments to the continuation of the proceedings, he/she shall decide, according to the outcome of the arguments at the preliminary hearing, which of the proposed witnesses and expert witnesses shall be summoned for the trial and what other evidence shall be obtained than that proposed. A decision on which of these evidence will be introduced shall be made by the Chamber at the trial.

If the President of the Chamber does not grant the parties' motions on evidence, the parties may repeat their motions at the trial.

Article 290

If any of the parties has proposed for some disputed facts to be established by expert witnesses, the President of the Chamber shall appoint expert witnesses, decide on the requests for their disqualification and order one or both parties to make a deposit of the sum of money necessary to cover the costs of the expert witnesses.

The court shall inform the appointed expert witnesses about the case that should be examined and invite them to prepare their findings and opinions by the time the trial begins (Article 260, Paragraph 1).

At the motion of either of the parties, if he/she deems it to be necessary, the President of the Chamber may conduct an on-site inspection outside of the court. If expert witnesses participate in such on-site inspection, the provisions of Paragraphs 1 and 2 of this Article shall apply.

Article 291

If the plaintiff or the respondent fails to appear at a preparatory hearing, and no conditions exist for delivering a default judgment, the President of the Chamber shall hear the party who has appeared.

Article 292

At a preparatory hearing the President of the Chamber shall, as a rule, inform the parties of the date and hour when the trial hearing will be held.

Scheduling a Trial Hearing

Article 293

A trial hearing shall be scheduled by a single judge or the President of the Chamber.

The summons served on the respondent shall be accompanied by the complaint, unless the complaint has already been served on him or her.

A single judge, or the President of the Chamber shall summon to the trial hearing the parties, witnesses and expert witnesses whom he or she has decided to summon to the trial. If no preparatory hearing has been held, a single judge or the President of the Chamber shall decide who of the witnesses proposed by the parties he or she shall summon and he or she shall instruct the parties that they may bring other witnesses as well.

The provisions of Article 286 of this Act shall also apply when a trial hearing is scheduled.

Title Twenty One

TRIAL

Course of the Trial

Article 294

A single judge or the President of the Chamber shall open the trial and announce the merits of the litigation. After that he or she shall establish whether all summoned persons have appeared, and if they have not appeared, he or she shall check whether they have been orderly summoned and whether they have excused their absence.

Article 295

If the plaintiff fails to appear at the first trial hearing or if the respondent fails to appear at it, and no conditions exist for delivering a default judgment, and when either the plaintiff or the respondent fail to appear at a later hearing, the trial may be held.

Article 296

If a party or a party's legal representative is not able to give a clear and unambiguous statement about the subject of the litigation, and he/she does not have an agent, the single judge or the President of the Chamber shall warn him/her that he/she should hire an agent.

If the party cannot hire an agent immediately, the Chamber shall adjourn the hearing at his/her motion.

Article 297

If no preparatory hearing has been held before the trial, the first trial hearing shall commence by presentation of the complaint after which the respondent shall give his or her answer to the allegations from the complaint.

If a preparatory hearing has been held before the trial, the President of the Chamber shall inform the Chamber about the course and the results of that hearing. The parties may supplement the presentation made by the President of the Chamber.

In the further course of the trial, the court shall hear the parties' motions and factual allegations by which the parties substantiate their motions or by which they deny the opposing party's motions, as well as the evidence offered by them and evidence shall be presented and the results of this presentation shall be heard.

The parties may also present their legal understandings relating to the matter of controversy.

When this Act provides that a party may put forward a specific objection or a motion or take any other procedural action before the respondent begins litigation on the merits at the trial, the party may put forward such an objection or a motion, or he/she may take another procedural action until the time the respondent finalizes his/her presentation of the answer to the complaint.

Article 298

The single judge or the President of the Chamber shall, by asking questions or in another purposeful way, ensure that all decisive facts are presented during the trial, that the parties' incomplete allegations on important facts are supplemented, that evidence relating to the parties' allegations is designated or supplemented, and, in general, that all clarifications are made that are necessary for the establishment of the relevant facts of the case relevant for making a decision. To the extent to which it is necessary to achieve this end, the court shall also consider the legal issues involved in the dispute with the parties.

Article 299

Each party shall, in the complaint and the answer to the complaint, at the preparatory hearing or at the latest at the first trial hearing, if a preparatory hearing was not held, state all the facts necessary to substantiate his/her motions, offer evidence necessary to establish his/her allegations and declare his/her position about the allegations and evidence offered by the opposing party.

During the whole trial the parties may later present new facts and offer new evidence, but they are obliged to pay the costs incurred as a result by the opposing party, unless the need to present new facts and propose new evidence was caused by the behavior of the opposing party. At the request of the opposing party, the court shall without delay decide by a ruling on the payment of these costs. No appeal is permitted against this ruling, and its enforcement may be sort even before it becomes legally effective.

Between the trial hearings the parties may also furnish submissions in which they present new facts and propose new evidence. The provisions of Paragraph 2 of this Article shall be applied in this case in the appropriate manner.

Article 300

The court shall decide which evidence it will hear in a ruling in which it shall designate the controversial facts on which the evidence or evidentiary means must be heard.

The court shall reject the proposed evidence that it does not consider relevant for making a decision and indicate in the ruling the reason for such rejection.

No separate appeal shall be permitted against a ruling ordering or rejecting the presentation of evidence.

In the further course of the proceedings the court shall not be bound by its previous ruling on presentation of evidence[i].

Article 301

If a party raises an objection that the claim is not justiciable, that the court lacks subject matter jurisdiction or venue, that a litigation on the same claim is already pending; that a legally effective judgment has been made on the merits or that a court settlement has been reached on the matter of controversy, the court shall rule whether it will hear such objections and whether it will decide on them separately from the merits or jointly with the merits.

No separate appeal shall be permitted against the ruling rejecting objections of the parties if the court has decided that the hearing on the merits shall immediately be continued.

The provisions of Paragraphs 1 to 2 of this Article shall also apply when the court decides *sua sponte* to hear separately from the merits whether the matter is justiciable, whether the court has subject matter jurisdiction, whether a litigation is already pending, whether a legally

effective judgment has already been made and whether a court settlement has been reached on the matter of controversy.

Article 302

In disputes heard by a chamber, when the President of the Chamber finishes hearing a witness, expert witness or party, the members of the chamber may ask that person questions directly.

A party or his or her representative or agent may, upon approval of the single judge or the President of the Chamber, address direct questions to the opposing party, witnesses and expert witnesses.

The single judge or President of the Chamber shall prohibit a party from addressing specific questions or prohibit answering the question addressed if such question suggests how it should be answered or if the question does not relate to the case.

If the President of the Chamber prohibits a specific question or answering a question, the party may request that the Chamber decide on that.

At the party's request, the question rejected by the court and the question answering of which has been prohibited shall be recorded in the minutes.

Article 303

The witnesses and expert witnesses heard shall remain in the courtroom, unless the single judge or the President of the Chamber, after having heard the parties on this matter, fully discharges them or orders that they temporarily leave the courtroom.

The single judge or the President of the Chamber may order that the witnesses heard be later called and heard again in the presence or in the absence of witnesses or expert witnesses.

Article 304

When the single judge or the Chamber considers that the case has been heard to such an extent that a decision may be made, the single judge or the President of the Chamber shall rule that the trial has been concluded. In disputes heard by a chamber, it shall retire after this for deliberation and voting.

Article 305

A single judge or a chamber, in the course of its deliberations and voting, may decide to re-open the trial if this is necessary to supplement the proceedings or clarify individual important issues.

Public Character of Trial

Article 306

Trial shall be public.

Only persons who have attained the age of majority may attend a trial.

Persons attending a trial may not carry weapons or dangerous instruments.

The provisions of Paragraph 3 above shall not apply to guards in charge of persons participating in the proceedings.

Article 307

The court may exclude the public during the whole trial or during one part of the trial if this is required in the interests of morality, public order or state security, or to guard military, official

or business secrets, or for the protection of the private life of the parties, but only to the extent which in the opinion of the court would be unconditionally necessary in special circumstances in which the public could be harmful to the interests of justice.

The court may also exclude the public if the measures for maintenance of order provided for by this Act are not sufficient to ensure an undisturbed course of the trial.

Article 308

Exclusion of the public shall not apply to parties, their legal representatives, agents and intervenors[ii].

The court may allow that a trial from which the public is excluded be attended by particular official persons, as well as scientific and public workers, if that would be of interest for their service and scientific or public activity, respectively.

At a party's request, the court may allow the attendance at the trial of not more than two persons designated by him or her.

A single judge or President of the Chamber shall instruct the persons attending the trial from which the public is excluded that they are obliged to treat as a secret anything they come to know during the trial and draw their attention to the consequences of disclosing such secret.

Article 309

The court shall decide on the exclusion of the public by a ruling that must be reasoned and must be made public.

No separate appeal shall be permitted against a ruling on the exclusion of the public.

Article 310

The provisions on public character of a trial shall also be appropriately applied at a preparatory hearing, at a hearing outside the trial before the President of the Chamber, as well as at a hearing before a delegated judge[iii].

Management of a Trial

Article 311

The single judge or the President of the Chamber shall manage the trial, question the parties and hear evidence. In disputes heard by a chamber, the President of the Chamber shall give the floor to members of the Chamber and announce the decisions made by the Chamber.

It shall be the single judge’s or the President of the Chamber's duty to ensure that the matter of controversy is heard in a comprehensive manner, but that no delay of proceedings is caused thereby, so that the trial is completed at one hearing, if possible.

If a party participating in the trial opposes any measure taken by the President of the Chamber that relates to the management of the trial or any question addressed by the President of the Chamber, a member of the Chamber or other person participating in the trial, the Chamber shall decide on such opposition.

The court shall not be bound by its ruling on the management of the trial.

No separate appeal shall be permitted against rulings relating to the management of the trial.

Article 312

Outside of a trial hearing, the single judge or the President of the Chamber shall issue a ruling on amending a submission, appointment of an interim representative, whether a power of attorney is in order, payment of an advance on costs of taking specific actions in the proceedings, exemption from litigation costs, provision of security for litigation costs, service of communications of the court, preservation of evidence, preliminary injunctions, termination or stay of the proceedings, litigation costs in case of withdrawal of the complaint, scheduling or adjourning hearings, consolidation of cases and fixing or extending of the court's time limits.

After the single judge or the President of the Chamber has received the minutes on hearing of evidence before the delegated judge, he or she shall also be authorized to order that necessary amendments and supplements be made to them.

Following a statement given by the respondent or plaintiff, either in writing or recorded in the minutes by the court handling the litigation, the single judge or the President of the Chamber shall be authorized to make, outside of a trial hearing, a judgment based on an admission of a claim or judgment based on waiver of claim and to record in the minutes a court settlement[iv].

Article 313

If several cases between the same persons or in which the same person is the adversary of different plaintiffs or different respondents are pending before the same court, for which the same form of proceedings is prescribed and which are to be heard by a single judge, the single judge may by a ruling, for the purpose of joint litigation, consolidate all such cases, if that would speed up the litigation or reduce the costs. Consolidated proceedings shall continue before the judge who ruled on consolidation. The court may deliver a joint judgment for all the consolidated cases.

If a chamber is competent for all the disputes in Paragraph 1 of this Article, or if a chamber is competent for one of the disputes and a single judge for the others, the Chamber may render a decision on consolidation. In this case, the provisions of Paragraph 1 of this Article shall be applied in the appropriate manner.

The court may order that particular claims contained in the same complaint be heard separately and, after having heard them separately, it may render separate decisions on those claims.

Article 314

When the court decides to adjourn a trial hearing, the single judge or the President of the Chamber shall ensure that the evidence the introduction of which is scheduled for that hearing is obtained and that other arrangements be made in order to ensure that the trial is completed at that hearing.

No appeal shall be permitted against a court's ruling by which a hearing has been adjourned or by which the parties' motions on adjournment of the hearing have been rejected.

Article 315

If a hearing is adjourned, the new hearing shall be held before the court in the same composition, if possible.

If the new hearing is held before the court in the same composition, the trial shall continue and the single judge or the President of the Chamber shall briefly summarize the course of the previous hearings. However, in that case the court may decide that the trial be recommenced from the beginning.

If a hearing is held before the court in a different composition, the trial must be commenced anew, but the single judge or the Chamber may, after having heard the parties on that matter, decide that witnesses and expert witnesses should not be heard and that any on-site inspection outside the court premises should not be repeated, but rather that the minutes on the introduction of such evidence be read out

Article 316

Article 316 is deleted.

Maintenance of Order at the Trial

Article 317

It shall be the duty of the single judge or the President of the Chamber to take care of the maintenance of order in the courtroom and of the dignity of the court during the trial.

Article 318

If a person participating in the proceedings or a person attending the trial as an observer offends the court or other participants in the proceedings, obstructs the work or fails to follow the orders of the court relating to the maintenance of order, the court shall admonish him/her or impose on him/her a fine of between 500.00 and 10,000.00 kunas and may remove the person from the courtroom as well as imposing the fine.

If a party or representative is removed from the courtroom, the hearing shall be held in his/her absence.

If the legal representative of a physical person is removed from the courtroom, the court shall adjourn the hearing if this is necessary for the protection of the rights and interests of the party represented.

When the court imposes a fine on or removes from the courtroom a practicing lawyer or a practicing lawyer's apprentice acting in the capacity of an agent, it shall inform the Croatian Bar Association of this fact.

When the court imposes a fine or removes a public prosecutor from the court, it shall inform the competent public prosecutor of this fact.

Article 319

Article 319 is deleted.

Article 320

The President of the Chamber at a preliminary hearing and at a hearing outside the trial and a delegated judge shall be vested with the powers relating to maintenance of order at trial pertaining to the single judge or the President of the Chamber and the Chamber[v].

Title Twenty Two

COURT SETTLEMENT

Article 321

At any time during the proceedings before the first-instance court handling the litigation, the parties may reach a settlement about the matter of controversy (a court settlement).

The settlement may refer to the whole claim or a part thereof.

During the proceedings the court shall inform the parties on the possibility of reaching a settlement and shall assist them to reach it.

No settlement may be reached before the court about a claim that the parties may not dispose of (Article 3, Paragraph 3)[vi].

When the court issues a ruling that does not allow a settlement by the parties, it shall stay the proceedings until such ruling becomes final.

Article 322

The parties' agreement about the settlement shall be recorded in the minutes.

The agreement about a settlement is reached when the parties sign the minutes after such minutes have been read to them.

A certified copy of the minutes in which the settlement has been recorded shall be issued to the parties upon their request.

Article 323

During the whole proceedings, the court shall *sua sponte* pay attention to whether litigation is pending about a matter that has previously been subject to a court settlement. If the court establishes that a court settlement has already been reached on the matter about which the litigation is pending, it shall dismiss the complaint.

Article 324

A person who intends to lodge a complaint may, through a lower court of first instance in the territory in which the opposing party has permanent residence, try to reach a settlement.

The court to which such motion has been addressed shall summon the opposing party

and inform him or her about the motion for settlement.

The moving party shall cover the costs of such proceedings.

Title Twenty Three

JUDGMENT

Article 325

The court shall decide by a judgment on the claim relating to the merits and on secondary claims.

If there are several claims, the court shall, as a rule, decide on all these claims by one judgment.

If several cases have been consolidated for joint litigation, and only one of them has become ready for a final decision, judgment may be rendered only in respect to that case.

Article 325a

In the case of a complaint from Article 186b, Paragraphs 1 and 2 of this Act the court shall by a ruling accept a request for presenting accounts, submitting to examination of assets and liabilities or giving data, if it deems this to be well-founded. The respondent may lodge an appeal against this ruling within eight days, which does not postpone enforcement.

If it establishes that the request from Paragraph 1 of this Article is not well-founded, the court shall render a decision as in Article 186b, Paragraph 4 of this Act.

After the respondent has presented the accounts, presented assets and liabilities for examination, or has made a statement on information requested, or if it is established that the enforcement for obtaining these data has been unsuccessful or that its implementation or continuation serves no useful purpose, the court may, upon a motion by the plaintiff, before it renders the decision from Article 186b, Paragraph 4 of this Act, order expertise or the presentation of other evidence, if it deems this necessary to verify or supplement the accounts presented, the examination of assets and liabilities undertaken or the information given.

The costs of presenting evidence as in Paragraph 3 of this Article shall be borne by the respondent if it is shown that the accounts presented, the overview of assets and liabilities given and the information given were not correct or complete, or if he/she refuses to present accounts, allow an examination of assets and liabilities, or give necessary information.

The plaintiff may in a separate dispute seek compensation of damages he/she suffered because the respondent did not act in accordance with the ruling in Paragraph 1 of this Article.

Article 326

The court may order the respondent to perform a specific act only if that act has become due by the commencement of the trial.

If the court grants a motion for maintenance, it may oblige the respondent to perform also those acts that have not become due.

A judgment imposing on the respondent the obligation to deliver or take possession of objects that have been leased or let out may be rendered even before the termination of such relationships.

Article 327

If the plaintiff requested in the complaint that the respondent be ordered a specific performance and at the same time in the complaint or up until the conclusion of the trial he/she states that he/she is willing to accept some other specific performance in place of this specific performance, the court, in the event that it grants the claim, shall state in the judgment that the respondent may be exempted from the specific performance he/she was ordered to take if he/she undertakes the other specific performance.

Article 328

A judgment ordering a party to perform an act shall also specify the time limit within which the party must perform such act.

Unless a law on a particular subject regulates otherwise, the time limit for performance of an act shall be fifteen days. However, a longer time limit may be specified for performance of acts that do not involve cash payments. In disputes involving checks and bills of exchange such time limit shall be eight days.

The time limit for performance of an act shall start running on the first day after a copy of the judgment is served on the party who has been ordered to perform an act.

Partial Judgment

Article 329

If only some of several claims are ready for a final decision on the basis of the litigation, or if only part of one claim is ready for a final decision, the court may conclude the trial and render a judgment (partial judgment) in respect of the claims or the part of the claim that are ready.

The court is obliged to render a partial judgment without delay if, on the basis of admission or waiver of several claims put forward only some become ready for a final decision, or if only part of one claim ready for this decision.

In the case in Article 200 of this Act, the court is obliged to render a partial judgment, if the claim relating to several co-litigants is only ready for a final decision on the basis of an admission or waiver of the claim in relation to one of the co-litigants or if one of several claims relating to different co-litigants is ready for a final decision on the basis of an admission or waiver of the claim only in relation to the co-litigant to whom it refers.

The court may also (Paragraph 1) or is also obliged (Paragraphs 2 and 3) to render a partial judgment, pursuant to these provisions of this Article when a counter complaint is filed if the claim in the complaint or counter complaint is ready for a decision.

The court shall also act pursuant to the provisions of Paragraphs 1 to 3 of this Article when two or more disputes are consolidated for joint litigation and decision-making.

Regarding legal remedies and enforcement, a partial judgment is deemed to be an independent judgment.

In the case of an appeal against a partial judgment, the court shall make copies of the case file with the appeal and answer to the appeal and sent them to the second instance court, and the proceedings on the claim or part of the claim which has not been decided shall be continued.

Interim Judgment

Article 330

If the respondent has challenged both the grounds for the claim and the amount referred to in the claim, and if, in respect of the grounds, the case has become ripe for a decision, the court may, for the sake of purposefulness, first render a judgment solely on the grounds for the claim (interim judgment).

Until the interim judgment becomes final, the court shall suspend litigation on the amount of the claim.

Judgment Based on Admission of the Claim

Article 331

If the respondent admits the claim before the trial is concluded, the court shall, without further litigation, render a judgment granting the claim (judgment based on admission of the claim).

The court shall not render a judgment based on admission of the claim, even when all necessary conditions have been met, if it determines that the case concerns a claim that the parties may not dispose of (Article 3, Paragraph 3).

The rendering of a judgment based on admission of the claim shall be postponed if it is necessary to first obtain information regarding the circumstances referred to in Paragraph 2 above.

The respondent may revoke his or her admission of the claim made either at a hearing or by a written submission until the rendering of the judgment, even without the plaintiff's consent.

Judgment Based on Waiver of the Claim

Article 331 a

If the plaintiff waives the claim before the trial is concluded, the court shall, without further litigation, render a judgment rejecting the claim (judgment based on waiver of the claim).

No consent of the respondent shall be necessary for waiver of the claim.

The court shall not render a judgment based on waiver of the claim, even when all necessary conditions have been met, if it considers that the case concerns a claim that the parties may not dispose of (Article 3, Paragraph 3).

The rendering of a judgment based on waiver of the claim shall be postponed if it is necessary to first obtain information regarding the circumstances referred to in Paragraph 3 above.

The plaintiff may revoke his or her waiver of the claim made either at a hearing or by a written submission until the rendering of the judgment, even without the respondent's consent.

DEFAULT JUDGMENTS

Article 331b

If the respondent does not submit an answer to the complaint within the time limit set, a judgment shall be rendered to grant the claim (default judgment) if these conditions are met:

1) if the complaint and the summons to give an answer to the complaint were orderly served on the respondent;

2) if the well-foundedness of the claim from the complaint arises from the facts given in the complaint;

3) if the facts on which the claim is founded are not contrary to the evidence given by the plaintiff him/herself, or to facts that are common knowledge;

4) If there are no generally known circumstances from which it is arises that the respondent was prevented by justified reasons from submitting an answer to the complaint.

A default judgment will not be rendered even if the conditions in Paragraph 1 of this Act are met if the court deems that it is a claim which the parties may not dispose of (Article 3, Paragraph 3).

The rendering of a default judgment shall be postponed if it is necessary for more information to be gathered regarding the circumstances in Paragraph 2 of this Article.

If from the facts given in the complaint the grounds for the claim are not discernible, the court shall schedule a preparatory hearing and if the plaintiff does not amend the claim at that hearing, it shall render a judgment dismissing the claim.

The rendering of a default judgment may also be postponed if there is no evidence that the complaint and the order to answer the complaint have been orderly served on the respondent, but it is certain that they were sent to him/her. In this case, a time limit shall be set, which may not be longer than thirty days for service within this country, or longer than six months for service in a foreign country, to investigate whether the complaint and the order to answer the complaint were orderly served on the respondent. If it is established within that time limit that the communications were orderly served on the respondent, a default judgment shall be rendered.

No appeal is permitted against a court ruling denying the motion by the plaintiff for the rendering of a default judgment.

In the cases in Paragraphs 3 and 5 of this Article, a default judgment may be rendered without hearing the parties.

Default Judgment

Article 332

When the respondent, on whom the complaint has not been served for an answer but it was only served together with the summons to the hearing, fails to appear at the preparatory hearing until its conclusion, or at the first trial hearing if no preparatory hearing has been held, or if he/she appears at these hearings, but does not want to enter the litigation or leaves the hearing without having challenged the claim, upon a motion by the plaintiff or sua sponte, the court shall render a judgment granting the claim (default judgment) if the following conditions have been met:

1) if the respondent has been orderly summoned;

2) if the respondent has not challenged the claim by a submission;

3) if the well-foundedness of the claim arises from the facts given in the complaint;

4) if the facts on which the claim is founded are not contrary to the evidence given by the plaintiff him/herself, or to facts that are common knowledge;

5) if there are no generally known circumstances from which it is arises that the respondent was prevented by justified reasons from submitting an answer to the complaint.

No default judgment shall be rendered, even when all necessary conditions have been met, if the court considers that the case concerns a claim that the parties may not dispose of (Article 3, Paragraph 3).

The rendering of a default judgment shall be postponed if it is necessary to first obtain information regarding the circumstances referred to in Paragraph 2 above.

If well-foundedness of the claim does not result from the facts alleged in the complaint, and the complaint was not amended at the hearing, the court shall render a judgment rejecting the claim.

The rendering of a default judgment may also be postponed if there is no proof that the respondent has been properly summoned, and the summons has, beyond doubt, been addressed to him or her. In such case, the President of the Chamber shall fix a time limit that may not be longer than thirty days for service in Croatia nor six months for service abroad, so that an investigation may be made as to whether the respondent has been properly summoned. If it is established within that time limit that the respondent has been properly summoned, the President of the Chamber shall render a default judgment.

No appeal is permitted against a ruling denying the plaintiff's motion to render a default judgment.

In cases referred to in Paragraphs 3 and 5 above, the court may render a default judgment without having heard the parties.

JUDGMENT WITHOUT A TRIAL

Article 332a

If the respondent admits the decisive facts in his/her answer to the complaint, regardless of whether he/she disputes the claim, a single judge or the President of the Chamber may render

a judgment without scheduling a hearing (Articles 325 and 329), if there are no other hindrances to it being rendered.

Legal Effectiveness of a Judgment

Article 333

A judgment that may not be challenged by an appeal any more shall become legally effective if a decision has been made by it on the claim from the complaint or from the countercomplaint.

During the whole proceedings, the first instance court shall *sua sponte* pay attention to whether a final judgment has been rendered on the case between the same parties. If the court establishes that the litigation was instituted in respect of a claim on which a final judgment has already been rendered, it shall dismiss the complaint.

If a decision has been made in the judgment on a claim put forward by the plaintiff by an objection for settlement of accounts, the decision about existence or non-existence of such claim shall become final.

Article 334

The court shall be bound by its judgment as soon as it is announced and if the judgment has not been announced, as soon as it is forwarded.

A judgment shall not have effect on the parties before the day when it is served on them.

Rendering and Announcing a Judgment

Article 335

A judgment shall be rendered and announced in the name of the Republic of Croatia.

When a trial is held before a Chamber, the judgment shall be rendered by the President of the Chamber and by the members of the Chamber who participated in the hearing at which the trial was concluded.

The judgment is rendered immediately after the conclusion of the trial and it is announced by the single judge or the President of the Chamber.

In complex cases the court may postpone the rendering of a judgment for fifteen days from the day the trial is concluded. In this case, the court shall hold a hearing within the same time limit at which it shall render a judgment. The court is obliged to schedule this hearing at the hearing at which the trial was concluded. The hearing at which the judgment is announced shall be held regardless of whether the parties are informed about it, or whether they attend that hearing.

Article 336

When a judgment is announced, the single judge or the President of the Chamber shall publicly read the order and briefly announce the reasons for the judgment.

On announcement of a judgment it may be noted that the court has decided to make a decision on determination of costs later on. In this case, in disputes heard by a chamber, the costs shall be determined by the President of the Chamber, and the decision shall be included in the written version of the judgment

If the public has been excluded from the trial, the order of the judgment shall always be publicly read and the court shall decide whether and to what extent the public will be excluded when the reasons for judgment are announced.

All attendees shall listen to the order of the judgment being read while standing in an upright position.

Written Version and Service of the Judgment

Article 337

A judgment shall be made in writing and dispatched within thirty days from the day it is rendered. The President of the Court may on the basis of a reasoned proposal by a single judge or the President of the Chamber, allow the extension of this time limit for a further thirty days.

The original of the judgment shall be signed by the single judge or the President of the Chamber.

The parties shall be served with a certified copy of the judgment containing information on lodging a legal remedy against the judgment.

Article 337a

In the case of long-term absence or the occurrence of other exceptional circumstances (death, sudden serious illness etc.) which mean that the judge is not able to write or sign the decision he/she announced, the decision shall be written and signed by another judge on the orders of the President of the court.

A decision which has not been written up shall be written up on the basis of the decision announced and the information in the file.

Article 338

A written version of the judgment shall contain formal introduction, order and statement of reasons.

The introduction to a judgment shall contain: an indication that the judgment is being announced in the name of the Republic of Croatia; the title of the court; the name and surname of the single judge, or the President and members of the Chamber; the name and surname or title and residence or seat of the parties, their legal representatives and agents; a brief indication of the subject of the dispute; the date when the trial was concluded; an indication of the parties, their legal representatives and agents who attended that trial; and the date when the judgment was rendered.

The order of the judgment shall contain the court's decision on acceptance or rejection of particular claims on the merits and secondary claims, as well as decision on existence or non-existence of the claim put forward for settlement of accounts (Article 333).

In the statement of reasons the court shall outline the parties' claims and the facts they presented and evidence on which these claims are based, which of these facts it established, why and how it established those facts, and if it established them by hearing evidence, which evidence was presented and why and how it was assessed, the court shall state separately which provisions of substantive law it applied in deciding on the parties' claims, and shall declare itself if necessary regarding the opinions of the parties on the legal grounds for the dispute and on their motions and objections about which it did not give its reasons in the decisions it rendered in the course of the proceedings.

The statement of reasons for a default judgment, default judgment, judgment based on admission of the claim or judgment based on waiver of the claim shall only indicate reasons that justify rendering such judgments.

If the parties after the announcement of the judgment waive the right to an appeal and if they do not expressly seek for the judgment which is to be served on them to contain a statement of reasons, the court shall not write a separate statement of reasons for the judgment rendered, but shall only indicate that the parties waived their right to an appeal and for that reason the judgment needs no statement of reasons.

Supplemental Judgment

Article 339

If the court has failed to decide on all the claims that should have been decided by the judgment or if it has failed to decide on a part of a claim, the party may, within fifteen days of receipt of the judgment, move the court handling the litigation to supplement the judgment.

If the party does not submit a motion for the rendering of a supplementary judgment within the time limit in Paragraph 1 of this Article, it shall be deemed that the complaint has been withdrawn in that part.

Untimely and ill-founded motions to supplement the judgment shall be dismissed and rejected respectively, by the single judge or the President of the Chamber without holding any hearing.

Article 340

When the single judge or the President of the Chamber considers that the motion for supplementation of judgment is well-founded, he or she shall schedule a trial before the Chamber in order that a judgment may be made on the claim that has not been adjudicated (supplemental judgment).

A supplemental judgment may be rendered even without re-opening of the trial if such judgment is rendered by the same court in the composition in which it rendered the original decision, and if the claim in respect to which the supplementation is requested has been sufficiently heard.

If the single judge or the chamber at the trial establishes that the motion to render a supplemental judgment is untimely or ill-founded, it shall dismiss or reject the motion by a ruling.

If the motion to supplement the judgment relates only to costs of litigation, a decision on such motion shall be made by a single judge or the President of the Chamber without holding any hearing.

Article 341

If an appeal against the judgment has been lodged with the motion to supplement the judgment, the first-instance court may send a copy of the file to the second instance court and continue the proceedings on the basis of the motion to supplement the judgment, or shall suspend forwarding that appeal to the second-instance court until a decision is made on the motion for supplementation of judgment and until the time limit for appeal against that decision expires, and if an appeal is lodged against the decision on supplementing the judgment, shall send this appeal together with the appeal against the original judgment to the second instance court.

If the first-instance judgment is challenged by an appeal just because the first-instance court has failed to decide in the judgment on all the claims of the parties that are subject to

litigation, such appeal shall be considered a party's motion for rendering a supplemental judgment.

Correcting a Judgment

Article 342

Errors in names and numbers and other obvious errors in writing and computation, formal defects and lack of conformity of a copy of the judgment with its original shall be corrected by the single judge or the President of the Chamber at any time.

Corrections shall be made by virtue of a separate ruling and shall be inserted at the end of the original. A copy of the ruling shall be served on the parties.

If there is a lack of conformity between the original and a copy thereof with regard to a decision made in the order of the judgment, the parties shall be served with a corrected copy of the judgment with an indication that the corrected copy of the judgment is to replace the previous copy of the judgment. In such case, a time limit for lodging a legal remedy in respect to the corrected part of the judgment shall run from the date of delivery of the corrected copy of the judgment.

The court may decide on correcting a judgment without having heard the parties.

Title Twenty Four

RULING

Article 343

All rulings issued at a hearing shall be announced by the single judge or the President of the Chamber.

A ruling that has been announced at the hearing shall be served on the parties as a certified copy only if a separate appeal is permitted against such ruling, or if enforcement may immediately be requested on the basis of such ruling, or if the management of the litigation would so require.

The court shall be bound by its rulings if they do not relate to the management of the litigation or if this Act does not provide otherwise.

When a ruling is not served in a written version, it shall have effect on the parties as soon as it is announced.

Article 344

Rulings issued by the court outside a hearing shall be communicated to the parties by serving a certified copy of the ruling on them.

If the ruling rejects a motion of one of the parties without having previously heard the opposing party, the ruling shall not be served on the latter party.

Article 345

A ruling shall be reasoned[vii] if it rejects a party's motion or if it handles mutually opposing motions put forward by the parties. It may also be reasoned in other cases, if necessary.

A written version of the ruling shall contain formal introduction and order. It shall contain a statement of reasons only if Paragraph 1 above regulates that the ruling must be reasoned.

Article 346

Final rulings on penalties imposed under the provisions of this Act shall be executed *sua sponte.*

Article 347

Provisions of Article 328, Article 335, Paragraph 2, Article 336, Paragraph 2 and Articles 337 to 342 of this Act shall also apply to rulings, if appropriate.

B. PROCEDURE UPON LEGAL REMEDIES

Title Twenty Five

REGULAR LEGAL REMEDIES

1. Appeal against Judgment

Right to Appeal

Article 348

Parties may lodge an appeal against a judgment rendered by a court of first instance within fifteen days from the date when a copy of the judgment is served, unless this Act provides for another time limit. In disputes involving checks and bills of exchange such time limit shall be eight days.

A timely appeal prevents the judgment from becoming legally effective in the part challenged by that appeal.

An appeal against judgment shall be decided by a court of second instance.

Article 349

A party may waive the right to appeal on or after the time when the judgment was announced, and, if the judgment has not been announced, on or after the time when a copy of the judgment was served on him or her.

A party may withdraw an appeal that has already been lodged before the time when the court of second instance makes a decision.

A waiver or withdrawal of an appeal may not be revoked.

Contents of an Appeal

Article 350

As well as the information that every submission must contain (Article 106) an appeal shall contain:

1) a designation of the judgment against which the appeal is lodged;

2) a specific statement stating whether the judgment is being challenged in its entirety or partially;

3) the grounds for appeal;

4) the appellant's signature.

Article 351

If, on the basis of information contained in the appeal, it is not possible to identify the judgment that has been challenged or if the appeal has not been signed (incomplete appeal), the court of first instance shall issue a ruling – that may not be challenged by an appeal –

inviting the appellant to supplement or amend the appeal, within a specified time limit, either by a submission or on the record at that court.

If the appellant has failed to comply with the court's request within a specified time limit, the court shall, by a ruling, dismiss the appeal as being incomplete.

If the appeal has other defects related to its content, the court of first instance shall forward the appeal to the court of second instance without inviting the appellant to supplement or amend it.

Article 352

New facts may not be presented and new evidence may not be offered in an appeal unless they relate to an substantial violation of civil procedure rules for which an appeal may be lodged.

If during the first instance proceedings the party did not put forward the objection of the expiration of the statute of limitations or an objection for the purpose of a setoff, or some other substantive law or procedural law objection regarding a question which is not the concern of the first instance court sua sponte, the party may not present this objection in the appeal.

Grounds on Which a Judgment May Be Challenged

Article 353

A judgment may be challenged on the grounds of:

1)substantial violation of civil procedure rules;

2)erroneous or incomplete establishment of the facts;

3)erroneous application of the substantive law.

A default judgment and a default judgment may not be challenged on the grounds of erroneous or incomplete establishment of the facts.

A judgment based on admission of the claim and a judgment based on waiver of the claim may be challenged on the grounds of substantial violation of civil procedure rules from Article 354 Paragraph 2 of this Act or because the statement on admission or waiver was made under a misapprehension or coercion or deceit.

When a judgment based on admission of a claim and a judgment based on waiver is challenged because the statement on admission or waiver was made under a misapprehension or under the influence of coercion or deceit, the party may in the appeal present new facts and propose new evidence relating to these faults of will.

Article 354

A substantial violation of civil procedure rules exists if, during the proceedings, the court failed to apply or erroneously applied a provision of this Act, and that had or could have had impact on making a lawful and proper judgment.

A substantial violation of civil procedure rules always exists:

1. if a judge who had to be disqualified according to the law (Article 71, Paragraph 1, subparagraphs 1 to 6) or who was disqualified by the court's ruling, or a person who did not have the status of a judge took part in the rendering of the judgment;

2. if a decision was made about a claim in a dispute that is not justiciable (Article 16);

3. if, contrary to the provisions of this Act,the court erroneously decided that it had subject matter or territorial jurisdiction;

4. if, contrary to the provisions of this Act, the court based its decision on inadmissible dispositions by the parties (Article 3, Paragraph 3);

5. if, contrary to the provisions of this Act, the court rendered a judgment based on admission of the claim, judgment based on waiver of the claim, default judgment or judgment without a trial,

6. if, because of unlawful actions, and especially because failure to make service, any of the parties was not given opportunity to be heard by the court;

7 if, contrary to the provisions of this Act, the court rejected a party's request to use his/her language or script in the proceedings and to follow the course of the proceedings in his/her own language, about which the party has lodged an appeal;

8 if a person who can not be a party in the proceedings participated in the proceedings in the capacity of a plaintiff or respondent, or if a party which is a legal person was not represented by an authorized person, or if a party who did not have litigation capacity was not represented by his/her legal representative, or if a party's legal representative or agent did not have appropriate authority to conduct litigation or to take specific actions in the proceedings, unless the conduct of litigation or taking of specific actions in the proceedings was subsequently approved;

9. if a decision was made about a claim in respect of which litigation was already pending, or about which a legally effective judgment has already been rendered or if a court settlement or a settlement which, under separate regulations, has characteristics of a court settlement, has already been reached;

10. if the public was excluded from the trial, contrary to the law;

11. if the judgment has defects because of which it can not be examined, and especially if the order of the judgment is incomprehensible, if the order is self-contradictory or if it contradicts the grounds for the judgment, or if the judgment has no grounds at all or if it does not specify the grounds for decisive facts, or if such grounds lack clarity or are contradictory, or if there is a contradiction regarding the decisive facts between what is specified in the grounds for the judgment about the contents of documents or minutes relating to testimonies given during the proceedings and such documents and minutes themselves;

12. if the judgment exceeded the claim."

When a party which is a legal person was not represented by an authorized person, or when a party who did not have litigation capacity was not represented by his/her legal representative, or when a party's legal representative or agent did not have appropriate authority to conduct litigation or to take specific actions in the proceedings, an appeal may only be lodged by the party affected by these defects.

Article 355

Erroneous or incomplete establishment of the facts exists when the court has erroneously established or failed to establish a decisive fact.

Article 356

Erroneous application of the substantive law exists when the court failed to apply a substantive law provision it was supposed to apply or if the court erroneously applied such provision.

Procedure upon Appeal

Article 357

An appeal shall be lodged with the court that has rendered the first-instance decision in a sufficient number of copies for the court and the opposing party.

Article 358

An untimely, incomplete (Article 351, Paragraph 1) or inadmissible appeal shall be dismissed by a ruling issued by a single judge or the President of the Chamber of the court of first instance, without holding a hearing.

An appeal shall be untimely if it has been lodged after the expiration of the time-limit prescribed by the law for its lodging.

An appeal shall be inadmissible if it has been lodged by a person who is not authorized to lodge the appeal or a person who has waived or withdrawn the appeal or if the person who has lodged the appeal has no legal interest in lodging the appeal.

Article 359

A copy of a timely, complete and admissible appeal shall be forwarded by the court of first instance to the opposing party who may submit an answer to the appeal to that court within eight days of receipt.

The court of first instance shall forward a copy of the answer to the appeal to the appellant.

An untimely answer to the appeal shall not be dismissed, but it shall be forwarded to the court of second instance, which shall take it into consideration, if that is still possible.

Article 360

After having received the answer to the appeal or after the expiration of the time limit for submitting an answer to the appeal, a single judge or the President of the Chamber shall forward the appeal and answer to the appeal, if submitted, together with the whole record to the court of second instance.

If the appellant claims that in the first-instance proceedings civil procedure rules were violated, the single judge or the President of the Chamber of the court of first instance shall give his/her explanation about the allegations from the appeal that concern these violations, if necessary, or conduct investigations in order to check whether the allegations of the appeal are true.

The single judge or the President of the Chamber of the court of first instance shall forward a copy of the explanation or report on the investigation conducted to the parties, who may give their observations within eight days.

If the single judge or the President of the Chamber of the court of first instance finds it to be necessary, he/she may invite the parties to attend the investigation referred to in Paragraph 2 of this Article.

The single judge or the President of the Chamber of the court of first instance shall forward the parties' observations referred to in Paragraph 3 of this Article to the court of second instance, together with their own explanation or report on the investigation conducted, only if they are submitted in time. The observations submitted after the expiration of the time limit shall be forwarded to the court of second instance, which shall take them into account, if this is still possible.

Article 361

When records upon appeal reach the court of second instance, a judge rapporteur shall be designated.

If the President of the Chamber is designated as judge rapporteur, the function of the President of the Chamber shall be performed by another member of the Chamber.

The judge rapporteur may, if necessary, obtain from the court of first instance a report on violations of procedural rules and request investigations in order that such violations may be identified.

In cases referred to in Paragraph 3 of this Article, the provisions from Article 360, Paragraphs 3 to 5 of this Act shall apply, as appropriate.

Article 362

The court of second instance shall decide on the appeal at a session of the chamber.

When a chamber of the court of second instance finds it necessary for the purpose of rendering a decision on the appeal, it may summon the parties or their representatives to the session of the chamber.

Article 363

The court shall hold a session of the chamber and decide on appeal even if, in the case referred to in Article 362, Paragraph 2 of this Article, one or both parties have failed to appear.

A session of the chamber at which at least one party is present shall commence with a report by the judge rapporteur who shall present a statement of the facts without giving his/her opinion on the merits of the appeal.

After that, the judgment or part of the judgment to which the appeal refers shall be read. The minutes of the trial before the court of first instance shall also be read, if necessary. The appellant shall then give reasons for his or her appeal, and the opposing party shall give reasons for his or her answer to the appeal.

Article 364

Article 364 is deleted.

Limits of Examination of the First-instance Judgment

Article 365

The court of second instance shall examine the first-instance judgment in respect of the part that is challenged by the appeal; if it is not evident from the appeal in respect of which part the appeal is challenged, the court of second instance shall infer that the judgment is challenged in the part in respect of which the party has not won the case.

The court of second instance shall examine the first-instance judgment within the limits of the grounds specified in the appeal, paying attention sua sponte to the substantial violations of civil procedure rules referred to in Article 354, Paragraph 2, subparagraphs 2, 4, 8, 9 and 11 of this Act and to the proper application of the substantive law.

Court of Second Instance's Decision on the Appeal

Article 366

The court of second instance may dismiss the appeal as being untimely, incomplete or inadmissible, reject the appeal as being ill-founded and affirm the first-instance judgment, set

aside that judgment and remand the case for a new trial to the court of first instance, set aside the first-instance judgment and reject the complaint or reverse the first-instance judgment.

The court of second instance may set aside the judgment even when the party has moved for its reversal, and it may also reverse the judgment although the party has moved the court to set it aside.

Article 367

An untimely, incomplete or inadmissible appeal shall be dismissed by a ruling issued by the court of second instance, if the court of first instance has failed to do that (Article 358).

Article 368

The court of second instance shall, by a judgment, reject the appeal as being ill-founded and affirm the first-instance judgment when it establishes that there exist neither the grounds on which the judgment is challenged, nor those to which the court must pay attention *sua sponte*.

The court of second instance shall reject, by a judgment, the appeal as being ill-founded and affirm the first-instance judgment if it finds that the court of first instance applied the substantive law erroneously, but that the same decision on the claim would result from the proper application of the substantive law.

Article 369

The second instance court shall, by a ruling, set aside the first-instance judgment if it establishes that there is a substantial violation of civil procedure rules (Article 354) and remand the case to the same court of first instance or it shall assign it to the court of first instance having jurisdiction to hold a new trial. In that ruling, the second instance court shall also decide which actions that have been undertaken and that have been affected by substantial violation of civil procedure rules shall be set aside.

If, in the proceedings before the court of first instance, the provisions of Article 354, Paragraph 2, subparagraphs 2 and 9 of this Act have been violated, the court of second instance shall set aside the first-instance judgment and dismiss the complaint.

If, in the proceedings before the court of first instance, the provisions of Article 354, Paragraph 2, subparagraph 8 of this Act have been violated, the court of second instance shall, taking into account the nature of the violation, set aside the first-instance judgment and remand the case to the court of first instance having jurisdiction or it shall set aside the first-instance judgment and dismiss the complaint.

If the court of second instance finds that the first instance judgment exceeded the claim in that a decision was not made on what was requested, but on something else, it shall set aside, by a ruling, the judgment by the court of first instance and remand the case for a new trial.

If the court of second instance finds that the first instance judgment exceeded the claim in that it awarded more than what was claimed, the court of second instance shall set aside, by a ruling, the judgment of the court of first instance in the part in which the claim was exceeded.

Article 370

The court of second instance shall, by a ruling, set aside a judgment rendered by the court of first instance and remand the case to that court for a new trial if it considers that, for the purpose of proper establishment of facts, it is necessary to hold a new trial before the court of first instance.

Article 371

When the court of second instance has set aside a judgment rendered by the court of first instance and remanded the case to the same court for a new trial, it may order that the new trial be held before a single judge or before another Chamber.

Article 372

Article 372 is deleted.

Article 373

The court of second instance shall, by a judgment, reverse the first-instance judgment:

1)if the court of first instance erroneously assessed documents or circumstantial evidence, and the court of first instance's decision was based solely on that evidence;

2)if, from the established facts, the court of first instance came to the erroneous conclusion about the existence of other facts, and the judgment was based on those facts;

3)if it considers that the facts in the first-instance judgment were properly established, but that the court of first instance erroneously applied the substantive law.

Article 374

The court of second instance may not reverse the judgment to the detriment of the party who has appealed, if he or she was the only one who has lodged the appeal.

Article 375

In the statement of reasons for the judgment or ruling, the court of second instance shall assess allegations from the appeal that are of decisive significance and indicate the reasons it has taken into account *sua sponte*[viii].

When the first-instance judgment has been set aside because of substantial violations of civil procedure rules, indication shall be made in the statement of reasons as to what rules have been violated and such violations shall be specified in more detail.

If the first-instance judgment has been set aside and the case remanded to the court of first instance for a new trial in order that the facts may be properly established, it shall be specified in more detail what were the defects in the establishment of facts or why the specific facts and evidence are important and relevant for making a proper decision.

Article 376

The court of second instance shall send the whole record back to the court of first instance together with a sufficient number of certified copies of its decision, in order that they may be given to the parties and other persons concerned.

Article 377

The court of first instance shall take all procedural actions and hear all disputable issues to which the court of second instance referred in its ruling.

At the new, trial parties may present new facts and offer new evidence.

If the judgment has been set aside because it was rendered by a court lacking jurisdiction, the new trial before the court of first instance shall be held according to the provisions applicable to holding of trials when the composition of the court is changed. (Article 315, Paragraph 3).

SUPPLEMENTARY SECOND INSTANCE DECISION

Article 377a

If the court of second instance has failed to decide on all the parts of the judgment that were challenged by the appeal, or if it has failed to render all decisions that had to be rendered when dismissing, rejecting or granting the appeal, or if it has failed to decide on one or more appeals, the appellant may, within fifteen days of the service of the second instance decision, move the court of second instance to supplement its decision.

A motion to render a second instance decision may not be filed on the ground that the court of second instance failed to decide on all the grounds on which the appeal was lodged or to which it had to pay attention sua sponte.

The motion referred to in Paragraph 1 of this Article shall be filed with a court of first instance which shall forward it, without delay, to the court of second instance, together with the record.

If, upon a decision referred to in Paragraph 1 of this Article, it is necessary to reopen the proceedings before the court of first instance, the court of first instance shall forward the motion to render a supplementary decision to the court of second instance, together with the record.

The provisions of Articles 339 to 341 of this Act shall apply to the proceedings upon motions referred to in Paragraph 1 of this Article, as appropriate.

2. Appeal against Ruling

Article 378

A ruling issued by a court of first instance may be challenged by an appeal, unless this Act specifies that appeal is not permitted.

If this Act explicitly provides that a separate appeal is not permitted, the ruling issued by the court of first instance may be challenged only by an appeal against the final decision.

In cases when, under this Act, a separate appeal is permitted against rulings by which the proceedings before the court of first instance are not ended, the court of first instance shall copy the record and furnish a copy of the record, together with the appeal, to the court of second instance, and shall continue the proceedings to resolve the issues to which the appeal does not relate.

Article 379

A timely appeal shall stay the enforcement of the ruling, unless otherwise provided by this Act.

A ruling against which no separate appeal is permitted may be enforced immediately.

Article 380

In dealing with the appeal, the court of second instance may:

1)dismiss the appeal as being untimely, incomplete or inadmissible (Article 358, Paragraphs 1 to 3 and Article 378, Paragraph 1);

2)reject the appeal as being ill-founded and affirm the ruling issued by the court of first instance;

3)grant the appeal and reverse or set aside the ruling and, if necessary, remand the case for a new trial.

Article 381

In the proceedings upon appeals against rulings, the provisions applicable to appeals against judgments shall apply, as appropriate. The provisions on an answer to the appeal shall only apply to appeals lodged against rulings by which the proceedings before the court of first instance were ended.

Title Twenty Six

LEGAL REMEDIES AGAINST LEGALLY EFFECTIVE DECISIONS

1. Revision

Article 382

Parties may file a motion for revision on points of law against a second instance judgment:

1. if the amount in controversy in the challenged part of the judgment does not exceed 100,000 kunas,

2. if the judgment was rendered in a dispute initiated by a worker against a decision on termination of his/her contract of employment.

In cases when parties may not file a motion for revision on points of law against a second instance judgment under the provision of Paragraph 1 of this Article, they may file such motion if the court of second instance specified in the order of this judgment that a motion for revision against it is permitted. The court of second instance may decide so if it assesses that the decision in the dispute depends on the settlement of a substantive-law or procedural-law issue which is important for providing a uniform application of the law and the equality of citizens. In the statement of reasons for the judgment, the court of second instance shall indicate the legal matter for which it permitted the motion for revision on points of law and set out the reasons why it considered it to be important for providing a uniform application of the law and the equality of citizens.

The provisions of Paragraph 1, subparagraph 1 and Paragraph 2 of this Article shall not apply to disputes for which this Act or another law explicitly specifies that no motion for revision on points of law is permitted against them.

A motion for revision on points of law shall be filed within thirty days of the date when the second instance judgment was served.

Article 383

Article 383 is deleted.

Article 384

A motion for revision on points of law shall not stay the execution of the judgment against which it has been filed.

Article 385

A motion for revision on points of law may be filed against a second instance judgment referred to in Article 382, Paragraph 1 of this Act:

1. on the grounds of a substantial violation of civil procedure rules referred to in Article 354, Paragraph 2 of this Act, except when such violation relates to subject matter and territorial jurisdiction (Article 354, Paragraph 2, subparagraph 3), if the first instance court, contrary to the provisions of this Act, rendered the judgment without having held a trial, (Article 354, Paragraph 2, Subparagraph 5) and if a decision was made about the claim in respect of which litigation was already pending (Article 354, Paragraph 2, subparagraph 9),

2. on the grounds of a substantial violation of civil procedure rules referred to in Article 354, Paragraph 1 of this Act committed in the proceedings before a court of second instance,

3. on the grounds of erroneous application of the substantive law.

On the grounds of a substantial violation of civil procedure rules referred to in Article 354, Paragraph 2, subparagraphs 6, 7, 8, 10, 11 and 12 of this Act, a motion for revision on points of law may be filed against a judgment rendered by a court of second instance affirming a first instance judgment only if the movant challenged, by an appeal, the first instance judgment on the grounds of the same violations or if these violations were not committed until the second instance proceedings.

A motion for revision on points of law may be filed against a judgment rendered by a court of second instance affirming a judgment based on admission of the claim or a judgment based on waiver of the claim only on the grounds referred to in Paragraph 1, subparagraphs 1 and 2 of this Article.

Article 385a

A motion for revision on points of law may be filed against a second instance judgment referred to in Article 382, Paragraph 2 of this Act only on the ground of a substantive-law or procedural-law matter for which it is permitted.

Article 386

In the motion for revision on points of law, the party shall specify the grounds on which it is filed.

If a motion for revision on points of law referred to in Article 382, Paragraph 1 of this Act was filed on the ground on which it may not be filed or if it was filed on the ground on which it may be filed, but which is not explained, or if the motion for revision on points of law referred to in Article 382, Paragraph 2 of this Act was not filed on the ground permitted by the court of second instance, a single judge or the President of the Chamber of the court of first instance shall dismiss it, by a ruling, without inviting the party to supplement it.

Article 387

In a motion for revision parties may present new facts and offer new evidence only if they relate to substantial violation of civil procedure rules in respect of which a motion for revision may be filed.

Article 388

A motion for revision on points of law shall be filed with the court which rendered the first instance judgment in a sufficient number of copies for the court and the opposing party.

Article 389

An untimely, incomplete or inadmissible motion for revision shall be dismissed by a ruling issued by a single judge or the President of the Chamber of the court of first instance, without holding a hearing.

A motion for revision shall be inadmissible if it has been filed by a person who is not authorized to file a motion for revision or a person who has withdrawn the motion for revision or if the person who has filed the motion for revision has no legal interest in filing such a motion, or if the motion for revision has been filed against the judgment that may not be challenged by a motion for revision according to the law.

If a motion for revision on points of law was filed against the second instance judgment referred to in Article 382, Paragraph 2 of this Act, the single judge or President of the Chamber of the court of first instance may not dismiss the motion for revision on points of law on the ground that he/she considers that the reasons for which it was filed do not exist.

Article 390

A single judge or the President of the Chamber of the court of first instance shall forward a copy of a timely, complete and admissible motion for revision on points of law to the opposing party who may, within fifteen days of the service of the motion for revision, lodge an answer to the motion for revision on points of law with this court.

An untimely answer to the motion for revision on points of law shall not be dismissed, but it shall be forwarded to the court competent for revision, which shall take it into account if this is still possible.

After having received the answer to the motion for revision on points of law or after the expiration of the time limit for lodging an answer, a single judge or the President of the Chamber of the court of first instance shall forward the motion for revision on points of law and answer to the motion for revision on points of law, if submitted, together with the whole record to the court competent for revision.

The single judge or the President of the Chamber of the court of first instance shall also forward the motion for revision on points of law and answer to the motion for revision on points of law , if submitted, to the court of second instance, which shall send its report on possible procedural violations before this court directly to the court competent for revision.

Article 391

The Supreme Court of the Republic of Croatia shall decide on a motion for revision on points of law without holding a trial.

Article 392

An untimely, incomplete, inadmissible or unexplained (Article 386) motion for revision shall be dismissed by a ruling issued by the judge rapporteur of the court competent for revision if the court of first instance has failed to do that within the limits of its powers.

A motion for revision on points of law filed against a second instance judgment referred to in Article 382, Paragraph 2 of this Act shall be dismissed by a ruling issued by the judge rapporteur, or, if he/she does not do this, by a chamber of the court competent for revision, in case they establish that it has not been filed on the ground of a matter of law which constitutes an admissible ground.

The chamber of the court competent for revision shall not be authorized to dismiss a motion for revision on points of law filed against a second instance judgment referred to in Article 382, Paragraph 2 of this Act, if it assesses that the matter of law on the ground of which it was filed is not important for providing a uniform application of the law and the equality of citizens.

Article 392a

The court competent for revision shall examine the judgment challenged only in so far as it is challenged by the motion for revision on points of law and within the limits of the grounds specifically stated in the motion for revision on points of law .

Article 393

The court competent for revision shall, by a judgment, reject the motion for revision as being ill-founded when it establishes that there exist neither the grounds on which the motion for revision has been filed.

Article 394

If the court competent for revision has established the existence of a substantial violation of civil procedure rules referred to in Article 354, Paragraphs 1 and 2 of this Act on the grounds of which a motion for revision may be filed, except for the violations referred to in Paragraphs 2 and 3 below, it shall set aside, by a ruling[ix], the judgments rendered by the courts of first and second instances, or only the judgment rendered by the court of second instance, either in their entirety or partly, and remand the case for a new trial to the same or different Chamber of the court of first instance or court of second instance or another court having jurisdiction.

If a violation referred to in Article 354, Paragraph 2, Subparagraphs 2 and 9 of this Act was committed in the proceedings before the court of first instance or court of second instance, except when a decision was made about a claim in respect of which litigation was already pending, the court competent for revision shall, by a ruling, set aside the decisions that have been rendered and dismiss the complaint.

If a violation referred to in Article 354, Paragraph 2, Subparagraph 8 of this Act was committed in the proceedings before the court of first instance or court of second instance, the court competent for revision shall, taking into account the nature of the violation, act in accordance with the provisions of Paragraphs 1 and 2 above.

Article 394a

The court to which the case has been remanded for a retrial shall be bound in this case by legal opinion on which the ruling by the court competent for revision was based, setting aside the challenged first instance judgment or setting aside the second instance and the first instance judgment.

Article 395

If the court competent for revision establishes that the substantive law has been erroneously applied, it shall, by a judgment[x], grant the motion for revision and reverse the challenged judgment.

If the court competent for revision establishes that erroneous application of the substantive law resulted in incomplete establishment of the facts and that, therefore, no conditions have been met for reversal of the challenged judgment, it shall grant the motion for revision, by a ruling, set aside the judgments rendered by the court of first instance and court of second instance, or only the judgment rendered by the court of second instance, either in their entirety or partly, and remand the case for a new trial to the same or different Chamber of the court of first instance or court of second instance.

Article 396

If the court competent for revision finds that the second instance judgment exceeded the claim in that a decision was not made on what was requested, but on something else, it shall set

aside this judgment by a ruling and remand the case for a retrial to the court of second instance.

If the court competent for revision finds that the second instance judgment exceeded the claim in that it awarded more than requested, the court competent for revision shall set aside this judgment by a ruling in the part in which the claim was exceeded.

Article 397

Article 397 is deleted.

Article 398

A decision by the court competent for revision shall be directly forwarded to the court of first instance.

A copy of the decision by the court competent for revision shall also be forwarded to the court of second instance.

Article 399

Unless otherwise specified by the provisions of Articles 382 to 398 of this Act, this Act's provisions on appeals against judgments from Article 349, Paragraphs 2 and 3, Articles 350, 351 and 356, Article 360, Paragraphs 2 to 5, Articles 361, 366, 371 and Articles 374 to 377a of this Act shall apply to the proceedings upon a motion for revision on points of law, as appropriate.

Article 400

Parties may also file a motion for revision on points of law against a ruling issued by a court of second instance by which the proceedings were ended in disputes in which revision would be permitted against second instance judgments (Article 382).

A motion for revision shall always be allowed against the court of second instance's ruling dismissing the appeal that has been lodged or affirming the court of first instance's ruling by virtue of which the motion for revision was dismissed.

The proceedings conducted upon a motion for revision of a ruling shall be subject to this Act's provisions on motion for revision of a judgment.

Article 401

Article 401 is deleted.

Article 402

Article 402 is deleted.

Article 403

Article 403 is deleted.

Article 404

Article 404 is deleted.

Article 405

Article 405 is deleted.

Article 406

Article 406 is deleted.

Article 407

Article 407 is deleted.

Article 408

Article 408 is deleted.

Article 409

Abrogated.

Article 410

Abrogated.

Article 411

Abrogated.

Article 412

Abrogated.

Article 413

Abrogated.

Article 414

Abrogated.

Article 415

Abrogated.

Article 416

Abrogated.

Article 417

Abrogated.

Article 418

Abrogated.

Article 419

Abrogated.

Article 420

Abrogated.

5. Retrial

Article 421

The proceedings that have been ended by a legally effective decision may be repeated on a motion of a party:

1) if a judge who had to be disqualified according to the law (Article 71, Paragraph 1, subparagraphs 1 to 6) or who was disqualified by the court's ruling took part in the rendering of the judgment or if a person who does not have the status of a judge took part in the rendering of the judgment,

2)if, because of unlawful actions, and especially because of failure to make service, any of the parties were not given opportunity to be heard by the court;

3)if a person who may not be a party in the proceedings participated in the proceedings in the capacity of a plaintiff or respondent, or if the party which is a legal person was not represented by an authorized person, or if a party without the capacity to litigate was not represented by his or her legal representative, or if the legal representative or agent did not have appropriate powers to conduct litigation or to take specific actions in the proceedings, unless the conduct of litigation or taking of actions in the proceedings was subsequently approved;

4)if the court's decision was based on a false testimony given by a witness or by an expert witness;

5)if the court's decision was based on a document that had been falsified or in which false statements had been affirmed.

6)if the court's decision was a result of a criminal offense committed by the judge, the party's legal representative or agent, the opposing party or a third party.

7)if the party has gained the possibility to have recourse to a legally effective court decision that had been made earlier with regard to the same parties on the same claim;

8)if the court's decision was based on another decision made by a court or another body and such decision has been reversed, set aside or vacated;

9) if the competent body subsequently settled the preliminary issue by a legally effective decision (Article 12, Paragraphs 1 and 2) on which the court decision is based,

10)if the party has learned about new facts or has been given or has gained a possibility to have recourse to new evidence on the basis of which a more favorable decision could have been made for the party had such facts or evidence been used in the previous proceedings.

The proceedings ended by a legally effective judgment based on admission of the claim, judgment based on waiver of the claim, and default judgment may not be repeated on the grounds referred to in Paragraph 1, subparagraphs 8, 9 and 10 of this Article.

The proceedings ended by a legally effective judgment based on admission of the claim and judgment based on waiver of the claim may be repeated on the ground that the statement on admission or waiver was given under substantial misapprehension or under coercion or fraud.

Article 422

No retrial may be requested on the grounds referred to in Article 421, Paragraph 1, subparagraphs 1 to 3 and Paragraph 3 of this Act, if such grounds were raised without success in the previous proceedings.

Retrial may be allowed on the grounds referred to in Article 421, Paragraph 1, subparagraphs 1, 7, 8, 9 and 10, and Paragraph 3 of this Act only if the party had not been able to present these grounds, through no fault of his/her own, before the previous proceedings were concluded with a legally effective court decision

Article 423

A motion for a retrial shall be put forward within thirty days:

1)in the case referred to in Article 421, Paragraph 1 of this Act - from the date when the party came to know about that reason;

2)in the case referred to in Article 421, Paragraph 1, Paragraph 2 of this Act - from the date when the decision was served on the party;

3)in the case referred to in Article 421, Paragraph 1, Paragraph 3 of this Act, if a party who may not be a party in the proceedings participated in the proceedings in the capacity of a plaintiff or respondent - from the date when the decision was served on the party; if the party which is a legal person was not represented by an authorized person, or if a party without the capacity to litigate was not represented by his or her legal representative – from the date when the decision was served on the party or his or her legal representative; or if the legal representative or agent did not have appropriate powers to litigate or to take specific actions in the proceedings – from the date when the party came to know about that reason;

4)in the cases referred to in Article 421, Paragraph 1, Paragraphs 4 to 6 of this Act – from the date when the party came to know about the legally effective verdict passed in the criminal proceedings; and if the criminal proceedings can not be conducted – from the date when the party came to know about the stay of such proceedings or about the circumstances the because of which the proceedings can not be instituted;

5) in the cases referred to in Article 421, Paragraph 1, subparagraphs 7, 8 and 9 of this Act – from the date when the party was able to have recourse to the legally effective decision that gives rise to the retrial;

6) in the case referred to in Article 421, Paragraph 1, subparagraph 10 of this Act – from the date when the party was able to present to the court new facts or new evidence.

7) in the case referred to in Article 421, Paragraph 3 of this Act – from the date when the party was able to state before the court that his/her admission or waiver was given as a result of a substantial mistake or under the influence of coercion or fraud.

If the time limit specified in Paragraph 1 above would begin to run before the decision becomes legally effective, the time limit shall be computed from the date the decision is legally effective if no legal remedy has been lodged against it, or from the service of the legally effective decision made by the court of highest instance.

After the expiration of the time limit of five years from the date when the decision became legally effective, no motion for retrial may be filed, except when such retrial is requested on the ground that a person who does not have the status of a judge (Article 421, Paragraph 1, subparagraph 1) took part in the rendering of the judgment, or for the reasons referred to in Article 421, Paragraph 1, subparagraphs 2 and 3 of this Act.

Article 424

A motion for retrial shall always be put forward to the court that made a decision in the first instance.

The motion shall, in particular, contain: legal basis on which the retrial is requested, circumstances from which it follows that the motion has been put forward within the statutory time limit, and evidence corroborating the moving party's allegations.

Article 425

Untimely (Article 423), incomplete (Article 424, Paragraph 2) or inadmissible (Article 423) motions for retrial shall be dismissed by a ruling issued by a single judge or the President of the Chamber without holding a trial.

If a single judge or the President of the Chamber does not dismiss a motion, he or she shall forward a copy of the motion to the opposing party in accordance with Article 142 of this Act. The opposing party shall have the right to provide his or her answer to the motion within fifteen days. Upon expiration of the time limit for providing an answer, a single judge or the President of the Chamber shall schedule a hearing to hear the motion.

If a retrial is requested on the grounds referred to in Article 421, Paragraph 1, subparagraph 10 and Paragraph 3 of this Act, a single judge or the President of the Chamber may consolidate litigation on the motion for retrial with the litigation on the merits.

Article 426

A hearing on the motion for retrial shall be held before a single judge or the President of the Chamber of the court of first instance, except when litigation on the motion has been consolidated with litigation on the merits.

Article 427

After the hearing on the motion has been held, a single judge or the President of the Chamber of the court of first instance shall make a decision about the motion, except when the reason for retrial relates solely to proceedings before a higher court (Article 428).

In the ruling by which retrial is allowed, it shall be stated that the decision made in the previous trial shall be set aside.

A single judge or the President of the Chamber shall schedule a trial only after the ruling by which retrial is granted has become legally effective. However, in that ruling the President of the Chamber may decide that the hearing on the merits shall commence immediately. At a new trial the parties may present new facts and offer new evidence.

No separate appeal shall be allowed against the ruling by virtue of which retrial is granted if a single judge or the President of the Chamber has decided that a hearing on the merits shall commence immediately.

If a single judge or the President of the Chamber has granted retrial and decided that a decision on the merits shall be made immediately, or if the motion for retrial was heard jointly with the merits, the ruling by which retrial is granted and the decision rendered in the previous proceedings is set aside shall be included in the decision on the merits.

Article 428

If the reason for retrial relates solely to the proceedings before a higher court, a single judge or the President of the Chamber of the court of first instance shall forward the record to that particular higher court in order that it may make a decision.

When the record arrives at the higher court, it shall be acted in accordance with the provisions of Article 361 of this Act.

The court shall decide on the motion for retrial without holding a hearing.

When the higher court establishes that the motion for retrial is justified and that it is not necessary to hold a new trial, it shall set aside its own decision, as well as the decision of the higher court, if any, and make a new decision on the merits.

5a. Retrial upon a final judgment by the European Court of Human Rights in Strasbourg on a violation of a fundamental human right or freedom

Article 428a

When the European Court of Human Rights finds a violation to have been committed of a human right or fundamental freedom guaranteed by the Convention for the Protection of Human Rights and Fundamental Freedoms and Additional Protocols thereto, which was ratified by the Republic of Croatia, the party may, within a time limit of thirty days of the date when the judgment by the European Court of Human Rights became final, file an application with the court in the Republic of Croatia which heard his/her case in the first instance proceedings in which the decision violating a human right or fundamental freedom was rendered, and move the court to amend the decision which violated this right or fundamental freedom.

In the conduct of the proceedings referred to in Paragraph 1 of this Article the provisions on retrial shall be applied appropriately.

In the retrial, the courts are obliged to comply with the legal stances* adopted in the final judgment of the European Court of Human Rights finding the violation of a fundamental human right or freedom.

6. Relation between the Motion for Retrial and

other Legal Remedies against Legally Effective Judgments

Article 429

If a party puts forward a motion for retrial within the time limit that is prescribed for filing a motion for revision, solely on the grounds on which a motion for revision may me filed, it shall be considered that such party has filed a motion for revision.

If a party files a motion for revision on the grounds referred to in Article 354, Paragraph 2, Subparagraph 9 of this Act and also puts forward, either at the same time or afterwards, a motion for retrial on any grounds referred to in Article 421 of this Act, the court shall suspend the proceedings upon the motion for retrial until the proceedings upon the motion for revision are concluded.

If a party files a motion for revision on any grounds other than those referred to in Article 354, Paragraph 2, Subparagraph 9 of this Act and also puts forward, either at the same time or afterwards, a motion for retrial on the grounds referred to in Article 421, Paragraphs 4 to 6 of this Act that have been corroborated by a legally effective decision rendered in the criminal proceedings, the court shall suspend the proceedings upon the motion for revision until the proceedings upon the motion for retrial are concluded.

In any other case when a party files a motion for revision and also puts forward, either at the same time or afterwards, a motion for retrial, the court shall decide which proceedings shall be continued and which suspended, taking into account all circumstances, and especially the grounds on which both legal remedies have been lodged and evidence offered by the parties.

Article 430

The provisions of Article 429, Paragraphs 1 and 3 of this Act shall also apply when the party first put forward a motion for retrial and then filed a motion for revision.

In any other case when a party puts forward a motion for retrial and after that files a motion for revision, the court shall, as a rule, suspend the proceedings upon the motion for revision

until the proceedings upon the motion for retrial are concluded, unless it establishes that there are serious reasons for acting otherwise.

Article 431

The ruling referred to in Article 429 of this Act shall be issued by a single judge or the President of the Chamber of the court of first instance if the motion for retrial arrives at the court of first instance before the record has been forwarded to the court competent for revision following the motion for revision. If the motion for retrial arrives after the record has been forwarded to the court competent for revision following the motion for revision, a ruling referred to in Article 429 of this Act shall be issued by the court competent for revision.

A ruling referred to in Article 430 of this Act shall be issued by a single judge or the President of the Chamber of the court of first instance, except when the record has, at the time when the motion for revision arrives at the court of first instance, been already forwarded to a higher court in order that it may make a decision about the motion for retrial (Article 428, Paragraph 1). In that case, the ruling shall be issued by the higher court.

No appeal shall be allowed against the ruling referred to in Paragraphs 1 and 2 above.

Article 432

Article 432 is deleted.

Part Three

SPECIAL PROCEDURES

Title Twenty Seven

PROCEDURE IN EMPLOYMENT-RELATED LITIGATION

Article 433

If no special provisions exist in this Title, other provisions of this Act shall apply to employment-related litigation.

Article 434

In the proceedings conducted in employment-related litigation, and particularly while fixing time periods and scheduling hearings, the court shall always pay special attention to the necessity of resolving employment disputes urgently.

In the proceedings in employment-related litigation, the time limit for answer to the complaint shall be eight days.

In employment-related disputes initiated by a worker against a decision on termination of his/her contract of employment and in collective labour disputes, a trial hearing shall be held within thirty days of the receipt of the answer to the complaint, unless a shorter time limit is specified by the law.

In the proceedings in employment-related litigation, the proceedings before the court of first instance shall be concluded within six months of the date when the complaint was filed.

In the proceedings in employment-related litigation, the court of second instance shall render a decision on the appeal lodged against a decision by the court of first instance within thirty days of the receipt of the appeal.

Article 434a

In the proceedings in employment-related litigation, a worker may be represented by a person employed by the trade union of which the worker is a member or by the trade union federation to which the trade union of which the worker is a member is affiliated.

In the proceedings in employment-related litigation, an employer may be represented by a person employed by the employers' association of which the employer is a member or by the employer federation to which the employers' association of which the employer is a member is affiliated.

Article 435

During the proceedings, the court may *sua sponte* issue a preliminary injunction that is applied in enforcement procedure for prevention of violent acts or for rectifying irreparable damage.

In the proceedings in employment-related litigation the court shall also be authorized to introduce the evidence not proposed by the parties, if such evidence is significant for making a decision.

Article 436

In a judgment ordering the performance of an act, the court shall fix an eight-day time limit for performance of that act.

Article 437

The time limit for lodging an appeal shall be eight days.

If important reasons exist, the court may decide that an appeal shall not stay the execution of the decision.

Title Twenty Eight

PROCEDURE IN LITIGATION FOR

TRESPASS

Article 438

If no special provisions exist in this Title, other provisions of this Act shall apply to trespass litigation.

Article 439 was rescinded

Article 439, Article 441, Paragraphs 2 and 3 and Article 443, Paragraph 1 ceased to be effective in accordance with Article 89 of the Basic Ownership Relations Act (*Official Gazette of the SFRY*, No. 6/80)

Article 440

While fixing time limits and scheduling hearings upon complaints for trespass, the court shall always pay special attention to the necessity of resolving disputes urgently, according to the nature of each particular case.

Article 441

Litigation of complaints for trespass shall be restricted to a hearing and proving the facts related to the most recent status of possession and the disturbance occurred. Litigating about

the right to possession, as well as legal basis, good faith or bad faith possession or about the claims for compensation of damage shall not be allowed.

Article 442

During the proceedings, the court may *sua sponte* and without having heard the opposing party issue a preliminary injunction to be applied in an enforcement procedure for prevention of immediate risk of unlawful damage or for prevention of violence or for rectifying irreparable damage.

Article 443

The court shall fix a time limit for fulfilling the duties imposed on the parties taking into account the circumstances of a particular case.

The time limit for lodging an appeal shall be eight days.

In case of important reasons, the court may decide that the appeal shall not stay the enforcement.

No revision shall be allowed against rulings issued in trespass litigation.

Article 444

The plaintiff shall lose the right to request in enforcement proceedings enforcement of the ruling on the complaint for trespass ordering the respondent to perform a specific act, if he or she has failed to request enforcement within thirty days after the expiration of the time limit specified by the ruling for performance of that act[xi].

Article 445

A retrial of the proceedings for trespass that have concluded with a legally effective decision shall be allowed only on the grounds referred to in Article 421, Paragraph 1, Paragraphs 2 and 3 of this Act, and, specifically, only within thirty days after the time when the ruling about the trespass became final.

TITLE TWENTY-NINE

ISSUE OF PAYMENT ORDERS

Article 445a

Unless there are special provisions in this Title, other provisions of this Act shall apply to proceedings for issuing payment orders.

Article 446

When the complaint relates to a matured claim in money, this claim shall be proven by a credible document enclosed with the complaint in the original or a notarized copy, the court shall issue an order to the respondent to settle the claim (payment order)

Credible documents are considered to be especially:

1) public documents;

2) private documents with the signature of the debtor notarized by an authority competent for notarization ;

3) promissory notes and cheques with protest and return accounts if they are necessary for the foundation of the claim;

4) extracts from business accounts;

5) invoices;

6) documents which have the weight of public documents according to separate regulations.

The payment order shall be issued by the court although the plaintiff did not propose the issue of a payment order in the complaint, and all the conditions are satisfied for the issuing of a payment order.

Article 447

When the complaint relates to matured principal claims in money which do not exceed the sum of 5,000.00 kunas, the court shall issue a payment order against the respondent even if the complaint does not include credible documents, but in the complaint the foundation and amount of the debt is given with evidence indicated on the basis of which the truth of the claim may be established.

In disputes falling within jurisdiction of commercial courts, the payment order referred to in Paragraph 1 of this Article shall be issued by the court when the claim relates to matured principal claim in money which does not exceed the sum of 20,000.00 kunas.

The payment order in Paragraph 1 of this Article may only be issued against the main debtor.

Article 448

The payment order shall be issued by a single judge or the President of the Chamber without holding a hearing.

In the payment order, the court shall state that the respondent is obliged to settle the claim in the complaint within eight days, or in promissory note or cheque disputes within three days after the receipt of the payment order, together with costs which the court has calculated or, within the same time limit, lodge an objection against the payment order. The court shall caution the respondent in the payment order that it will dismiss an objection that is not lodged on time.

The payment order shall be served on both parties. The respondent shall also be served with a copy of the complaint and enclosures with the payment order.

Article 449

If the court does not allow the motion to issue a payment order, it shall continue with the proceedings on the complaint.

No appeal is permitted against the court ruling allowing the motion to issue a payment order.

Article 450

The respondent may only dispute the payment order by an objection. If the payment order is disputed only in terms of the decision on costs, this decision may only be disputed by an appeal against the ruling.

In the part which is not disputed by an objection, the payment order becomes legally effective.

Article 451

An objection which is untimely, incomplete or not allowed shall be dismissed by a single judge or the President of the Chamber, with holding a hearing.

If the objections are lodged in good time, a single judge or the President of the Chamber shall assess whether it is necessary to schedule a preparatory hearing or if a trial hearing may be scheduled immediately.

In the decision on the merits of the case, the court shall decide whether the payment order shall remain in force, completely or in part, or be annulled.

Article 452

If the respondent objects that there were no legal grounds for issuing the payment order (Articles 446 and 447) or that there is some hindrance to the further course of the proceedings, the court shall first decide on this objection. If it establishes that this objection is well-founded, it shall annul the payment order by a ruling and once the ruling has become legally effective, it shall begin litigation on the merits when this is appropriate.

If the court does not allow this objection, it shall move on to litigation on the merits of the case, and the court ruling shall be included in the decision on the merits of the case.

If in the case of the objection of immaturity the court establishes that the claim has matured after the issuing of the payment order but before the conclusion of the trial, the court shall annul the payment order by a judgment, and decide on the claim (Article 326, Paragraph 1).

Article 453

The court may *sua sponte* declare itself to lack territorial jurisdiction at the latest when it issues the payment order.

The respondent may only lodge the objection of the court's lack of subject matter and territorial jurisdiction in the objection against the payment order.

Article 454

If after having issued the payment order the court declares that it lacks subject matter jurisdiction, it shall not annul the payment order, but, after the ruling declaring its lack of jurisdiction becomes legally effective, it shall assign the case to the competent court.

Article 455

When the court in the cases prescribed in this Act renders a ruling to dismiss the complaint, the payment order shall also be quashed.

Article 456

The plaintiff may withdraw the complaint without the agreement of the respondent only up until the lodging of an objection. If the complaint is withdrawn, the court shall annul the payment order by a ruling.

If by the conclusion of the trial the respondent waives all the objections lodged, the payment order shall remain in force.

Title Thirty

PROCEDURES IN SMALL CLAIMS DISPUTES

Article 457

If no special provisions exist in this Title, other provisions of this Act shall apply to the small claim disputes.

Article 458

According to the provisions of this Title, small claims disputes shall be disputes in which the amount demanded in the claim does not exceed 5,000 Kunas.

Small claim disputes shall also include those disputes in which the claim is not related to a monetary claim and the plaintiff has specified in the complaint that he or she is willing to

accept an amount of money not exceeding the amount referred to in Paragraph 1 above (Article 40, Paragraph 1) instead of the relief requested.

Small claims disputes shall also include those disputes in which the object of the claim is not an amount of money, but delivery of a moveable thing whose value, as specified by the plaintiff in the complaint, does not exceed the amount referred to in Paragraph 1 above (Article 40, Paragraph 2).

Article 459

Under the provisions of this Title, immovable property disputes, employment-related disputes initiated by workers against a decision on termination of his/her contract of employment and disputes related to trespass shall not be considered as small claims disputes.

Article 460

Procedures in small claims disputes shall also be conducted with regard to objections against motions for *ex parte* payment order, provided that the value of the disputed part of that motion does not exceed the amount of 5,000 Kunas.

Article 461

Procedures in small claims disputes shall be conducted before lower courts of first instance, unless otherwise specified by this Act.

Article 462

In the proceedings in small claims disputes, a separate appeal shall be allowed only against the ruling by which the proceedings have been concluded.

Other rulings appealable by virtue of this Act may be challenged only by lodging an appeal against the decision by which the proceedings have been concluded.

Rulings referred to in Paragraph 2 above shall not be served on the parties, but they shall be announced at the hearing and included in the written version of the decision.

Article 463

In the proceedings in small claims disputes, the minutes of the trial shall, in addition to the information referred to in Article 124, Paragraph 1 of this Act, contain the following:

1. parties' statements of essential importance, and especially those by which the claim is, fully or partly, admitted or waived, or by which the appeal is waived, or by which the complaint is amended or withdrawn;

2. the essential contents of the evidence introduced;

3. decisions which may be challenged by an appeal and which have been announced at the trial;

4. indication as to whether the parties were present when the judgment was announced, and if they were present, whether they were informed about the conditions under which they may lodge an appeal.

Article 464

If the plaintiff amends the claim and such amendment results in the amount in controversy exceeding 5,000 Kunas, the proceedings shall be finalized according to the provisions of this Act that regulate ordinary proceedings.

If, by the conclusion of the trial conducted according to the provisions of this Act that regulate ordinary proceedings, the plaintiff reduces the claim and, as a result, the claim does not

exceed the amount of 5,000 Kunas any longer, the proceedings shall be continued according to the provisions of this Act regulating the proceedings in small claims disputes.

Article 465

If the plaintiff fails to appear at the first trial hearing although he or she has been properly summoned, it shall be considered that he or she has withdrawn the complaint.

If both parties fail to appear at any subsequent hearing, the court shall adjourn the hearing. If both parties fail to appear at a further hearing as well, it shall be considered that the plaintiff has withdrawn the complaint.

The provisions of this Act relating to the stay of the proceedings shall not apply to the proceedings in small claims disputes.

The summons for the trial shall indicate, among other things, that it shall be considered that the plaintiff has withdrawn the complaint if he or she fails to appear at the first trial hearing, that the provisions on the stay of the proceedings shall not apply to the proceedings involving small claims disputes and that in such proceedings the parties must present all facts and evidence by the conclusion of the trial, because no new facts may be presented and no new evidence may be introduced in the appeal and that the decision may be challenged only on the grounds of substantial violation of civil procedure rules and erroneous application of the substantive law.

Article 466

A judgment in the proceedings in small claims disputes shall be announced immediately after the conclusion of the trial.

A copy of the judgment shall be served on the party who was not present when the judgment was announced, while the party who was present during such announcement shall be served with a copy of the judgment only at his or her request.

On announcement of the judgment, the court shall inform the parties present about the conditions under which they may lodge an appeal (Article 467).

Article 467

A judgment or ruling by which a small claim dispute is ended may be challenged only on the grounds of substantial violation of civil procedure rules referred to in Article 354, Paragraph 2, subparagraphs 1, 2, 4, 5, 6, 8, 9, 10 and 11 of this Act and erroneous application of the substantive law.

The provisions of Article 370 of this Act shall not apply to the proceedings originating in an appeal initiated in a small claims dispute.

The parties may lodge an appeal against the first-instance judgment or ruling referred to in Paragraph 1 above within eight days.

The time limit for appeal shall be computed from the day when the judgment or ruling was announced, and if the judgment or ruling was served on the party, the time limit shall be computed from the day of such service.

In the proceedings in small claims disputes, the time limit referred to in Article 328, Paragraph 2 and Article 339, Paragraph 1 of this Act shall be eight days.

An appeal against a judgment in small claim dispute shall be decided by a single judge of the court of second instance.

No revision shall be allowed against a decision made by the second-instance court.

Article 468

Repealed

TITLE THIRTY-ONE

PROCEEDINGS BEFORE PERMANENT ARBITRATION COURTS

Article 468a

Repealed

Article 469

Repealed

Article 470

Repealed

Article 471

Repealed

Article 472

Repealed

Article 473

Repealed

Article 474

Repealed

Article 475

Repealed

Article 476

Repealed

Article 477

Repealed

Article 478

Repealed

Article 479

Repealed

Article 479a

Repealed

Article 480

Repealed

Article 481

Repealed

Article 482

Repealed

Article 483

Repealed

Article 484

Repealed

Article 485

Repealed

Article 486

Repealed

Article 487

Repealed

Title Thirty Two

PROCEEDINGS BEFORE COMMERCIAL COURTS

The field of application

Article 488

In proceedings before commercial courts the provisions of this Act shall be applied if in the provisions of this Title it is not prescribed otherwise.

Article 489

The rules of procedure before commercial courts shall be applied to disputes falling within the competence of commercial courts, except in disputes for which special type of procedure has been prescribed.

Article 489a

Article 489a is deleted.

Article 490

Article 490 is deleted.

Article 491

Article 491 is deleted.

The jurisdiction and composition of the court

Article 492

In disputes for the establishment of the existence or non-existence of a contract, for the performance or rescission of a contract, and in disputes for the payment of compensation for the non-performance of a contract, as well as the court with general territorial jurisdiction, the court in the place where, according to the agreement between the parties, the respondent is obliged to perform the contract, shall also have territorial jurisdiction.

Article 493

Article 493 is deleted.

Article 494

Article 494 is deleted.

Preparations for the trial

Article 495

In urgent cases a hearing may be scheduled by phone, telegram or in other appropriate way. An official note shall be made about this, if no other written proof exists regarding the scheduling of the hearing, in view of the way in which it was made.

Article 496

Article 496 is deleted.

Article 496a

Article 496a is deleted.

Legal remedies

Article 497

Request for revision on points of law is not permitted in proceedings before commercial courts if the value of the dispute in the disputed part of the legally effective judgment does not exceed 500,000.00 kunas.

Other provisions

Article 498

If both sides agree to move for the hearing to be postponed so they can attempt to reach a settlement, the court shall acknowledge this motion and immediately inform the parties of the day and time when the new hearing will be held.

Article 499

In proceedings before commercial courts, the court may order the parties to transmit communications to each other by registered mail with acknowledgment of receipt or in another way which provides unquestionable proof of delivery. Such methods of transmitting submissions shall, when it comes to their effects, be equal to court service of communications of court.

In proceedings before commercial courts the provisions of this Act on the stay of proceedings will not be applied.

If both parties fail to appear at the preparatory hearing or the first hearing of the trial or any later hearing, the court shall postpone the hearing, and if both parties fail to appear at the new hearing, it shall be deemed that the plaintiff has withdrawn the complaint.

Article 500

In proceedings before commercial courts the following time limits shall apply:

1) a time limit of thirty days for submitting motions for a return to the prior status from Article 118, Paragraph 4 of this Act;

2) a time limit of eight days for an appeal against a judgment or ruling, and a time limit of three days for submitting a reply to the appeal;

3) a time limit of eight days for specific fulfilment, and for actions which do not consist of monetary payments, the court may set a longer time limit.

Article 501

In proceedings before commercial courts, the parties may not give any oral statement for the court record outside of the hearing

Documents on the basis of which payment orders are issued according to Article 446 of this Act do not need to be enclosed in the original or as a notarized copy. It will suffice if the copy of these documents has been certified by the authorized body of the legal person.

Article 502

In proceedings before commercial courts, small value disputes are disputes where the claim in the complaint relates to a monetary claim not exceeding the sum of 50,000.00 kunas.

Small value disputes are also considered to be disputes where the claim does not relate to a monetary claim, and the plaintiff has agreed in the complaint, instead of the settlement of a specific claim, to take a certain amount of money which does not exceed the amount in Paragraph 1 of this Article (Article 40, Paragraph 1)

Disputes shall also be deemed to be small value disputes in which the claim is not a sum of money but the handover of a moveable object whose value, given by the plaintiff in the complaint, does not exceed the amount in Paragraph 1 of this Article (Article 40, Paragraph 2).

Article 503

Repealed

Article 504

Repealed

Article 505

Repealed

Article 506

Repealed

Article 507

Repealed

PART FIVE

TRANSITIONAL AND CONCLUDING PROVISIONS

Omitted as unnecessary.

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[i] i.e. the court may subsequently decide not to hear that evidence or to hear different evidence.
[ii] See Articles 206-209
[iii] A judge from the Zagreb Municipal Court, which has the venue in a case, asks the judge from Dubrovnik to hear a witness living in Dubrovnik, to make minutes of his or her testimony and to send them to Zagreb. The judge in Dubrovnik is the "delegated judge".
[iv] i.e. the President of the Chamber can render these judgments without the lay judges.
[v] i.e. they can do all that the President of the Chamber and the Chamber can do to maintain order..
[vi] i.e. parties can not reach a settlement which would stipulate that one parent will not pay support for their children
[vii] it should contain explanation, give reasons for decision.
[viii] the meaning is as in the "Black's Law Dictionary"
[ix] A ruling is a formal act. Court's decisions are judgments and rulings.
[x] by a judgment, because this is a decision on merits, unlike in Paragraph 2, by a ruling, when no decision on merits is made, and the case is merely remanded to the lower court.
[xi] i.e. the time limit to institute enforcement/execution proceedings is 30 days.