
Pursuant to Article 95, item 3 of the Constitution of I hereby pass the

DECREE
PROMULGATING THE LAW ON ENFORCEMENT AND SECURING OF CLAIMS

I hereby promulgate the Law on Enforcement and Securing of Claims adopted by the 24th Parliament of Montenegro at the tenth sitting of the first regular session in 2011, held on 12 July 2011.

Number: 01-909/2
Podgorica, 20 July 2011
President of Montenegro
Filip Vujanovic, m.p.

Pursuant to Article 82, paragraph 1, item 2 and Article 91, paragraph 2 of the Constitution of Montenegro, the 24th Parliament of Montenegro, at the tenth sitting, of the first regular (spring) session in 2011, on 12 July 2011, adopted the

LAW ON ENFORCEMENT AND SECURING OF CLAIMS
(Official Gazette of Montenegro, 36/2011 of 27 July 2011)

Title I
BASIC PROVISIONS

Contents of the Law
Article 1

The procedure of enforced satisfaction of claims on the basis of domestic or foreign enforceable or authentic document (hereinafter referred to as: enforcement procedure) and securing of claims (hereinafter referred to as: securing of claims procedure) shall be carried out in accordance with this Law, unless otherwise prescribed by a separate law.

This Law shall also apply to involuntary enforcement of a decision adopted in an administrative procedure on fulfilling a monetary obligation, if enforcement is levied on real estates, shares and holdings of business organization members.

This Law shall also apply to involuntary enforcement of notarial documents and other documents envisaged by law.

This Law shall also apply to enforcement and securing of claims on ship and aircraft, only if prescribed so by a separate law.

Initiation of the Procedure
Article 2

A petition of a judgment creditor shall initiate enforcement procedure, and a petition of a security petitioner shall initiate securing of claims procedure.

The procedures referred to in paragraph 1 of this Article shall be initiated *ex officio* when prescribed so by law.

Competency of Public Enforcement Officer

Article 3

Public enforcement officer shall be competent to decide in enforcement procedure, to levy enforcement, as well as to enforce securing of claims, except in the cases that competency of the court is prescribed for by law.

Public enforcement officer shall order and levy enforcement on the basis of enforceable document of a court or body the registered seat of which is at the territory the public enforcement officer is appointed for.

Public enforcement officer, on whose territory a judgment debtor has a permanent residence or registered seat, shall be in charge of ordering and levying enforcement on the basis of an authentic document.

Public enforcement officer appointed for the territory of the court that adopted the decision on securing of claims shall be in charge to enforce securing of claims.

When a public enforcement officer carries out actions to levy enforcement and enforce securing of claims outside the territory he/she is appointed for, he/she may carry out these actions personally or through a public enforcement officer from other territory.

Competency of the Court

Article 4

The court shall have competency to decide in enforcement procedure and enforce the court decisions:

- To hand over or take away a child;
- To reinstate an employee to work;
- Pursuant to which judgment debtor is obliged to perform an act that no other person can perform instead of him/her in accordance with law or legal transaction;

The court shall decide on a petition to create security.

The court shall also decide on:

- Petition for counter-enforcement;
- Request of a judgment creditor for payment of unliquidated damages.

Composition of the Court

Article 5

A single judge shall conduct enforcement procedure and securing of claims procedure and make decisions thereon in the first instance in case of legal matters that the competency of the court is envisaged for.

A three-judge panel of the first-instance court shall make decisions on complaints.

Urgency and Sequence of Actions

Article 6

Enforcement and securing of claims procedure shall be urgent.

Cases shall be processed in the order they are received, unless the nature of claim or special circumstances require to act otherwise.

**Decisions
Article 7**

The court and public enforcement officer shall make decisions in enforcement procedure and securing of claims procedure in the form of a rulings and conclusions.

Conclusion shall order certain actions to be carried out and shall decide on issues regarding procedure administration.

**Complaint
Article 8**

A complaint may be lodged against rulings in the enforcement procedure and securing of claims procedure.

A complaint shall not be allowed against conclusions.

**Protection of Parties, Participants in the Enforcement Procedure and their Families
Article 9**

In levying enforcement, the court and public enforcement officer shall be obliged to take into consideration the dignity of a party, participants in the procedure and their families.

**Scope of Enforcement and Securing of Claims
Article 10**

Enforcement for satisfying monetary claims and securing such claims shall be ordered and levied to the extent necessary to satisfy or to secure such claims.

**Order of Satisfaction of Several Judgment Creditors
Article 11**

Several judgment creditors satisfying their monetary claims against the same judgment debtor and against the same asset subject to enforcement shall be satisfied in the same order they acquired the right to be satisfied from that asset, except in the cases that this Law prescribes otherwise for.

**Enforcement of a Foreign Enforceable Document
Article 12**

Enforcement of a foreign enforceable document shall be ordered and levied in accordance with this Law, if a foreign enforceable document meets the requirements for recognition and enforcement, prescribed by law or international treaty.

Enforcement on the Property of a Foreign State
Article 13

Enforcement or securing of claims against the property of a foreign state in Montenegro or international organization located at the territory of Montenegro cannot be ordered without a prior written consent of the state administration authority competent for foreign affairs, unless the foreign state or international organisation has explicitly agreed by way of a written consent to enforcement or securing of claims.

Application of Provisions of the Law on Civil Procedure
Article 14

Provisions of the law governing the civil procedure shall apply accordingly to enforcement procedure and securing of claims procedure, unless this or another law prescribes otherwise.

Use of Gender-Sensitive Language
Article 15

Terms used in this Law for natural persons in masculine gender shall imply the same terms in feminine gender.

Meaning of Terms
Article 16

As used in this Law, the following terms shall have the following meanings:

- 1) **Claim** shall mean the right to collect monetary amount or the right to receive something, the right to obtain a third party's action or non-action or third party's sustainment;
 - 2) **Judgment creditor** shall mean a person whose claim is being satisfied;
 - 3) **Judgment debtor** shall mean a person against whom a claim is being satisfied;
 - 4) **Security petitioner** shall mean a person who initiated the procedure to secure some claim;
 - 5) **Security contestor** shall mean a person against whom a claim is secured;
 - 6) **Party** shall mean a judgment creditor, or a judgment debtor, as well as a security petitioner, and security contestor;
 - 7) **Participant in the procedure** shall mean a person who in the enforcement procedure or securing of claims procedure exercises some of his rights or legal interest and is not a party in the procedure;
 - 8) **Public enforcement officer** shall mean a natural person appointed to decide in the enforcement procedure, levy enforcement and enforce securing of claims in accordance with law;
 - 9) **Third person** shall mean a person who claims, regarding the asset subject to enforcement, that he is entitled to prevent the enforcement until the termination of the enforcement procedure, and file a complaint with the first-instance court, requesting that the enforcement on such an asset is declared inadmissible;
 - 10) **Pre-registration** shall mean a type of registration in the public records by which rights on immovable property and other assets subject to enforcement are conditionally acquired, transferred or terminated.
-

Title II ENFORCEMENT PROCEDURE

I *GENERAL PROVISIONS*

Ground for Enforcement Article 17

Enforcement shall be ordered on the basis of an enforceable or authentic document, unless otherwise prescribed by this Law.

Enforceable Documents Article 18

Enforceable documents shall be:

- 1) Enforceable court decision and court settlement;
- 2) Decisions and settlements that are considered to be enforceable documents by separate laws;
- 3) Mortgage agreement, or lien statement made in accordance with the regulations governing mortgage;
- 4) Notarial deed representing an enforceable document in accordance with law and foreign notarial deed if it contains all elements necessary for enforcement in accordance with law and is considered to be an enforceable document in the country of origin;
- 5) Other documents set forth by law as enforceable documents.

Decision and Settlement Article 19

A court decision, under this Law, shall mean a judgment, ruling, ruling on securing of claims, payment and other court order, and arbitration decisions; while court settlement shall mean settlement reached before the court.

Decision in administrative procedure, under this Law, shall mean a ruling and conclusion of a state administration body and other state body, as well as a business organization or other legal entity adopted in performance of public authorizations, while settlement in administrative procedure shall mean settlement reached under the law governing general administrative procedure.

Enforceability of Decision Article 20

Court decision shall be enforceable if it has become final and non-appealable and if a deadline for voluntary fulfilment of obligation of judgment debtor has expired.

Decision adopted in administrative procedure shall be enforceable if it has become final and if a deadline for voluntary fulfilment of obligation has expired.

Deadline for voluntary fulfilment of obligation shall run from the day of submitting a decision to judgment debtor.

On the basis of a decision that has partially become enforceable, enforcement may be ordered only to that extent.

Enforcement shall be ordered also on the basis of a court decision that has not become final and non-appealable and on the basis of a decision adopted in administrative procedure that has not become final, if law prescribes that appeal does not withhold the enforcement of a decision.

Enforceability of Settlement Article 21

Court settlement and settlement reached in administrative procedure shall be enforceable, if a claim to be satisfied through settlement is mature.

The maturity of a claim shall be proved by settlement minutes or by public document or document authenticated in accordance with law.

Maturity that cannot be proved in the manner determined by paragraph 2 of this Article shall be proved by a final and non-appealable decision adopted in a civil procedure determining maturity.

Suitability of Enforceable Document for Enforcement Article 22

Enforceable document shall be suitable for enforcement if it specifies a judgment creditor and a judgment debtor, as well as an asset, type, scope and deadline for fulfilment of obligations.

If an enforceable document does not specify a deadline for voluntary fulfilment of the obligation, such a deadline shall be specified by a writ of enforcement.

Enforceability of Notarial Document Article 23

Notarial document shall be enforceable if it has become enforceable according to a separate law governing enforceability of such a document.

On the basis of a notarial document that has become partially enforceable, enforcement shall be levied only to that extent.

Collection of Default Interest Article 24

If after having produced an enforceable document there is a change in the amount of a default interest, at the proposal of a judgment creditor or judgment debtor, a ruling shall order the collection of default interest at changed rate.

If an enforceable document also specifies costs of the procedure, at the proposal of judgment creditor, a ruling shall order the collection of default interest on the amount of

imposed costs at prescribed rate, from the day of adoption of the enforceable document to the collection.

Authentic Document Article 25

Enforcement to satisfy monetary claim shall be ordered also on the basis of authentic document.

Authentic document shall be:

- 1) Bill of exchange and cheque under protest of a domestic or foreign person, if so necessary to create claim;
- 2) Bond and other securities issued in series entitling their owner to payment of nominal value;
- 3) Invoice (bill) with bill of lading or other written proof that judgment debtor is informed about the occurred obligation;
- 4) Extracts from business records for rendered communal services, electrical energy services, telephone and other similar services;
- 5) Bank guarantee;
- 6) Letter of credit;
- 7) Authenticated statement of judgment debtor authorizing a bank to transfer the monetary assets from his account to the account of judgment creditor;
- 8) Calculation of interests with proofs of the ground for maturity and amount of claim;
- 9) Authenticated interim or final payment application for executed construction works.

Authentic document shall be suitable for enforcement if it specifies a judgment creditor and a judgment debtor, an asset, type, scope and deadline for fulfilment of obligation.

When an authentic document does not specify a claim maturity, enforcement shall be ordered if a judgment creditor submitted a written proof that he requested from a judgment debtor to fulfil the matured obligation within a specified time period.

Means and Assets subject to Enforcement Article 26

Means of enforcement shall mean enforcement actions for the purpose of enforced satisfaction of a claim, in accordance with law.

Means of enforcement to satisfy a monetary claim shall be: sale of movables, sale of immovables, transfer of monetary claim, transfer of claim for handing over movables or immovables, conversion into cash of other property rights, transfer of funds kept in a bank account, sale of shares and sale of holdings in business organizations.

Assets subject to enforcement shall mean assets and rights that enforcement can be levied on, in accordance with law, to satisfy a claim.

Assets subject to enforcement cannot be assets that cannot be traded with and other things exempted by law from enforcement.

Assets subject to enforcement cannot be objects, armaments and equipment intended for the state defence and safety.

When assessing whether an asset or a right can be subject to enforcement or whether enforcement on an asset or right may be restricted, circumstances at the time of submission of the enforcement petition shall be taken into account, unless otherwise explicitly prescribed by this Law.

Scope of Enforcement Article 27

Enforcement shall be levied on those funds and assets stated in the enforcement petition. If the funds and assets subject to enforcement are not stated in the enforcement petition, a public enforcement officer shall levy enforcement on funds and assets that he believes are the most suitable, and that will provide for the most favourable satisfaction of judgment creditor.

Judgment creditor may request from a public enforcement officer to take with no restrictions all actions in the enforcement procedure, or condition taking of certain actions by his prior consent.

Transfer of Claim or Obligation Article 28

Enforcement shall be ordered and levied also based on the petition and for the benefit of a person who is not designated as judgment creditor in an enforceable document, if such person proves by a public or document authenticated in accordance with law that a claim has been transferred to him or that has been assigned to him in another manner, and if it is not possible to prove so, transfer or assignment of claim shall be proved by a final and non-appealable enforceable document.

The provision of paragraph 1 of this Article shall apply also in the case of enforcement against a person who is not designated in an enforceable document as judgment debtor.

Conditional and Mutual Obligation Article 29

Enforcement depending on prior fulfilment of an obligation of judgment creditor or creation of a condition shall be ordered if a judgment creditor proves, by a public or private document authenticated in accordance with law, that he has fulfilled his obligation or that he has secured its fulfilment, or that the condition has been created.

The fulfilment of the obligation or creation of the condition shall be proved by a final and non-appealable decision adopted in a civil or administrative procedure, if judgment creditor is not able to prove it in the manner referred to in paragraph 1 of this Article.

If a judgment debtor, based on an enforceable document, is obliged to fulfil the obligation, provided that the obligation towards him is simultaneously fulfilled, enforcement shall be ordered, if a judgment creditor submits a proof that he has secured the fulfilment of his obligation.

It shall be considered that judgment creditor has secured the fulfilment of his obligation under paragraph 3 of this Article, if he deposited the assets subject to obligation with a public enforcement officer or has acted in another appropriate manner to the same effect.

Judgment creditor who claims that he has already fulfilled his obligation should prove that in the manner envisaged in paragraphs 1 and 2 of this Article.

**Alternative Obligation of Judgment Debtor's Choice
Article 30**

If a judgment debtor is entitled, based on enforceable document, to choose among several assets subject to his obligation, a judgment creditor shall be obliged to designate in the enforcement petition an asset that should be used for the fulfilment of the obligation.

Judgment debtor shall be entitled to make a choice as long as judgment creditor does not receive fully or partially the asset he requested in the enforcement petition.

**Alternative Authorization of Judgment Debtor
Article 31**

A judgment debtor who is ordered by an enforceable document to fulfil a non-monetary obligation, with an option to avoid that obligation by paying a certain monetary amount determined in the enforceable document, may pay such amount as long as judgment creditor did not even partially satisfy his claim.

**Determining Debtor's Property
Article 32**

Judgment debtor shall be obliged to submit, at the request of the court or public enforcement officer, all data about his property and revenues necessary for levying enforcement.

The court or public enforcement officer may request the data referred to in paragraph 1 of this Article also from other natural and legal persons, and state administration authorities and local administration authorities.

A pecuniary fine in accordance with Article 230 of this Law shall be imposed by the court ex officio or at the proposal of a public enforcement officer on a natural person or responsible person in a legal entity who does not submit or submits incorrect or incomplete data.

**Surety
Article 33**

Under this Law, a surety shall be deposited in cash.

Exceptionally, the court or public enforcement officer may approve, with the consent of judgment creditor, surety in the form of a bank guarantee, securities, valuables or movable asset the value of which can be easily determined on the market and that can be quickly and simply converted into cash.

Other party shall gain a statutory lien on deposited security interest. Proof of depositing the surety shall be the ground for registration of security interest in a competent registry, in accordance with law.

The court or public enforcement officer shall decide, in the form of a conclusion, on the request to deposit surety.

If the court or a public enforcement officer in an enforcement procedure decides on the right of other party to get compensation for damage or costs of the procedure associated with the action that the surety is given for, at its proposal, the same ruling shall decide also on the collection of the determined claim secured by that surety.

Enforcement Procedure Costs Article 34

Procedure costs concerning the ordering and levying of the enforcement shall be borne by a judgment creditor in advance.

Judgment creditor shall be obliged to make advance payment for the enforcement costs within the deadline determined by the court or public enforcement officer that cannot exceed eight days.

The court or public enforcement officer may terminate the enforcement if the enforcement costs are not paid in advance within the specified deadline, unless one is exempt from the obligation to pay the enforcement procedure costs.

If the enforcement procedure is initiated ex officio, the costs shall be paid in advance by a body that adopted an enforceable document in the first-instance.

Judgment debtor shall be obliged to compensate the costs necessary for enforcement to judgment creditor, at his request.

Judgment creditor shall be obliged to compensate the enforcement costs groundlessly incurred to judgment debtor, at his request.

Enforcement procedure costs shall be determined by the court or public enforcement officer and it shall decide on enforcement for satisfaction thereof in that procedure, in accordance with law and regulation governing the procedure costs.

Request for damage compensation may be submitted at the latest within 30 days from the day of terminating the procedure.

Reinstatement to the Former Condition Article 35

Reinstatement to the former condition shall be allowed only in case of failure to meet a deadline for submitting a complaint to writ of enforcement.

Inadmissibility of Review and Renewal of the Procedure Article 36

Review and renewal of the procedure shall not be allowed against a final and non-appealable ruling in enforcement and securing of claims procedure.

II ENFORCEMENT PETITION

Contents of the Petition Article 37

Enforcement petition must specify: judgment creditor and judgment debtor, enforceable document, obligation of judgment debtor, means of and asset subject to enforcement, as well as other data necessary for levying enforcement.

Enforcement petition based on an authentic document must also contain a request instructing the judgment debtor to satisfy claim along with adjudicated costs within eight days, and in case of disputes involving a bill of exchange and cheque within three days following the day of service of the ruling.

Enforcement petition to be submitted to a public enforcement officer, on the basis of an enforceable or authentic document, shall contain the elements referred to in paragraph 1 of this Article, provided that means of and assets subject to enforcement do not have to be specified.

Movables that the enforcement is proposed against do not have to be described in more details in the enforcement petition.

Certificate of Enforceability Article 38

If an enforcement petition is submitted to a court that did not decide on a claim in the first-instance, an enforceable document shall be submitted along with the petition, in the original or authenticated copy, that contains a certificate of enforceability on it.

A court or body that decided on claim in the first-instance shall issue a certificate of enforceability.

Groundless certificate of enforceability shall be cancelled by a ruling of the court or body that issued the certificate, based on the petition of a party or participant or third party or *ex officio*.

If enforcement petition is submitted to a public enforcement officer, enforceable document with certificate of enforceability shall be submitted along with the petition.

Withdrawal of the Enforcement Petition Article 39

Judgment creditor may withdraw, during the procedure, entirely or partially the enforcement petition without the consent of a judgment debtor.

In the case referred to in paragraph 1 of this Article, enforcement shall be terminated.

Decision on terminating enforcement shall cancel all implemented enforcement actions, if the acquired rights of third parties are not affected thereby.

If in the case referred to in paragraph 1 of this Article the enforcement has been initiated, and withdrawal of the enforcement petition by judgment creditor has caused damage to judgment debtor, the judgment creditor shall be obliged to compensate the damage.

Judgment creditor may submit a new enforcement petition, upon withdrawal of the petition.

III DECIDING ON THE ENFORCEMENT PETITION

Deadline to Act Article 40

The court or a public enforcement officer shall be obliged to decide on an enforcement petition within five days from the day of submitting the petition.

Writ of Enforcement Article 41

The court or a public enforcement officer by way of a writ of enforcement shall adopt entirely or partially the enforcement petition;

Writ of enforcement must specify: the court or public enforcement officer, judgment creditor and judgment debtor, enforceable or authentic document, obligation of judgment debtor, means of and assets subject to enforcement, if they are specified in the petition, and other data necessary for levying enforcement.

Public enforcement officer shall, by the writ of enforcement, on the basis of the authentic document, oblige judgment debtor to, within eight days, or within three days upon the submission of the writ in case of bill of exchange- and cheque-related disputes, satisfy the claim together with the determined costs and order enforcement for the purpose of enforced collection of such claims.

The writ of enforcement referred to in paragraph of this Article shall contain a legal remedy notice.

Ruling to Reject or Refuse Article 42

Ruling by which enforcement petition is fully or partially rejected or refused (hereinafter referred to as the Ruling to reject or refuse) must be explained.

The ruling referred to in paragraph of this Article shall contain a legal remedy notice.

IV SERVICE OF PROCESS

Manners of Service of Process Article 43

Service of submissions arising from the work of the public enforcement officer shall be done by direct delivery or by mail. A certificate on executed service of process shall be signed by

a receipt and a person executing the service. The recipient shall write the date of receipt on the delivery notice.

If a public enforcement officer makes the service of process of submissions, in such case the service of process shall be done in accordance with the provisions of the law governing the civil Procedure, unless otherwise stipulated by this Law.

Public enforcement officer shall be obliged to state in an official notice every unsuccessful attempt to make service of process.

Writ of Enforcement Service Article 44

Writ of enforcement shall be submitted to judgment creditor and judgment debtor, and ruling to reject or refuse the enforcement petition shall be submitted only to judgment creditor.

Along with the writ of enforcement, enforcement petition shall be submitted to a judgment debtor.

Writ of enforcement on monetary claim shall be submitted also to a debtor of judgment debtor, and writ of enforcement on the funds in the account of judgment debtor shall be submitted also to a bank.

Writ of enforcement on movables shall be submitted to a judgment debtor immediately before taking the first enforcement action, unless otherwise prescribed by this Law.

If a court that made a writ of enforcement is not competent for levying enforcement, it shall refer the writ of enforcement to a competent court for the purpose of submission of the ruling and levying enforcement.

Writ of enforcement made on the basis of an authentic document shall be submitted to a bank only after it has become final and non-appealable, unless such enforcement is ordered on the basis of bill of exchange.

Service by Publication Article 45

If a public enforcement officer cannot properly perform service of process within its competence of work directly or by mail or if a temporary or permanent residence or registered seat of a party is unknown, service of process shall be done by publication.

Publication shall be done using daily printed media outlets published on the entire territory of Montenegro and so in two consecutive editions.

Publication shall also be done in the Official Gazette of Montenegro.

The publication shall contain: name of the public enforcement officer, name of a party, last known address, case number, basic grounds for the enforcement, and deadline within which a party should contact a public enforcement officer.

The publication shall also contain a warning that such a service is considered as proper service of process and that negative consequences that may occur shall be borne by the party itself.

The service of process shall be deemed to be executed on the last day of publication.

**Application of Other Laws
Article 46**

Provisions of the law governing the civil procedure shall apply accordingly to matters concerning the service of process, unless otherwise prescribed by this Law.

V COMPLAINT

1. Deadlines and Competences for Deciding in Second Instance

**Deadline for Lodging a Complaint
Article 47**

Complaint may be filed against a writ of enforcement, ruling to reject or refuse the enforcement petition within five days from the day of the a writ/ruling is serviced.

Complaint shall be lodged before the court or to the public enforcement officer deciding on the enforcement petition.

Public enforcement officer shall be obliged to submit to the court case file within five days for the purpose of deciding upon the complaint.

**Competences for Deciding on Complaint in Second-Instance
Article 48**

The court panel of the same court that adopted the writ of enforcement shall decide in the second-instance on complaints against writ of enforcement, a ruling to reject or refuse a petition.

The court panel of the court for the territory of which a public enforcement officer is appointed shall decided on complaint against a writ of enforcement, ruling to refuse or reject a petition adopted by the public enforcement officer.

The panel shall decide within 15 days on complaint referred to in paragraphs 1 and 2 of this Article, as well as on complaints referred to in Article 55, paragraph 3 and Article 56, paragraph 4 of this Law, except in cases referred to in Article 60 of this Law.

2. Complaint against a Writ on the basis of Enforceable Document

**Lodging a Complaint
Article 49**

Complaint may be lodged by judgment debtor and judgment creditor against a writ of enforcement on the basis of enforceable document.

Judgment creditor may contest the writ referred to in paragraph 1 of this Article only in the part referring to enforcement costs.

Complaint shall not withhold the writ of enforcement, unless otherwise prescribed by law.

Judgment creditor may lodge a complaint against the ruling rejecting or refusing enforcement petition.

Reasons for Complaint against a Writ of Enforcement Article 50

Complaint against a writ of enforcement on the basis of enforceable document may be filed due to the reasons preventing enforcement as follows:

- 1) If the court or public enforcement officer that made a writ of enforcement is not competent;
- 2) If a document on the basis of which enforcement is ordered does not have the effect of enforceable document;
- 3) If a decision on the basis of which enforcement is ordered is not enforceable;
- 4) If a decision on the basis of which enforcement is ordered is cancelled, annulled or altered;
- 5) If the settlement on the basis of which enforcement is ordered is annulled;
- 6) If the deadline for satisfaction of claim has not expired or if a condition determined by the settlement has not been created;
- 7) If enforcement is ordered on assets, monetary claim and other rights exempted from enforcement or on which the possibility of enforcement is restricted;
- 8) If the claim has ceased on the basis of fact that has occurred after enforceability of the decision or prior to it, but at the time when judgment debtor was not able to present in the procedure within which enforceable document was adopted, or if the claim has ceased on the basis of the fact that occurred after reached settlement;
- 9) If judgment creditor delayed the fulfilment of the obligation for the period that has not expired yet;
- 10) If the deadline within which enforcement may be proposed in accordance with law has expired;
- 11) If the claim has not been transferred to judgment creditor, or if the obligation has not been transferred to judgment debtor.

Presenting the Facts and Proposing Evidence in Complaint Article 51

Judgment debtor shall be obliged to present all reasons for contesting the writ of enforcement in the complaint and attach all evidences that the complaint is based on to the complaint.

After the expiration of the deadline for complaint, it shall not be allowed to present new facts and propose new evidence.

Complaint after Deadline Expiration Article 52

Exceptionally, due to the reasons envisaged in Article 60, paragraph 1, item 8 of this Law, judgment debtor may file a complaint against writ of enforcement also after the expiration of the deadline for complaint, until the enforcement is levied.

The complaint referred to in paragraph 1 of this Article may be filed only due to the reasons occurred after the expiration of the deadline for filing a complaint against the writ of enforcement.

The court shall reject the complaint referred to in paragraph 1 of this Article that is based on reasons the judgment debtor has already presented or could have presented in the previously filed objection.

Response to Complaint Article 53

Complaint against writ of enforcement shall be submitted to judgment creditor.

Judgment creditor may file a response to complaint within three days from the day of complaint submission.

Deciding on Complaint in First Instance against Writ within the Jurisdiction of the Court Article 54

A single judge may exceptionally decide in the first instance on complaint against a writ of enforcement, as well as on complaint against a ruling to reject or refuse a petition that was adopted by the court based on an enforceable document within five days.

If a judge finds that the complaint is not grounded, the judge shall submit the documents to a panel of the same court.

Reasons for Rejecting a Complaint and Assigning a Case to a Competent Court Article 55

A judge shall reject, in the form of a ruling, an untimely, incomplete or inadmissible complaint.

If a judge finds that the complaint, submitted due to wrong jurisdiction, is grounded, he shall abrogate his writ, cancel the implemented activities and assign the case documents to a competent court.

Complaint may be filed against the ruling referred to in paragraphs 1 and 2 of this Article to the panel of the same court within five days following the day of servicing of the ruling.

Decisions on Complaint in First Instance Article 56

When a judge, who adopted a writ of enforcement, finds that a complaint of judgment debtor is grounded, a judge may adopt the complaint, cancel the writ of enforcement, terminate the enforcement entirely or partially, and cancel the implemented actions.

When a judge, who decided in a first-instance, finds that a complaint of judgment creditor is grounded, a judge may adopt the complaint, cancel the writ and decide again on the petition or costs of the procedure.

Judge may act in the manner referred to in paragraph 1 of this Article also with respect to the complaint referred to in Article 50 of this Law.

Complaint to the panel of the same court may be filed against enforcement ruling referred to in paragraphs 1 and 2 of this Article within five days following the day of servicing the ruling.

Deciding of the Court Panel on Complaint in Second-Instance Article 57

The court panel shall decide in second-instance, in the form of a ruling, to dismiss an untimely, incomplete or inadmissible complaint.

The court panel shall, acting on the complaint of judgment debtor against the writ of enforcement, if it finds the complaint to be grounded, adopt the complaint, cancel the writ of enforcement, terminate the enforcement entirely or partially and cancel the implemented actions.

The court panel shall, acting on the complaint of a judgment creditor, if it finds the complaint to be grounded, adopt the complaint, cancel the writ of enforcement and send back the case to repeated deciding.

If the court panel finds that there are not reasons for complaint to be filed, the complaint shall be rejected as groundless.

3. Complaint against Writ of Enforcement adopted on the basis of Authentic Document

Reasons for Complaint Article 58

A complaint against a writ of enforcement adopted on the basis of authentic document may be filed if:

- 1) Document on the basis of which the enforcement is ordered is not an authentic one under law;
- 2) Claim referred to in authentic document has not occurred;
- 3) Untrue content is included in the authentic document;
- 4) Obligation referred to in authentic document has not matured;
- 5) Obligation has been fulfilled or has ceased in another manner.

Judgment debtor shall be obliged to state, in the complaint, all reasons for contesting and attach all evidence the complaint is based on, and in case he does not do so, he shall lose the right to additionally present facts and propose evidence.

Evidence to Complaint Article 59

Judgment debtor shall be obliged to submit, along with the complaint, written documents proving the statements given in the complaint, and so as follows:

- 1) A final and non-appealable court decision determining the document is untrue, or extract from the Central Depository Agency, if he claims the document is untrue;
-

-
- 2) Payment order in a written or electronic form on the basis of which the transfer of funds has been made, if he claims the obligation has been fulfilled;
 - 3) Other written documents supporting statements given in the complaint.

In case of a complaint based on unmaternity of the claim referred to in Article 58, paragraph 1, item 4 of this Law, if the unmaternity cannot be seen from the authentic document itself, a judgment debtor shall be obliged to attach a written document to that effect.

Procedure based on the Complaint Article 60

If a writ of enforcement is contested only to the extent it orders enforcement, a further procedure shall be continued as the procedure based on the complaint against a writ of enforcement adopted on the basis of an enforceable document.

If a judgment debtor does not attach the evidence or attached evidence does not make probable the grounds for his statements referred to in the complaint, the court shall reject the objection.

If a judgment debtor makes probable the statements from the complaint that contest the writ of enforcement entirely or in the part he is obliged to satisfy the claim, the court panel shall abrogate the writ of enforcement in the part ordering enforcement and order the continuation of the procedure as in case of complaint against payment order. Complaint shall not be allowed against a ruling on abrogation of writ of enforcement.

If a court panel finds grounds for the complaint of a judgment debtor contesting the ruling in the part ordering enforcement, the court panel shall act in the manner referred to in Article 57, paragraph 2 of this Law.

The court panel shall be obliged to adopt a ruling on complaint within eight days from the day the court receives the documents.

Complaint shall withhold the execution of the writ of enforcement, unless a writ is adopted based on a bill of exchange.

VI *LEVYING OF ENFORCEMENT*

Enforcement prior to a final and Non-Appealable Writ of Enforcement Article 61

Enforcement shall be levied based on an enforceable document before a writ of enforcement becomes final and non-appealable, unless otherwise prescribed by this Law for certain enforcement actions.

Enforcement ordered on the basis of an authentic document cannot be levied before the writ of enforcement becomes final and non-appealable.

Time of Enforcement
Article 62

Enforcement shall be levied every day from 08:00 to 21:00.

Enforcement may be levied also outside the time specified in paragraph 1 of this Article, only if there is an obvious avoidance or danger due to delay.

Proceedings during Enforcement Levy
Article 63

In searching the apartment of judgment debtor or clothes he is wearing and prior to taking other enforcement activities, a public enforcement officer shall be obliged to act with due care towards the personality of judgment debtor and members of his household.

Enforcement actions in the apartment of judgment debtor that are not attended by judgment debtor, his legal representative, proxy or adult member of his household, must be attended by two adult citizens.

Enforcement in business or other premises of judgment debtor shall be levied during working hours in the presence of a person determined by the judgment debtor, and if the judgment debtor does not determine such a person, enforcement action shall also be levied without his presence.

When an enforcement action is to be levied in locked premises, and judgment debtor is not present or does not agree to open the premises, a public enforcement officer shall open the premises in the presence of two adult citizens.

Assistance of the Police
Article 64

The court or public enforcement officer shall be obliged to remove a person disturbing the enforcement to be levied, and if needed to ask for the assistance of the authority competent for police affairs (hereinafter referred to as the Police Administration).

In case the Police Administration does not act at the request of the court or public enforcement officer to provide assistance in levying enforcement, the court or public enforcement officer shall be obliged to immediately inform thereof the ministry in charge of police affairs.

Removing Irregularities in Levying Enforcement
Article 65

A party or participant in the procedure who believes that irregularities were made in levying enforcement may submit a request for removing such irregularities to a competent court.

The explained request with proofs shall be submitted within three days from the day of finding out about irregularities, and at the latest within 15 days from the day of terminating enforcement. Submission of the request shall not withhold levying of the enforcement.

Request for removing irregularities shall be submitted to parties and participants to the procedure, as well as to the public enforcement officer the request refer to.

The court may decide to hear the persons referred to in paragraph 3 of this Article.

A single judge shall decide on the request referred to in paragraph 1 of this Article within three days from the day of receiving the request.

If finds that the request is grounded, a court shall determine, in the form of a ruling, the made irregularities, abrogate undertaken enforcement actions and order the removal of irregularities made by decisions and actions of the court or public enforcement officer.

Complaint may be filed against the ruling referred to in paragraph 6 of this Article to the panel of the same court.

Complaint shall be submitted to the other party and participant in the procedure who can file a response to the complaint within three days from the day of submitting the complaint.

Complaint shall not withhold levying of the enforcement.

The court shall inform the ministry in charge of judicial affairs about irregularities in the work of public enforcement officer.

VII RIGHT OF JUDGMENT DEBTOR TO INITIATE CIVIL OR OTHER PROCEDURE

Conditions to Initiate Civil or other Procedure Article 66

Judgment debtor shall be entitled to, in order to determine a fact relating to the claim itself, which is contestable between the parties, until the termination of enforcement procedure, to initiate a civil or other procedure to declare enforcement inadmissible.

Initiation of the procedure referred to in paragraph 1 of this Article shall not prevent further levying of the enforcement.

If it is determined by a final and non-appealable decision of the court that enforcement is inadmissible, enforcement shall be terminated at the proposal of judgment debtor and enforcement actions shall be cancelled.

VIII RIGHT OF THIRD PERSON TO COMPLAINT AND INITIATE CIVIL PROCEDURE

Conditions to File a Complaint and Referral of Third Person to Civil Proceedings Article 67

A person who claims that has the right to an asset subject to enforcement that prevents enforcement may, until the termination of enforcement procedure, file a complaint to the court asking the enforcement on such asset to be declared inadmissible.

The court shall submit a complaint to judgment creditor and judgment debtor and invite them to make a statement on the complaint within five days from the day of submission. If a public enforcement officer levies the enforcement, the court shall submit the complaint also to him.

The court shall reject the complaint, in the form of a ruling, if a third person does not make probable his right to asset subject to enforcement that prevents enforcement.

The court may, during the entire procedure, refer, in the form of a ruling, a third party whose right is found probable, and which is contested by judgment creditor or judgment creditor did not make a statement thereon, to initiate a civil procedure, within 15 days from the day of submitting a ruling against judgment creditor, in order to have the enforcement on such assets declared inadmissible.

Judgment debtor who contests the right of a third person must be included in an appeal referred to in paragraph 4 of this Article for the purpose of determining that right.

Complaint cannot be filed against the ruling referred to in paragraph 3 of this Article.

Filing of the complaint referred to in paragraph 1 of this Article shall not prevent further levying of the enforcement.

The court shall submit the ruling referred to in paragraphs 3 and 4 of this Article also to a public enforcement officer if the public enforcement officer levies enforcement.

Initiation of Civil Procedure without Court Referral Article 68

A person who claims that he has the right to the asset subject to enforcement that prevents enforcement may, until the termination of enforcement procedure, and without the court referral referred to in Article 67, paragraph 4 of this Law, initiate a civil procedure against a judgment creditor, in order to have the enforcement on that asset declared as inadmissible.

The court claim in the civil procedure referred to in paragraph 1 of this Article must include also the judgment debtor who contests the right of the third person.

The initiation of the procedure referred to in paragraph 1 of this Article shall not prevent further levying of the enforcement.

Right of Co-Owners Article 69

Notwithstanding provision of Article 67, paragraph 4 and Article 68, paragraph 1, of this Law, a third person whose ownership interest in co-ownership of movable property subject to enforcement does not exceed the half of the value of that property cannot initiate a civil procedure, and cannot be referred by the court to initiate a civil procedure with the request to declare enforcement on his ownership interest inadmissible, but he shall be entitled to be satisfied from the proceeds obtained by the sale of the property prior to all judgment creditors and prior to compensation of enforcement procedure costs, as well as to request before the delivery of the asset to the most advantageous bidder that he becomes the sole owner of the asset subject to enforcement if he deposits the amount corresponding to the value of the ownership interest of the judgment debtor in the asset.

The person referred to in paragraph 1 of this Article who ownership interest in the asset subject to enforcement is contested may, for the purpose of determining his ownership interest in the asset, initiate a civil procedure that may include also a judgment debtor, if he contests his ownership interests in the asset.

IX DELAY AND TERMINATION OF ENFORCEMENT

Delay of Enforcement based on Proposal of Judgment Creditor Article 70

Based on the proposal of judgment creditor, the court or public enforcement officer shall delay fully or partially the enforcement, if levying of enforcement has not started.

If levying of enforcement has started, and judgment debtor stated, within a specified deadline, that he opposes the delay, the court or public enforcement officer shall reject his proposal for delay.

If the law envisages that enforcement should be asked for within a certain deadline, judgment creditor may submit a proposal for delay within that deadline.

Delay of Enforcement based on Proposal of Judgment Debtor from Especially Justifiable Reasons Article 71

Based on the proposal of judgment debtor, the court may, if a judgment debtor makes probable that levying of enforcement would cause irreparable or hardly repairable damage, fully or partially delay enforcement, if:

- 1) at the request of judgment debtor for annulling a decision of arbitration court on the basis of which enforcement has been ordered, a first-instance decision was made adopting the request;
- 2) at the request of a judgment debtor for cancelling certificate of enforcement, a first-instance decision was made adopting the request;
- 3) at the request of a judgment debtor for abrogating an enforceable document, a first-instance decision has been made adopting the request;
- 4) a first-instance decision has been made ordering that enforcement is not allowed.

The court may, at the proposal of judgment debtor, fully or partially, delay enforcement in cases when especially justifiable reasons exist for it, such as severe forms of health and social vulnerability.

The delay in enforcement referred to in paragraph 1 of this Article shall be conditioned by depositing a surety.

Delay in Enforcement at the Proposal of Third Person Article 72

The court may, at the proposal of a third person who initiated a civil procedure, under Article 67, paragraph 4 of this Law, delay enforcement in the form of a ruling, if it estimates that such a person would suffer a more substantive damage and order that surety is deposited in the amount of the claim within eight days from the day of submitting the ruling.

If the court delays enforcement of a non-monetary claim, provided that surety is deposited, the amount of surety shall be ordered taking into consideration all circumstances of a concrete case.

**Decision-Making on Proposal of Judgment Debtor or Third Person to Delay
Enforcement
Article 73**

The court shall decide on a proposal of judgment debtor to delay enforcement within five days from the day of receiving the proposal.

The court shall submit the ruling adopting the proposal of judgment debtor or third person for delaying enforcement to a judgment debtor, judgment creditor, third person and public enforcement officer, if the judgment enforcement officer levies the enforcement.

The submission of a proposal of judgment debtor or third person for delaying enforcement shall not prevent further levying of enforcement.

Complaint may be filed to the panel of the same court against the ruling deciding on a proposal to delay enforcement.

**Enforcement Delay Period
Article 74**

If enforcement is delayed at the proposal of a judgment creditor, the court or public enforcement officer shall delay enforcement for the period suggested by a judgment creditor.

If a judgment creditor submitted a proposal to delay enforcement in case when the law envisages that enforcement is to be requested within a certain deadline, the enforcement cannot be delayed for the period exceeding that deadline.

If enforcement is delayed at the proposal of judgment debtor referred to in Article 71, paragraph 1 of this Law, the court may delay enforcement until the final and non-appealable termination of civil or other procedure.

If enforcement is delayed at the proposal of a judgment debtor referred to in Article 71, paragraph 2 of this Law, the court may delay enforcement only once for the period that cannot exceed 90 days.

**Satisfaction in Instalments
Article 75**

Parties may agree that a claim is satisfied in instalments.

Levying of enforcement shall be delayed until the expiration of the deadline determined by the agreement on satisfaction in instalments.

Continuation of Delayed Enforcement
Article 76

Delayed enforcement shall be continued, *ex officio*, upon the expiration of the period that it was delayed for.

At the proposal of judgment creditor, enforcement procedure shall be continued even prior to the expiration of the deadline that it was delayed for, provided that a judgment creditor makes probable that reasons for the delay have ceased or if he deposits a surety.

Termination of Enforcement
Article 77

In addition to other cases envisaged by this Law, enforcement shall be terminated, *ex officio*, also when an enforceable document has been cancelled, altered, annulled or abrogated, by a final and non-appealable decision, or if a certificate of enforcement was cancelled.

Enforcement shall be terminated, if during enforcement procedure, as long as enforcement is not levied, proofs are collected on circumstances indicating that claim has ceased due to the ruin of the asset subject to enforcement, death of a natural person being a party without heirs, or dissolution of the legal entity that does not have legal successor, set-off of claims, and other similar cases.

Ruling on termination of enforcement shall cancel all performed enforcement actions, if they do not affect the acquired rights of third persons.

X COUNTER-ENFORCEMENT

Reasons for Counter-Enforcement
Article 78

When enforcement is levied, a judgment debtor may request from the court, in the form of a petition for counter-enforcement, to oblige a judgment creditor to return what he received through enforcement, if:

- 1) enforceable document is cancelled, altered, annulled or abrogated by a final and non-appealable decision;
- 2) during the enforcement procedure, he voluntarily satisfied a claim of judgment creditor;
- 3) writ of enforcement is cancelled or altered by a final and non-appealable decision;
- 4) it is determined by a final and non-appealable court decision that enforcement is inadmissible.

A petition for counter-enforcement may also be submitted by a third person who proves his right on the asset subject to enforcement that prevents enforcement by a final and non-appealable court decision that declares enforcement as inadmissible.

Petition for counter-enforcement due to the reasons referred to in items 1, 3 and 4 of paragraph 1 of this Article may be submitted within 15 days from the day of submitting the decision to a judgment debtor, and due to the reasons referred to in item 2, paragraph 1 of this Article, within 15 days from the day of terminating enforcement procedure.

Judgment debtor cannot satisfy his claim in a civil procedure prior to expiration of the deadlines referred to in paragraph 3 of this Article.

**Procedure based on Counter-Enforcement Petition
Article 79**

The court shall submit a petition for counter-enforcement to a judgment creditor and order him to make a statement thereon within five days from the day of receiving it.

The court shall order, by a writ of counter-enforcement, to a judgment creditor to return to a judgment debtor, within five days, what he has received through enforcement and at the same time, the court shall order enforcement for the purpose of satisfaction of that claim. A public enforcement officer shall levy enforcement based on the writ of the court.

Complaint against the writ referred to in paragraph 2 of this Article shall not withhold its enforcement, unless the judgment creditor submitted a surety along with the complaint in the amount of the claim.

If enforcement is levied for the purpose of collecting monetary claim, the court shall at the petition of judgment debtor determine the payment of default interest at the prescribed rate on the amount of monetary assets that the enforcement was levied on from the day of the submission of the petition for counter-enforcement to the day of returning the assets.

**Impossibility to Have Counter-Enforcement
Article 80**

Petition for counter-enforcement shall not be adopted if the return of asset is requested, with respect to which such material or legal changes have occurred making the return impossible.

In the case referred to in paragraph 1 of this Article, judgment debtor may exercise his right to damage compensation in a civil procedure also prior to the expiration of the deadline for submission of the petition for counter-enforcement.

ENFORCEMENT TO SATISFY MONETARY CLAIM

XI ENFORCEMENT ON MOVABLES

1. Exemptions from Enforcement and Enforcement Actions

**Exemptions from Enforcement
Article 81**

Assets subject to enforcement cannot be:

- 1) clothing, footwear, undergarment and other things for personal use, bed linen, utensils, home appliances, furniture necessary to the judgment debtor and members of his household;
 - 2) food and fuel needed by the judgment debtor and members of his household for three months;
-

-
- 3) cash of judgment debtor who has regular monthly earnings up to the monthly amount exempted from the enforcement according to the law, in proportion to the time remaining until the next earnings;
 - 4) decorations, medals, certificates of war service and other marks of honour and awards, personal correspondence, manuscripts and other personal documents of the judgment debtor, as well as family photographs;
 - 5) appliances of a disabled person necessary for his living;
 - 6) Postal delivery or postal money order directed to the judgment debtor cannot be subject to enforcement before delivered to him.

Enforcement Actions Article 82

Enforcement on movables shall be levied by taking inventory and appraisal of assets, by the sale of assets and satisfaction of judgment creditor from the proceeds obtained by the sale.

2. Taking of Inventory and Appraisal of Assets

Notification of Inventory Article 83

Just before starting the taking of inventory, a public enforcement officer shall deliver to a judgment debtor a writ of enforcement and shall invite him to pay the amount the enforcement is ordered for, together with interest and costs.

If it was not possible to deliver a writ of enforcement to a judgment debtor on the occasion of taking of inventory, it shall be left at the place where inventory is taken.

Judgment creditor shall be informed about the time and place of taking inventory, if he requested so.

Absence of parties shall not prevent the inventory to take place.

A party not attending the inventory shall be informed about the taken inventory.

Assets subject to Taking of Inventory Article 84

Inventory of the assets in possession of a judgment debtor shall be taken, as well as of his assets in possession of judgment creditor or third persons.

If a third person does not inform a public enforcement officer about his rights on movable asset in possession of judgment debtor that is subject to enforcement and does not prove his rights thereon, it shall be considered that such rights of third person do not exist and that the judgment debtor is the owner of asset in his possession.

Scope of Inventory Article 85

Inventory shall be taken of such a number of assets necessary to satisfy a claim of judgment creditor and enforcement costs.

Inventory shall be primarily taken of assets that a note has not been made regarding the existence of rights that would prevent enforcement and of assets that can be most easily converted into cash.

During the inventory, statements and proofs of parties and third persons about the existence of the right referred to in paragraph 2 of this Article shall be taken into consideration.

Enforcement on another asset and not on the one included in the inventory at the proposal of judgment creditor may be additional levied, if there is a significant disproportion between the value of that asset and the amount of the claim.

Safekeeping of Inventoried Assets Article 86

A public enforcement officer shall decide on the manner of safekeeping or storing inventoried assets.

Judgment creditor may ask for the registration of the acquired security interest on the inventoried asset in accordance with law.

It shall be clearly designated on inventoried assets safe-kept by a judgment debtor that they have been taken into inventory.

Risk of ruin or damage of assets safe-kept by a judgment creditor shall be borne by a judgment creditor, unless ruin or damage is caused by force majeure.

Cash, securities and valuables shall be delivered to a public enforcement officer.

Other assets of greater value shall be delivered to a public enforcement officer, if they are suitable for such a manner of safekeeping.

Prohibition to Dispose of Inventoried Assets Article 87

It shall be prohibited to dispose of inventoried assets.

The prohibition referred to in paragraph 1 of this Article shall be included in a writ of enforcement, as well as a warning to a judgment debtor about criminal law consequences of acting contrary to the prohibition.

Effect of Inventory Article 88

Judgment creditor shall acquire by inventory a security interest on the inventoried assets.

When the inventory is taken for the benefit of several judgment creditors, the seniority order of the security interest acquired by inventory or note in the minutes on inventory shall be determined based on a day when the enforcement petition is received, and if enforcement

petitions are received on the same day, their security interests shall have the same seniority order.

If the enforcement petition is sent by a registered mail, the day of delivering it to a post office shall be considered as a day of receiving it by a public enforcement officer.

Unsuccessful Inventory Article 89

If during the inventory, assets that may be subject to enforcement are not found, a public enforcement officer shall inform thereof a judgment creditor who did not attend the taking of inventory.

A public enforcement officer may, within 30 days from the day of receiving the notification on unsuccessful inventory or from the day of unsuccessful inventory he attended, propose that the inventory is taken again. The public enforcement officer may also take again the inventory without the proposal of the judgment creditor.

If judgment creditor fails to propose for the inventory to be taken again within the deadline referred to in paragraph 2 of this Article or if during the inventory to assets are found that could be subject to enforcement, the enforcement shall be terminated.

Appraisal Article 90

Appraisal of assets may also be done simultaneously with the taking of inventory.

Public enforcement officer shall have the appraisal done by an expert he appoints, and he may also have the appraisal done by obtaining the report on price from relevant authorities and institutions.

Judgment creditor and judgment debtor may determine the value of assets based on mutual agreement.

Minutes of Taken Inventory and Appraisal Article 91

Minutes shall be made of taken inventory and appraisal.

The minutes shall especially include, inter alia, individually inventoried assets with their appraised value and statements of parties and participants in the procedure, as well as statements of third persons regarding the existence of the right preventing the enforcement.

Note instead of Inventory Article 92

If, upon the inventory, enforcement is ordered on inventoried assets for satisfaction of another claim of the same judgment creditor or for satisfaction of claim of another judgment creditor, repeated inventory and appraisal of such assets shall not be taken, but a note shall be made to the minutes including data from the later writ of enforcement.

3. Sale of Assets

Time of Sale Article 93

The sale of inventoried assets shall be carried out after a writ of enforcement becomes final and non-appealable, unless a judgment debtor suggests or accepts at the proposal of judgment creditor that the sale is done in advance, or if those are perishable assets, or if there is a danger from significant reduction of the value of inventoried assets.

At least 15 days must run from the day of taking inventory to the day of sale.

Manner of Sale Article 94

Sale of assets shall be done by verbal public auction or direct agreement.

A public enforcement officer shall determine the manner of sale of assets, taking into consideration that the highest possible conversion into cash of asset is obtained.

The sale through public auction shall be ordered especially in case of assets of greater value, and it may be expected that the assets shall be sold at a price higher than the appraised value.

Judgment creditor and judgment debtor may, during the entire procedure, agree on the sale through direct agreement and conditions of such a sale.

Contract of sale by direct agreement shall be concluded between the buyer on one side and public enforcement officer or person performing commission contract activities, on the other side.

The sale of assets shall be published in mass media outlets at the latest 15 days prior to the day of holding a hearing for public sale.

Judgment creditor and judgment debtor shall be informed on a place, day and hour of the sale.

Sale Price Article 95

Inventoried assets cannot be sold below the appraised value at the first auction or within the deadline that a public enforcement officer has determined for the sale by direct agreement.

Parties and lienors may reach an agreement, by way of statement issued to the minutes before the public enforcement officer carrying out the enforcement procedure, that inventoried assets may also be sold at the first public auction at the price below the appraised value.

If at the first public auction, the price in the amount of the appraised value is not reached, a public enforcement officer shall determine a second public auction, to take place within a

period that cannot be shorter than 15 nor longer than 30 days, at which assets can be sold below the appraised value, but not below one third of that value.

If at the second public auction the price in the amount of the appraised value is not reached, the public enforcement officer shall determine a new auction to take place within a period that cannot be shorter than 15 nor longer than 30 days, at which assets can be sold below the appraised value, without limitations, with a prior consent of the judgment creditor.

If there was no sale at the repeated auction, the public enforcement officer shall invite judgment creditor to forthwith and no later than within five days, state whether he proposes a sale by direct agreement.

If direct agreement is started after three fails public actions, the sale price shall be subject to agreement between parties to the contract on sale and no consent shall be requested thereto from the judgment debtor.

Obligations and Rights of the Buyer

Article 96

Buyer shall be obliged to pay the price and take over the assets immediately after the completion of public auction or sale by direct agreement.

Public enforcement officer may deliver the assets to the buyer also in case when he did not pay the price, if a judgment creditor accepts it, at his own risk, within the amount he would get from the reached price.

By taking over the assets, the buyer shall become their owner.

4. Satisfaction

Satisfaction of Judgment Creditor in case of a Single Judgment Creditor

Article 97

If only one judgment creditor is to be satisfied from the proceeds of the sale, a public enforcement officer shall order, in the form of a conclusion, without holding a hearing, the satisfaction using the proceeds from the sale and seized money in the following order: enforcement procedure costs, costs determined in enforceable document, interest up to the day of sale of assets and principle claim.

The amount of the sale price remaining after the satisfaction referred to in paragraph 1 of this Article shall be given to a judgment debtor, if there are no obstacles to that effect.

Satisfaction of Judgment Creditor in case of Several Judgment Creditors

Article 98

Several judgment creditors shall be satisfied in the order they acquired security interest, unless seniority right for satisfaction of certain claims are prescribed by law.

Judgment creditors of the same class, who cannot be fully satisfied, shall be satisfied commensurate with the amounts of their claims.

Enforcement procedure costs, costs based on enforceable document, and interest shall have the same seniority order as the principal claim.

When adopting the conclusion on satisfaction, a public enforcement officer shall take into consideration only those claims for which a writ of enforcement has become final and non-appealable until the day of selling the inventoried assets.

The amount of the sale price remaining after the satisfaction shall be given to a judgment debtor, if there are no obstacles to that effect.

Termination and Deletion of Registered Pledge Article 99

After the payment of sale price, the buyer referred to in Article 96 of this Law may request the deletion of a security interest on the basis of a conclusion determining that the sale price has been paid.

Satisfaction by Awarding an Asset to Judgment Creditor Article 100

If it was not possible to sell an asset at the second hearing for public auction or by direct agreement within the deadline determined by a public enforcement officer, a public enforcement officer shall award, at the proposal of judgment creditor, the asset to a judgment creditor.

It shall be considered in case referred to in paragraph 1 of this Article that a judgment creditor is satisfied in the amount corresponding to the amount of appraised value of the asset.

Application of Provisions on Enforcement on Immovables Article 101

Provisions Articles 177, 190, 191, and 197 of this Law shall apply on enforcement on movables for the purpose of satisfying monetary claim.

XII ENFORCEMENT AGAINST MONETARY CLAIMS OF A JUDGMENT DEBTOR

1. Exemption from Enforcement and Enforcement Restrictions

Exemption from Enforcement Article 102

The following shall be exempted from enforcement:

- 1) Proceeds on the account of legal subsistence, damage compensation resulting from impaired or diminished health or loss of work ability and due to loss of subsistence resulting from a death of subsistence provider;
 - 2) Proceeds on the account of benefits due to bodily impairments in accordance with disability insurance regulations;
-

-
- 3) Proceeds on the account of welfare assistance;
 - 4) Proceeds on the account of temporary unemployment;
 - 5) Proceeds on the account of child allowance;
 - 6) Proceeds on the account of scholarships and assistance to pupils and students;
 - 7) Compensation for work of a convicted person serving a sentence of imprisonment, except for claims on the account of legal subsistence, as well as claims resulting from damage compensation caused by crimes committed by a convicted person;
 - 8) Other claims where law prohibits the transfer thereof.

Enforcement Restrictions Article 103

Enforcement against wages and pensions, as well as wage replacement compensation may be ordered and levied up to the amount corresponding to one-half of such earnings.

Enforcement may be levied against the minimum wage that judgment debtor receives in accordance with law up to the amount corresponding to one-third of such wage.

Enforcement against earnings of disabled wartime and peacetime veterans resulting from disability benefits, orthopaedic device allowances and disability allowances may be levied only for claims arising from legal subsistence, compensation for damages resulting from impaired or diminished health or loss of work ability and due to loss of subsistence resulting from a death of subsistence provider, up to the amount corresponding to one-half of such earnings.

Enforcement against earnings arising from monetary annuity income, lifelong annuity income, lifelong sustenance contract, as well as earnings resulting from life insurance contracts, may be levied only on such part that does not exceed the amount of the highest financial support paid on the territory where the judgment debtor has habitual residence.

2. Enforcement Actions

Levying Enforcement Article 104

Enforcement against monetary claims shall be levied by way of moratorium on and transfer of claims, unless otherwise stipulated for specific cases under this Law.

The petition may request that only a moratorium on monetary claims is ordered.

In the case referred to in paragraph 2 of this Article, a judgment creditor may file a petition for transfer of claims, within 15 days following the day being serviced the moratorium ruling on monetary claim (hereinafter referred to as the moratorium ruling) or following the day when notice on statement of debtor of the judgment debtor is serviced to him.

If the judgment creditor fails to submit such petition referred to in paragraph 3 of this Article, the enforcement shall be terminated.

Scope of Enforcement Article 105

Moratorium on and transfer of monetary claims may be ordered and levied only for the amount required to satisfy claim of the judgment creditor, unless indivisible claim is in question.

If several judgment creditors request enforcement against the same divisible claim, the moratorium on and transfer of shall be ordered in corresponding amounts, for the benefit of each judgment creditor separately.

3. Moratorium on Claims

Effect Article 106

The moratorium ruling shall prohibit to a debtor of the judgment debtor to satisfy the claim for which the moratorium is ordered to the judgment debtor, while the judgment debtor shall be prohibited to collect such claim or otherwise dispose thereof.

The moratorium on claim shall also cover disposal over pledge contracted for claim under moratorium.

It shall be deemed that the moratorium on claim is levied on the day of service of process of the moratorium ruling to the debtor of the judgment debtor.

The judgment creditor shall acquire a right of pledge on the claim of the judgment debtor by way of moratorium on claim, if such claim is under moratorium upon his petition.

The debtor of the judgment debtor shall have no right to lodge a complaint against the moratorium ruling.

Right of Pledge on Interest Article 107

Right of pledge acquired on claim having an incurring interest shall also apply to interests due after the moratorium.

Seniority Order of Security Interests Article 108

Seniority order of security interests of several judgment creditors shall be established according to the day of receipt of an enforcement petition.

If the enforcement petition is dispatched via postal service by registered mail, the day of delivery to the postal service shall be considered as the day of delivery to a public enforcement officer.

If the public enforcement officer receives petitions for enforcement of several judgment debtors on the same day, their respective pledge rights shall be ranked *pari passu* in terms of seniority.

In the case referred to in paragraph 3 of this Article, the claims shall be satisfied proportionately, if cannot be satisfied in full.

If levying the enforcement against monetary claims results in pledge and other rights acquired before the opening of the proceedings cease to have effect, the seniority in satisfying such rights shall be established in line with regulations governing ranking of seniority outside of the enforcement proceeding.

**Statement of Debtor of the Judgment Debtor
Article 109**

A public enforcement officer shall, upon a proposal of a judgment creditor, order to a debtor of the judgment debtor to make statement, within such deadline as established by the public enforcement officer, on whether accepts and what amount of claim under moratorium accepts and whether is willing to settle it, as well as whether his obligation to settle such claim is subject to conditions precedent for some other undertakings.

The judgment creditor may combine the petition for statement of the debtor of the judgment debtor with the enforcement petition or provide it under separate motion following such petition but no later than before the transfer is executed.

The statement of the debtor of the judgment debtor shall be serviced to the judgment creditor forthwith.

**Liability of a Debtor of the Judgment Debtor
Article 110**

Debtor of the judgment debtor shall be liable to a judgment creditor for damage caused by failure to make statement or for making false or incomplete statement. Public enforcement officer shall forewarn the debtor of the judgment debtor of such his liability.

**Moratorium on Claims Secured by Security Interest Registered in Public Records
Article 111**

Moratorium on claims secured by security interests registered in public records shall be levied by way of registration of the moratorium in such public records.

Registration shall be performed *ex officio*, along with note that the moratorium, used to establish the security interest on the claim, is ordered to satisfy claims of the judgment creditor.

If there are several judgment creditors, the seniority of their claims shall be established according to the registration time.

4. Transfer of Claims

**Types of Transfers
Article 112**

Claims under moratorium shall be transferred to the judgment creditor upon his petition for collection or instead of payment.

If the judgment creditor fails to define explicitly the type of transfer of claim referred to in paragraph 1 of this Article, it shall be deemed as the petition is made for collection.

Conclusion on Transfer Article 13

Upon a proposal of the judgment creditor, the public enforcement officer shall make a conclusion on transfer of claims to the judgment creditor.

The conclusion on transfer shall invite the debtor of the judgment debtor to deposit the amount of the debt with the public enforcement officer by way of payment to a designated account and to notify the public enforcement officer thereof.

If the judgment creditor proposes for the debtor of the judgment debtor to make statement on the claims against which the enforcement is proposed, the public enforcement officer shall make a conclusion on the petition for transfer upon expiry of the five-day period following the day when the notification on statement of the debtor of the judgment debtor is serviced to the judgment creditor.

Special Conditions for Transfer of Claims Partially Exempt from Enforcement Article 114

The claim partially exempt from enforcement or already under moratorium for the benefit of other persons shall be transferred after the judgment creditor deposits surety that will transfer the part exempt from enforcement to the public enforcement officer.

Special Conditions for Transfer of Divisible Claims Article 115

Transfer of monetary claim may be ordered and levied only in such amount required to satisfy the claim of the judgment creditor.

If several judgment creditors are requesting at the same time the enforcement against the same divisible claim, the transfer shall be ordered in appropriate amounts and for the benefit of each judgment creditor separately.

Undertakings of the Judgment Debtor and Judgment Creditor Article 116

Judgment debtor shall be obliged to, upon request of the judgment creditor to whom the claim is transferred, provide explanations required by the judgment creditor in order to realize claims, within the deadline stipulated by the public enforcement officer, and to transfer documents relative to the claim through the public enforcement officer.

The judgment creditor, to whom a part of the claim is transferred, shall be obliged to, if so requested by the judgment creditor, deposit surety within the deadline set forth by the public enforcement officer in order to guarantee that upon the execution of claim will return documents relating to such claim.

The public enforcement officer shall, upon a proposal of the judgment creditor, levy enforcement against the judgment debtor aimed at delivery of documents, if he fails to do so directly.

The judgment creditor may request the delivery of documents held by a third party refusing or avoiding to deliver them by way of a court claim, if a judgment debtor would have been entitled to do so.

The public enforcement officer shall enter a registration note, that the transfer of claim executed is subject of the enforcement, in the document being delivered to the judgment creditor.

Depositing Claims Article 117

The debtor of the judgment debtor served the writ of enforcement or conclusion on transfer of claim shall meet his obligations by depositing money with the public enforcement officer levying the enforcement.

If another person, in addition to the judgment creditor, also acquires some rights concerning the transferred claim, the debtor of the judgment debtor may deposit with the public enforcement officer the entire amount of such claim or only due amount on behalf of such persons.

In the case referred to in paragraph 2 of this Article, the judgment creditor may invite the debtor of the judgment debtor through the public enforcement officer to deposit the amount of transferred claim with such public enforcement officer.

5. Transfer for Collection purposes

Authorisations of the Judgment Creditor Article 118

The judgment creditor shall be authorised by way of the transfer of claims for collection purposes to request from the debtor of the judgment debtor the payment of the amount stated in the conclusion on transfer, if such amount is due, to carry out all actions necessary in order to protect and levy transferred claim and to use rights related to the pledge issued as a security for such claim.

The judgment creditor shall not be authorised by way of the transfer of claim for collection purposes to conclude a settlement against the judgment debtor, to write-off debt of the judgment debtor or to otherwise dispose with transferred claim, or to enter into a contract with the debtor of the judgment debtor stipulating that a selected court is to make a ruling concerning the claim, if such claim is disputed.

The debtor of the judgment debtor may lodge a complaint with the judgment creditor to whom the claim is transferred for collection purposes that would otherwise be able to be lodged with the judgment debtor.

Ceding of transferred claim by the judgment debtor after the transfer is executed shall have legal effect over rights acquired by the judgment creditor by way of transfer.

Once the claim is transferred to the account of the judgment creditor, the public enforcement officer shall be immediately obliged to transfer funds as they become due to the judgment creditor.

**Transfer for Collection of Claim Registered in the Public Records
Article 119**

Transfer for collection of claim registered in the public records shall be registered *ex officio*.

**Conditionality on the Obligation of the Judgment Debtor by Hand over of Property
Article 120**

If the obligation of the debtor of the judgment debtor to pay the claim is conditioned by the obligation of the judgment debtor to hand over a certain property that is in the possession of the judgment debtor, and such obligation is established by a final and non-appealable judgment, the public enforcement officer shall, upon a proposal of the judgment creditor to whom the claim is transferred for collection, decide that the judgment debtor shall hand over such property to the public enforcement officer in order for it to be handed over to the debtor of the judgment debtor.

Upon a proposal of the judgment creditor, the public enforcement officer shall levy enforcement against the judgment debtor, who failed to hand over the property within the specified deadline, aimed at handing over of such property.

**Notice to the Judgment Debtor concerning the Court Claim for Collection of the
Transferred Claim
Article 121**

The judgment creditor who lodged a court claim for collection of the transferred claim shall be obliged to notify forthwith the judgment debtor on the initiated legal proceedings, who would otherwise be liable to the judgment creditor for damages caused by failure to do so.

**Late Collection of the Transferred Claim
Article 122**

The judgment creditor that fails to take proper care over the collection of the transferred claim shall be liable for damages made thereby to another judgment creditor whose claim is the reason for claim of the judgment debtor being under moratorium or is liable for damages to the judgment debtor.

In the case referred to in paragraph 1 of this Article, the public enforcement officer may, upon a proposal of another judgment creditor, cancel the conclusion on transfer of claims to a defaulted judgment creditor and transfer claim to another judgment creditor.

**Satisfaction of the Judgment Creditor
Article 123**

Judgment creditor to whom the claim is transferred for collection purposes shall be satisfied for the amount corresponding to such collected claim.

Collection of the Amount through the Claim of the Judgment Creditor
Article 124

The judgment creditor who collected more from the transferred claim than his claim amounts to, shall be obliged to deposit such excess collected amount with the public enforcement officer.

The public enforcement officer shall hand over such excess collected amount to other lienors and judgment debtor, if they are entitled to receive them.

The public enforcement officer shall return deposited surety to the judgment creditor who deposited the excess collected amount

Transfer instead of a Payment
Article 125

Claim under moratorium shall be transferred instead of a payment to the judgment creditor up to the transferred amount, having the effect of ceding of claims with compensation.

If the transferred claim is secured by a security interest registered in public records, the public enforcement officer shall, *ex officio*, transfer right of the judgment debtor to the judgment creditor, and delete the security interest registered for the benefit of the judgment debtor.

The judgment creditor to whom the claim was transferred instead of the payment shall be considered as satisfied by way of such transfer, commensurate to the amount of such claim.

Provision of paragraph 3 of this Article shall be without prejudice to rules on liability of the judgment debtor for authenticity and collectability of transferred claim.

6. Special Provisions on Enforcement against Wages and Other
Constant Monetary Earnings

Writ of Enforcement against Wages
Article 126

The writ of enforcement against a wage shall levy the moratorium on certain part of the wage and shall order to a: state authority, legal entity or another employer paying the wage to a judgment debtor (hereinafter referred to as the employer) to pay or pay in future to the judgment creditor the monetary amount corresponding to the ordered enforcement.

The employer shall be obliged to pay the amount ordered under the enforcement to the account of the public enforcement officer, who in turn shall be obliged to transfer such funds within one day to the account of the judgment creditor.

For the purpose of this Law, the wage shall consist of all labour-based earnings of the employee.

**Wage Increase
Article 127**

The writ of enforcement against wage shall also refer to a wage increase occurring after the serving of the writ of enforcement.

**Subsistence Right of Several Persons
Article 128**

If the right for statutory subsistence or the right to annuity income for loss of subsistence resulting from death of the subsistence provider over the same judgment debtor lays with several persons, and if the total amount of their claims exceeds the part of the wage that could be the subject to enforcement, the enforcement shall be ordered and levied for the benefit of each such judgment creditor commensurate to the level of their claims.

If after the commenced levying of the enforcement against the wage or other constant monetary earning a new petition for enforcement against claims referred to in paragraph 1 of this Article is lodged, the public enforcement officer shall amend previously issued writ of enforcement within the meaning of paragraph 1 of this Article and shall determine the amount to be paid in future to individual judgment creditors.

In the case referred to in paragraph 2 of this Article, the writ of enforcement shall be also serviced to the earlier judgment creditor, who may lodge a complaint against such writ.

**Place of Payment
Article 129**

The judgment creditor or public enforcement officer may collect claims for which cashless payment is not stipulated directly at the cashier's desk where the wage of the judgment debtor is paid.

The judgment creditor shall be entitled to request the withheld amount to be paid via postal service, at the stated address, after deduction of postal service fees.

**Change of the Employer
Article 130**

When the employment of the judgment debtor is terminated, the writ of enforcement against the wage shall also have effect with another employer with whom the judgment debtor afterwards enters into employment and so from the day of the service of process to such employer of the writ of enforcement against the wage.

The former employer of the judgment debtor shall be obliged to deliver forthwith, via registered mail, the writ of enforcement against the wage to the employer with whom the judgment debtor entered into employment and shall notify thereof the public enforcement officer levying the writ of enforcement.

If the former employer of the judgment debtor is not aware of the new employer of the judgment debtor, he shall inform forthwith the public enforcement officer, and the public enforcement officer shall notify thereof the judgment creditor.

Liability for Failure to Withhold and Payout Due Instalments
Article 131

The public enforcement officer shall, upon a proposal of the judgment creditor, order by way of a ruling to the employer to satisfy all instalments that failed to withhold and payout against the wage under the writ of enforcement.

The judgment creditor may lodge the proposal referred to in paragraph 1 of this Article until the enforcement proceedings are finalised

The employer who failed to act in accordance with the writ of enforcement against the wage or failed to act in accordance with the Article 130 of this Law shall also be liable for damages incurred by the judgment creditor.

Moratorium upon a Consent of the Judgment Debtor
Article 132

Moratorium levied on the wage of the judgment debtor upon his consent (hereinafter referred to as the garnishment) shall have a legal effect of a writ of enforcement against a wage only if issued before the adoption of the writ of enforcement.

Notwithstanding provisions of paragraph 1 of this Article, the garnishment shall have no effect on levying of the enforcement against the wage in order to satisfy claims resulting from the legal subsistence, damage compensation resulting from impaired or diminished health, or loss of work ability or due to loss of subsistence resulting from death of the subsistence provider.

Enforcement on Other Constant Earnings
Article 133

Provisions of Articles from 136 to 132 of this Law shall apply accordingly to enforcement against earnings resulting from social insurance and other constant monetary earnings.

Application of Provisions
Article 134

Provisions of Articles from 102 to 125 of this Law shall apply on the enforcement against wages, earnings from social insurance and other constant monetary earnings, unless otherwise stipulated by provisions of this sub-chapter.

7. Enforcement for Collection against Savings Deposit and Current Account

Enforcement for Collection against Savings Deposit
Article 135

Enforcement levied for collection of claims against savings deposit shall be made by way of moratorium and payment.

Judgment creditor who makes the enforcement petition for collection against savings deposit with a bank or financial organisation shall be obliged to state data on the savings deposit, as well as the account number and name of the bank or financial organisation where the judgment debtor holds the savings deposit.

If the judgment creditor fails to submit required data referred to in paragraph 2 of this Article, the public enforcement officer may request data from the bank or financial organisation holding the savings deposit, which must be stated by the judgment creditor in his petition.

The bank or financial organisation referred to in paragraph 3 of this Article shall be obliged forthwith to provide requested data to the public enforcement officer and must not notify the judgment debtor that such data is being requested.

It shall be deemed that the moratorium is executed on the day and hour of the service of process of the moratorium ruling to the bank or financial organisation holding the savings deposit.

The public enforcement officer shall service the moratorium ruling against the savings deposit to the judgment debtor only following the notification from the bank or financial organisation holding his savings deposit to the public enforcement officer that the moratorium was executed.

The satisfaction of the judgment creditor shall be executed in accordance with Articles from 104 to 125 of this Law.

Enforcement against Current Account Funds of the Judgment Debtor Article 136

Provisions of Article 135 of this Law shall apply accordingly to enforcement against funds on a current or other account of the judgment debtor.

8. Enforcement against Shares

Enforcement Actions Article 137

Enforcement against shares and holdings in a business organisation shall be levied by way of registration and acquisition of security interest in form of seizure, appraisal, sale and satisfaction of the judgement creditor.

Enforcement against Shares Article 138

The seizure of securities subject to enforcement shall be executed by way of adoption of a writ of enforcement against securities.

The writ shall be delivered to the judgment creditor, judgment debtor and the Central Depository Agency.

The judgment creditor shall acquire security interest over a seized security as of the time of registration.

The Central Depository Agency shall, upon receipt of the ruling on seizure or upon request of the judgment creditor, forthwith register the security interest on securities. Third parties cannot act in good faith from the moment of registration concerning the existence of the security interest of the judgment creditor.

Sale and Appraisal of Shares Article 139

A public enforcement officer shall establish the value of shares.

If share is listed on the stock exchange, its value shall be established as the average price of share on the stock exchange over the last 30 days, based on the stock-exchange report.

If share is not listed at the stock exchange or the value cannot be established in the manner referred to in paragraph 2 of this Article, the public enforcement officer may engage an expert person to appraise the value.

If shares are traded on the stock exchange those shall be converted into cash on the stock exchange. Shares listed on the stock exchange shall be sold through an authorised securities market participant as determined by the judgment creditor or public enforcement officer.

Shares can also be sold in another manner envisaged by law governing trade in shares.

Provisions of Articles from 90 to 101 of this Law shall apply to appraisal and sale of share, as well to satisfaction of the judgment creditor from realised price.

9. Enforcement against Other Securities

Enforcement Actions Article 140

Enforcement against other securities shall be levied by way of seizure of claims from securities and by transfer.

Seizure of Claims Article 141

Seizure of claim based on a security being transferred by endorsement or where such security is required for its realisation, shall be levied in such manner where public enforcement officer seizes such security from the judgment debtor.

The public enforcement officer shall carry out legal actions required for safeguarding or exercising rights arising from securities referred to in paragraph 1 of this Article on behalf of the judgment debtor.

Transfer of Claims Article 142

The transfer of claim based on a security being transferred by endorsement or where is required for such security to be submitted in order to be executed, shall be levied once the public enforcement officer places a transfer notice on such security and hands over the security covered by such notice to the judgment creditor.

Claims based on the security being transferred by endorsement or where is required that such security is provided for its realisation, or which cannot be divided for the purpose of being transferred or levied for other reasons, may be transferred only in their full amount.

If the amount referred to in paragraph 2 of this Article exceeds the level of the judgment creditor's claim, the claim under moratorium shall be transferred after judgment creditor deposits a surety that such excess amount will be transferred to the public enforcement officer.

If several judgment creditors lodged a petition for transfer of claim in different days, the public enforcement officer shall transfer the claim to the judgment creditor who lodged the petition first and if several judgment creditors lodged the petition on the same day, the claim will be transferred to the judgment creditor having the highest claim.

Provisions of Articles from 118 to 125 of this Law shall apply to transfer of claims arising from securities.

10. Enforcement against Holdings in a Business Organisation

Acquisition of Security Interest and Seizure

Article 143

The writ of enforcement against holdings in a business organisation organised as a limited liability company, general partnership or limited partnership shall be serviced to the judgment creditor, judgment debtor and the registry registering business entities, other legal entities and security interests on movable assets.

The judgment creditor shall acquire a security interest against holding referred to in paragraph 1 of this Article being subject to enforcement by way of registration of the writ of enforcement.

Seizure of holding shall take place simultaneously with the registration referred to in paragraph 2 of this Article.

The ruling on seizure shall be serviced to the business organisation referred to in paragraph 1 of this Article being subject to the seizure of holding.

The judgment debtor cannot dispose with seized holding in a business organisation from the moment of registration.

Appraisal and Sale

Article 144

Appraisal and sale of holding in a business organisation referred to in Article 143 of this Law shall be carried out by applying accordingly provisions of Articles from 90 to 101 of this Law.

In case of sale of a holding in a limited liability company, the public enforcement officer shall also inform members of the company in advance on sale of the holding, containing also an invitation to make statement within 15 days following the receipt of the notice whether they are interested to buy the holding.

XIII ENFORCEMENT AGAINST CLAIM FOR HANDING OVER OF MOVABLE ASSETS OR IMMOVABLE PROPERTY

General Rules

Manner of Levying Enforcement Article 145

The enforcement against a claim of the judgment debtor concerning the handing over the movable asset or immovable property shall be levied by moratorium on such claim, by its transfer to the judgment creditor and sale of asset.

The Effect of Transfer Article 146

The transfer of claim under moratorium of the judgment debtor shall have effect of the transfer of monetary claim of the judgment debtor for collection.

Unmatured Claim of the Judgment Debtor and Court Claim against the Debtor of the Judgment Debtor Article 147

If the claim of the judgment debtor is not matured yet, the public enforcement officer shall order assets to be handed over upon maturity.

Against the debtor of the judgment debtor not willing to hand over the assets to the public enforcement officer, the judgment creditor may, after adoption of the conclusion on transfer of claim, request the handing over by way of a court claim in case it does not have enforceable document concerning the handing over obligation.

Application of Provisions on Enforcement against Monetary Claim Article 148

Provisions of Articles from 104 to 144 of this Law shall apply accordingly to the enforcement against claim requesting handing over of movable asset or immovable property, unless otherwise stipulated by provisions under this Title.

Movable Assets

Handing over Assets for Safekeeping Article 149

Conclusion determining the transfer of claim of the judgment debtor shall order to the debtor of the judgment debtor to hand over a movable asset, subject of the claim, to the public enforcement officer or another person for safekeeping.

Provisions of Article 86 of this Law shall apply accordingly to proceedings concerning assets referred to in paragraph 1 of this Article.

Sale of Assets and Satisfaction of the Judgment Creditor Article 150

Sale of movable assets, handed over to the public enforcement officer or other person referred to in Article 149, paragraph 1 of this Law, as well as satisfaction of the judgment creditor shall be executed in accordance with provisions of Articles from 93 to 101 of this Law.

Immovable Property

Handing over to the Judgment Creditor Article 151

Conclusion stipulating transfer of claim of the judgment debtor shall order to the debtor of the judgment debtor to hand over the immovable property being subject of such claim to the judgment creditor.

Judgment creditor shall be obliged to manage the immovable property with due care and diligence of a prudent businessperson, on behalf and for the account of the judgment debtor, and report to the public enforcement officer, upon his request, about the management.

Sale Article 152

Judgment creditor may, for satisfying his claim, to propose the sale of the immovable property within the deadline that cannot exceed 30 days following the day of handing over of such immovable property.

If the judgment creditor fails to propose timely sale, the enforcement shall be terminated.

Application of Provisions on Enforcement against Immovable Property Article 153

Sale of the immovable property, as well as satisfaction of the judgment creditor, shall be carried out in accordance with Articles from 154 to 200 of this Law.

XIV ENFORCEMENT AGAINST IMMOVABLE PROPERTY

General Rules

Enforcement Actions Article 154

Enforcement against immovable property shall be levied by registration of the writ of enforcement in the immovable property cadastre, determining the value of immovable property, sale of immovable property, and satisfaction of judgment creditors from sale proceeds.

Evidence of Ownership of the Judgment Debtor Article 155

Along with the petition for enforcement against immovable property, the judgment creditor needs to submit an excerpt from the immovable property cadastre as the evidence of immovable property being registered as the ownership of the judgment debtor.

If the right on the immovable property referred to in paragraph 1 of this Article is registered in the immovable property cadastre to another person other than the judgment debtor, the judgment creditor shall be obliged to submit such document suitable for the registration of the ownership right of the judgment debtor.

Public enforcement officer may also obtain documents referred to in paragraphs 1 and 2 of this Article, upon a request of the judgment creditor.

In the case referred to in paragraph 2 of this Article the registration shall be performed by the administration competent for registration in the immovable property cadastre, upon a request of the public enforcement officer.

Immovable Property Co-owned by the Judgment Debtor Article 156

The enforcement shall be ordered on the ideal part of the immovable property being co-owned by the judgment debtor.

With the consent of the all co-owners, except of the judgment debtor, the enforcement may be ordered by sale of the entire co-owned immovable property to a third party or one of the co-owners.

In the case referred to in paragraph 2 of this Article, other co-owners shall be satisfied from the proceeds from sale of immovable property before judgment creditor is satisfied and before enforcement proceedings costs are covered, commensurate to the value of relevant co-ownership holding.

This sale of immovable property shall be without prejudice to the pre-emption right of co-owners.

Ordering Enforcement by Other Means or against Other Immovable Property
Article 157

Public enforcement officer may order that the enforcement is levied on another immovable property other than the one being proposed by the judgment creditor for enforcement or by another means of enforcement if there is a significant disproportion between the value of the immovable property and amount of claim, while the other immovable property or means of enforcement is sufficient to realise the claim.

If another means of enforcement is ordered, the registration of the writ of enforcement against the immovable property shall remain effective until the judgment creditor satisfies the claim.

Registration of the Writ of Enforcement
Article 158

Writ of enforcement shall be registered in the immovable property cadastre or another adequate registration envisaged by regulations governing registration of rights over immovable property in the immovable property cadastre.

The judgment creditor shall acquire right by way of registration referred to in paragraph 1 of this Article to satisfy his claim from the immovable property, even in the case that a third party acquires ownership right over the same immovable property later on.

The judgment creditor, who did not obtain earlier a security interest, shall acquire right to be satisfied from the immovable property before persons that acquired later the security interest or right to satisfaction over such immovable property.

Joining the Enforcement
Article 159

After the registration of the writ of enforcement no separate enforcement proceeding may be carried out over the same immovable property for satisfaction of another claim of the same or another judgment creditor.

The judgment creditor having a claim later ordering the enforcement against the same immovable property shall join an already opened enforcement proceedings.

One can join the opened enforcement proceedings until the adoption of a conclusion on award of the immovable property to a buyer in case of direct agreement sale, or until the adoption of the conclusion on transfer of immovable property in case of public auction sale.

Public enforcement officer shall notify the judgment creditor, for whose benefit the registration of the writ of enforcement took place earlier, about joining the enforcement proceedings.

Satisfaction of the Lienor
Article 160

A lienor who did not petition the enforcement shall also be satisfied in the enforcement proceedings against immovable property.

**Termination of the Security Interest
Article 161**

Security interest registered on immovable property shall be discharged as of the day of handing over the immovable property to the buyer.

Buyer of immovable property and judgment lienor may agree for the security interest to remain on the immovable property after handing over of the immovable property, while the buyer shall assume debt of the judgment debtor towards the judgment lienor in such amount that he would be entitled to in the enforcement proceedings.

In case referred to in paragraph 2 of this Article, the sale prices shall be reduced by the amount of assumed debt.

**Easements and Encumbrances
Article 162**

Encumbrances on immovable property shall not be discharged by sale of the immovable property.

Sale of immovable property shall discharge neither personal easements nor encumbrances registered in the immovable property cadastre before rights of judgment lienors and rights for satisfaction of judgment creditors on whose petition the enforcement was ordered. Personal easements may also be discharged upon a request of the judgment creditor, with an appropriate charge.

Other personal easements and encumbrances shall be discharged by sale of the immovable property.

**Lease of Immovable Property
Article 163**

Sale of immovable property shall not terminate the lease of such immovable property if a lease contract is concluded and the immovable property handed over to leasee as possession before adoption of a writ of enforcement.

Buyer shall have the rights and obligations of the lessor.

**Inspecting Immovable Property
Article 164**

Public enforcement officer shall allow to a person intending to purchase the immovable property an appropriate time to inspect immovable property.

**Exemption from Enforcement on Certain Immovable Property
Article 165**

Agricultural land of agricultural procedures having area up to 10 ares cannot be subject of enforcement.

Provisions referred to in paragraph 1 of this Article shall not apply to enforcement for realising monetary claims secured by a contract-based security interest on immovable property (mortgage).

Manner of Establishing Value
Article 166

Public enforcement officer shall initiate the establishment of value of the immovable property upon adoption of the writ of enforcement. Value of the immovable property shall be established at the market price level on the day of appraisal. In the process of establishing the value, the public enforcement officer may request appraisal from an authorised appraiser or findings and opinion of a judicial expert.

Reduction of the Appraised Value
Article 167

When establishing value of the immovable property it should be taken into account if such immovable property is worth less because such immovable property continues to keep certain rights even after the sale.

Establishing Value
Article 168

Value of immovable property shall be established by way of a conclusion.

Sale of Immovable Property

Conclusion on Sale
Article 169

Upon establishment of the value of immovable property, the public enforcement officer shall adopt a conclusion on sale of immovable property that sets forth the manner of and conditions for sale, as well as time and venue for the sale, hours during day when the immovable property is available for inspection, in the case the sale is carried out by way of public auction. The conclusion on sale shall be published in media outlets.

The party may notify, at its own expense, persons engaged in intermediation in sale of immovable property about the conclusion referred to in paragraph 1 of this Article.

The conclusion on sale of immovable property shall be delivered to parties, lienors, participants in the proceedings, and persons having registered statutory pre-emption right.

From the time of publication of the conclusion on sale until the day of sale, no less than 15 days and no more than 30 day may elapse.

Pre-emption Right
Article 170

Person having statutory pre-emption right on immovable property subject of the enforcement by sale shall have priority in respect of the most favourable bidder, provided that at the public auction, immediately after its closing, makes statement on buying the immovable property under same conditions.

Person holding a contractual pre-emption right shall exercise such right under conditions referred to in paragraph 1 of this Article, in case there is no statutory right or the holder of such right failed to use it.

Statement of the Pre-emption Right Holder Article 171

If the immovable property is sold by way of direct agreement, the public enforcement officer shall invite holder of the statutory pre-emption right, holder of contractual pre-emption right registered in the immovable property cadastre and a lienor to make a statement in writing whether they will exercise such right.

Manner of Sale Article 172

Sale of immovable property shall be done by verbal bidding public auction or direct agreement.

Public auction for sale of immovable property shall take place in the office of the public enforcement officer, unless otherwise stipulated by the public enforcement officer.

Judgment creditor and judgment debtor may reach an agreement about the sale by way of direct agreement and on terms of sale during the entire public auction procedure.

Sale Price and Sale Proceedings Article 173

Immovable property cannot be sold at the price below established value at the first sale public auction.

Parties and lienors may reach agreement, by virtue of statement issued for the record to the public enforcement officer handling the enforcement proceedings, that the immovable property can be sold by way of public auction and that the price can be lower than the established value.

If the immovable property is not sold at the first public auction, the public enforcement officer shall schedule a second auction at which such immovable property can be sold below the set value, however not below 50% of such value.

If the immovable property is not sold at the second public auction, the public enforcement officer shall schedule a new public auction at which the immovable property can be sold below the set value, without restrictions, with prior consent of the judgment creditor.

No less than 15 and no more than 30 days must elapse between public auctions.

Provisions of paragraphs 2 and 3 of this Article shall apply also in such instance when immovable property cannot be sold by direct agreement for an established price nor in some later sale auction.

**Terms of Sale
Article 174**

Terms of sale shall contain, *inter alia*, the following data:

- 1) Detailed description of immovable property with appurtenances;
- 2) Statement of third party rights that are not terminated by sale;
- 3) Specification of easements and encumbrances taken over by the buyer;
- 4) Appraised value of the immovable property;
- 5) Deadline for the buyer to deposit the price;
- 6) Manner of sale, amount of surety, period within which the surety must be issued, and where and how should be deposited.

Date, place and terms of sale shall be published in media outlets, upon proposal of the judgment creditor or judgment debtor, at the expense of the proposing party.

**Depositing Surety
Article 175**

Only persons that deposited surety in advance may participate at the public auction.

Surety referred to in paragraph 1 of this Article shall amount to one tenth of the established value of the immovable property.

Judgment creditor and judgment lienor shall be exempt from depositing surety if their claims are equal to the amount of the surety and if such amount could be satisfied from the purchase price, taking into account their seniority and established value of the immovable property.

Bidders whose bids were not accepted shall have their sureties refunded immediately upon closing of the public auction, except for the second and third bidder.

In case of sale by direct agreement, the buyer shall deposit the surety with a person with whom entered into contract and so immediately before executing the contract.

**One Bidder
Article 176**

Public auction for sale of immovable property shall take place even when only one bidder is present.

Public enforcement officer may decide, upon proposal of parties or lienor and depending on circumstances, to postpone the public auction for sale if only one bidder is present, for not more than 15 days.

**Who cannot be a Buyer
Article 177**

Buyer cannot be, neither in case of public auction nor in case of direct agreement, a judgment debtor, judge, public enforcement officer and person employed with the public enforcement officer or another person taking official part in the sale procedure, nor their blood relative in direct line up to any degree, and in collateral line up to the fourth degree, a spouse or relative in-law up to the second degree, guardian, adoptee or adoptive parent, and person who, in accordance with law, cannot acquire immovable property subject to enforcement

Public Auction and Awarding of Immovable Property Article 178

Public auction for sale shall commence after conditions for public sale are met.

Public auction shall initiate by announcement of the initial price. If at least one of the participants accepts the announced price, the following higher price shall be announced. This procedure shall be repeated until the last offered price remains unaccepted.

Public auction shall be closed immediately after presentation of the most favourable price.

Once the public auction is closed and possible pre-emption rights expressed, the public enforcement officer shall announce the bidder that offered the highest price and shall award the immovable property to such bidder.

Public enforcement officer shall adopt a conclusion on awarding the immovable property sold in the public auction that is to be delivered to all persons being serviced with the conclusion on sale of immovable property, as well as to all participants in the auction.

Minutes shall be kept on the public auction for sale of immovable property.

Award in Case of Sale by a Direct Agreement Article 179

Public enforcement officer shall adopt a conclusion on award of the immovable property sold in a direct agreement, once establishes that conditions for legal validity of sale are met

Conclusion on award of immovable property referred to in paragraph 1 of this Article shall be delivered to all persons being serviced with the conclusion on sale of immovable property, as well as to the buyer.

Depositing Price Article 180

Buyer shall be obliged to deposit a price within the deadline stipulated under a conclusion on sale of immovable property.

If the buyer is a judgment creditor whose claim does not exceed the level of price obtained in the public auction and if, considering his seniority level, could be satisfied from such price, he shall be obliged to deposit only difference between the claim and obtained price on the account of the price.

If bidder who offered the highest bid fails to deposit the price within the envisaged deadline, the public enforcement officer shall declare that the sale to such bidder has no legal effect

and shall invite a second-ranked bidder to purchase the immovable property. If such bidder also fails to deposit offered prices within specified deadline, the public enforcement officer shall apply the same rules to a third-ranked bidder as well.

In the case that all three bidders having highest bid fail to deposit offered price or sale price within the deadline, the public enforcement officer shall act in accordance with Articles 94 and 95 of this Law.

Costs of new sale shall be settled and possible differences between the obtained prices in the first and new sale compensated from the deposited surety of such bidders referred to in paragraph 4 of this Article.

Handing Over Immovable Property to the Buyer Article 181

After depositing the price in case of sale of immovable property by public auction or depositing the price in case of sale of immovable property by direct agreement, the public enforcement officer shall adopt a conclusion that the immovable property is to be handed over to the buyer and that ownership rights are registered in the immovable property cadastre for his benefit.

Conclusion on handing over of the immovable property shall be delivered to all persons being serviced a conclusion on sale of immovable property as well as to the administration authority competent for tax affairs.

A request for remediation of irregularities may be lodged against this conclusion, which is to be decided by a court's ruling, in accordance with Article 65 of this Law.

Complaint against ruling referred to in paragraph 3 of this Article shall not postpone enforcement.

Ruling on merits of the request referred to in paragraph 3 of this Article shall not affect the executed sale; however, it may represent grounds for damage compensation.

Loss of Possession Right on Immovable Property Article 182

Judgment creditor shall lose possession right on immovable property by sale of immovable property and shall be obliged to handover the immovable property to the buyer immediately upon servicing the conclusion on handing over the immovable property, unless otherwise stipulated by law or agreement with the buyer.

Eviction of the Judgment Debtor Article 183

After public enforcement officer adopts a conclusions on handing over immovable property, the public enforcement officer shall order to the judgment debtor by way of a conclusion to evict and hand over the immovable property to the buyer.

Public enforcement officer shall commence execution of eviction in accordance with Articles from 224 to 227 of this Law.

Eviction of Other Persons
Article 184

After adoption of the conclusion on handing over the immovable property, the public enforcement officer shall order eviction and handing over of immovable property to other persons located in the immovable property, except in cases referred to in Articles 162 and 163 of this Law.

The public enforcement officer shall commence the execution of eviction in accordance Articles from 224 to 227 of this Law.

3. Satisfaction of Judgment Creditors

Commencing the Satisfaction
Article 185

Public enforcement officer shall commence satisfaction immediately upon executed sale of immovable property or upon receipt of the sale price.

Persons being Satisfied and Proportionate Satisfaction
Article 186

Judgment creditors, who submitted the petition for levied enforcement, judgment lienors even when they have not declared their claims and persons having compensation rights for personal easements shall be satisfied from the sale price of immovable property.

Excess of sale price representing residue of satisfaction of persons referred to in paragraph 1 of this Article shall be handed over to the judgment debtor, if there are no obstacles to that effect.

If the sale price is not sufficient for complete satisfaction, several claims having the same seniority level shall be satisfied in proportion to the level of such claims.

Seniority of Satisfaction
Article 187

The following seniority shall be applied in satisfaction from proceeds obtained by sale of immovable property:

- 1) Enforcement proceedings costs;
- 2) Claims arising from statutory subsistence, if evidenced by an enforceable document and if declared by no later than on the sale public auction.

Seniority of Satisfaction of Other Claims
Article 188

After satisfaction of claims referred to in Article 187 of this Law, the following shall be satisfied in the order as follows:

- 1) Claims secured by a security interest;
-

-
- 2) Claims of compensations for personal easements and encumbrances being discharged by the sale, if created before initiation of the enforcement proceedings;
 - 3) Claims of judgment creditors who submitted the petition for levying the enforcement.

Lienors shall be satisfied in order of registration of the security interest or encumbrance in the immovable property cadastre or other appropriate public records.

Creditors in respect of personal easement shall be satisfied in order of acquisition of easement rights.

Costs and interests for last three years from the adoption of the conclusion on handing over the immovable property to the buyer, set forth by the enforceable document, shall be satisfied in the same order of priority as the principal claims.

Amount of Compensation for Personal Easements and Encumbrances Article 189

If no agreement is reached, on the amount of compensation for personal easements or encumbrances being discharged by sale, between holders of such rights and judgment creditors having lower level of seniority if compared to them, the public enforcement officer shall determine the amount of compensation whereby he/she should take into account, including but not limited to, the duration that such easement or encumbrance should have, their value, and age of the holders of such rights.

Buyer and holder of personal easement or encumbrance rights may reach an agreement for the buyer to take over the easement or encumbrance and that the compensation amount established in accordance with paragraph 1 of this Article is deducted from the sale price.

Contesting Claims Article 190

Judgment creditor or another person being satisfied from the sale price of immovable property may contest to another person existence of claim, its amount and seniority of satisfaction, if so has impact on his satisfaction.

Contesting of claim, referred to in paragraph 1 of this Article, can be made no later than 15 days following the day of adoption of the conclusion on satisfaction. The judgment creditor shall contest the claim before the competent court, and shall deliver a copy of this request to the public enforcement officer as well.

Instruction to Civil Proceedings Article 191

The court shall instruct a person contesting the claim to initiate civil proceedings within a specified period that cannot exceed 15 days, if the decision depends on contested facts, unless the evidence for contest is based on a final and non-appealable judgment, public document or private document authenticated in accordance with law.

If person contesting the claim provides evidence for such contest by a final and non-appealable judgment, public document or private document authenticated in accordance with law, the court shall rule upon such contest immediately.

If person who contested the claim fails to provide evidence of initiating the civil proceedings within the deadline referred to in paragraph 1 of this Article, it shall be deemed that the claim is not contested.

Provisions referred to in paragraph 3 of this Article shall be without prejudice to rights of persons contesting the claim to initiate civil proceedings against persons whose claims are being contested, or against persons who contested the claim, after the completion of the enforcement proceedings.

Judgment made in a civil proceedings concerning contested claim shall have effect on the judgment debtor and all judgment creditors.

Provision of Security Article 192

Upon a proposal of the person having his claim contested, the public enforcement officer may condition the delay in making a conclusion on satisfaction and satisfaction of claim for such person by provision of security for damages that such person could bear as a result of delaying the satisfaction.

Amount referred to in paragraph 1 of this Article shall be deposited in a special purpose account of the public enforcement officer.

If person who contested the claim fails to provide an appropriate security referred to in paragraph 1 of this Article within the deadline stipulated therefore, it shall be deemed that the claim is not contested.

If the contesting was unjustifiable, person having his claim contested and enduring damage as a result of that shall be entitled to collect the damage from the amount deposited as security.

4. Special Rules for Satisfaction of Specific Claims

Unmatured Claims Article 193

Amount of claim secured by a security interest, but not matured yet, shall be withheld and deposited in the court or with the public enforcement officer and paid according to maturity, unless lienor request for the claim to be paid before maturity.

In the event that lienor requests for the claim to be satisfied before maturity that has a contractual interest, the claim shall be paid with the amount of contracted interest on the day of conversion into cash of the subject of claim.

Claim of a lienor not mature on the day of adoption of the conclusion on satisfaction, and not having a contracted interest, shall be paid as a withholding from the amount corresponding the statutory penalty interest, from the day of adoption of the conclusion on satisfaction until the day of maturity of such claim.

Unmatured claim having a contracted interest shall be paid together with the amount of the contracted interest, accrued only up to the day of adoption of conclusion on satisfaction.

Unmatured Claim arising from Occasional Earnings
Article 194

Claim arising from occasional earnings for compensation of damage incurred as a result of impaired or diminished health or loss of work ability and due to loss of subsistence resulting from a death of subsistence provider, secured by a pledge and having maturity after the day of adoption of the conclusion on satisfaction shall be satisfied upon an explicit request of the judgment creditor.

Claims referred to in paragraph 1 of this Article shall be calculated in accordance with the manner used for calculation of compensations for personal easement or encumbrance referred to in Article 189 of this Law.

Conditioned Claim
Article 195

The amount of claims secured by a pledge right being conditioned, shall be separated and deposited into a special purpose account of the public enforcement officer and paid when suspensive condition occurs or when is certain that resolutive condition will not occur.

If the suspensive condition does not occur or resolutive condition occurs, the amount set aside shall serve for satisfaction of judgment creditors having claims that are not entirely satisfied or not satisfied at all, and in the case that there are no such judgment creditors or the entire amount is not used for their satisfaction, such amount or residue shall be transferred to the judgment debtor.

Pre-registration Note for the Security Interest and Registration Note of Initiating the Dispute
Article 196

If pre-registration note for the security interest is registered in the immovable property cadastre, and a person for whose benefit the pre-registration note is registered proves that the proceeding in course is for its justification, or that the period for initiating such proceeding has not expired yet, the claim referring to the pre-registration note shall be satisfied in the manner used to satisfy claims under suspensive condition.

Claim having a registration note in the immovable property cadastre concerning the initiation of a dispute about the deletion of the security interest or a registration note concerning the initiation of a dispute shall be satisfied in the manner used to satisfy claims under resolutive condition.

Conclusion on Satisfaction of Claim
Article 197

Public enforcement officer shall decide about the satisfaction of judgment creditors and other persons entitled to satisfaction by way of a conclusion on satisfaction, taking into account condition resulting from such writs, immovable property cadastre or other public records.

Only such claims where the writ of enforcement became final and non-appealable by no later than the day of adoption of the conclusion shall be taken into account for adoption of the conclusion referred to in paragraph 1 of this Article.

If there are claims under which the writ of enforcement is not final and non-appealable on the day of adoption of the conclusion referred to in paragraph 1 of this Article, such claims shall be satisfied after the writ of enforcement becomes final and non-appealable from the residue of the sale of immovable property price proceeds, if any, while the residue will be returned to judgment debtor.

Deleting Rights and Encumbrances Article 198

Public enforcement officer shall order the deletion of rights and encumbrances registered in the immovable property cadastre or other public records, by way of conclusion on satisfaction, except those rights and encumbrances that remain on the immovable property even after the handing over of immovable property to the buyer or those taken over by the buyer.

Special Rules for Enforcement on Immovable Property not registered in the Public Records

Enforcement on Immovable Property where there is No Immovable Property Cadastre Article 199

On the territory where cadastral records are not based on the surveying, legal rules applicable on such territory for documents to be submitted with the enforcement petition as evidence of ownership right on immobile property subject to enforcement shall apply accordingly.

If it is not possible, for whatever reason, to obtain evidence on the ownership right in accordance with statutory rules applicable for such territory, the judgment creditor shall be obliged to state the place where the immovable property is located, its name, boundaries and area in the enforcement petition instated of evidence on ownership.

In the case referred to in paragraph 2 of this Article, the public enforcement officers shall take inventory of the immovable property subject to the enforcement petition and invite the judgment creditor, judgment debtor and persons having a bordering immovable property with such immovable property to take part in the inventory.

Minutes of inventory shall have the importance of enforcement registration and shall be published in public information media outlets.

The public enforcement officer shall deliver the copy of the minutes to the administration authority competent for registration in the immovable property cadastre.

Enforcement on Immovable Property not registered in the Immovable Property Cadastre Article 200

If the immovable property is not registered in the immovable property cadastre, the judgment creditor must submit documents along with the enforcement petition that could be used for registration or transfer of such obligation on the public enforcement officer.

Public enforcement officer shall forthwith submit documents referred to in paragraph 1 of this Article to the administration authority competent for registration in the immovable property cadastre and shall suspend the proceedings until such time the registration procedure is not completed.

6. Application of Out-of-Court Sale of Pledged Immovable Property

Article 201

Provisions of this chapter shall apply accordingly to the out-of-court sale of immovable property secured by mortgage, for the purpose of satisfying the claim of the mortgagee, unless otherwise stipulated by the law governing ownership rights.

Mortgagee may authorise a public enforcement officer, lawyer or registered agency for trade in immovable property to effectuate the sale of the immovable property referred to in paragraph 1 of this Article in accordance with law.

XV ENFORCEMENT ON OTHER PROPERTY-BASED RIGHTS

Manner of Levying Enforcement

Article 202

Enforcement on patents, technical improvements, usufructs and other property-based right of the judgment debtor shall be levied by moratorium on disposal of such right, as well as its conversion into cash in accordance with Articles from 81 to 100 of this Law.

XVI SPECIAL PROVISIONS ON ENFORCEMENT ON PROPERTY OF LEGAL ENTITIES AND ENTREPRENEUR FOR COLLECTION OF MONETARY CLAIM

1. Exemption and Restriction

Assets not-traded with

Article 203

Subject to enforcement cannot be assets not traded with, or natural resources and commons in general use.

Means required for the Defence, State and Public Safety

Article 204

Structures, weapons, and equipment used for the defence, state and public safety, or monetary assets provided for such purposes cannot be subject to enforcement.

For the purpose of paragraph 1 of this Article, structures shall mean buildings, underground and aboveground structures with appurtenant infrastructure, installed facilities for production of weapons and military equipment, and other structures used for the needs of defence, state and public safety.

2. Enforcement on the Account of the Judgment Debtor

Scope of Enforcement against a Legal Entity and Entrepreneur Article 205

Enforcement against monetary assets on the account of the legal entity or entrepreneur shall be levied on all monetary assets on his accounts with one or several banks engaged in payment operations in country and engaged in foreign payment operations, except on accounts exempt from enforcement in accordance with law.

If the judgment debtor has funds on a fixed-term deposit with a bank, the bank shall be obliged to transfer such funds on the account of the judgment debtor for enforcement purposes on the day of expiry of a contract on fixed-term deposit or on the day of premature termination of such contract.

Enforcement concerning users of budget shall be levied from the account opened in a manner stipulated by law governing the budget system.

Additional Content of the Enforcement Petition Article 206

Judgment creditor shall be obliged to state in the enforcement petition, among other things, at least one of the following data: name of the bank holding the account of the judgment debtor, unique registration number of the judgment debtor legal entity or unique citizens registration number of the judgment debtor entrepreneur, as well as number of proper account in the country, or the name of intermediary bank containing data required to execute the transfer of funds to his/her account abroad, or the special purpose account of the public enforcement officer.

If Montenegro or local self-government unit are stated as the judgment debtor in the enforcement petition, the judgment creditor shall be obliged also to state the user of budget funds against which the enforcement petition is lodged in addition to the budget account.

Writ of Enforcement Article 207

Writ of enforcement against the monetary assets kept at the account of the judgment debtor shall order to the legal entity for levying the enforced collection (hereinafter referred to as the enforced collection organisation), established in accordance with law, to order to the bank to transfer the monetary assets subject to enforcement from the account of the judgment debtor to the account of the judgment creditor or the special purpose account of the public enforcement officer.

If no action can be taken under the writ of enforcement due to lack of data or inaccurate data, the enforced collection organisation shall forthwith return it to the public enforcement officer stating the reasons of such return.

Recording and Issuing Certificates

Article 208

The enforced collection organisation shall record received writs of enforcement by date and time of receipt, and shall establish the collection sequence.

The enforced collection organisation shall issue a certificate to the judgment creditor, upon his request, about the order of his claim in the records of priorities.

The enforced collection organisation shall issue to the judgment debtor a certificate on total unsettled obligations by judgment creditor and on the number of days the account is blocked of the judgment debtor, as well as an overview of number of executed, partially executed and not executed orders, upon his request.

Levying Enforcement

Article 209

Upon receipt of the writ of enforcement, the enforced collection organisation shall identify banks and accounts of the judgment debtor for carrying out payment operations in country and for carrying out payment operations abroad by: bank name, unique registration number of the judgment debtor or fiscal identification number of the judgment debtor, and shall forthwith order blocking of all those accounts and shall submit data on balance of funds on such accounts.

From the moment of receipt of the order for blocking account of the judgment debtor until actual blocking of such account, as well as during the duration of blocking, the funds on the account of the judgment debtor cannot be used for making transfers, except for executing transfers that are the reason for blocking.

Banks cannot open new accounts for the judgment debtor while the enforcement proceedings against his/her monetary assets are in process.

The bank shall be obliged forthwith to transfer funds, as ordered by the enforced collection organisation, to the public enforcement officer account, or on a separate account of the public enforcement officer and to inform the enforced collection organisation thereof immediately.

The state administration authority competent for financial affairs shall stipulate the detailed manner of levying enforcement on monetary assets kept on the account of the judgment debtor.

The enforced collection organisation shall charge a fee for levying enforcement on monetary assets kept on the account of the judgment debtor, in the amount and manner set forth under a separate regulation, subject to the consent of the Government.

Seniority of Collection

Article 210

After receiving data on the balance of funds on accounts of the judgment debtor, the enforced collection organisation shall order to all banks holding funds of the judgment debtor on accounts for carrying out payment operations in country to make debt collection from such accounts, according to the balance of funds on such accounts, in line with the established order of collection.

If there are no funds or no sufficient funds on accounts for carrying out the payment operations in country of the judgment debtor, the enforced collection organisation shall order to all banks where the judgment debtor holds funds on accounts for carrying out foreign payment operation to execute the debt collection from such accounts, proportionate to the balance of funds on such accounts.

Banks referred to in paragraphs 1 and 2 of this Article shall be obliged to make collection from the account of the judgment debtor immediately.

If there are no funds or funds are insufficient on accounts referred to in paragraphs 1 and 2 of this Article, the enforced collection organisation shall retain the blocking of those accounts until final collection on behalf of the judgment creditor from inflows on any of those accounts.

When the enforcement is levied against the account for carrying out foreign payment operations of the judgment debtor where the judgment debtor had funds in currency other than euro, the bank shall make conversion into euro using the central exchange rate from quotation list of the Central Bank of Montenegro (hereinafter referred to as the Central Bank) on the day of transfer of such funds in favour of the account of the judgment debtor.

Measures against Banks Failing to Act upon Orders Article 211

If a bank fails to submit data on the balance on accounts of the judgment debtor, upon receiving the blocking order and no later by the end of the enforced collection organisation's business day in which the bank received the blocking order, the enforced collection organisation shall order by way of a conclusion to the Central Bank to forthwith prohibit the disposal of funds on clearing account of such bank, kept in the payment system whose operator is the Central Bank, for the amount that corresponds to the total liability of the judgment debtor set forth by the writ of enforcement. The prohibition of disposal over these funds shall last until bank submits to the enforced collection organisation data on the balance of funds on the account of the judgment debtor.

If a bank, upon receipt of the blocking order, submits to the enforced collection organisation data on balance on the account of the judgment debtor but fails to make collection from such account, the enforced collection organisation shall order by way of a conclusion to the Central Bank to immediately prohibit the disposal of funds on such clearing account of that bank, kept in the payment system whose operator is the Central Bank, for the amount that corresponds to the amount that should have been collected from such account of the judgment debtor. The prohibition of disposal over these funds shall last until bank executes the order of the enforced collection organisation.

Delay and Completion of Enforcement Article 212

If the enforcement on monetary assets is delayed, an appropriate amount of funds shall be set aside to maintain the order of collection of claims, except if the delay is ordered at the proposal of the judgment creditor.

Upon completion of the enforcement against account of the judgment debtor, the enforced collection organisation shall order banks de-blocking of the account of the judgment debtor.

Occasional Grants
Article 213

If the writ of enforcement orders to the judgment debtor payment of occasional grants maturing within specific time intervals (monetary annuity income on the account of impaired or diminished health or due to loss of work ability, or resulting from a death of subsistence provider, and like), the enforced collection organisation shall make payment of such grants as they become mature without repeated request.

In the case referred to in paragraph 1 of this Article, the order of collection of all future instalments shall be calculated according to the time of receipt of the writ of enforcement.

The enforced collection organisation shall keep special records on writs of enforcement for collection of future occasional grants.

If at the time of maturity of grants referred to in paragraph 1 of this Article for collection against accounts of the judgment debtor there are no funds or funds are insufficient, provisions of Article 210 of this Law shall apply accordingly.

Suspending the Enforcement
Article 214

The enforced collection organisation, after receiving the writ of enforcement against funds on the account of the judgment debtor, shall suspend the enforcement if the judgment creditor provides evidence that has recalled the enforcement petition before the public enforcement officer or if the public enforcement officer notifies the enforced collection organisation that has decided to levy enforcement against other means of enforcement, until the public enforcement officer does not provide the enforced collection organisation with the conclusion on termination of proceedings or ruling on change of the means of enforcement.

Enforcement against Joint and Several Debtors
Article 215

In levying enforcement against two or more judgment debtors that are jointly and severally liable for obligations under an enforceable document and covered by the same writ of enforcement, the enforced collection organisation shall block all accounts of all joint and several debtors, while the transfer of funds shall take place in accordance with seniority stated for the joint and several debtors in the writ of enforcement, in accordance with Article 210 of this Law, until full satisfaction.

Enforcement from Accounts held with the Central Bank
Article 216

For the purpose of enforcement on monetary assets from the account of the judgment debtor kept with the Central Bank, the enforced collection organisation shall order the Central Bank to block immediately such account and to submit data on the balance of funds on such account.

The enforced collection organisation shall give orders referred to in paragraph 1 of this Article in sequence of receipt of writs of enforcement.

After receiving data on the balance of funds on the account of the judgment debtor, the enforced collection organisation shall order to the Central Bank to make collection of the debt from such account.

**Enforcement for Collection of Claims from the Account for Foreign Payment
Operations
Article 217**

If obligation under the enforceable document is stated in specific foreign currency instead of in euro, the enforcement shall also be ordered, upon a petition of the judgment creditor, on a claim that in such currency judgment debtor has against the bank on the account for foreign payment operations.

The bank shall execute payment of claim in foreign currency in accordance with regulations governing foreign currency operations.

**Exemption of Claims arising from Contributions, Taxes and Customs
Article 218**

Claims of Montenegro, local self-government units, funds and other legal entities established pursuant to law cannot be subject to enforcement, against obligors of contributions, taxes and custom duties.

ENFORCEMENT FOR COLLECTION OF NON-MONETARY CLAIM

XVII UNLIQUIDATED DAMAGES

**Ordering and Levying Payment of Unliquidated Damages
Article 219**

The request of the judgement creditor for the court to bind the judgement debtor of non-monetary obligation established by a final and non-appealable court ruling to pay unliquidated damages in respect of the regulations on obligations shall be decided upon in the enforcement proceedings.

Based on the final and non-appealable ruling on payment of unliquidated damages, upon a proposal of the judgement creditor, the public enforcement officer shall adopt a writ of enforcement.

Payment of unliquidated damages may be claimed during the period before the court ruling is proposed for enforcement.

The judgement creditor shall not be entitled to unliquidated damages as of the day of submission of the enforcement petition.

XVIII HANDING OVER MOVABLE ASSETS

Handing over certain Assets when Assets are Located with the Judgment Debtor or Third Party Article 220

Enforcement for handing over one or more individually determined assets located with the judgment debtor shall be levied in such manner that assets are divested from the judgment debtor and handed over to the judgment creditor along with a certificate.

In line with provisions of paragraph 1 of this Article, the enforcement shall be levied even when assets are located with a third party willing to hand it over.

If the third party is not willing to hand over assets, the judgment creditor may propose to the public enforcement officer to transfer to him a claim of the judgment debtor against third party for handing over assets.

Provisions of Articles from 145 to 148 of this Law concerning enforcement on claims of handing over or delivery of movable assets shall apply to proceedings upon proposal referred to in paragraph 3 of this Article.

Acting when Assets are not Found with the Judgment Debtor or Third Party Article 221

When individually defined assets are not found with the judgment debtor or third party, the public enforcement officer shall, upon a proposal of the judgment creditor for judgment debtor to pay the value of such asset, appraise value of assets and by way of a conclusion order to the judgment debtor to pay the value of such asset within stipulated deadline, under threat of involuntary enforcement.

Judgment creditor may present a proposal referred to in paragraph 1 of this Article within eight days as of the day of notification that assets are not found.

Judgment creditor may request the payment of statutory default interest on the amount of appraised value of assets from the day of appraisal until the day of payment.

If the judgment creditor within the deadline referred to in paragraph 2 of this Article fails to present a proposal for judgment creditor to pay the value of assets, the public enforcement officer shall terminate enforcement.

2. Handing over of Fungible Assets

Handing over of Assets located with the Judgment Debtor or Third Party Article 222

When enforceable document is for delivery of certain quantity of fungible assets located with the judgment debtor or third party, the enforcement shall be levied in a manner stipulated in Article 220 of this Law.

**Acting when Fungible Assets are not found with the Judgment Debtor or Third Party
Article 223**

If fungible assets are not found with the judgment debtor or a third party, the judgment creditor may propose that enforcement is levied so that the public enforcement officer authorises him to procure such assets from another party at the expense of the judgment debtor, within a stipulated period.

The judgment creditor may present the proposal for assets to be procured from another party within eight days as of the day of notification from the judgment creditor that assets are not found.

Public enforcement officer shall, upon a proposal of the judgment creditor, order to the judgment debtor by way of a conclusion to deposit the amount for procurement of assets within the stipulated deadline, and levy enforcement for collection of such amount with statutory default interest from the day of appraisal of asset to the day of depositing the amount with the public enforcement officer.

If the judgment creditor fails to present a proposal for procurement of assets from another party within the deadline stipulated in paragraph 2 of this Article, the public enforcement officer shall terminate the enforcement, unless the judgment creditor presented in a timely manner a proposal that the judgment creditor pays him the value of assets he was suppose to hand over.

XIX EMPTYING AND HANDING OVER IMMOVABLE PROPERTY

**Manner of Levying Enforcement
Article 224**

Enforcement for emptying and handing over immovable property shall be levied so that the public enforcement officer hands over the immovable property to the judgment creditor for possession, after removing persons and assets from such immovable property.

Emptying and handing over immovable property may be initiated after the expiry of eight days following the service of the writ of enforcement to the judgment debtor, except when the writ of enforcement is adopted for enforcement of an interim relief and in such case the levying of enforcement may initiate immediately upon service of the writ.

If the eviction includes minors, the public enforcement officers shall notify the guardianship authority.

The Police Authority shall be obliged to provide all necessary assistance in carrying out actions referred to in paragraph 1 of this Article, upon request of the public enforcement officer.

**Removal of Movable Assets
Article 225**

Movable assets that need to be removed shall be handed over to the judgment debtor and if the judgment debtor is not present to an adult member of his household or his proxy.

If no person that the property could be handed over to is present at the time of executing enforcement actions or such persons do not want to take them, the assets shall be handed over for safekeeping to another person or judgment creditor, at the expense of the judgment debtor, and shall make minutes thereof.

Public enforcement officer shall notify the judgment debtor on handing over the asset to another person and about costs for its safekeeping, leaving him/her an appropriate period to request the return of assets, after compensating costs of safekeeping the assets.

Along with the notification referred to in paragraph 3 of this Article, the public enforcement officer shall warn the judgment debtor that assets will be sold after expiry of specified deadline and that costs of safekeeping and sale of asset shall be satisfied from the sale price.

Sale of Movable Assets Article 226

Public enforcement officer shall determine the sale of assets for the account of the judgment debtor by way of a conclusion, if the judgment debtor fails to request the handing over within the stipulated deadline and fails to compensate safekeeping costs.

Part of the price obtained by sale, remaining after satisfaction of safekeeping costs and costs of sale of assets, shall be deposited with the public enforcement officer for the benefit of the judgment debtor.

Sale of assets shall take place in line with Articles from 93 to 96 of this Law.

Enforcement for Collection of the Proceedings Costs Article 227

Judgment creditor may request, in the enforcement petition or during levying the enforcement for emptying and handing over immovable assets, that enforcement of debtor's movable assets that are to be removed from the immovable property for collection of enforcement proceedings costs is also ordered together with such enforcement.

The enforcement referred to in paragraph 1 of this Article shall be ordered and levied based on a proposal of the judgment creditor in accordance with Articles from 18 to 101 of this Law.

XX OBLIGATION TO ACT, NON-ACT OR SUSTAIN

Territorial Jurisdiction Article 228

If the judgment debtor in line with the enforceable document is obliged to make certain action that cannot be performed by another person instead of him or to refrain from certain action or to sustain certain actions, the court where the judgment debtor should perform the obligations under the enforceable document shall have territorial jurisdiction for deciding upon enforcement petition and for levying enforcement.

Action that could be performed by Another Person as well
Article 229

Under a enforceable document where the judgment debtor is obliged to perform certain action that could be performed by another person, the enforcement shall be levied in such manner that the public enforcement officer authorises the judgment creditor to entrust another person with such action or to do it himself/herself at the expense of the judgment debtor.

The judgment creditor may propose in the enforcement petition that the public enforcement officer orders to the judgment debtor by way of a conclusion to deposit in advance the amount required to cover the costs that will occur by enforcement of such action by another person or judgment creditor.

The public enforcement officer shall adopt the conclusion on final amount of costs referred to in paragraph 2 of this Article, upon a proposal of the judgment creditor or judgment debtor.

Based on the conclusion referred to in paragraph 2 of this Article, the enforcement may be proposed before it becomes final and non-appealable, and based on the conclusion referred to in paragraph 3 of this Article only when it becomes final and non-appealable.

Action that could only be performed by the Judgment Debtor
Article 230

If the judgment debtor is obliged, under enforceable document, to make certain action that could not be performed by another person instead of him, under law or legal transaction, the court shall allow an appropriate deadline under the writ of enforcement for the judgment debtor to meet the obligation and threaten to impose a pecuniary fine if fails to meet its obligation within the stipulated period.

The court shall impose, by way of a writ of enforcement, a pecuniary fine if the judgment debtor fails to meet the obligation within the stipulated period, and so for natural person and responsible person of the legal entity or authority from €200 to €2,000, and for the legal entity, entrepreneur and an authority from €2,000 to €20,000.

If the judgment debtor fails to meet the obligation within such deadline, the court shall, *ex officio*, levy the enforcement of the ruling on imposed pecuniary fine.

In the case referred to in paragraph 3 of this Article, the court shall at the same time adopt a new ruling allowing the new deadline to the judgment debtor to meet the obligation and impose a new pecuniary fine, higher than in the previous ruling, if fails to meet the obligation within such deadline as well.

The court shall continue to act in a manner stipulated in paragraphs 3 and 4 of this Article, against the judgment debtor who despite such fine fails to meet his obligation, until the debtor meets his obligation.

When assessing the amount of the pecuniary fine within the stipulated limits the court shall take account of the importance of the action that the judgment debtor is obliged to make, as well as of other circumstances of the case.

**Non-action and Sustaining
Article 231**

The enforcement shall be levied in the manner stipulated in Article 230 of this Law even when the judgment debtor acts contrary to obligation to non-act or to sustain certain action.

The court shall, upon a proposal of the judgment creditor, order by way of ruling to the judgment debtor to deposit surety for damages if the judgment creditor makes plausible that would incur damage by the fact that the judgment debtor continues to act contrary to his obligation.

The court shall stipulate duration of the surety, depending on the circumstances of the case.

The enforcement shall be levied upon a proposal of the judgment creditor, based on the ruling on depositing surety.

**Reinstating the Former Condition
Article 232**

If changes occurred that are contrary to rights of the judgment creditor, as a result of the judgment debtor's bearing contrary to the obligation from the enforceable document, the public enforcement officer shall authorise the judgment creditor, upon his proposal, to reinstate the former condition, alone and if needed with assistance of the officer, at the risk and costs of the judgment debtor.

Article 229 of this Law shall apply for depositing funds required for satisfying costs of reinstatement of the former conditions and for establishing the final amount of such costs.

**Repeated Disturbance of Possession
Article 233**

If based on the enforceable document adopted in the proceedings upon court claim on disturbance of possession the enforcement is levied or the judgment debtor voluntarily met his obligation and then repeated the disturbance of possession, which in essence is not different than the previous one, the court shall, upon a proposal of the judgment creditor, using the same enforceable document, adopt a new writ of enforcement ordering a reinstatement of the assets in possession or writ of enforcement imposing a penalty for failure to make an action that could only be performed by the judgment debtor.

The enforcement petition referred to in paragraph 1 of this Article may be presented within 30 days following the day of knowledge on repeated disturbance of possession, and no later than within one year after the repeated disturbance.

XXI PARTITION OF ASSETS

**Physical Partition
Article 234**

Public enforcement officer shall order a physical partition of common assets if such partition is envisaged under the enforceable document.

All participants shall be invited to take part in levying of the physical partition.

Determining the Manner of Partition
Article 235

Public enforcement officer carrying out the enforcement proceedings shall decide, in accordance with regulations governing property-based rights, whether the partition of asset shall take place by physical partition or sale, if the enforceable document does not envisage the manner of partition or the parties have not reached agreement thereof or that the partition is possible only with significant reduction of the value of assets.

The partition shall be made by way of sale if it is established in the enforcement proceedings that the physical partition determined under the enforceable document is not possible or is possible only with significant reduction of the value of assets.

Partition by Sale
Article 236

If a common asset needs to be sold, based on an enforceable document, in order to be partitioned, the sale shall be carried out in the manner stipulated in accordance with provisions of this Law governing the enforcement on movable assets or immovable property, unless parties agree otherwise in respect of specific issues.

Costs of the Proceedings
Article 237

All co-owners shall bear the costs of levying the enforcement, proportionate to the value of respective parts of the common asset.

The co-owner who caused specific costs shall be obliged to compensate them to those co-owners that did not have them.

XXII HANDING OVER AND TAKING AWAY A CHILD

Territorial Jurisdiction
Article 238

Court that has general territorial jurisdiction for the judgment creditor, as well as the court on territory where the child is located shall have jurisdiction for deciding upon an enforcement petition of a ruling ordering the handing over of a child to a parent or another person or institution the child is being entrusted to for guardianship and education.

The court on territory where the child is found shall have territorial jurisdiction for levying the enforcement.

The court referred to in paragraphs 1 and 2 of this Article may decide that certain enforcement actions are entrusted to the court not having jurisdiction for levying the enforcement.

Manner of Levying Enforcement
Article 239

Court shall pay particular attention to a need of protecting child's interest to the greatest possible extent when levying enforcement.

The court shall, by way of writ of enforcement, allow a period of three days following the day of servicing the writ to the judgment debtor to hand over a child to a parent or another person or institution the child is being entrusted to for guardianship and education, under threat of imposing a pecuniary fine.

The pecuniary fine shall be imposed and its enforcement levied in line with Article 230 of this Law.

If the enforcement could not be levied by imposing and executing the ruling on pecuniary fine, the enforcement shall be levied by taking away the child from person where the child is located and by handing over the child to a parent or another person or institution the child is being entrusted to for guardianship and education.

The court shall request the assistance from the guardianship authority in the enforcement proceedings.

Continuing the Enforcement
Article 240

The court shall, upon a proposal of the party being entrusted with a child, continue the enforcement under the same writ of enforcement, if the child is again found with the person from whom was taken away within the period of 60 days following the day of handing over the child.

Taking Away a Child
Article 241

Notwithstanding provisions of Article 239, paragraphs 2, 3 and 4 of this Law, in the case when it is established that life, health or psychophysical development of a child is endangered, the court shall, without allowing a period for handing over and imposing and executing the pecuniary fine, levy the enforcement by taking away the child and hand him over to a parent or another person or institution the child is being entrusted to for guardianship and education.

This enforcement referred to in paragraph 1 of this Article shall be levied with assistance from the guardianship authority.

The enforcement petition for handing over a child does not have to state the means of enforcement, and if does state the court shall not be bound by a proposal of the party.

XXIII REINSTATING OF EMPLOYMENT

Territorial Jurisdiction
Article 242

Court on the territory where the registered office of the employer is located shall have the territorial jurisdiction for deciding upon an enforcement petition and for levying the enforcement based on an enforceable document obliging the employer to reinstate the employment of an employee or to assign him to an appropriate job position.

Deadline for Lodging the Enforcement Petition
Article 243

The enforcement petition referred to in Article 242 of this Law may be lodged within the period of 60 days following the day of employee being entitled to lodge such petition.

Manner of Levying the Enforcement
Article 244

Enforcement based on an enforceable document obliging the employer to reinstate employment of an employee or to assign him to an appropriate job position shall be levied by imposing a pecuniary fine on an employer and responsible person of the employer.

The pecuniary fine shall be imposed in accordance with Article 230 of this Law.

Wage Compensation in the Case of Reinstatement of an Employee
Article 245

An employee who lodged a petition for reinstating his employment may propose to the court to adopt a ruling ordering the employer to pay monthly wage amounts due from the time the judgment became final and non-appealable until reinstatement of his employment.

The petition for compensation referred to in paragraph 1 of this Article may be merged with an enforcement petition or may be lodged afterwards prior to the enforcement proceedings is finalised.

The ruling adopting the petition for compensation shall have effect of an enforcement petition.

The employer may propose to the court to abrogate the ruling referred to in paragraph 3 of this Article if merits used to adopt such ruling changed after adoption of the ruling.

Compensation of monthly wage shall be determined as to correspond to the amount the employee would generate if employed.

Provisions of this Article shall be without prejudice to the rights of employee to levy his claim of monthly wage compensation in a proceeding before the competent court.

If the court adopted the request to pay wage compensation in part, the employee may levy the remaining part of the wage in a proceeding before the competent court.

XXIV REGISTERING RIGHT ON IMMOVABLE PROPERTY IN THE IMMOVABLE PROPERTY CADASTRE

Deciding upon a Petition Article 246

Public enforcement officer shall decide upon an enforcement petition for establishing rights on immovable property by registration in the immovable property cadastre, as well as for transfer, restriction of or termination of rights registered in the immovable property cadastre.

The authority making registration in the immovable property cadastre shall be competent for levying enforcement.

Manner of Levying Enforcement Article 247

Enforcement referred to in Article 246 of this Law shall be levied in such manner as that establishing rights on immovable property or on transfer, restrictions of or termination of rights on immovable property is registered in the immovable property cadastre.

Registration of Ownership Rights when Judgment Debtor is not Registered as Owner Article 248

When judgment debtor is not registered as owner of the immovable property, the enforcement by registration of rights on the immovable property may be levied only when the judgment creditor causes with the administration authority competent for registration in the immovable property cadastre a change in registration of ownership rights based on evidence on ownership of the legal predecessor of the judgment debtor.

Registration of another Right when a Judgment Debtor is not Registered as Owner Article 249

When under an enforceable document the judgment creditor is authorised to request registration of pledge or another right on immovable property, except the ownership right, against a judgment debtor, and the judgment debtor is not registered as owner of such immovable property, the registration of another right of the judgment creditor shall be ordered only when judgment creditor acts in a manner stipulated in Article 248 of this Law.

Registration of Rights in Other Public Records Article 250

Provisions of this chapter shall apply to the registration of rights in other public records, unless otherwise stipulated by a specific law.

Statement of Willingness Article 251

Obligation of expressing a statement of willingness, contained in a ruling having capacity of an enforceable document, shall be considered to be met as of the day such ruling becomes final and non-appealable.

Obligation of expressing a statement of willingness, contained in settlement, shall be considered to be met as of the day of its maturity.

When meeting the obligation referred to in paragraph 1 of this Article is conditioned by judgment creditor meeting some other obligations or by other conditions, it shall be considered that the judgment debtor expressed the statement of willingness when the judgment creditor met his obligation or when another condition is met.

Fulfillment of conditions referred to in paragraph 3 of this Article shall be evidenced by a public document or document authenticated in accordance with law.

PART THREE SECURING OF CLAIMS PROCEDURE

XXV GENERAL PROVISIONS

Ruling on Securing of Claims Article 252

Securing of claims ruling shall be adopted by the court, and securing of claims shall be enforced, depending on the type and character of a dispute, by the court or public enforcement officer.

Securing of claims ruling shall include the decision on collateral, a brief description of legal reasons for adoption of the petition for securing of claims and notice whether a complaint withholds the enforcement of the ruling and legal remedy notice.

Legal Remedies Article 253

A panel of the court that adopted the ruling shall decide on a complaint against the ruling on securing of claims, as well as on a complaint against a ruling by which the petition for securing of claims is rejected or refused.

Complaint against the ruling referred to in paragraph 1 of this Article shall be filed within three days from the day of servicing the ruling. If a public enforcement officer is in charge of levying the securing of claims ruling, the complaint shall, at the same time, be submitted to the public enforcement officer as well.

Complaint shall not be filed against a response.

The complaint referred to in paragraph 1 of this Article shall not delay enforcement of the ruling on securing of claims, unless otherwise prescribed by this Law.

Collaterals
Article 254

The following may be used as collateral: security interest on immovable property on the basis of an enforceable document, security interest on immovable property and movable assets on the basis of the agreement of the parties, previous measures and interim reliefs.

Inadmissibility of Securing of Claims
Article 255

Securing of claims shall not be allowed against assets and rights that in accordance with this Law or other law cannot be subject to enforcement.

Competency to Order Securing of Claims Ex Officio
Article 256

A court that is competent based on a petition of the security petitioner shall be competent for ordering of securing of claims *ex officio*, unless otherwise prescribed by this Law.

Application of Provisions concerning Enforcement Procedure
Article 257

Provisions of this Law governing the enforcement procedure shall be applied accordingly to securing of claims procedure, unless otherwise prescribed by provisions of this part of the Law.

**XXVI SECURITY INTEREST ON IMMOVABLE PROPERTY ON THE BASIS
OF ENFORCEABLE DOCUMENT**

Territorial Jurisdiction
Article 258

A court at the territory of which an immovable property that security interest is to be registered on is located shall be competent to decide on the petition for securing a monetary claim by creating a security interest on immovable property.

The administration authority competent for registration in the immovable property cadastre shall be competent to enforce securing of claims.

Conditions for Creation
Article 259

On the basis of an enforceable document concerning a monetary claim, a security petitioner shall be entitled to request securing of that claim by creation of security interest on immovable property of the security contestator.

**Manner of Creating
Article 260**

Security interest on immovables shall be created by registration in the immovable property cadastre.

When registering a security interest in the immovable property cadastre, enforceability of a claim for which a security interest is allowed for shall be stated.

If a security petitioner, prior to enforceability of the claim, has already acquired a security interest for that claim in the same immovable property on the basis of a contract or if pre-registration is allowed, the court shall, at the petition of a security petitioner, order the registration of enforceability of the claim in the immovable property cadastre.

If a security contestator is not registered in the immovable property cadastre as the owner of immovable property, a security petitioner shall be obliged to submit together with the petition for securing of claim a proof that he initiated before the administration authority competent for registration of rights in the immovable property cadastre the procedure for registration of the change of the ownership right on the basis of a document regarding ownership of security contestator.

**Effect of Registration
Article 261**

Registration of security interest and registration of enforceability of claim shall have such effect that enforcement on that immovable property may be levied also against a third person who acquired such immovable property later on.

***XXVII SECURITY INTEREST ON IMMOVABLE PROPERTY AND
MOVABLE ASSETS ON THE BASIS OF AGREEMENT BETWEEN
PARTIES***

**Territorial Jurisdiction
Article 262**

A court at the territory of which the immovable property is located shall be competent to decide on the petition for securing a monetary claim by creating security interest in immovable property on the basis of agreement between parties.

The administration authority competent for immovable property cadastre shall be competent to enforce securing of claims.

A court at the territory of which a movable asset is located shall be competent to decide on the petition for securing a monetary claim by creating security interest in movable asset on the basis of agreement between parties.

**Petition for Securing a Claim
Article 263**

For the purpose of securing a monetary claim of a security petitioner by creating a security interest in immovable property or movable asset of security contestator, the security petitioner

and the security contestester may agree to ask the court to order registration of security interest in immovable property, or to order and take inventory of movable assets of the security contestester.

Hearing for Petition and Agreement of the Parties
Article 264

At the petition of the parties, the court shall determine a hearing at which it will take minutes about the agreement of the parties regarding the existence of monetary claim and time of its maturity and their agreement to secure the monetary claim by registering a security interest in immovable property of the security contestester, or to create security interest by taking inventory of movable assets of the security contestester.

The signed minutes on the agreement of the parties referred to in paragraph 1 of this Article shall have the effect of court settlement.

Ordering and Enforcement of Securing of Claim
Article 265

On the basis of the agreement referred to in Article 264 of this Law, the court shall order, in the form of a ruling, the registration and it shall take all necessary measures to perform registration of security interest in immovable property of the security contestester, or order and take inventory of movable assets of the security contestester.

The ruling referred to in paragraph 1 of this Article shall have the importance of a ruling on securing of claims.

Application of other Provisions of the Law
Article 266

Article 264 of this Law shall apply to securing of monetary claims of the security petitioner by creating a security interest in immovable property of the security contestester, on the basis of the agreement between the parties.

Articles from 83 to 88 of this Law shall apply accordingly to securing of monetary claim of the security petitioner by creating a security interest in movable asset of the security contestester, on the basis of the agreement of the parties.

Sale of Immovable Property or Movable Assets of the Security Contestester
Article 267

At the proposal of the security petitioner, a public enforcement officer shall, in the form of a ruling, when he determines that the agreement of the parties referred to in Article 264 of this Law has become enforceable, order enforcement for the purpose of satisfying a secured monetary claim of the security petitioner in accordance with Articles from 155 to 198 of this Law in case of enforcement on immovable property or Articles from 82 to 101 of this Law in case of enforcement on movable property.

The ruling referred to in paragraph 1 of this Article shall have the effect of a writ of enforcement.

The registration of a writ of enforcement on immovable property shall have the legal effect from the day of registration of security interest in immovable property in the procedure of securing of claims.

The act of taking inventory of movable assets shall not be repeated, and the taken inventory of assets shall have the legal effect from the day of acquiring of security interest in the procedure of securing of claims.

XXVIII PREVIOUS MEASURES

Territorial Jurisdiction Article 268

A court that would be competent for enforcement on asset over which the securing of claim is proposed shall have territorial jurisdiction to decide on the petition for securing of claims by previous measure.

Conditions for Ordering a Previous Measure Article 269

A previous measure shall be ordered on the basis of a decision concerning the monetary claim, which has not become final and non-appealable or has not become enforceable, if the security petitioner makes probable a danger that without such a security the satisfaction of the claim would be prevented or significantly hampered.

Provision of paragraph 1 of this Article shall apply also to settlement reached before the court or body deciding in administrative procedure under which a claim has not matured.

Previous measure may be ordered on the basis of a payment order issued on the basis of a bill of exchange or cheque.

Assumed Danger Article 270

It shall be considered that a danger, under Article 269 of this Law, exists if the petition for securing a claim is based on one of the following:

- 1) a payment order that is issued on the basis of a bill of exchange or cheque that a complaint has been timely filed against;
- 2) a judgment adopted in a criminal case by which property-related claim has been adopted, and against which repeating of criminal procedure is allowed;
- 3) a decision by which enforcement is to be levied abroad;
- 4) a judgment based on recognition that has been appealed;
- 5) a settlement reached before the court or body deciding in administrative procedure that is contested in the manner prescribed by law.

In the cases referred to in paragraph 1, items 4 and 5 of this Article, the court may, at the proposal of the security contester, condition the securing of claims through application of a previous measure by depositing a surety by the security petitioner for damage that might be incurred to the security contester through ordering a previous measure.

Securing of Claim having Unmatured Instalments Article 271

Securing by a previous measure of unmatured instalments of a claim on the basis of legal subsistence, claim on the basis of damage compensation for subsistence lost after the death of a provider of subsistence or due to impaired health or reduced or lost capacity to work shall be ordered only for the instalments that will mature within one year.

In the cases referred to in paragraph 1 of this Article, it shall be assumed that a danger exists if enforcement for the purpose of paying matured instalment already had to be levied or such enforcement has already been proposed against the security contestester.

Types of Previous Measures Article 272

The court shall order the following as previous measures:

- 1) Taking inventory of movable assets;
- 2) Prohibition imposed on a debtor of the security contestester to satisfy the security contestester's claim or to deliver the assets, as well as prohibition imposed on the security contestester to collect the claim, to receive the assets and to dispose of them;
- 3) Prohibition imposed on a bank to pay out from the security contestester's account to the security contestester or third person, based on the order of the security contestester, the monetary amount that a previous measure has been determined for;
- 4) Pre-registration of security interest in the immovable property of the security contestester or in the right registered in the immovable property;
- 5) Seizure of shares or holdings in a business organization.

The court may, at the proposal of the security petitioner, order, taking into consideration circumstances of the case, two or more previous measures, if necessary to do so.

Prohibition to Disburse Monetary Assets of the Security Contestester Article 273

The amount of monetary assets of the security contestester in a bank account that disbursement prohibition has been imposed on cannot be transferred from that account, during the prohibition, except for the purpose of satisfaction of the secured claim.

Sale of Inventoried Assets and Transfer of Claim of the Security Contestester Article 274

At the proposal of the judgment creditor, a public enforcement officer shall order the sale of inventoried movable assets that are perishable or if there is a danger from significant drop in price of these assets.

The sale of inventoried assets shall be done in accordance with Articles from 93 to 96 of this Law.

If a previous measure is ordered through prohibition to payment the claim, a public enforcement officer may, at the proposal of the security petitioner or security contestester, order the transfer of that claim for the purpose of its collection to the security petitioner, if there is a

danger that the claim, due to the delay in its satisfaction of such claim, will not be collectable or the right to redress against third person shall be lost.

The amount obtained by the sale of property or collection of claim shall be kept with a public enforcement officer until a previous measure is terminated or until the security petitioner proposes enforcement, but at the most 30 days from the day of enforceability of the claim.

Ruling on Ordering Previous Measure Article 275

Ruling ordering a previous measure must, inter alia, specify the amount of claim that is secured, with interest and costs, and the period it has been ordered for.

The period referred to in paragraph 1 of this Article may not be longer than eight days after meeting the conditions for involuntary enforcement.

If the period referred to in paragraph 1 of this Article expires before the decision on the basis of which a previous measure is ordered becomes final and non-appealable, the court shall, at the proposal of the security petitioner, prolong that period, provided that the circumstances under which the measure has been ordered are not changed.

Cancellation of Previous Measure Article 276

The court shall, at the proposal of the security contestator, terminate the procedure and cancel the implemented actions, if:

- 1) Security contestator deposits with the court the amount of the claim that is being secured, with interest and costs;
- 2) Security contestator makes probable that the claim, at the time of adopting a ruling on ordering a previous measure, has already been collected or sufficiently secured;
- 3) It has been determined by a final and non-appealable decision that the claim has not occurred or that it has ceased.

The court shall terminate the procedure and cancel the implemented actions, if within 15 days from the day of expiration of the period that the previous measure has been ordered for, the conditions for involuntary enforcement are not met.

In the cases referred to in paragraph 1 items 2 and 3 and paragraph 2 of this Article, a security petitioner shall be obliged to compensate the costs caused by ordering and implementing a previous measure to a security contestator, and the security contestator shall have also the right to compensation for incurred damage from the security petitioner.

Termination of Procedure in case the Security Petitioner does not Request Enforcement Article 277

In case the conditions for involuntary enforcement are met prior to the expiration of the period that previous measure has been ordered for, the court shall, at the proposal of the security contestator, terminate the procedure and cancel all implemented actions, if the security petitioner does not submit the enforcement petition within 15 days from the day of occurrence of such conditions.

XXIX INTERIM RELIEFS

1. General Rules

Territorial Jurisdiction Article 278

In case that a civil or other court procedure has not been initiated to decide on the petition for securing of claim by an interim relief, the court that would be in charge of deciding on enforcement petition shall have territorial jurisdiction.

If the civil or other court procedure is initiated, the court before which the procedure has been initiated shall be competent to decide on the petition for securing a claim by an interim relief.

The court that was competent to decide on the enforcement petition based on an enforceable document adopted in administrative procedure shall be competent to decide also on the petition for ordering an interim relief upon the termination of such procedure.

When Interim relief can be Ordered Article 279

The court may order an interim relief prior to initiation and during the court or administrative procedure, as well as upon termination of such procedures, until the enforcement is levied.

Inadmissibility of Interim Relief Article 280

Interim relief shall not be admissible if there are conditions for ordering a previous measure that can achieve the same effect.

Surety instead of Interim Relief Article 281

Security petitioner may state in the petition for ordering an interim relief or later on that instead of interim relief, he shall be satisfied with a security contestor depositing of a certain amount on behalf of the surety by.

Depositing of surety instead of interim relief may also be ordered at the proposal of security contestor.

If security contestor deposits a surety, the court shall terminate the procedure and cancel already implemented actions.

Surety as Condition for ordering Interim Reliefs Article 282

The court may, at the proposal of the security petitioner, order an interim relief also when he did not make the existence of claim and danger probable, if he previously deposits, within the specified deadline, the amount determined by the court as surety for damage that could be incurred to the security contestator by ordering and implementing the interim relief.

The court may, at the proposal of the security contestator, and based on circumstances of the case, act in accordance with paragraph 1 of this Article, even when the security petitioner made the existence of claim and danger probable.

Ordering Several Interim Reliefs Article 283

The court may, based on the circumstances of the case, at the proposal of the security petitioner, also order several interim reliefs, if it is necessary to do so.

Period that Interim Relief is ordered for Article 284

Ruling on ordering interim relief shall specify the duration of such measure, and if the measure is ordered prior to filing a court claim or initiation of other procedure, it shall also specify the deadline within which the security petitioner must file a court claim or petition for initiation of another procedure to justify the interim relief.

The court shall at the petition of the security petitioner prolong the duration of the interim relief, provided that circumstances under which such a measure is ordered have not changed.

The petition referred to in paragraph 2 of this Article may be filed only before the expiration of the period that the interim relief has been ordered for.

Cancellation of the Interim relief Article 285

If the security petitioner failed to file a court claim within a specified deadline or failed to initiate other procedure to justify an interim relief or the period that the interim relief has been ordered for has expired, the court shall, at the petition of the security contestator terminate the procedure of securing a claim and cancel the implemented actions.

At the petition of the security contestator, the procedure of securing a claim shall be terminated and implemented actions shall be cancelled, if the circumstances due to which the measure was ordered have changed later on, so that the measure is no longer necessary.

The procedure of securing a claim shall be terminated and implemented actions shall be cancelled in the cases referred to in Article 276, paragraph 1 of this Law.

Damage Compensation to Security Contestator Article 286

Security contester shall be entitled to compensation by security petitioner for the damage incurred to him by an interim relief for which it has been determined that it is groundless or that has not been justified by the security petitioner.

2. Interim Reliefs for Securing of Monetary Claim

Conditions for Ordering Interim Relief Article 287

Interim relief for securing a monetary claim may be ordered if the security petitioner made the existence of claim probable and the danger that without such a measure the security contester shall prevent or significantly hamper the collection of claim, by divesting of, concealing, or disposing of his property or assets.

Security petitioner does not have to prove the danger if he makes probable that by the proposed measure the security contester would suffer only insignificant damage.

It shall be considered that danger exists, if a claim should be satisfied abroad.

Types of Interim reliefs for Securing of Monetary Claim Article 288

For the purpose of securing a monetary claim, any measure that achieves the purpose of such a security may be ordered, and especially:

- 1) Prohibition imposed on the security contester to dispose of movable assets, as well as safekeeping of such assets;
- 2) Prohibition to dispose of and encumber shares or holdings in a business organization, with the registration of prohibition in the relevant registry;
- 3) Prohibition imposed on the security contester to divest of or encumber his immovable property or property rights registered on the immovable property in the immovable property cadastre for his benefit, with the registration of prohibition in the immovable property cadastre;
- 4) Prohibition imposed on a debtor of the security contester to satisfy the security contester's claim or to deliver the assets, as well as prohibition imposed on the security contester to receive the assets, to collect the claim, and to dispose of them;
- 5) Order to a bank not to make payments from the security contester's account to the security contester or third person, based on the order of the security contester, the monetary amount that an interim relief has been ordered for.

Security interest shall not be acquired by an interim relief.

3. Interim Reliefs for Securing of Non-Monetary Claim

Conditions for ordering an Interim Relief Article 289

For the purpose of securing a non-monetary claim, an interim relief may be ordered, if the security petitioner made probable the existence of claim and danger that the satisfaction of claim shall be otherwise prevented or be significantly hampered.

Interim relief may be ordered also when a security petitioner makes probable that the measure is needed in order to prevent the use of force or occurrence of irreparable damage.

The provisions of Article 287 of this Law shall apply to interim relief for securing a non-monetary claim.

Types of Interim Reliefs for Securing of Non-Monetary Claim Article 290

For the purpose of securing a non-monetary claim, any measure that achieves the purpose of such security may be ordered, and especially:

- 1) Prohibition to divest of and encumber movable assets that the claim relates to, as well as safekeeping of such assets;
- 2) Prohibition to divest of and encumber shares or holdings in a business organization that the claim relates to, with the registration of the prohibition in the competent public records;
- 3) Prohibition to divest of and encumber immovable property that the claim relates to, with the registration of prohibition in the immovable property cadastres;
- 4) Prohibition to the security contestor to take activities that may incur damage to the security petitioner, as well as prohibition to make changes on assets that the claim relates to;
- 5) Prohibition imposed on a debtor of the security contestor to deliver to the security contestor the assets that the claim relates to;
- 6) Payment of wage compensation to an employee during the dispute regarding illegality of the decision on termination of employment, if it is necessary to do so for his subsistence and subsistence of persons he is obliged to support in accordance with law;
- 7) Reinstatement of employee to work.

Effect of Ruling on Ordering Certain Interim Reliefs Article 291

Ruling on ordering the interim relief referred to in Article 288, paragraph 1, items 1, 2, 3 and 5 and Article 290, items 1, 2 and 3 of this Law shall have the effect of a writ of enforcement.

By adopting the ruling referred to in paragraph 1 of this Article, it shall be considered that the enforcement is allowed.

The enforcement of the ruling referred to in paragraph 2 of this Article shall be levied by submitting the ruling to a body in charge of registration of rights or to a bank.

PART IV TRANSITIONAL AND FINAL PROVISIONS

Article 292

Enforcement and securing of claims procedures wherein the levy of enforcement has started before the effective day of this Law shall be terminated in accordance with the provisions of this Law.

Exceptionally, if an appeal or complaint is lodged against a first-instance writ of enforcement based on an authentic document, the procedure on appeal or complaint shall be completed in accordance with provisions of the Law on Enforcement Procedure (Official Gazette of the Republic of Montenegro, No. 23/04).

In the case referred to in paragraph 2 of this Article, after the effective day of this Law, the first-instance writ is cancelled or abrogated, the further procedure shall be carried out in line with this Law.

Article 293

The court shall act, in accordance with this Law, in cases where a public enforcement officer has competency to do so, until the commencement of work of public enforcement officers to be appointed in accordance with separate law.

After commencement of the work of public enforcement officers, the cases referred to in paragraph 1 of this Article, at the proposal of the judgment creditor, shall be assigned to a public enforcement officer for further action, in accordance with this Law.

Article 294

Enforcement on monetary assets on account of a legal entity or entrepreneur shall be implemented by the Central Bank, in accordance with this Law, until the establishment of the enforced collection organisation.

Application of provisions of Articles from 205 to 211 and provisions of Articles from 213 to 215 of this Law shall commence after expiry of six months following the day this Law enters into force.

Until the expiry of the period referred to in paragraph 2 of this Article, the enforcement on monetary assets on account of a legal entity or entrepreneur shall be implemented in accordance with provisions of the Law on Enforcement Procedure (Official Gazette of the Republic of Montenegro, No. 23/04).

Article 295

This Law shall supersede the Law on Enforcement Procedure (Official Gazette of the Republic of Montenegro, No. 23/04) on the day it enters into force, except for provisions of Articles 72, 73, 94, 131, 141, 143, 190, 202, 208, 214, 218, 232, and 237 concerning the territorial jurisdiction of the court which shall cease to have effect on the day of commencement of work of public enforcement officers.

Article 296

This Law shall enter into force on the expiry of 60 days from the day of its publication in the Official Gazette of Montenegro.

No: 23-1/11-4/5
EPA 535 XXIV
Podgorica, 12 July 2011-09-05

24th Parliament of Montenegro
Speaker of the Parliament
Ranko Krivokapic, m.p.
