

QUESTIONNAIRE FOR NATIONAL REPORTS

CROATIA

Prof. dr. sc. Jasnica Garašić

I. INTRODUCTION

Introduction – main features of the national summary procedures for recovery of monetary claims (general overview)

1.1. Types of litigation

The Civil Procedure Act¹ is the main legal source regulating litigation in the Republic of Croatia.

It knows so called „ordinary procedure“ as a rule (Arts 1-431 CPA) and so called „special procedures“: procedure in employment-related litigation (Arts 433-437 CPA); procedure in litigation for trespass (Arts 438-445 CPA); issue of payment order (Arts 445a-456 CPA); procedure in small claims disputes (Arts 457-467 CPA); proceedings before commercial courts (Arts 488-502 CPA). The Civil Procedure Act had special rules on proceedings before arbitrations courts until 2001 (Arts 468a-487), when the new separate Arbitration Act was passed².

Also some other statutes contain special rules for litigation in their legal matter, for example: Family Act (Arts 263-305)³, Consumer Protection Act (Arts 131-141b)⁴, Media Act (Arts 46-55, 58)⁵, Association Act (Arts 35-38)⁶, etc.

The order for payment procedure (Arts 445a-456 CPA) and procedure in small claims disputes (Arts 457-467 CPA) can be characterized as summary procedures under Croatian Law. These two procedures are possible not only before municipal courts but also before commercial courts with some small differences.

The order for payment procedure is a written procedure. If the statutory conditions for issuing the payment order exist, the court shall issue it without holding a hearing. The procedure is provided for matured claims in money that are usually supported by an trustworthy (credible) document (billy of exchange, cheques, invoices, extracts from business

¹ The Croatian Civil Procedural Act is actually the Civil Procedural Act of the former Socialistic Federative Republic of Yugoslavia from 24. December of 1976 that the Republic Croatia took over after declaration of its independence in 1991 and that it has amended many times. – Zakon o parničnom postupku, Official gazette Narodne novine, nos 53/91, 91/92, 112/99, 88/01, 117/03; 88/05, 02/07, 96/08, 84/08, 57/11, 25/12.

² Zakon o arbitraži, Narodne novine, nos 88/01.

³ Obiteljski zakon, Narodne novine, nos 116/03,17/04, 136/04, 107/07, 57/11, 61/11.

⁴ Zakon o zaštiti potrošača, Narodne novine, nos 79/07, 125/07, 79/07, 89/07, 133/09, 78/112.

⁵ Zakon o medijima, Narodne novine, nos 59/04, 84/11.

⁶ Zakon o udrugama, Narodne novne, nos 88/01, 11/02.

accounts, etc.) enclosed with the complaint. The defendant may only dispute the payment order by an timely opposition.⁷ If the opposition is complete, timely and allowed, the proceedings shall continue as a civil procedure before the court. If the payment order is not disputed by an opposition, it becomes final and can be enforced.

In small claims disputes some basic principles of civil procedure are less strict and therefore these proceedings are quicker. Procedure in small claims disputes is provided for claims that do not exceed 10.000,00 HRK before municipal courts and 50.000,00 HRK before commercial courts. A separate appeal, which is in an ordinary civil procedure allowed as a rule, in a procedure in small claims is allowed only against the ruling by which the proceedings have been concluded. The minute of hearing is also much shorter. A judgment or ruling by which a small claim dispute is ended may be appealed only on the ground of some very severe violation of civil procedure provisions and of erroneous application of the substantive law.

It's also important to emphasize that the proceedings before commercial court are faster than before municipal courts. Namely, there are some special rules before commercial courts which are in accordance with the fact, that the parties and other participants in that proceedings are usually legal entities, craftsmen and sole traders.

A payment order is also possible to issue in arbitration proceedings in Croatia. Namely, according to the Rules of Arbitration at the Permanent Arbitration Court of the Croatian Chamber of Economy (Zagreb Rules)⁸, if the prerequisites are met on the basis of which a payment order may be issued pursuant to the provisions of the Croatian Civil Procedure Act, the president of the Permanent Arbitration Court shall issue a payment order as the sole arbitrator in cases without international character, upon a motion by the plaintiff (Art. 56). If the respondent files a timely opposition against the payment order, the Secretary of the Permanent Arbitration Court shall do what is needed to found an arbitral tribunal, after which the arbitration proceedings shall continue before the arbitral tribunal pursuant to agreed rules as ordinary arbitration proceedings.

A payment order is possible to issue in execution proceedings too, according to Rules of Croatian Execution Act (Arts 31, 39(2), 41, 57-58, 278-289 EA)⁹. This solution is provided for situations when the motion for execution is based on the trustworthy document. Such motion has to include: a request for the court to order the execution debtor to settle the claim with any pertinent costs within eight days, and in the case of disputes involving bills of exchange and cheques three days from the delivery of the ruling and a request for execution (Art. 39(2) EA). Notary publics decide on that kind of motions for execution (Art. 278, 281(1) EA). The writ of execution on the basis of a trustworthy document has, in essence, two parts: order for payment and ruling for execution (Art. 41(2) EA). The execution debtor can lodge

⁷ But 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.

⁸ Pravilnik o arbitraži pri Stalnom arbitražom sudištu Hrvatske gospodarske komore (Zagrebačka pravila), Narodne novine, nos 142/11.

⁹ Ovršni zakon, Narodne novine, nos 112/12.

an objection against the writ of execution on the basis of a trustworthy document to the notary public who has issued it (Art. 282(2) EA). If the opposition is timely and allowed, the notary public shall forward the file to the competent court to carry out the procedure upon the opposition (Art. 282(3) EA). If the writ of execution is contested in its entirety or only in the part instructing the execution debtor to settle the claim, the court to whom the opposition was submitted shall place the writ of execution out of force in the part ordering execution and revoke any performed actions, and the procedure shall be continued as with respect to an opposition against the payment order (Art. 58(2) EA). It means, a civil procedure shall follow. If the writ of execution is not disputed by an opposition, it becomes final and can be enforced. The notary public shall, at the execution creditor's request, affix the certificate of legal effectiveness and enforceability on the writ of execution passed by him and hand it over to the execution creditor (Art. 283 EA).

If the plaintiff requests in the complaint the issuing of the payment order instead of requesting a writ of execution on the basis of a trustworthy document from a notary public, he/she has to give the reasons for that in his/her complaint. It shall be considered that the plaintiff has a legal interests for the issuing of the payment order if the defendant is a person, located abroad or if the defendant already disputed the claim contained in the trustworthy document (Art. 446 2,3 CPA).

According to the Croatian Execution Act an enforcement title document is not only an enforceable court decision, but also: an enforceable judicial settlement; an enforceable arbitration award; an enforceable decision rendered in the administrative procedure and an enforceable settlement reached in the administrative procedure if they are related to the satisfaction of a monetary obligation, unless provided otherwise by law; an enforceable notarial decision and an enforceable notarial deed; settlement reached in procedures before courts of honour at various chambers in the Republic Croatia; and any other deed regulated as an enforcement title document by law (Art. 23 EA).

A particularity of Croatian Law is the instrument of debenture bonds and blank debenture bonds (Arts 214-215 EA), where the creditor does not have to initiate civil proceedings in order to get an enforcement title document.

Namely, debtor may, by way of a private document on which his signature has been notarized, render his consent that all of his accounts which he keeps with banks be attached for the collection of a certain creditor's claim and that payments from such accounts be made directly to the creditor in the manner stipulated in such document (debenture bond). Such document shall be issued in one copy and it shall have the effect of a legally effective (final) writ of execution by which claims on accounts are attached and transferred to the execution creditor for settlement. Other persons may, at the same time with the debtor or subsequently, assume the obligation to the creditor in the capacity of joint debtors. This may be done by rendering a written statement which contains their notarised signatures, and which materially corresponds to the debtor's statement, in the debenture bond or in the additional documents.

The debenture bond and other documents have to be delivered to the Financial Agency¹⁰ by the creditor with the effect of delivery of a legally effective writ of execution, directly, by registered mail with a return delivery note or by way of a notary public. The creditor may transfer his rights from the debenture bond to other persons by a document on which his signature is notarised, in which case such persons acquire the rights that the creditor had under such document. The creditor may, at his own choice, on the basis of the debenture bond require from the Financial Agency payment of his claim from the debtor or joint debtor, or from the debtor and the joint debtor (Art. 214(1-5) EA).

Or a debtor may, by way of a private document on which his signature has been notarized, render his consent that all of his accounts which he keeps with banks be attached for the collection of a creditor's claim, the amount of which shall be subsequently entered into the document, and that payments from such accounts be made in the manner stipulated in such document directly to the creditor stipulated in the document or to a creditor who shall be subsequently stipulated (blanc debenture bond). Such document shall be issued in one copy. The blanc debenture bond, with subsequently entered amount of claim and information on the creditor, has to be delivered to the Financial Agency by the creditor with the effect of delivery of a legally effective (final) writ of execution, directly, by registered mail with a return delivery note or by way of a notary public. Upon the delivery of such document the claim against the account shall be attached and transferred to the creditor. The creditor can also transfer the blanc debenture bond to other person. The creditor can require from the Financial Agency payment of his claim from the debtor or joint debtor, or from the debtor and the joint debtor (Art. 215 (1-3) EA).

In order to enforce execution the Croatian Law knows also the instrument of debtor's indicative declaration regarding his assets and debtor's indicative list of property (Art. 17 (1-2) EA). Namely, if any objects whose handover or delivery is subject to execution could not be found at the execution debtor, the execution debtor has to give a statement in court, upon the motion of the execution creditor, as to their whereabouts, that is, that he does not have them or that he does not know where they are (indicative declaration). If execution involving the collection of a monetary claim is unsuccessful, because the objects of execution were not found or because the objects found are not sufficient to settle the execution creditor's claim in view of their negligible value, or because the objects are encumbered by third party pledges, or because other persons demand the objects for themselves, the execution debtor has to submit to the court, upon the motion of the execution creditor, a list of his property (indicative list of property). The execution debtor is obliged to draw and submit the list to the court in two copies with the relevant enclosures within the term set by the court in the ruling.

Different bodies, such as Croatian Pension Insurance, Ministry of Interior, Ministry of Finance (Tax Administration) as well as a debtor of execution debtor have a duty to give

¹⁰ Final Agency is a legal entity that enforce execution according to the law that regulates the enforcement of execution on monetary claims.

information on debtor's property in connection with the execution proceedings under condition proscribed by the statute (Art.18(1-6) EA).

1.2 Electronic Tools

Civil Procedure Act foresees the general possibility of an e-service of judicial documents (Art. 133/1), but this will be regulated by a special law. A special law has not been made yet. In the proceedings before commercial courts not only e-service of judicial documents is according to the statutory rule possible, but also submissions can be filed electronically (Art. 492.a-c CPA). In urgent cases a hearing before commercial courts may be set by phone, cable and also electronic means pursuant to a special law (Art. 495 CPA). The Croatian Electronic Signature Act¹¹ and Electronic Document Act¹² allow the use of electronic documents as evidence in proceedings before bodies of public authority and arbitral courts¹³. Unfortunately, the Croatian courts still do not have appropriate equipment for the use of e-tools in judicial proceedings. The electronic data processing is used at the moment in the first place for internal management of the cases.

II. NATIONAL ORDER FOR PAYMENT PROCEDURE

2.1. Scope of procedure

a) When the complaint relates to a matured claim in money and this claim is proven by a trustworthy (credible) document enclosed with the complaint in the original or a certified copy, the court shall issue an order to the defendant to satisfy the claim (Art. 446(1) CPA). A matured claim in money doesn't have to be a contractual claim.

The same is valid for the payment order within the execution on the basis of a trustworthy document (Art. 39(2), 41(2) EA)

b) There is no an upper limit regarding the value of the claim. When the complaint relates to matured principal claims in money which do not exceed the sum of 5,000.00 HRK, the court shall issue a payment order against the defendant even if the complaint does not include a trustworthy (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. Such kind of the payment order may only be issued against the main debtor. In disputes falling within jurisdiction of commercial courts, such a kind of the payment order 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 HRK (Art. 447(1-3) CPA).

There is also no an upper limit regarding the value of the claim, when the execution creditor requests the execution on the basis of a trustworthy document (Art. 39(2), 41(2) EA).

¹¹ Zakon o elektroničkom potpisu, in: Official gazette *Narodne novine* nos. 2002/10, 2008/80.

¹² Zakon o elektroničkoj ispravi, in: Official gazette *Narodne novine* no. 2005/150.

¹³ For more details see Lisičar Hrvoje, Zbornik 2010, br. 6, pp.1391-1422.

In that case a trustworthy document has to be enclosed to the motion for execution (Art. 36(1) EA).

c) As already above mentioned, when the plaintiff requests in the complaint the issuing of the payment order instead of requesting a writ of execution on the basis of a trustworthy document from a notary public, he/she has to give the reasons for that in his/her complaint. It shall be considered that the plaintiff has a legal interests for the issuing of the payment order if the defendant is a person, located abroad or if the defendant already disputed the claim contained in the trustworthy document (Art. 446 (2-3) CPA).

But, if all the conditions are satisfied for the issuing of a payment order, it shall be issued by the court although the plaintiff did not propose the issue of a payment order in the complaint (Art. 446(4) CPA). Namely, in this case is considered, that the plaintiff has no legal interest for litigation¹⁴. In this sense we could say that the use of order for payment procedure is obligatory.

We can also conclude that the payment order within the writ of execution on the basis of a trustworthy document has preference over the payment order requested in the complaint in civil proceedings.

d) National order for payment is also possible in cross-border cases. If the defendant is a person that is located abroad, then the payment order in civil proceedings shall have preference over the payment order within the writ of execution on the basis of a trustworthy document (Art. 446(3) CPA).

e) Croatian payment order, both in civil proceedings and in execution proceedings, is not two-step procedure like in Germany having *Zahlungsbefehl und Vollstreckungsbescheid*. It's one step procedure. If the payment order is not disputed by an opposition, it becomes final and can be enforced.

f) Under Croatian law parties may undertake procedural actions either personally or through attorneys (Art. 89 CPA). Only an attorney-at-law (a practising lawyer) may represent a party, if the law does not prescribe otherwise. A party may be represented by a person that is not an attorney, if this person is in an employment relationship with the party and has full disposing capacity. A party may also be represented by a blood relative in a legal line, a brother, sister or marriage partner – if that person has full disposing capacity and is not illegally practicing law (Art. 89.a CPA).

2.2. Competent courts

General rules on subject matter and local jurisdiction are applicable here.

¹⁴ See *Triva Siniša/Mihajlo Dika*, *Gradansko procesno pravo*, Narodne novine, Zagreb, 2004, str. 814.

Municipal courts in civil proceedings always adjudicate in the first instance in disputes: over maintenance; over the existence or non-existence of marriage, on annulment of marriage and divorce; over establishment or disputing of paternity or maternity; 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; on material and personal easements; over trespass, arising from leasing, renting and housing relations (apart from disputes involving legal entities, craftsmen, sole traders); over correction of information and payment of damages arising from publication of information; over protection from illegal actions; from labor relations. Municipal courts adjudicate in the first instance in all other disputes which are not in the first instance jurisdiction of commercial or another type of court (Art. 34 CPA).

Commercial courts in civil disputes in the first instance adjudicate: in disputes between legal entities, in disputes between legal entities and crafts persons, including sole traders; in disputes between craftsmen, including sole traders if the dispute concerns their business activity, unless such disputes are always adjudicated by municipal courts pursuant to Art. 34(1) CPA, or unless the jurisdiction of some other court is laid down by law for such disputes; disputes arising from the foundation, work and termination of trading companies and the disposal of membership and membership rights in trading companies; 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; 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; 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 all disputes arising from bankruptcy, if it's not about disputes that the municipal courts always adjudicate (Art. 34(1) CPA) or if it's not about disputes for which the law prescribe the competence of courts of another type. The disputes initiated before the legal consequences of the opening of bankruptcy proceedings shall be finished before courts, where they were initiated; 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; in disputes relating to airplanes and disputes to which air navigation law is applied, apart from disputes over passenger transport; 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; 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; in

disputes between persons from point one of this Article where other physical or legal persons are also participating as co-litigants as in Art. 196(1)(1) CPA.

The execution creditor can submit a motion for execution on the basis of a trustworthy document to the notary public who has his seat within unit of local self-administration where the execution debtor has his domicile or seat (Art. 279(1) EA). If the execution is requested for more execution debtors, and there is no the same competent notary public, the notary public, that is competent for one execution debtor, shall have competence for all execution debtor (Art. 279(2) EA). If the motion for execution on the basis of a trustworthy document is filed to the court in place of to the notary public, or it is filed to the incompetent notary public, the court shall dismiss such motion (Art. 279(3) EA).

2.3. Application for an order for payment – formal requirements

a) There is no standardised forms for application for an order for payment.

If an order for payment is requested in a complaint, that complaint must contain as an each complaint according to Art. 186(1) CPA 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 (Art. 106 CPA). 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 (Art. 186(2) CPA). 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 (Art. 186(3) CPA).

Each motions for execution have to include a request for execution specifying the enforcement or trustworthy document serving as basis for demanding execution, the execution creditor and the execution debtor, the personal identification number of the execution creditor and the execution debtor, the claim whose fulfilment is demanded, and the means by which execution is to be enforced and, if necessary, the object with respect to which it is to be enforced. The motion also has to include other prescribed data required to enforce execution (Art. 39(1) EA). In addition motions for execution based on trustworthy documents have to include: a request for the court to order the execution debtor to settle the claim with any pertinent costs within eight days, and in the case of disputes involving bills of exchange and cheques within three days from the delivery of the ruling, and a request for execution (Art. 39(2) EA). The execution creditor can, in the motion for execution, propose that execution is ordered on one or more objects of execution (Art. 280(1) EA). The execution creditor can, in the motion for execution, propose that execution for the collection of a certain claim is ordered generally on the execution creditor's assets, without stating the means and the object of execution (Art. 280(2) EA).

b) It's not necessary to be represented by a lawyer. Under Croatian law parties may undertake procedural actions either personally or through attorneys (Art. 89 CPA).

c) The reasons for the claim do not have to be described in detail. But the complaint, in which the payment order is requested, has to contain, like any other complaint in civil proceedings, the facts on which the plaintiff bases the claim and evidence to support these facts (Art. 186(1) CPA). For the payment order requested in motion for execution see above II. 2.3. a).

d) When the complaint relates to matured principal claims in money which do not exceed the sum of 5,000.00 HRK, the court shall issue a payment order against the respondent *even if the complaint does not include trustworthy (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. Such a kind of payment order may only be issued against the main debtor. In disputes falling within jurisdiction of commercial courts, such a kind of the payment order 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 HRK (Art. 447(1-3) CPA).

If the matured claim in money does exceed the sum of 5.000,00 in civil proceedings before municipal courts or the sum of 20.000,00 HRK in civil proceedings before commercial courts, the complaint has to include trustworthy (credible) document.

In proceedings before commercial court documents on the basis of which payment orders are issued 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. (Art. 501(2) CPA).

The Civil Procedure Act does not define the term of „trustworthy document“ anymore. But the Execution Act determines that the trustworthy documents under it are: invoices, bills of exchange and cheques with the protest clause and return invoices whenever that is required to establish a claim, official documents, excerpts from business books, legalised private documents and documents regarded as official documents under special regulations. Calculation of interest is also regarded as an invoice (Art. 31(1) EA). A trustworthy document is suitable for execution if it specifies the creditor and the debtor, and the subject, type, scope and time for fulfilling a monetary obligation (Art. 31(2) EA). When it is not visible from a trustworthy document whether and when a claim has become mature, execution shall be ordered if the execution creditor specifies the date of maturity of the claim in the motion for execution, and if he has indicated the date of its maturity (Art. 31(3) EA).

e) At this moment the application for issuing payment order in civil proceedings or execution proceedings before Croatian courts can not be filed electronically.

2.4. Issue of the order for payment

a) In the civil proceedings the court examines specific conditions for issue of payment orders mentioned in the above presented Arts 446-447 CPA. It also examines general preconditions that have to be fulfilled in each civil proceedings, such as: jurisdiction of the court, subject matter competence of the court, capacity to be a party in civil proceedings, litigation capacity of the parties, representation of the parties, legal interest for conducting of the litigation, formal correctness of the complaint, non-existence of an earlier initiated litigation or an earlier decision, court settlement or order involved the same cause of action between the same parties, etc. The examination of the claim is only prima facie. The order for payment shall be issued by a single judge or the president of the chamber without holding a hearing (Art. 448(1) CPA).

In the execution proceedings the court and the notary public examines if the motion for execution on the basis of a trustworthy document contains all the data mentioned in the above presented Arts 39(1-2) and 280 (1-2) EA. In a ruling, the court shall dismiss any motion for execution that does not contain all these data and shall not ask the proponent to supplement or correct it (Art. 39(3) EA). The only exception is the lack of the personal identification number of the execution debtor, that the court or the public notary shall find out ex officio (Art. 39(4) EA). The general preconditions that have to be fulfilled in each execution proceedings, such as: jurisdiction of the court respectively the notary public, subject matter competence of the court/notary public, capacity to be a party in execution proceedings, procedural capacity of the parties, representation of the parties, legal interest for conducting of the execution proceedings, formal correctness of the motion, non-existence of an earlier initiated litigation or an earlier decision, court settlement or order involved the same cause of action between the same parties, etc. Of course, the trustworthy document has to be enclosed with the motion for execution (Art. 36(1) EA). There is only prima facie examination of the claim based on a trustworthy document. The public notary has to render a writ for execution on the basis of a trustworthy document within 30 days of the lodging of the motion (Art. 281(4) EA).

b) The order for payment has the form of a ruling, not the form of a judgement.

In the payment order issued in civil proceedings, the court shall state that the defendant is obliged to settle the claim in the complaint within eight days, or bill of exchange 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 opposition (objection) against the payment order. The court shall caution the defendant in the payment order that it will dismiss an opposition that is not lodged on time (Art. 448(2) CPA).

In a writ of execution on the basis of a trustworthy document, the public notary shall:

1. instruct the execution debtor to settle the claim with any pertinent costs within eight days, and in the case of disputes involving bills of exchange and cheques within three days from

the delivery of the ruling (payment order), and 2. order execution for the purpose of involuntary collection of the claim (Art. 41(2) EA).

c) In civil proceedings the court shall caution the defendant in the payment order that it will dismiss an objection that is not lodged on time (Art. 448(2) CPA). The parties shall be served with a certified copy of the payment order containing information on lodging a legal remedy against the payment order (Art. 337(3) in connection with Art. 445.a CPA).

According to Art. 41(4) EC writs of execution have to include instructions about the legal remedy. It means that the parties also have to get legal instructions in the writ of execution on the basis of a trustworthy document, where a payment order is issued.

d) The payment order issued in civil proceedings shall be served on both parties. The defendant shall also be served with a copy of the complaint and enclosures with the payment order (Art. 448(2-3) CPA). General rules on service are applicable here (Art. 445.a in connection with Arts 133-149.b CPA).

The notary public shall serve a writ of execution on the basis of a trustworthy document on both parties according to rules of the Execution Act (Art. 281(1, 6-10) EA).

2.5. Rejection of the application

a) The court may dismiss the motion (application) for issuance of a payment order only if the conditions for its issuance mentioned in Art. 446-447 CPA are not satisfied. If the court does not accept the motion for issuance of a payment order, it shall continue with the proceedings on the complaint (Art. 449(1) CPA).

If the notary public assesses that the motion for execution on the basis of a trustworthy document is not permitted, is not in order (Art. 39(3) or founded, he shall forward the case to the competent court (Art. 287) to pass a decision (Art. 281(2) EA). The notary public has to forward the case to the competent court within 30 days of the lodging of the motion (Art. 281(4) EA). In this scenario the court shall order execution on the basis of a trustworthy document if it assesses that the motion for execution is permitted, in order and founded, and that within 60 day of getting case (Art. 281(5) EA) or it shall dismiss the motion.

b) No appeal is permitted against the court ruling, in that the court dismisses the motion for issuance of a payment order in civil proceedings (Art. 449(2) CPA). Such a court ruling has to be reasoned, it has to include an explanation (Art. 345(1) CPA).

The Execution Act also provides that a ruling either fully or partially dismissing or rejecting a motion for execution has to include an explanation (Art.41(6) EA). Against such a ruling in the first instance an appeal may be filed (Art. 11(1) EA). Those rules are applicable also on a ruling, in that a motion for issuance of a payment order and for execution based on a trustworthy document is dismissed or rejected in execution proceedings.

2.6. Opposition by the defendant (objection against order for payment) – prerequisites and procedure

a) The CPA doesn't foresee a special form for the objection against payment order issued in civil proceedings. Therefore general rules on the form for submissions are applicable. Complaints, answers to the complaint, legal remedies and other statements, motions and notifications given outside of trial shall be filed in writing (Art. 106(1) CPA). Submissions have to be comprehensible and contain everything which is necessary for them to be proceeded upon. In particular, they shall specify: the name of court, the name, permanent or temporary residence of the parties, their legal representatives and agents, if any, personal identification number of the submitter 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. (Art. 126 CPA). Only in proceedings before commercial courts, the parties may not give any oral statement for the court record outside of the hearing (Art. 501(1) CPA). According to the new rule, the submission in proceedings before commercial courts can be filled electronically (Art. 492.a CPA), but as we have already said, the Croatian courts still do not have appropriate equipment for the use of e-tools in judicial proceedings. In execution proceedings, the court acts further to submissions and other writings (Art. 7(1) EA) and the above mentioned provisions of Civil Procedure Act apply accordingly (Art. 21(1) CPA).

The defendant doesn't have to be represented in civil proceedings or execution proceedings by a representative, but if he decides to have an representative, as a rule the representative has to be an attorney-at-law (Art. 89.a CPA).

The defendant may lodge an objection against the payment order issued in civil proceedings to the court within eight days, or in bill of exchange or cheque disputes within three days after the receipt of the order for payment (448(2) CPA). The execution debtor can lodge an objection against the writ of execution on the basis of a trustworthy document – that contains the payment order - to the notary public who has issued it (Art. 282(2) EA) within the term of eight days and in the case of disputes involving bills of exchange and cheques within three days from the delivery of the ruling unless he is disputing only the decision on procedural costs (Arts 39(2)(1), Art. 57(1) EA).

b) The objection against order for payment has not to be substantiated, but usually it is substantiated. For example the defendant in civil proceedings often says there is no legal grounds for issuing the order for payment (Art. 446, 447 CPA) or there is some hindrance to the further course of the proceedings.

The execution debtor has to substantiate his objection. The court shall dismiss objections that are not substantiated (Art. 58(6) EA). The execution debtor usually denies the

existence of statutory conditions for issuance of the payment order in writ for execution on the basis of a trustworthy document.

c) In civil proceedings the defendant 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 (Art. 450 CPA). An objection which is untimely, incomplete or not allowed shall be dismissed by a single judge or the president of the chamber, without holding a hearing in civil proceedings (Art. 451(1) CPA). If the complete and allowed objections are lodged in good time, a court shall schedule a preparatory hearing (Art. 451(2) CPA). If the objection is allowed, the court shall decide whether the payment order shall remain in force, completely or in part, or be annulled, in the decision on the merits of the case (Art. 421(3) CPA). With other words the court upholds the order for payment and decides about its destiny with judgment in the subsequent litigation.

In the execution proceedings the execution debtor may file an objection against the writ of execution based on a trustworthy document to the notary public. The execution debtor may also file an appeal against this ruling, if he disputes only the decision on procedural costs (Art. 57(1) EA). The ruling, when it is contested in the objection only in the part ordering execution, may be contested only because of the reasons, because of which the writ of execution based on an enforcement title document may be contested by an appeal (Art. 50), (Art. 57(2) EA).

A notary public who has received an untimely or unpermitted objection against the writ of execution issued by him, shall forward the file for the passing of a decision on the objection to the competent court that shall pass the ruling on dismissal of such objection (Art. 282(2) EA). A notary public to whom a timely and permitted objection against a ruling issued by him is lodged shall forward the file to the competent court to carry out the procedure upon the objection that shall, upon such objection, pass the necessary decisions (Art.282(3) EA).

If an objection against the writ of execution adopted on the basis of a trustworthy document filed by the execution debtor does not specify which part of the writ of execution is being contested, it shall be deemed that the execution debtor is disputing the writ of execution in its entirety (Art. 58(1) EA). If the writ of execution is contested in its entirety or only in the part instructing the execution debtor to settle the claim, the court to whom the objection was submitted shall place the writ of execution out of force in the part ordering execution and revoke any performed actions, and the procedure shall be continued as with respect to an objection against the payment order, and if the court does not have subject-matter jurisdiction for that, it shall forward the case to the court having jurisdiction (Art. 58(2) EA). If the writ of execution is contested only in the part ordering execution, any further procedure shall be continued as a procedure further to an appeal against the writ of execution adopted on the basis of an enforcement title document. In that case, if the objection is accepted, the part of the writ of execution instructing the execution debtor to

settle the claim shall have the force of an enforcement title document based on which execution may be demanded once again (Art. 58(1-2) EA).

d) The successful objection against the payment order will be followed by the special civil procedure. Unless there are special statutory rules for these proceedings, the rules of ordinary civil procedure apply to these proceedings (Art. 445a CPA. Here are these special rules.

In any case the successful objection means, that the objection is timely, complete and allowed.

If the respondent objects that there were no legal grounds for issuing the payment order (Arts 446 and 447 CPA) 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 (final), 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 (Art. 452 (1-2) CPA). 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 (Art. 451(1) CPA). 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 (Art. 326 (1) CPA; Art. 452(3) CPA).

The court may ex officio declare itself to lack territorial jurisdiction at the latest when it issues the payment order. The defendant may only lodge the objection of the court's lack of subject matter and territorial jurisdiction in the objection against the payment order (Art. 453(1,2) CPA). 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 (final), it shall assign the case to the competent court (Art. 454).

When the court renders a ruling to dismiss the complaint, the payment order shall also be quashed/annulled (Art. 455 CPA).

The plaintiff may withdraw the complaint without the agreement of the defendant 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 defendant waives all the objections lodged, the payment order shall remain in force (Art. 456(1-2) CPA).

In the proceedings before commercial court, if the plaintiff requests, the court shall prohibit the bank to pay to the defendant or third party, at the defendant's order, from his account an amount (as a rule the amount of disputable claim) unless it's more probable that the defendant will succeed in litigation. This court's order is possible not later than conclusion of the trial and even if the conditions for preliminary measures not exist (Art. 501.a CPA).

The described special civil procedure will also follow the successful objection filed against the writ of execution adopted on the basis of a trustworthy document, when this writ is contested in its entirety or only in the part instructing the execution debtor to settle the claim (Art. 58(2) EA).

2.7. Effects of the absence of timely opposition

a) In the part which is not disputed by an objection, the order for payment becomes final decision on the merits of the case (Art. 540(2) CPA). That's also true, if the objection is not filed at all or if the objection is untimely. If by the conclusion of the trial the defendant waives all the objections lodged, the payment order shall remain in force (Art. 456(2) CPA).

b) Order for payment (issued by the court in civil proceedings or by notary public in execution proceedings) becomes an enforceable decision (enforcement title document), if it has become legally effective (final) and if the term for voluntary fulfilment has expired (8 or 3 days). The term for voluntary fulfilment runs from the date of delivery of the decision to the execution debtor, unless provided otherwise by law (Art. 25(1) EA).

If the motion for execution is submitted to a court that did not decide about the claim in the first instance, it is necessary to enclose the enforcement title document to the motion, either the original or a legalised transcript, which has to contain the certificate of enforceability, that is, trustworthy document (Art. 36(1) EA).

The certificate of enforceability is issued by the court or body that decided about the claim in the first instance (Art. 36(2) EA). This certificate is not necessary, if the execution court is the court that has decided about the claim in the first instance. In the practice the court do it on application/motion.

A notary public shall, at the execution creditor's request, affix the certificate of legal effectiveness and enforceability on the writ of execution on the basis of a trustworthy document passed by him, if he does not receive an objection within eight days from the expiry of the time limit for lodging an objection. A notary public can affix the certificate of legal effectiveness and enforceability on this writ of execution even when the objection is lodged within the time limit of eight days from the expiry of the time limit for lodging an objection, if he assesses that it is obviously not timely. He shall hand over the writ of execution with the certificate of legal effectiveness and enforceability to the execution debtor (Art. 283(1-2,4) EA).

Any certificate of enforceability that was issued, although the conditions laid down by law for its issuance were not fulfilled shall be repealed by the same court or body in a ruling, further to a motion or in the line of duty (Art. 36(3) EA).

c) In the absence of a timely objection the payment order becomes not only enforceable but also final (Art. 450(2) CPA). If the payment order is disputed only in terms of the decision on costs, this decision may then be disputed by an appeal against the ruling

(Art. 450(1) CPA. Otherwise it is not possible to lodge an appeal against a payment order, because an appeal is a regular legal remedy. A motion for trial against the payment order is possible (Art. 421 CPA).

If the execution debtor does not file an objection against the part of the writ of execution on the basis of a trustworthy document by which he is ordered to settle the claim, he may demand retrial with respect to that part of the writ of execution according to the rules of civil procedure (Art. 58(7) EA).

2.8. Costs of procedure

The representation by an attorney-at-law is not necessary, so that one doesn't not have to pay attorney's fee.

Here is the table for court fees in Croatia according to the Act on Court Fees¹⁵:

The court fee for a complaint and a counter complaint has to be determined according to the value of the subject of the dispute:

above	to HRK	HRK
0,00	3.000,00	100,00
3.000,00	6.000,00	200,00
6.000,00	9.000,00	300,00
9.000,00	12.000,00	400,00
12.000,00	15.000,00	500,00

If the value of the subject of the dispute is above 15.000,00 HRK one has to pay fee in amount of 500,00 HRK and plus 1% for amounts exceeding 15.000,00 HRK, but not more than 5.000,00 HRK (Tariff no. 1, paragraph 1).

For a complaint with motion for the issuance of the payment order, for a motion for execution, for a writ of execution and for a ruling on payment order one has to pay the half of the fee from Tariff no.1, paragraph 1 (Tariff no. 1, paragraph 2).

For an objection against the payment order and an objection against a writ of execution one has to pay the fee from Tariff no. 1, paragraph 1 (Tariff no. 1, paragraph 3).

2.9. Enforcement

The payment order is final and enforceable decision, it is an enforcement title document (Art. 23, no. 1, Art. 24(1) EA). Its enforcement is not a problem domestically, if the execution debtor has enough assets.

The enforcement of Croatian payment order abroad depends on law of a foreign country. Many countries have a similar payment order as it is regulated in Croatia Civil Procedure Act. Therefore a Croatian payment order issued by a court in civil proceedings

¹⁵ See Zakon o sudskim pristojbama, Narodne novine, nos 74/95, 57/96, 137/02, (26/03), 125/11,112/12.

can be recognized abroad without special difficulties. But a Croatian payment order that is a part of a writ of execution on the basis of a trustworthy document and issued by a notary public is not known in other countries, and one may expect some problems with its enforcement abroad.

2.10. Comparison between national and EU order for payment procedure

The scope of the application of the European order for payment is much more narrow (Art. 2(2) EuPO)¹⁶ than the scope of the application of the Croatian order for payment.

The European order for payment can be applied only in cross-border cases (Art. 2(11) EuPO). The Croatian order for payment can be applied in cross-border cases but also in non cross-border cases.

There are different rules on determination of jurisdiction for the European order for payment (Art. 6 EuPO) and the Croatian order for payment.

In contrast to the European order for payment procedure (Art. 7(4) EuPO), the claimant (plaintiff) in Croatian order for payment procedure may not indicate to the court that he opposes a transfer to ordinary civil proceedings.

Unlike the European order for payment procedure (Art. 8 EuPO), Croatia has no special application forms in national order for payment procedure.

In the Croatian order for payment procedure there are no so many possibilities for completion and rectification of the application for issue of an order for payment as they exist in the European order for payment procedure (Art. 9 EuPO).

In the Croatian order for payment procedure the court has no time limit for issue of the order for payment, as it exist in the European order for payment procedure (Art. 12(1) EuPO).

In the Croatian order for payment procedure there are no special rules on service of the order for payment as they exist in the European order for payment procedure (Arts 13-15 EuPO)

Unlike the European order for payment procedure (Art. 16(1) EuPO) Croatia has no special form for an objection against the order for payment.

Time limits for an objection (statement of opposition) against the order for payment are different: 30 days for European order for payment (Art. 16(2) EuPO) and 8 respectively 3 days for Croatian order for payment (Art. 448(2) CPA).

In the European order for payment procedure the court of origin declare the enforceability of the order for payment ex officio (Art. 18 EuPO), what is not the case in the Croatian order for payment procedure.

In the European order for payment procedure the exequatur is abolish (Art. 19 EuPO), what's not the case in the Croatian order for payment procedure.

¹⁶ Regulation (EC) No 1896/2006 of the European Parliament and of the Council of 12 December 2006 creating a European order for payment procedure, OJ 2006, L 399/1.

In the European order for payment procedure exist the possibility for review of the order for payment (Art. 20 EuPO). It's not possible in the Croatian order for payment procedure.

The rules of enforcement, refusal of enforcement and stay or limitation of enforcement in the European order for payment procedure (Arts 21-23 EU) are very different from those rules in the Croatian order for payment procedure.

III. Implementation of Order for Payment Procedure Regulation (1896/2006)

Croatian provisions regarding implementation of Order for Payment Procedure Regulation (1896/2006) are located in the Part IV – European Civil Procedure of the Croatian Civile Procedure Act (Arts 507.i-507nj CPA).

3.1. Competent court

Only one court is competent for European order for payment in Croatia. The Commercial Court in Zagreb shall have exclusive competence to decide on applications for issuing and review the European order for payment and for issuing a declaration of its enforceability (Art. 507.i CPA). Unfortunately, the Croatian CPA doesn't determine, which court will be competent for litigation in the case of an objection against the European order for payment and a transfer to ordinary civil proceedings.

3.2. Application for a European order for payment:

a) An application for a European order for payment and opposition against such order may be submitted only in a machine readable format, if the court finds that it is appropriate for processing such acts. The minister in charge of justice shall issue a separate ordinance to regulate the method of submitting an application for a European order for payment and for statements of opposition against such order, which ordinance shall also lay down the beginning of its application (Art. 507.j CPA). At this moment the application can not be submitted electronically. No alternative electronic communications system (Art. 7(8) EuPO) is available at this moment in Croatian courts.

b) There are no special rules on admissible language of the application. General rules are applicable: 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 (Art. 104 CPA).

c) Also there are no special rules on the number of copies of the application. General rules are applicable: sufficient number of copies for the court and the opposing party is necessary (Art. 107(1) CPA).

d) Croatian Law does not prescribe special rules on the amount of the penalties in the case of debtor's deliberate false statements (Art. 7(3) EuPO). General rules of CPA are applicable: The court shall fine with a monetary fine of 500.00 to 10,000.00 HRK for a physical person or 2,500.00 to 50,000.00 HRK for a legal entity anyone who attempts to abuse the rights they have in the proceedings, unless this Act prescribes otherwise (Art. 10(2) CPA). Croatian civil law rules on compensation for damages and criminal law rules on false statement shall apply.

3.3. Issue of the European order for payment

a) Croatian Civil Procedure Act doesn't have a special rule who issues the European order for payment within the court. General rules are applicable. Judges issue court decisions. 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 100,000.00 HRK, or in commercial disputes if the value of the subject of the dispute does not exceed 500,000.00 HRK (Art. 13(3) CPA).

b) If a European order for payment is to be served in the Republic of Croatia, service shall be effected pursuant to the provisions of Croatian Civil Procedure Act on service ex officio (Arts 133-150, 492b-492c). If a European order for payment is to be served in another Member State of the European Union, service shall be effected pursuant to Regulation No 1393/2007, and Articles 503 to 503d of Croatian Civil Procedure Act shall apply mutatis mutandis (Art. 507.k CPA). But it's mistake, because Arts 503 to 503d do not exist! In fact Arts 507a-507č CPA shall apply; these rules implement Regulation (EC) No 1393/2007 of the European Parliament and of the Council of 13 November 2007 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (service of documents), and repealing Council Regulation (EC) No 1348/2000.

3.4. Opposition to the European order for payment

a) General rules of Croatian Civil Procedure Act on the form shall apply for opposition to the European order for payment. Submission given outside of trial shall be filed in writing (Art. 106(1) CPA). There is also rule that an application for opposition against an European order for payment may be submitted only in a machine readable format, if the court finds that it is appropriate for processing such acts (Art. 507j(1) CPA).

The minister in charge of justice shall issue a separate ordinance to regulate the method of submitting an application for statements of opposition against European order for payment order, which ordinance shall also lay down the beginning of its application (Art. 507j(2) CPA). At this moment the application still can not be submitted electronically, although there are already rules for electronic submission especially in the proceeding before commercial courts (Arts 492b-492c CPA).

b) If the defendant lodges a statement of opposition to the European order for payment within the meaning of Article 16 of Regulation 1896/2006, further procedure shall be conducted pursuant to the provisions of Croatian Civil Procedure Act on the procedure in case of an objection to the payment order (Article 445a, 451 to 456) while taking into account the provisions of Art. 17 EuPO (Art. 507.I CPA). It means that the same rules that apply in the case of an objection against a Croatian order for payment shall apply in the case of an objection against a European order for payment. The successful objection against an European order for payment order will be followed by the special civil procedure. See above II.2.6.c)-d).

c) There is no special rule on legal remedies against the court decision on statement of opposition that was filed against a European order for payment. The rules that apply in Croatian order for payment procedure shall apply in the case of a European order for payment too.

A statement of opposition against a European order for payment that is untimely, incomplete or not allowed shall be dismissed by a competent court for litigation (Art. 451(2) CPA). Such a ruling issued by a court of first instance may be challenged by an appeal (Art. 378(1) CPA). If a statement of opposition against a European order is timely, complete and allowed, and the defendant states there are 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. Such a ruling may be challenged by an appeal (Art. 378(1) CPA). A ruling on review of an European order for payment may be challenged by an appeal too (Art. 378(1) CPA).

3.5. Absence of timely opposition

a) The certificate of enforceability of a European order for payment shall be issued by Commercial court in Zagreb (Art. 507i CPA). In contrast to a domestic order for payment the claimant does not have to apply for it. The certificate of enforceability shall be given ex officio. The certificate procedure according to Art. 18 EuPO shall be followed.

b) Regarding requirements for enforceability Art. 23(2) of Croatian Execution Act shall apply: a court decision instructing the fulfilment of a claim on payment or performance is enforceable if it has become legally effective and if the term for voluntary fulfilment has expired. The term for voluntary fulfilment runs from the date of delivery of the decision to the execution debtor, unless provided otherwise by law.

c) In the absence of timely opposition a Croatian order for payment becomes final and not only enforceable (Art. 450(2) CPA). The same shall be valid for a European order for payment.

3.6. Safeguarding the debtor's rights

a) According to Croatian Execution Act any certificate of enforceability that was issued, although the conditions laid down by law for its issuance were not fulfilled shall be repealed by the court or body that issued it, and that in a ruling, further to a motion or in the line of duty (Art. 36(2-3) EA).

b) The Commercial Court in Zagreb shall have exclusive competence to decide on applications for review the European order for payment (Art. 507i CPA). An application to review a European order for payment pursuant to Art. 20 (1-2) EuPO shall be decided in a ruling against which an appeal is not admissible (Art. 507lj(1) CPA). The defendant is obliged to make credible the grounds for his application for the cancellation of a European order for payment (Art. 507lj(2) CPA). If the court holds that the European order for payment is null and void, the procedure pursuant to Regulation 1896/2006 shall be suspended and further procedure shall be conducted pursuant to the provisions of Croatian Civil Procedure Act (Art. 507lj(3) CPA).

It is not permitted to apply for reinstatement under the provisions of Croatian Civil Procedure Act (motion to restore a prior status in proceedings - Arts 117 to 122a) on account of failure to observe the time limit for the statement of opposition to the European order for payment referred to Art. 16(2) EuPO (Art. 507.lj CPA).

3.7. Costs of procedure

The costs of procedure regarding the European order for payment correspond to the costs of procedure regarding the Croatian order for payment. See above II.2.8.

Some additional costs regarding the European order for payment can appear when the claimant (creditor) must provide translation in the Croatian language.

3.8. Enforcement in the Member State of enforcement

a) Courts have competence with respect to enforcement of the European order for payment according to rules of the Croatian Execution Act that applies to enforcement of any other enforcement title documents.

b) An enforceable European order for payment (Arts 18-19 EuPO) that was issued by a Croatian court shall be an enforcement title document (enforcement deed) on the basis of which enforcement may be sought in the Republic of Croatia as on the basis of an enforceable decision of a Croatian court (Art. 507m(1) CPA).

If, pursuant to Art. 21(2,b) EuPO the creditor (claimant) is obliged to provide a translation of the European order for payment, such translation must be in the Croatian language and certified by a person authorised for this purpose in one of the Member States (Art. 507m(2) CPA).

c) If an application for review of the European order for payment issued in the Republic of Croatia pursuant to the provisions of Art. 20 EuPO is submitted, the court deciding on such application may suspend the enforcement and apply the provisions of Art. 61 of the Enforcement Act on the suspension of enforcement at the motion of a execution debtor (Art. 507n(1) CPA). An appeal against an enforcement order due to reasons relating to a claim established in the European order for payment shall be admissible only if such reasons occurred after the service of the order and if it was no more possible to present them in the statement of opposition pursuant to Art. 16 EuPO (Art. 507n(2) CPA).

A municipal court as enforcement court shall decide on applications for refusal of enforcement pursuant to the provision of Art. 22(1) EuPO in a ruling. Territorial (local) jurisdiction of the court shall be established according to the rules on territorial jurisdiction of courts in enforcement procedures (Art. 507nj(1) CPA). In that case the court shall decide on suspension of execution and on revoking performed enforcement actions applying the rules of execution proceedings *mutatis mutandis* (Art. 507nj(2) CPA). The same court decides on stay or limitation of enforcement pursuant to Art. 23 EuPO in ruling, that can not be challenged by a separate appeal. This ruling shall remain in force until conclusion of the proceedings that the party has initiated in the sense of provisions of Art. 23 EuPO respectively until a different court decision issued on motion of any of the party (Art. 507nj(3) CPA).