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- 13 February 2014 [shall come into force from 31 March 2014];
- 20 March 2014 [shall come into force from 11 April 2014];

22 May 2014 [shall come into force from 5 June 2014];
 22 May 2014 [shall come into force from 18 June 2014];
 11 September 2014 [shall come into force from 1 November 2014];
 30 October 2014 [shall come into force from 1 March 2015];
 30 October 2014 [shall come into force from 1 January 2015];
 28 November 2014 (Constitutional Court Judgment) [shall come into force from 28 November 2014];
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 23 April 2015 [shall come into force from 26 May 2015];
 28 May 2015 [shall come into force from 2 July 2015];
 29 October 2015 [shall come into force from 3 December 2015];
 10 December 2015 [shall come into force from 1 January 2016];
 4 February 2016 [shall come into force from 29 February 2016];
 9 June 2016 [shall come into force from 13 July 2016];
 23 November 2016 [shall come into force from 1 January 2017];
 8 December 2016 [shall come into force from 4 January 2017];
 1 June 2017 [shall come into force from 1 July 2017];
 22 June 2017 [shall come into force from 1 August 2017];
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If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*¹ has adopted and
the President has proclaimed the following law:

Civil Procedure Law

Part A General Provisions

Division One Basic Provisions of Civil Court Proceedings

Chapter 1 Principles of Civil Procedure

Section 1. Rights of a Person to Court Protection

(1) Every natural or legal person (hereinafter - the person) has the right to protection of their infringed or disputed civil rights or interests protected by law in court.

(2) The person who has applied to a court has the right to have their case examined by a court in accordance with the procedures laid down in law.

Section 2. Court Trial of Civil Cases

Courts shall try civil cases in accordance with the procedures laid down in this Law and the law On Judicial Power.

Section 3. Time when Legal Norms Governing Court Proceedings in Civil Cases are in Force

Court proceedings in civil cases shall be governed by the civil procedural legal norms which are in force during examination of the case, performance of individual procedural actions, or execution of a court judgment.

[7 April 2004]

Section 4. Court Instances Involved in Civil Proceedings

(1) Civil cases shall be examined on the merits by a court of first instance, but according to a complaint of the

participants in the case regarding the judgment of such court, also by a court of second instance according to appeal procedure, unless otherwise provided for in law.

(2) A civil case shall not be examined on the merits in a court of higher instance before it has been examined in a court of lower instance, unless otherwise provided for in this Law.

(3) The judgment of a court of second instance may be appealed by the participants in the case according to cassation procedures.

[8 September 2011]

Section 5. Application of Legal Norms

(1) Courts shall try civil cases in accordance with laws and other regulatory enactments, international agreements binding upon the Republic of Latvia, and the legal norms of the European Union.

(2) If the provisions provided for in an international agreement which has been ratified by the *Saeima* differ from the ones in Latvian laws, the provisions of the international agreement shall prevail.

(3) If the relevant issue is governed by legal norms of the European Union which are directly applicable in Latvia, the Latvian law shall apply insofar as the legal norms of the European Union allow.

(4) In the cases provided for by laws or agreements, a court shall also apply the laws of other states or the principles of international law.

(5) If there is no law governing the contested relation, a court shall apply a law governing similar legal relations, but if no such law exists, a court shall act according to general legal principles and meaning.

(6) Upon applying legal norms, a court shall take into account the case law.

[7 April 2004]

Section 5.¹ Making of a Request to the Court of Justice of the European Union

In accordance with the legal norms of the European Union a court shall make a request to the Court of Justice of the European Union regarding the interpretation or validity of legal norms for the giving of a preliminary ruling.

[7 April 2004; 8 September 2011]

Section 6. Initiation of a Civil Case in a Court

(1) A judge shall initiate a civil case upon an application of the persons to whom such case concerns.

(2) A judge shall also initiate a civil case upon an application of the State or local government institutions or persons to whom the right to defend the rights and lawful interests of other persons in a court has been granted by law.

(3) A statement of claim shall be submitted for cases of court proceedings by way of action, but for the cases of special forms of procedure - an application.

Section 7. Civil Claim in a Criminal Case

(1) A civil claim for compensation of financial losses and moral damages in a criminal case may be brought in accordance with the procedures laid down in the Criminal Procedure Law.

(2) If a civil claim has not been submitted or tried in a criminal case, an action may be brought in accordance with the procedures laid down in this Law.

Section 8. Determination of Circumstances in a Civil Case

(1) A court shall determine the circumstances of a case by examining the evidence which has been obtained in accordance with the procedures laid down in law.

(2) A court shall explain to the participants in the case their rights and obligations, and the consequences of the performance or non-performance of procedural actions.

[25 May 2006]

Section 9. Equality of Parties in a Civil Procedure

(1) The parties shall have equal procedural rights.

(2) A court shall ensure that the parties have equal opportunities to exercise their rights for the protection of their

interests.

Section 9.¹ Obligation to Tell the Truth

The parties, third persons, and representatives on behalf of the person to be represented shall provide to a court true information regarding the facts and circumstances of a case.

[23 April 2015]

Section 10. Adversarial Proceedings in a Civil Procedure

(1) The parties shall exercise their procedural rights by way of adversarial proceedings.

(2) Adversarial proceedings shall take place through the parties providing explanations, submitting evidence and applications addressed to the court, participating in the examination of witnesses and experts, in the examination and assessment of other evidence and in court argument, and performing other procedural actions in accordance with the procedures laid down in this Law.

Section 11. Open Examination of Civil Cases

(1) Civil cases shall be examined in an open court, except for the cases regarding:

- 1) determination of the parentage of children;
- 2) confirmation and revocation of adoption;
- 3) annulment of a marriage or divorce;
- 4) restricting the capacity to act of a person due to mental disorders or other health disorders;
- 4¹) establishment of a temporary trusteeship;
- 4²) revocation of the rights of a future authorised person;

5) wrongful movement of a child across the border to a foreign country or detention in a foreign country and wrongful movement of a child across the border to Latvia or detention in Latvia;

- 6) custody rights and access rights;
- 7) provisional protection against violence.

(2) Persons under the age of 15 who are not participants or witnesses in the case may only be present at court hearings with the permission of the court.

(3) Upon a reasoned request of a participant in the case or at the discretion of the court the court hearing or part thereof may be declared as closed:

- 1) if it is necessary to protect official secrets or trade secrets;
- 2) if it is necessary to protect the private life of persons and confidentiality of correspondence;
- 3) in the interests of minors;
- 4) if it is necessary to examine a person who has not attained 15 years of age;
- 5) in the interests of court trial;

6) if the restricted access information needs to be protected in cases concerning the reimbursement of losses for violations of the competition law.

(3¹) A court shall notify persons, who are participating in examination of the case, in the materials of which the official secret or trade secret object has been included, and who have the right to acquaint themselves with the materials of the case, in writing regarding the obligation to keep an official secret or trade secret and regarding the liability provided for disclosing an official secret or trade secret. Making of derivatives of the documents containing the official secret or trade secret is not permissible.

(4) The participants in the case and, if necessary, experts and interpreters, shall participate in a closed court hearing.

(5) If none of the participants in the case objects, with the permission of the chairperson of the court hearing persons who have a special reason to do so may participate in a closed court hearing.

(6) A case shall be examined in a closed court hearing in conformity with all the provisions applicable to court proceedings.

(7) Court rulings in cases which are examined in an open court shall be publicly declared.

(8) In cases which are examined in a closed court hearing the operative part of the court ruling shall be publicly declared. In cases regarding confirmation or revocation of adoption the ruling shall be declared in a closed court hearing.

[31 October 2002; 5 February 2009; 4 August 2011; 29 November 2012; 13 February 2014; 23 April 2015; 19 October 2017; 28 February 2019]

Section 12. Examination of a Civil Case by a Judge Sitting Alone and Collegially

(1) In a court of first instance a civil case shall be examined by a judge sitting alone.

(2) In an appellate or cassation court a civil case shall be examined collegially.

Section 13. Language of Court Proceedings

(1) Court proceedings shall take place in the official language.

(2) The participants in the case shall submit foreign language documents by attaching a translation thereof into the official language certified in accordance with the specified procedures.

(3) Court may also allow certain procedural actions to take place in another language, if it is requested by a participant in the case and all participants in the case agree. The minutes of the court hearing and court rulings shall be written in the official language.

(4) For the participants in the case who receive State ensured legal aid or are released from the payment of court expenses, a court shall ensure the right to become acquainted with the materials of the case and to participate in procedural actions, using the assistance of an interpreter, if they do not understand the language of the court proceedings.

[4 February 2016 / Amendment made in relation to interpreters to Paragraph four shall come into force on 31 July 2016. See Paragraph 114 of Transitional Provisions]

Section 14. Unchangeability of the Composition of a Court

(1) Examination of a case on the merits shall take place without a change in the composition of a court.

(2) Replacement of a judge during the course of the trial of the case shall only be permitted if he or she cannot complete examination of the case due to taking up a different position, illness, or another objective reason.

(3) If a judge is replaced by another judge during the course of the trial of the case until drawing up of a judgment according to the contents of the judgment specified in Section 193 of this Law, the trial of the case must be commenced anew. A chief judge shall decide on the replacement of the judge in accordance with the procedures laid down in the law On Judicial Power.

[31 October 2002; 23 April 2015; 14 December 2017 / The new wording of the first sentence of Paragraph three shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 15. Direct Review and Oral Hearing of a Civil Case Examination

(1) Upon examining a civil case, a court of first instance and an appellate court shall examine evidence in the case themselves.

(2) Persons summoned and summonsed to a court shall provide explanations and testimony orally. The testimony of previously examined witnesses as recorded in the minutes, written evidence, and other materials shall be read out upon request of the parties. A court can leave the documents in the case unread, if the parties consent thereto.

(3) In the cases provided for in this Law or legal norms of the European Union a court shall examine applications, complaints, and issues in the written procedure without organising a court hearing. If the court recognises it as necessary to find out additional circumstances that may be important for deciding on an application, complaint, and issue, the court may examine it in a court hearing, previously notifying the participants in the case of its time and place. Failure of such persons to attend shall not constitute a bar for the examination of the application, complaint, and issue.

[31 October 2002; 25 May 2006; 5 February 2009; 8 September 2011]

Chapter 2

Composition of a Court

Section 16. Judges

A case shall be examined in a court by judges who have been appointed or confirmed to office in accordance with the procedures laid down in the law On Judicial Power.

Section 17. Deciding on Issues in a Court

(1) All issues arising in the course of a case being examined collegially shall be decided by a majority vote of the judges. None of the judges is entitled to abstain from voting.

(2) In the cases provided for in this Law issues shall be decided by a judge sitting alone.

Section 18. Prohibition to a Judge to Participate in Repeated Examination of a Case

(1) A judge who has participated in the examination of a case in a court of first instance may not participate in the examination of the same case in appellate or cassation courts, or in a repeated examination of the case in a court of first instance, if the judgment or decision to terminate the court proceedings or to leave the action without examination, made with participation of the judge, has been revoked.

(2) A judge who has participated in the examination of a case in an appellate or cassation court may not participate in the examination of the same case in a court of first instance or appellate court.

Section 19. Recusal or Removal of a Judge

(1) A judge is not entitled to participate in the examination of a case if the judge:

1) has been a participant, witness, expert, interpreter, or the court recorder of the court hearing in the previous examination of the case;

2) is in a relationship of kinship to the third degree, or relationship of affinity to the second degree, with any participant in the case;

3) is in a relationship of kinship to the third degree, or relationship of affinity to the second degree, with any judge who is a member of the composition of the court examining the case;

4) has a direct or indirect personal interest in the outcome of the case, or if there are other circumstances creating reasonable doubt regarding his or her objectivity.

(2) If the circumstances referred to in Paragraph one of this Section or in Section 18 of this Law exist, the judge shall recuse himself or herself before the trial of the case commences.

(3) If any of the circumstances referred to in Paragraph one of this Section are ascertained by a judge in the course of trial of the case, the judge shall recuse himself or herself during the court hearing, stating the reasons for such recusal. In such case the court shall adjourn the examination of the case.

(4) If a judge has not recused himself or herself, any participant in the case may, on the grounds referred to in this Section, apply for removal of a judge or several judges concurrently, stating the reasons for the recusal of each judge.

[31 October 2002]

Section 20. Application for Removal

(1) A participant in the case may apply for a removal in writing or orally, and an entry shall be made in the minutes of the court hearing regarding such application.

(2) An application for removal shall be submitted before examination of the case on the merits has been commenced. Removal may be applied for subsequently if the grounds therefor have become known during the trial of the case.

[31 October 2002]

Section 21. Procedures by Which the Application for Removal is Examined

(1) If removal is applied for, the court shall hear the opinion of other participants in the case and hear the judge whose removal is applied for.

(2) The removal applied for during a court hearing shall be decided by the court in a deliberation.

(3) In a case examined by a judge sitting alone, the application for removal shall be decided by the judge sitting alone.

(4) In a case examined collegially, the application for removal shall be decided according to the following procedures:

1) if the application for removal is in regard to one judge, it shall be decided by the rest of the composition of the court. If there is an equal distribution of votes, the judge shall be removed;

2) if the application for removal is in regard to more than one judge, it shall be decided by the majority vote of the same court in full composition.

[31 October 2002; 31 May 2018]

Section 22. Consequences of a Successful Removal Application

(1) If a judge or several judges have been removed, the case shall be examined by the same court in different composition.

(2) If it is impossible to form a different composition of the court in the relevant court, the case shall be transferred to another district (city) court or to another regional court.

[31 October 2002]

Chapter 3

Allocation and Jurisdiction of Civil Legal Disputes

Section 23. Allocation

(1) All civil legal disputes shall be allocated to the court, unless otherwise provided for in law. This shall not deprive the parties of the right to apply, upon mutual agreement, to an arbitration court or to use mediation in order to settle a dispute.

(2) The issue of the allocation of a dispute shall be decided by a court or a judge. If the court or the judge finds that the dispute is not to be allocated to the court, the institution within the competence of which the deciding of such dispute lies must be indicated in such decision.

(3) The court shall also examine applications of natural or legal persons which do not have the nature of civil legal disputes, if examination thereof is specified in law.

[22 May 2014]

Section 24. Jurisdiction

(1) A district (city) court shall examine civil cases as a court of first instance. The Vidzeme Suburb Court of Riga City shall examine those cases in the materials of which the official secret object is included and the cases regarding protection of patent rights, topography of semiconductor products, designs, trademarks, and geographical indications, and the cases regarding the protection of a trade secret against illegal acquisition, use, and disclosure. The Latgale Suburb Court of Riga City shall examine the cases regarding violations of the competition law, except for the cases regarding unfair competition. If the case to be examined includes a claim that is interconnected with a claim in a case regarding the protection of a trade secret against illegal acquisition, use, and disclosure, the case shall be examined by Vidzeme Suburb Court.

(2) A regional court as an appellate court shall examine cases according to the appeal procedure.

(3) The Supreme Court as a cassation court shall examine cases according to cassation procedure.

[30 October 2014; 31 May 2018; 25 October 2018; 28 February 2019 / Amendment regarding deletion of the third sentence of Paragraph one shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 25. Jurisdiction of a Regional Court

[30 October 2014]

Section 26. Bringing of Actions Based on the Declared Place of Residence or Legal Address of the Defendant

(1) Actions against natural persons shall be brought before a court based on their declared place of residence.

(2) Actions against legal persons shall be brought before a court based on their legal address.

[29 November 2012]

Section 27. Bringing of an Action if the Defendant does not have a Declared Place of Residence

(1) An action against a defendant who does not have a declared place of residence shall be brought based on their place of residence.

(2) An action against a defendant whose place of residence is unknown or who has no permanent place of residence in Latvia shall be brought before a court based on the location of their immovable property or their last known place of residence.

[29 November 2012]

Section 28. Jurisdiction Based on the Choice of the Plaintiff

(1) An action arising in relation to the action of a subsidiary or representative office of a legal person may also be brought before a court based on the legal address of the subsidiary or representative office.

(2) An action for the recovery of child maintenance or parent support or determination of paternity may also be brought based on the declared place of residence of the plaintiff.

(3) A plaintiff may bring an action arising from private delicts (Sections 1635, 2347-2353 of The Civil Law) also based on his or her declared place of residence or the location where the delicts were inflicted.

(4) An action for the damage inflicted to the property of a natural or legal person may also be brought based on the location where such damage was inflicted.

(5) An action for the recovery of property or compensation for the value thereof may also be brought based on the declared place of residence of the plaintiff.

(6) Maritime claims may also be brought based on the location of the arrest of the defendant ship.

(7) An action against several defendants who reside at or are located in various places may be brought based on the declared place of residence or legal address of one defendant.

(8) An action for divorce or annulment of marriage may be brought before a court based on the choice of the plaintiff in accordance with the provisions of Section 234 of this Law.

(9) An action arising from employment legal relations may also be brought based on the declared place of residence or place of work of the plaintiff.

(10) If a plaintiff does not have a declared place of residence in the cases referred to in this Section, he or she may bring an action according to his or her place of residence.

[19 June 2003; 7 April 2004; 28 October 2010; 9 June 2011; 29 November 2012]

Section 29. Exclusive Jurisdiction

(1) An action for the ownership rights or any other property rights to immovable property or accessories thereof, or an action for registration of such rights in the Land register or extinguishment of such rights and exclusion of property from the inventory statement shall be brought based on the location of the property.

(2) Where the confirmed heirs to an inheritance or the heirs who have accepted an inheritance are unknown, jurisdiction with respect to actions of creditors regarding the whole estate lies in the court based on the declared place of residence or place of residence of the estate-leaver, but, if the declared place of residence or place of residence of the estate-leaver is not in Latvia or is unknown - in the court based on the location of the property of the estate or a part thereof.

(3) Exclusive jurisdiction may also be specified in other laws.

[29 November 2012]

Section 30. Jurisdiction by Agreement

(1) Upon entering into a contract, the contracting parties may determine the court of first instance where potential disputes regarding such a contract or its performance shall be decided.

(2) Exclusive jurisdiction specified in law may not be altered by a mutual agreement between the parties.

Section 31. Jurisdiction of Closely Connected Cases

(1) A counterclaim shall be brought before a court based on the place where the initial claim is to be examined, irrespective of the jurisdiction of the counterclaim.

(2) A civil claim arising from a criminal case, if such claim has not been submitted or tried during examination of the criminal case, shall, in accordance with the civil procedure, be brought according to the general provisions regarding jurisdiction.

Section 31.¹ Bringing an Action in Accordance with the International Agreements Binding upon the Republic of Latvia and Legal Norms of the European Union, if the Case is within the Jurisdiction of a Latvian Court

If in accordance with the international agreements binding upon the Republic of Latvia and legal norms of the European Union a case is within the jurisdiction of a Latvian court, however, the provisions of this Law regarding jurisdiction do not provide for the court before which an action should be brought, a plaintiff may bring an action before any Latvian court of his or her choice in conformity with the provisions of Sections 23 and 24 of this Law.

[29 November 2012; 30 October 2014]

Section 32. Transfer of a Case Accepted for Examination to Another Court

(1) Cases which a court has accepted for examination in conformity with the provisions regarding jurisdiction shall be examined on the merits by such court, notwithstanding that jurisdiction may have changed in the course of examination of the case.

(2) A court may transfer a case to another court for examination thereof, if:

1) during examination of the case in the court it becomes apparent that the case has been accepted in violation of the provisions regarding jurisdiction;

2) after recusal or removal of one or more judges their replacement in the same court is impossible;

3) [29 November 2012].

(3) [30 October 2014].

(4) A decision to transfer a case for examination to another court may be appealed by participants in the case in accordance with the procedures laid down in this Law.

(5) A case shall be transferred for examination to another court when the time period for notice of appeal has expired, but, if the decision is appealed, after appeal is dismissed.

(6) A case which has been sent from one court to another shall be accepted for examination by the court to which the case has been sent.

[31 October 2002; 29 November 2012; 30 October 2014]

Section 32.¹ Transfer of a Case Accepted for Examination to Another Court to Ensure Faster Examination of a Case

(1) A court of first instance may initiate a transfer of a case of court proceedings by way of action present in its examination to another court of the same instance for examination, except for the case the jurisdiction of which is specified in accordance with Section 30 of this Law, if examination of the case on the merits has not been commenced and if faster examination thereof may be reached by transferring the case to another court.

(2) A regional court may initiate a transfer of a case of appeal which has been initiated regarding a judgement (supplementary judgment) of the court of first instance, present in its examination to another regional court for examination, if examination of the case on merits has not been commenced and if faster examination thereof may be reached by transferring the case to another court.

(3) The court of such instance in the examination of which the case is may initiate transfer of the case the jurisdiction of which is determined in accordance with Section 28 or 29 of this Law for examination to another court of the same instance only upon written request from the plaintiff.

(4) The chief judge of a court one level higher shall take a decision to transfer a case from one court to another upon initiation of the chief judge of the court within the jurisdiction of which the case is. If the case present in examination of a district (city) court is to be transferred to a court located in another court region, the case shall be decided by the chief judge of such regional court in the territory of operation of which the court initiating the transfer of the case to another court is located. A decision shall be taken in a manner of resolution and it shall not be subject to appeal.

(5) The court initiating the transfer of the case to another court shall inform the participants in the case regarding taking of the decision referred to in Paragraph four of this Section.

(6) If the case has been transferred to another court to ensure faster examination thereof in any of instances of court proceedings, a repeated transfer of the case shall not be permissible in accordance with the procedures laid down in this Section.

[23 April 2015 / See Paragraph 73 of the Transitional Provisions]

Chapter 4

Expenses for Trial

Section 33. Expenses for Trial

(1) Expenses for trial are court expenses and expenses related to conducting of a case.

(2) Court expenses are:

- 1) State duty;
- 2) office fee;
- 3) expenses related to examination of a case.

(3) Expenses related to conducting of a case are:

- 1) expenses for the assistance of advocates;
- 2) expenses related to attending court hearings;
- 3) expenses related to gathering evidence;
- 4) expenses for the State ensured legal aid;
- 5) expenses for the assistance of an interpreter in a court hearing.

[20 June 2001; 10 December 2015; 4 February 2016 / Amendment made in relation to interpreters to Paragraph three, by supplementing it with Clause 5, shall come into force on 31 July 2016. See Paragraphs 112 and 114 of Transitional Provisions]

Section 34. State Duty

(1) For each statement of claim - original claim or counterclaim, application of a third person with a separate claim for the subject-matter of the dispute, submitted in a procedure already commenced, application in cases of special forms of procedure and other applications provided for in this Section submitted to the court - a State duty shall be paid in the following amount:

1) for claims assessable as a monetary amount:

- a) up to EUR 2134 - 15 per cent from the amount claimed but not less than EUR 70,
- b) from EUR 2135 to EUR 7114 - EUR 320 plus 4 per cent of the amount claimed exceeding EUR 2134;
- c) from EUR 7115 to EUR 28 457 - EUR 520 plus 3.2 per cent of the amount claimed exceeding EUR 7114,
- d) from EUR 28 458 to EUR 142 287 - EUR 1200 plus 1.6 per cent of the amount claimed exceeding EUR 28 457,
- e) from EUR 142 288 to EUR 711 435 - EUR 3025 plus 1 per cent of the amount claimed exceeding EUR 142 287,
- f) exceeding EUR 711 435 - EUR 8715 plus 0.6 per cent of the amount claimed exceeding EUR 711 435;

2) for a statement of claim in a case of divorce - EUR 145, but for a statement of claim in a case of divorce from a person who has been declared missing in accordance with the relevant procedures or has been sentenced to a term of deprivation of liberty for a period of not less than three years - EUR 15;

3) for an application in a case of special forms of procedures - EUR 45, for an application in a case regarding insolvency proceedings of a legal person submitted by a creditor - EUR 355, for an application in a case regarding insolvency proceedings of a legal person or natural person submitted by a debtor - EUR 70, for an application in a case regarding legal protection proceedings - EUR 145, for an application in a case regarding insolvency or liquidation of a credit institution - EUR 355;

4) for other claims which are not financial in nature or are not required to be assessed - EUR 70;

4¹) for a statement of claim on the recognition of the arbitration court agreement to be null and void - EUR 500;

5) for an application for the infringements and protection of copyrights and related rights, database protection (*sui generis*), trademarks and geographical indications, patents, designs, species, topography of semiconductor products (hereinafter - the intellectual property rights), for an application in cases regarding the protection of a trade secret against illegal acquisition, use, and disclosure, and also for an application in cases in respect of which a dispute has been examined in the Board of Appeal for Industrial Property - EUR 215;

6) for a statement of claim in a case concerning the recognition of decisions of the meeting of shareholders (stockholders) of capital companies to be null and void (Chapter 30.4) - EUR 145;

7) for the application for securing a claim or provisional remedy - 0.5 per cent of the amount claimed, but not less than EUR 70;

7¹) for an application for the European Account Preservation Order in accordance with the Regulation (EU) No 655/2014 of the European Parliament and of the Council of 15 May 2014 establishing a European Account Preservation Order procedure to facilitate cross-border debt recovery in civil and commercial matters (hereinafter - the Regulation (EU) No 655/2014 of the European Parliament and of the Council) - 0.5 per cent of the amount claimed, but not less than EUR 70;

8) for an application for the securing of evidence, if such application is submitted prior to bringing of a claim - EUR 30;

9) for an application for an undisputed enforcement, in regard to an application for the European order for payment in accordance with Regulation (EC) No 1896/2006 of the European Parliament and of the Council of 12 December 2006 creating a European order for payment procedure (hereinafter - Regulation No 1896/2006 of the European Parliament and Council) or voluntary sale of immovable property by auction through the court - 2 per cent of the amount of the debt or value of the property to be returned or voluntarily auctioned, but not exceeding EUR 500;

9¹) for an application for the compulsory enforcement of obligations according to the warning procedures - 2 per cent of the amount of the debt;

10) for an application for the issuing a writ of execution on the basis of a ruling of a permanent arbitration court or the recognition and enforcement of a ruling of a foreign arbitration court - 1 per cent of the amount of the debt, but not exceeding EUR 285;

11) for an application for the renewal of a court proceeding and new examination of the case for which a default judgment has been given - in the same amount as for a statement of claim;

12) for a statement of claim regarding division of joint property - in the same amount as for the statement of claim according to general procedure;

13) for complaints in cases of legal protection proceedings, for complaints in cases of insolvency proceedings in relation to a decision of the meeting of creditors, for complaints in relation to a decision or action of an administrator of insolvency proceedings (hereinafter - the administrator), for complaints regarding decisions of the Insolvency Control Service, as well as for carrying out of the activities specified in Articles 46 and 51 of Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (hereinafter - Regulation No 2015/848 of the European Parliament and of the Council) - EUR 25;

14) for a complaint regarding decisions or actions of a bailiff or sworn notary - EUR 25;

15) for an application for the corroboration of the immovable property in the name of the acquirer - EUR 70;

16) for an application for the assumption of the procedural rights of a party, if such application has been submitted to a court after the final ruling has come into effect in the case - EUR 30.

(2) [4 August 2011]

1) [31 October 2002];

2) [31 October 2002];

3) [31 October 2002].

(3) [31 October 2002]

(4) The State duty for a notice of appeal shall be paid in conformity with the rate to be paid upon submitting a statement of claim (an application in a case of special forms of procedure), but in regard to disputes of a financial

nature - the rate calculated in conformity with the disputed amount in a court of first instance.

(5) [14 December 2017]

(6) When submitting a writ of execution or another enforcement document for enforcement, a State duty shall be paid - EUR 3.

(7) When submitting an application for the recognition and enforcement of a ruling of a foreign court and adaptation of the rights and obligations laid down in the ruling of a foreign court for the implementation thereof in Latvia, a State duty shall be paid - EUR 30.

[31 October 2002; 7 April 2004; 2 September 2004; 17 February 2005; 25 May 2006; 14 December 2006; 1 November 2007; 5 February 2009; 30 September 2010; 28 October 2010; 20 December 2010; 8 September 2011; 4 August 2011; 15 November 2012; 29 November 2012; 18 April 2013; 12 September 2013; 19 December 2013; 23 April 2015; 28 May 2015; 29 October 2015; 10 December 2015; 8 December 2016; 14 December 2017; 31 May 2018; 28 February 2019]

Section 35. Amount Claimed

(1) The amount claimed shall be:

- 1) in claims regarding the recovery of money - the amount to be recovered;
- 2) in claims regarding the recovery of property - the value of the property to be recovered;
- 3) in claims regarding the recovery of the maintenance - the total amount to be paid within one year;
- 4) in claims for periodic payments and remittances - the total amount of all payments and remittances, but for not more than three years;
- 5) in claims for payments and remittances without term or for life - the total amount of all payments and remittances for a three year period;
- 6) in claims for reduction or increase of payments or remittances - the amount by which the payments or remittances are reduced or increased, but for not more than one year;
- 7) in claims for termination of payments or remittances - total amount of the remaining payments or remittances, but for not more than one year;
- 8) in claims for early termination of lease and rental agreements - total amount of payments for the remaining period of the agreement, but for not more than three years;
- 9) in claims for property rights with respect to immovable property - the value thereof, but not less than the cadastral value;
- 10) in claims consisting of several separate financial claims - the total sum of all claims;
- 11) in claims for termination or recognition of a transaction as null and void - the amount of the transaction in dispute.

(2) The amount claimed shall be indicated by the plaintiff. If the indicated amount claimed manifestly does not correspond to the actual value of the property, the amount claimed shall be determined by the court.

[2 September 2004]

Section 36. Supplement to the State Duty

(1) For a claim which is difficult to assess at the time of submission the judge shall initially determine the amount of the State duty. The final amount of the State duty shall be determined by the court upon examination of the case.

(2) If the amount claimed is increased, except for the adding of interest and increments, a supplementary State duty shall be paid accordingly.

Section 36.¹ Inclusion of the State Duty

A duty paid in accordance with Regulation No 1896/2006 of the European Parliament and of the Council for the application for an European order for payment shall be included in the State duty for the claim, if the defendant has submitted a statement of opposition to the European order for payment and court proceedings by way of action are proceeded with.

[8 September 2011]

Section 37. Repayment of the State Duty

(1) State duty paid shall be repaid fully or partly in the following cases:

- 1) if the fee paid exceeds the fee specified in law;
- 2) if a court refuses to accept an application;

3) if the court proceedings in a case are terminated on the grounds that examination of the case is not allocated to the court;

4) if a claim is left without examination on the grounds that the interested party who has brought the case before the court has not complied with the extrajudicial examination procedures set out for the respective type of case, or the claim has been submitted by a person lacking capacity to act according to civil procedure;

5) if a court has approved an amicable settlement - in the amount of 50 per cent from the State duty paid in for the court proceedings in the court of the relevant instance;

6) if in accordance with Section 440.⁸, Paragraph seven of this Law a court refuses to initiate appeal proceedings - in the amount of 50 per cent from the State duty paid in;

7) if the basis for terminating court proceedings is withdrawal of the claim by a plaintiff because the agreement resulting from mediation is reached which is certified by a written certification regarding the result of mediation issued by the mediator - in the amount of 50 per cent from the State duty paid in.

(2) The State duty shall be reimbursed provided that an application requesting its reimbursement has been submitted to the court within three years from the date when the sum was paid into the State budget.

(3) The State duty shall be reimbursed from the funds of the State budget on the basis of a decision of a court or a judge.

[31 October 2002; 19 June 2003; 20 December 2010; 8 September 2011; 29 November 2012; 20 March 2014; 22 May 2014; 29 October 2015]

Section 38. Office Fees

(1) Office fees shall be paid as follows:

- 1) for issuing a true copy of a document in a case, also for reissuing a court judgment or decision - EUR 7;
- 2) for issuing a statement - EUR 3;
- 3) for issuing a duplicate of a writ of execution - EUR 15;
- 4) for certifying the coming into effect of a court ruling, if such ruling is to be submitted to a foreign institution- EUR 5;
- 5) for summoning witnesses - EUR 5 for each person.

(2) Office fees shall be paid into the State basic budget.

[2 September 2004; 5 February 2009; 12 September 2013; 14 December 2017 / Amendments to Section shall come into force on 1 March 2018. See Paragraph 131 of Transitional Provisions]

Section 39. Expenses Related to Examination of a Case

(1) Expenses related to examination of a case are:

- 1) amounts which must be disbursed to witnesses and experts;
- 2) expenses related to examination of witnesses or conducting of inspections on-site;
- 3) expenses related to searching for defendants;
- 4) expenses related to enforcement of court judgments;
- 5) expenses related to the delivery, service, and translation of court summonses and other judicial documents;
- 6) expenses related to publication of notices in newspapers;
- 7) expenses related to securing a claim;

8) [31 October 2002].

(2) The procedures by which the sums to be disbursed to witnesses and experts shall be calculated, as well as the amount of expenses related to examination of witnesses or conducting of inspections on-site, searching for defendants, delivery, service, and translation of court summonses and other judicial documents, publication of notices in newspapers, and securing a claim shall be stipulated by the Cabinet.

[31 October 2002 / See Paragraph 12 of Transitional Provisions]

Section 40. Procedures for Paying the Expenses Related to Examination of a Case

(1) Amounts of expenses to be disbursed to witnesses and experts or also amounts necessary to pay the expenses for examination of witnesses or inspections on-site, delivery, service, and translation of court summonses and other judicial documents, publication of notices in newspapers, and securing a claim shall be paid in prior to examination of the case, by the party that made the relevant request.

(2) If upon request of Latvia evidence is obtained for or judicial documents are served to a person in a foreign country, the amount of expenses which the competent authority of the foreign country requires to pay in prior to or reimburse after fulfilment of the request shall be paid by the party that made the relevant request.

(3) If the request referred to in Paragraph one or two of this Section has been submitted by both parties, they shall pay the required amount equally.

(4) If the request referred to in Paragraph one or two of this Section has been submitted by a court or judge upon his or her own initiative in the cases provided for in this Law, the required sum shall be paid in by the State.

(5) The sums referred to in this Section need not be paid in by a party which is exempted from the payment of court expenses.

[5 February 2009]

Section 41. Reimbursement of Court Expenses

(1) The court shall adjudge the reimbursement of all court expenses paid by the party for the benefit of which the judgment is given from the opposing party to the former party. If a claim has been satisfied in part, the reimbursement of sums specified in this Section shall be adjudged to the plaintiff in proportion to the extent of the claims satisfied by the court, but to the defendant in proportion to the part of the claims dismissed. The State duty for an application for the renewal of court proceedings and examination of the case anew, when a default judgment has been given in the case, is not reimbursed.

(2) If a plaintiff withdraws a claim, he or she shall reimburse the court expenses incurred by the defendant. In this case the defendant shall not reimburse the court expenses paid by the plaintiff. However, if a plaintiff withdraws his or her claims because the defendant has voluntarily satisfied such claims after their submission, the court shall, upon request of the plaintiff, adjudge the reimbursement of court expenses paid by the plaintiff to the defendant.

(3) If an action is left without examination, the court shall, upon request of the defendant, adjudge the reimbursement of court expenses paid by the defendant to the plaintiff, except for the case specified in Section 219, Paragraph one, Clause 2 of this Law.

[31 October 2002; 8 September 2011; 14 December 2017 / Amendment to Paragraph one regarding deletion of the words "an ancillary complaint regarding a court judgment" shall come into force on 1 March 2018. See Paragraphs 139 and 140 of Transitional Provisions]

Section 42. Reimbursement of Court Expenses to the State

(1) If a plaintiff is exempted from paying the court expenses, the reimbursement of such court expenses in the State income in proportion to the part of the claim that has been satisfied shall be adjudged to the defendant.

(2) If a claim is dismissed, left without examination or if the plaintiff discontinues the claim, the reimbursement of court expenses which have not been paid previously shall be adjudged to the plaintiff in the State income. However, if a plaintiff withdraws his or her claims because the defendant has voluntarily satisfied such claims after their submission, the court expenses shall be recovered from the defendant for payment in the State income.

(3) If a claim has been satisfied in part, but the defendant is exempted from payment of court expenses, such expenses, in proportion to the part of the claim that has been dismissed, shall be recovered from the plaintiff who is not exempt from the payment of court expenses, for payment in the State income.

(4) If both parties are exempt from payment of the court expenses, the State shall bear the court expenses.

(5) If a court approves an amicable agreement and terminates legal proceedings in a case, the reimbursement of court expenses that have not been paid previously in the State income shall be adjudged to both parties in equal

amount, unless otherwise provided for by the amicable agreement.

[8 September 2011; 23 April 2015]

Section 43. Exceptions to General Provisions Regarding Court Expenses

(1) The following persons shall be exempt from the payment of court expenses in the State income:

1) plaintiffs - in claims regarding the recovery of remuneration for work and other claims of employees arising from legal employment relations or related to such;

1¹) plaintiffs - in claims arising from agreement on performance of work, if the plaintiff is a person who serves his or her sentence at a place of imprisonment;

1²) applicants - for an application for insolvency proceedings of a legal person if the enforcement of a court ruling on the recovery of remuneration for work has been recognised as impossible in accordance with the procedures laid down in this Law;

2) plaintiffs - in claims arising from personal injuries that have resulted in mutilation or other damage to health, or the death of a person;

3) plaintiffs - in claims regarding the recovery of child maintenance or parent support, as well as in claims regarding the determination of paternity, if the action is brought concurrently with the claim regarding the recovery of child maintenance;

3¹) applicants - for the recognition or recognition and enforcement of a ruling of a foreign country on the recovery of child maintenance or parent support;

4) plaintiffs - in claims regarding compensation for financial losses and moral damages resulting from criminal offences;

5) public prosecutors, the State or local government institutions to which the right to defend the rights and lawful interests of other persons in court has been granted by law;

6) applicants - in cases regarding restricting the capacity to act of a person due to mental disorders or other health disorders, revision of the restriction of capacity to act, or restoration of capacity to act;

6¹) applicants - for the establishment and termination of temporary trusteeship;

7) applicants - for restricting the capacity to act of a person or establishment of trusteeship for a person due to a dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances;

8) defendants - in cases regarding reduction of child or parent support adjudged by a court, and reduction of such payments as the court has assessed in claims arising from personal injuries resulting in mutilation or other damage to health, or the death of a person;

9) [1 January 2012];

9¹) applicants - in cases regarding the wrongful removal of children across borders or detention;

10) administrators - in actions brought for the benefit of such person for whom insolvency proceedings of a legal person and insolvency proceedings of a natural person have been declared, if these persons are a participant or victim of the relevant legal transaction or wrongful act in relation to which an action has been brought;

11) creditors - in enforcement cases regarding recoveries for payment into State revenues;

11¹) creditors - in enforcement cases when the recovery should be made according to the uniform instrument permitting enforcement of claims in the requested Member State;

12) tax (fee) administration - in applications of cases regarding insolvency proceedings of a legal person;

13) the Office of Citizenship and Migration Affairs - in cases regarding revocation of Latvian citizenship;

14) the State Social Insurance Agency - in cases regarding the recovery of financial resources in the part of the State budget regarding overpayment of social insurance services or State social allowances or disbursement of social insurance services, or State social allowances due to road traffic accidents;

15) applicants - for provisional protection against violence;

16) the party receiving the State ensured legal aid in the case;

16¹) the party which has been recognised as a whistleblower or is his or her relative within the meaning of the Whistleblowing Law;

17) applicants - for the approval of adoption.

(2) If a public prosecutor or State or local government institutions or persons to whom the right to defend the rights and lawful interests of other persons in court has been granted by law, withdraws from an application which has been submitted on behalf of another person, but such person demands examination of the case on the merits, the court expenses shall be paid according to generally applicable provisions.

(3) The parties may also be exempted from the payment of court expenses in the State income in other cases provided for by law.

(4) A court or a judge, upon consideration of the material situation of a natural person, shall exempt him or her partly or fully from the payment of court expenses in the State income, as well as postpone the adjudged payment of court expenses in the State income, or divide the payment thereof into instalments.

(5) In claims for divorce the judge shall, upon request of the plaintiff, postpone the payment of State duty or divide the payment thereof into instalments, if a minor child is in the care of the plaintiff.

[20 June 2001; 31 October 2002; 19 June 2003; 7 September 2006; 1 November 2007; 5 February 2009; 30 September 2010; 9 June 2011; 8 September 2011; 15 March 2012; 29 November 2012; 13 February 2014; 29 October 2015; 10 December 2015; 8 December 2016; 1 June 2017; 22 June 2017; 14 December 2017; 31 May 2018; 28 February 2019 / Clause 16.¹ of Paragraph one shall come into force on 1 May 2019. See Paragraph 152 of Transitional Provisions]

Section 44. Expenses Related to Conducting a Case and Reimbursement Thereof

(1) Expenses related to conducting a case shall be reimbursed in the following amounts:

1) expenses for the assistance of an advocate:

a) reimbursable expenses for paying for the assistance of an advocate in claims, which are financial in nature and the claim sum of which does not exceed EUR 8500 - in the actual amount thereof, but not exceeding 30 per cent of the satisfied part of the claim;

b) reimbursable expenses for paying for the assistance of an advocate in claims, which are financial in nature and the claim sum of which is from EUR 850 to EUR 57 000 - in the actual amount thereof, but not exceeding EUR 2850;

c) reimbursable expenses for paying for the assistance of an advocate in claims, which are financial in nature and the claim sum of which exceeds EUR 57 001 - in the actual amount thereof, but not exceeding 5 per cent of the satisfied part of the claim;

d) reimbursable expenses for paying for the assistance of an advocate in claims, which are not financial in nature - in the actual amount thereof, but not exceeding EUR 2850;

e) reimbursable expenses for paying for the assistance of an advocate in claims, which are not financial in nature, and in cases, which have been recognised as complex by a court - in the actual amount thereof, but not exceeding EUR 4275;

2) travel and accommodation expenses related to attending a court hearing, as well as related to the presence or participation of parties or representatives thereof in obtaining of evidence when upon request of Latvia the evidence is obtained abroad - in accordance with the rates stipulated by the Cabinet for reimbursing official travel expenses;

3) expenses related to obtaining documentary evidence - the actual amount of expenses;

4) expenses for an interpreter related to the presence or participation of parties or representatives thereof in obtaining of evidence when upon request of Latvia evidence is obtained abroad - in the amount of actual expenses, however, not more than the rates stipulated by the Cabinet;

5) expenses for an interpreter related to the participation of parties in the court hearing - in the amount of actual expenses, however, not more than the rates stipulated by the Cabinet.

(1¹) Both the expenses which have already been paid and the expenses for which an invoice has been written according to the agreement between the lawyer and the party on the provision of legal aid shall be considered the actual amount of the reimbursable expenses referred to in Paragraph one, Clause 1 of this Section.

(2) The recovery of expenses related to conducting of a case shall be adjudged in favour of the plaintiff to the defendant, if the plaintiff's claim has been satisfied in whole or in part or if the plaintiff does not maintain the claims because the defendant has voluntarily satisfied them after submission thereof.

(3) If a claim is dismissed, the recovery of expenses related to conducting of the case shall be adjudged in favour of the defendant to the plaintiff.

(4) If a claim has been examined only at a court of first instance, the reimbursable expenses for paying for the assistance of an advocate shall not exceed 50 per cent of the maximum amount of remuneration laid down in Paragraph one of this Section.

(5) A court may determine a smaller amount for reimbursable expenses for paying for the assistance of an advocate in conformity with the principle of justice and proportionality, as well as by assessing objective circumstances related to a case, particularly - the level of complexity and volume of the case, the number of court hearing during examination of the case, and the court instance in which the claim is examined.

(6) A court may refuse to reimburse expenses for an interpreter, if the party in the favour of which such expenses are to be adjudged, understands the language of the court proceedings.

[20 June 2001; 5 February 2009; 29 November 2012; 12 September 2013; 4 February 2016; 22 June 2017]

Section 44.¹ Expenses for the State Ensured Legal Aid and Reimbursement Thereof to the State

(1) Expenses for the State ensured legal aid are as follows:

- 1) expenses for the provision of the State ensured legal aid;
- 2) reimbursable expenses related to the provision of the State ensured legal aid.

(2) When giving a ruling a court shall recover expenses for the State ensured legal aid in accordance with the provisions referred to in Section 42 of this Law.

(3) A court shall obtain information regarding the amount of expenses for the State ensured legal aid from the Register of the State Ensured Legal Aid and from the notification submitted by the State ensured legal aid provider regarding provision of the State ensured legal aid in civil cases, if such information is not included in the Register of the State Ensured Legal Aid.

(4) If the party from which in accordance with Paragraph two of this Section expenses for the State ensured legal aid are to be recovered is exempt from payment of court expenses, then the expenses for the provision of the State ensured legal aid shall be covered by the State.

[10 December 2015 / See Paragraph 112 of Transitional Provisions]

Section 45. Appeal of Decisions on Court Expenses

The person to whom it applies may appeal a decision on the issue of court expenses.

[19 June 2003]

Chapter 5 Procedural Terms

Section 46. Determination of Procedural Terms

(1) Procedural actions shall be carried out within the terms specified in law. If the law does not prescribe the procedural terms, a court or a judge shall determine them. The length of the term specified by a court or a judge must be such that the procedural action could be carried out.

(2) A precise date, term ending on a set date or period of time (expressed in years, months, days or hours) shall be determined for execution of a procedural action. If the procedural action need not to be executed on a specific date, it may be carried out at any time during the set term.

(3) The term may also be determined by indicating an event which must occur in any case.

(4) If terms for the examination of cases or for the execution of other procedural actions are laid down in law for a court or judge and a participant in the case is notified regarding the execution of the relevant procedural action in accordance with Section 56.² of this Law, but the execution of the relevant procedural action is not possible within the time period determined in law, a court or a judge is entitled to specify a more reasonable and longer term.

[31 October 2002; 5 February 2009]

Section 47. Commencement of the Calculation of Procedural Terms

(1) The procedural term to be calculated in years, months, or days shall commence on the day following the date or event indicating its commencement.

(2) A procedural term to be calculated in hours commences from the next hour following the event indicating its commencement.

[31 October 2002]

Section 48. End of Procedural Terms

(1) A term to be calculated in years shall expire on the respective month and date of the final year of the term. A term to be calculated in months shall expire on the respective date of the final month of the term. If a term to be calculated in months ends on a month that does not have the respective date, it shall expire on the last day of such month. A set term extending until a particular date shall expire on such date.

(2) If the final day of a term is Saturday, Sunday, or a holiday specified in law, the following working day shall be considered as the final day of the term.

(3) A procedural action the term of which ends may be carried out until 12 o'clock midnight on the final day of the term.

(4) If a procedural action is to be carried out in a court, the term shall expire at the hour when the court ends work. If a statement of claim, appeal, or other postal items are delivered to a communications institution on the final date of the time period by 12 o'clock midnight, they shall be considered to have been submitted within the time period.

[31 October 2002]

Section 49. Consequences of Default Regarding Procedural Terms

The right to perform procedural actions shall lapse after expiration of the term specified in law or by a court. Appeals and documents submitted after expiration of a procedural term shall not be accepted.

[31 October 2002]

Section 50. Staying of Procedural Terms

If a proceeding in a case is stayed, the calculation of a time period is stayed. The calculation of a time period is stayed from the moment when the circumstance which is the cause for staying the proceeding has occurred. The calculation of a procedural term shall be continued from the day when proceeding in the case is renewed.

[31 October 2002]

Section 51. Renewal of Procedural Terms

(1) Upon an application of a participant in the case, the court shall renew procedural terms regarding which there has been default, if it finds the reasons for default justified.

(2) Upon renewing the term regarding which there has been default, the court shall concurrently allow the delayed procedural action to be carried out.

[31 October 2002]

Section 52. Extension of Procedural Terms

The terms stipulated by a court or a judge may be extended upon an application of a participant in the case.

Section 53. Procedures for Extending and Renewing Procedural Terms

(1) An application for the extension of a term or renewal of delayed time period shall be submitted to the court where the delayed action had to be performed, and it shall be examined in the written procedure. The participants in the case shall be notified in advance regarding examination of the application in the written procedure, concurrently sending them an application for the extension of the term or renewal of a delayed term.

(2) An application for the renewal of a procedural time period shall be accompanied by documents required for the performance of the procedural action, and the grounds for renewal of the term.

(3) A term stipulated by a judge may be extended by a judge sitting alone.

(4) An ancillary complaint may be submitted regarding a refusal by a court or a judge to extend or renew a term.

[8 September 2011]

Chapter 6

Court Notifications, Summonses and Delivery and Service of Judicial Documents

[5 February 2009]

Section 54. Summons to Court

(1) Participants in the case shall be summoned to the court by notifying sufficiently in advance the time and place of the court hearing or individual procedural actions.

(2) Participants in the case shall be summoned to the court by a court summons. In the cases specified in this Law a defendant may be summoned to the court by a publication in the official gazette *Latvijas Vēstnesis*.

(3) Witnesses and experts shall be summoned to the court by court summons.

[29 November 2012; 4 February 2016 / Amendment made in relation to interpreters to Paragraph three shall come into force on 31 July 2016. See Paragraph 114 of Transitional Provisions]

Section 54.¹ Ascertaining of the Place of Residence of a Defendant

(1) If a defendant does not have a declared place of residence in Latvia, the plaintiff has an obligation to indicate the address of the place of residence of the defendant to the court, if he or she knows it.

(2) If due to objective reasons the plaintiff has not been able to determine the place of residence of the defendant which is not in Latvia, the court, upon a reasoned request from the plaintiff, may use the procedures provided for in international agreements binding to the Republic of Latvia or legal acts of the European Union for ascertaining the address of the defendant.

[29 November 2012]

Section 55. Court Summons

The following shall be indicated in a summons:

1) the given name, surname, and address of a natural person or the name and legal address of a legal person to be summoned or summonsed;

2) the name and address of the court;

3) the time and place of attendance;

4) the name of the case to which the person is summoned or summonsed;

5) a statement of reasons upon which the addressee is summoned or summonsed;

5¹) an indication that a video conference will be used;

6) a notice that it is the obligation of the person who has received the summons on account of the absence of the addressee to pass it on to the addressee;

7) the consequences of a failure to attend;

8) a statement that the court proceeding shall be carried out in the official language and that a participant in the case who does not understand the official language has an obligation to ensure the assistance of an interpreter by himself or herself, except for the cases provided for in this Law. A participant in the case has an obligation to ensure the assistance of an interpreter also for experts or witnesses summonsed upon his or her request, if the expert or witness does not understand the language of the court proceedings.

[5 February 2009; 8 September 2011; 29 November 2012; 4 February 2016 / Amendment made in relation to the interpreters by supplementing Section with Clause 8 shall come into force on 31 July 2016. See Paragraph 114 of Transitional Provisions]

Section 56. Delivery and Service of a Summons and Other Judicial Documents

(1) *[23 November 2016]*

(2) The drawn-up judicial documents (judgments, decisions, notifications, summons, etc.), as well as documents (true copies of applications in a case of special forms of procedure, appeal, cassation complaints, written

explanations, etc.) which are drawn up and submitted to the court by participants in the case but which are further issued by the court shall be sent as an ordinary postal item by an electronic mail or delivered by a messenger.

(2¹) A summons shall be sent to an advocate, a notary, a bailiff, an administrator, State and local government institutions by an electronic mail.

(2²) A court shall notify an advocate of the drawn up judicial documents, as well as other documents drawn up electronically in the online system.

(2³) A notary, a bailiff, an administrator, State and local government institutions shall be notified of the drawn-up judicial documents, as well as other documents drawn up electronically by an electronic mail, unless the person referred to in this Paragraph has notified the court of his or her registration in the online system.

(3) Judicial documents may be served to an addressee in person upon signature, if necessary, by summoning the addressee upon a summons to arrive to a court in order to receive the documents to be served.

(4) A participant in the case may, with a consent of a judge, receive judicial documents for delivery to another addressee in the case.

(5) Judicial documents shall be delivered to a natural person based on the address of the declared place of residence, but in cases when additional address is indicated in the declaration - based on the additional address, unless the natural person has not indicated his or her address to the court for correspondence with the court shall be carried out. The natural person has an obligation to be located at the address of his or her declared place of residence, at the additional address indicated in the declaration, or at the address indicated by such person for correspondence with the court. If the defendant does not have an address of declared place of residence and he or she has not indicated his or her address for correspondence with the court, the judicial documents shall be delivered based on the address indicated by the participant of the case in accordance with Section 54.¹, Paragraph one of this Law. The judicial documents may also be delivered to the workplace of the person.

(5¹) In executing a request of a foreign country for service of documents (Sections 672 and 681), documents shall be delivered to the addressee based on the address indicated in the request, but if the addressee cannot be located at such address, they may be delivered in accordance with the procedures laid down in this Section.

(6) Judicial documents shall be delivered to a legal person based on the legal address thereof.

(6¹) Judicial documents shall be delivered by electronic mail, if a participant in the case has notified the court that he or she agrees to use electronic mail for correspondence with the court. In such case judicial documents shall be sent to the electronic mail address indicated by the participant in the case. If the court finds technical obstacles for the delivery of judicial documents by electronic mail, they shall be delivered by another method referred to in Paragraph two of this Section.

(6²) If the participant in the case has notified the court of the fact that he or she agrees to electronic correspondence with the court, as well as of registration of his or her participation in the online system, judicial documents shall be communicated in the online system. If the court finds technical obstacles for the communication of judicial documents in the online system, they shall be delivered in other way referred to in Paragraph two of this Section, but the court summons shall be sent to the electronic mail address indicated by the participant in the case.

(7) Judicial documents delivered by a messenger or a participant in the case shall be served to the addressee in person upon signature by indicating the time and date of service of the document in the signature part and returning the signature part to the court. If the judicial documents are delivered by a bailiff or his or her assistant, the deed drawn up by the bailiff or his or her assistant shall be submitted to the court.

(8) If the person serving the judicial documents does not meet the addressee, he or she shall serve the judicial documents to any adult family member residing with such person. If the person serving the judicial documents does not meet the addressee at his or her workplace, he or she shall leave the documents to be served with the workplace administration for them to be given to the addressee. In the abovementioned cases the recipient of the judicial documents shall indicate his or her given name and surname, the time and date of service of the document in the signature part, as well as indicate his or her relationship to the addressee or his or her work position, and shall give the judicial documents to the addressee without delay.

(9) If the addressee of the judicial documents cannot be located, the person serving the judicial documents shall make an appropriate notation in the signature part of the document. The person serving the judicial documents shall also indicate in this part of the document the place to which the addressee has gone, and the time when the addressee is expected to return, if he or she has ascertained this.

(10) In respect of certain judicial documents the law may provide for sending thereof by registered mail or other types of delivery or service thereof.

[5 February 2009; 8 September 2011; 29 November 2012; 12 February 2015; 23 November 2016; 1 March 2018; 31 May 2018]

Section 56.¹ Date of Delivery and Service of Judicial Documents

(1) If judicial documents have been delivered in accordance with the procedures laid down in Section 56 of this Law, except for the case provided for in Paragraph nine thereof, it shall be considered that a person has been notified of the time and place of a court hearing or procedural action or of the contents of the relevant document and that the judicial documents have been served:

- 1) on the date when the addressee or another person has accepted them in accordance with Section 56, Paragraph three, seven, or eight of this Law;
- 2) on the date when the person has refused to accept them (Section 57);
- 3) on the seventh day from the day of sending, if the documents have been sent by mail;
- 4) on the third day from the day of sending, if the documents have been sent by electronic mail;
- 5) on the third day after sending by communicating in the online system.

(2) The fact per se that judicial documents have been delivered based on the address of the declared place of residence of a natural person, based on the additional address indicated in the declaration, based on the address indicated by the natural person for correspondence with the court or the legal address of a legal person and a statement is received from the post office regarding delivery of the postal item or documents are returned shall not affect the fact that the documents have been notified. The addressee may refute the presumption that documents have been issued on the seventh day from the day of sending if documents have been sent as a postal item, or on the third day from the day of sending if documents have been sent as an electronic mail item or by communicating in the online system indicating to objective circumstances which have served as an obstacle for the receipt of the documents based on the indicated address regardless of his or her will.

[5 February 2009; 8 September 2011; 29 November 2012; 23 November 2016]

Section 56.² Delivery and Service of Judicial Documents to a Person whose Place of Residence or Location is not in Latvia

(1) Judicial documents shall be delivered in the following ways to a person whose place of residence, location, or legal address is not in Latvia and whose address is known:

1) in accordance with the procedures provided for in Regulation (EC) No 1393/2007 of the European Parliament and of the Council of 13 November 2007 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (service of documents), and repealing Council Regulation (EC) No 1348/2000 (hereinafter - Regulation No 1393/2007 of the European Parliament and of the Council) (Chapter 81);

2) in accordance with the procedures provided for in Article 13 of Regulation (EC) No 861/2007 of the European Parliament and of the Council of 11 July 2007 establishing a European Small Claims Procedure (hereinafter - Regulation No 861/2007 of the European Parliament and of the Council);

3) in accordance with the procedures provided for in international agreements (Chapter 82) binding on Latvia;

4) in accordance with the procedures provided for in Chapter 83 of this Law;

5) in accordance with the procedures provided for in the Hague Convention of 15 November 1965 on the service abroad of judicial and extrajudicial documents in civil or commercial matters (hereinafter - the 1965 Hague Convention) (Chapter 81.¹).

(2) If judicial documents have been delivered to a person in accordance with the procedures laid down in Paragraph one of this Section, it shall be considered that the person has been notified of the time and place of procedural action or regarding the contents of the relevant document only in such case, if the confirmation regarding service of the document has been received. Documents shall be considered as served on the date indicated in the confirmation regarding service of documents.

(2¹) If judicial documents have been delivered to a person in accordance with the procedures laid down in Paragraph one of this Section and a confirmation regarding non-delivery thereof has been received, the court shall consider the reasons for non-delivery of the documents and determine the impact of non-delivery of the documents on court proceedings in accordance with the provisions of this Law. After considering the reasons for non-delivery of the documents the court may repeat the delivery of documents or use another method for the service thereof. If repeat issuance of documents is unsuccessful, Section 59 of this Law shall be applied.

(3) This Section shall not be applied, if a person whose place of residence, location, or legal address is not in Latvia

conducts a case through the mediation of a representative authorised in Latvia. In such case judicial documents shall be served only to the representative according to the general procedure.

(4) This Section shall not be applied, if the declared place of residence or indicated address for the representative is outside Latvia. A summons shall be sent to a representative whose declared place of residence or indicated address is outside Latvia in an electronic mail consignment, but the documents prepared by the court, as well as other electronically prepared documents shall be sent in an electronic mail consignment, unless the representative has notified the court of the registration of his or her participation in the online system.

[5 February 2009; 29 November 2012; 1 June 2017; 31 May 2018 / Clause 5 of Paragraph one shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 57. Consequences Caused by Refusing to Accept Judicial Documents

(1) If an addressee refuses to accept judicial documents, the person delivering the documents shall make a relevant notation in the document, specifying also reasons for refusal, date, and time thereof.

(2) Refusal to accept judicial documents shall not constitute a bar for examination of a case.

[5 February 2009]

Section 58. Change of Address during a Court Proceeding

(1) A participant in the case shall notify the court regarding any change in his or her address during the court proceeding. In the absence of such notice, a summons shall be sent based on the last known address of the person. In such case it shall be considered that the participant in the case has been notified of the time and place of examination of the case.

(2) If a participant in the case does not notify the court regarding a change of their address during the proceeding, a court or a judge may impose on such participant a fine of up to EUR 50.

[30 September 2010; 12 September 2013]

Section 59. Summoning to Court through a Publication in a Newspaper

(1) A defendant, whose address could not be ascertained in accordance with Section 54.¹ of this Law or to whom documents could not be delivered based on the address which was indicated by the participant in the case in accordance with Section 54.¹, Paragraph one of this Law, or to whom judicial documents could not be delivered in accordance with Section 56.² of this Law, shall be summoned to the court through a publication in the official gazette *Latvijas Vēstnesis*.

(2) Irrespective of the publication of a summoning notice in the official gazette *Latvijas Vēstnesis*, plaintiffs are entitled to publish the text of the court summons in other newspapers at their own expense.

(3) The text of the summons published in a newspaper shall correspond to the contents of the summons.

(4) A court may examine a case without the participation of the defendant, if not less than one month has passed from the day the summons was published in the official gazette *Latvijas Vēstnesis*.

(5) Alongside summoning of the defendant through a newspaper publication, the summons shall also be sent based on the location of the defendant's immovable property, if the plaintiff has indicated such location.

[29 November 2012]

Section 60. Search for a Defendant if his or her Place of Residence is Unknown

If the place of residence of a defendant is unknown, the court, upon request of the plaintiff, is entitled to announce a search for the defendant.

Chapter 7 Minutes of the Hearing

Section 61. Recording the Course of a Court Hearing

(1) Minutes of the hearing shall be written at every hearing of a court. The course of a court hearing shall be recorded in full amount through the use of technical means. A notation regarding this fact shall be made in the minutes of the court hearing.

(2) The material obtained in the result of using a sound recording or other technical means shall be attached to a

case and kept together with it, or entered into the Judicial Informative System and stored therein.

(3) In cases provided for in this Law, minutes shall also be kept regarding separate procedural actions performed outside a court hearing.

(4) The course of a court hearing shall not be recorded through the use of technical means, if none of the participants in the case has arrived.

(5) If the course of a court hearing has been recorded through the use of a sound recording, the relevant sound recording shall be accessible for persons having the right to become familiar with materials of the case on the next working day after the day of the court hearing.

[19 December 2013; 22 May 2014]

Section 62. Contents of the Minutes

(1) The following shall be indicated in the minutes of a court hearing:

- 1) the year, day, month, and place of the court hearing;
- 2) the name of the court which examines the case, the composition of the court, the court recorder of the court hearing, advocates and public prosecutors who participate in the case;
- 3) the fact that the course of the court hearing is being recorded through technical means;
- 4) the time of opening of the court hearing;
- 5) the name of the case;
- 6) information regarding the attendance of participants in the case, witnesses, experts, and interpreters;
- 7) information that the procedural rights and obligations of the participants in the case have been explained to them;
- 8) information that the witnesses, experts, and interpreters have been warned regarding criminal liability;
- 9) information regarding examination of material and written evidence;
- 10) court orders and decisions that have not been taken in the manner of separate procedural documents;
- 11) information regarding retiring of the court in order to take a decision or give judgment;
- 12) information regarding declaring of judgments or decisions taken as separate procedural documents;
- 13) information regarding explaining of the contents of a judgment or decision, appeal procedures, and time periods;
- 14) information as to when the participants in the case may acquaint themselves with the minutes of the court hearing, sound recording, and the text of the judgment;
- 15) the time when the court hearing is closed;
- 16) the time when the minutes of the court hearing are signed.

(2) A notation shall be made in the minutes of the court hearing regarding withdrawal of a claim by a plaintiff, as well as regarding admitting of a claim by a defendant and admitting of legal facts by the participants in the case, and the defendant, the plaintiff, or both parties shall certify it accordingly by signing on a separate certification drawn up by the court.

(3) The minutes of the court hearing shall be signed by the chairperson of the court hearing and the court recorder of the court hearing.

(4) Minutes of separate procedural actions performed outside a court hearing shall conform to the requirements of this Section.

[19 December 2013; 14 December 2017 / Amendment to Clause 14 of Paragraph one regarding deletion of the word "full" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 63. Writing of Minutes of a Hearing

(1) Minutes of a hearing shall be written by a court recorder of a court hearing.

(2) Minutes of a hearing shall be signed not later than three days after termination of a court hearing or implementation of separate procedural actions, but in complex cases - not later than five days thereafter.

(3) All additions and amendments to the minutes shall be justified before the chairperson of the court hearing and the court recorder of the court hearing sign the minutes. Incomplete lines and other blank spaces in the minutes shall be crossed out. Erasures or blocking out shall not be permitted in the text of minutes.

Section 64. Notes Regarding Minutes

[19 December 2013]

Chapter 8 Procedural Sanctions

Section 65. Types of Procedural Sanctions

In the cases specified in this Law the court may apply the following procedural sanctions:

- 1) a warning;
- 2) expulsion from the courtroom;
- 3) a fine;
- 4) forced conveyance to the court.

Section 66. Warning

A person who disturbs the order during the trial of a case shall be given a warning by the chairperson of the court hearing and in regard to this a notation shall be made in the minutes of the hearing.

Section 67. Expulsion from the Court Room

If participants in the case, witnesses, experts, or interpreters repeatedly disturb the order during the trial of a case, they may be expelled from the court room according to a decision of the court, but other persons present may be expelled according to an order of the chairperson of the court hearing even without prior warning.

Section 68. Fines

(1) A court shall impose a fine in the cases and in the amounts specified in this Law. If the court imposes a fine in a court hearing, the decision shall be entered in the minutes of the hearing.

(2) A true copy of the court decision (extract from the minutes) regarding imposition of a fine shall be sent to the person on whom the fine is imposed.

(3) A person on whom a fine has been imposed may, within ten days after service of a true copy of the court decision (extract from the minutes), request the court which imposed the fine to release such person from the fine or reduce its amount. Such application shall be examined at a court hearing, and the person on whom the fine has been imposed shall be notified of the hearing in advance. Failure of such person to attend shall not constitute a bar for examination of the submission.

(4) Fines imposed on officials shall be collected from their personal resources.

[5 February 2009; 19 December 2013]

Section 69. Conveyance by Force

(1) In the cases specified in this Law a court may take a decision on forced conveyance of a person to the court.

(2) Such decision shall be enforced by a police institution specified by the court.

Section 70. Administrative and Criminal Liability of Participants in a Case and Other Persons

Participants in the case and other persons who by their acts or failure to act disrupt the work of the court may, alongside the procedural sanctions provided for in law, be held to administrative or criminal liability in the cases specified in law.

Division Two Participants in a Case

Chapter 9

Civil-procedural Legal Capacity and Civil-procedural Capacity to Act

Section 71. Civil-procedural Legal Capacity

- (1) Civil-procedural legal capacity is the capacity to have civil-procedural rights and obligations.
- (2) All natural persons and legal persons shall be recognised as having equal civil-procedural legal capacity.

Section 72. Civil-procedural Capacity to Act

- (1) Natural persons who have attained legal age, insofar as their capacity to act has not been restricted by the court, and legal persons have the right to exercise civil-procedural rights and perform obligations (civil-procedural capacity to act).
- (2) Court cases for natural persons from 15 to 18 years of age shall be conducted by their statutory representatives. Court cases for natural persons who have attained legal age and whose capacity to act has been restricted by a court shall be conducted by their representatives or - in the cases specified in law - by representatives together with such persons. In cases conducted by representatives of the abovementioned persons the court shall also invite such persons themselves to participate.
- (3) For natural persons who have not attained the age of 15 court cases shall be conducted by their statutory representatives.
- (4) In the cases specified in law minors are entitled to independently exercise their civil-procedural rights and to perform obligations. In such case the statutory representatives of such persons may, in the discretion of the court, be called upon to assist such persons in conducting the case.
- (5) Natural persons who have attained legal age and whose capacity to act has been restricted by a court shall have complete civil-procedural capacity to act in cases in which restrictions to their actions and freedom, as well as disputes between such person and his or her trustee are examined. In such cases the court shall invite a public prosecutor and a representative of the Orphan's and Custody Court.

[29 November 2012]

Section 73. Concept of Participant in a Case

- (1) Participants in the case are parties, third persons, representatives of parties and third persons, public prosecutors, those State or local government institutions or persons to which the right to defend the rights and lawful interests of other persons in court has been granted by law, authorities which may be called upon to provide opinions in cases provided for in law, and representatives of such persons.
- (2) Persons possessing civil-procedural legal capacity and civil-procedural capacity to act may be participants in cases. The State and local government institutions to whom the right to defend the rights and lawful interests of other persons in court has been granted by law may be participants in cases regardless of whether or not they are legal persons.

[7 April 2004]

Section 73.¹ Use of Rights and Obligations in Bad Faith or Disrespect Against a Court

- (1) If a participant in the case uses his or her rights in bad faith or performs his or her obligations in bad faith, including he or she knowingly provides false information to the court regarding facts and circumstances in the case, or knowingly delays, by action or omission, examination of the case or issue, a judge shall warn the participant in the case, or impose a fine of up to EUR 800.
- (2) A court may impose a fine of up to EUR 1000 for disrespect against a court - any action which indicates to gross ignorance of provisions existing in the court hearing or court.
- (3) A court may impose a fine of up to EUR 1200 on a party for submission of a knowingly false application, statement of claim, or complaint, except for an ancillary complaint, notice of appeal or cassation, for the purpose of achievement of an unlawful objective or prevention of the protection of rights or lawful interests.
- (4) A court shall impose the fine referred to in Paragraph three of this Section by a ruling under which a case is examined on the merits or under which an application, claim, or complaint has been left without examination or court proceedings have been terminated. A person on whom the fine has been imposed may express objections regarding imposing of the fine by submitting a notice of appeal, a notice of cassation, or an ancillary complaint if the ruling is subject to appeal in a court of higher instance. The imposing of the fine shall not be subject to appeal separately without appeal of the ruling under which it was imposed.

[23 April 2015; 25 October 2018]

Chapter 10 Parties

Section 74. Parties, their Rights and Obligations

(1) Any natural or legal person may be a party (a plaintiff or a defendant) in a civil case.

(2) Parties have the following civil-procedural rights:

1) to acquaint themselves with the materials of a case, make extracts therefrom and prepare copies thereof;

2) to participate in court hearings;

3) to submit a recusal;

4) to submit evidence;

5) to participate in examination of the evidence;

6) to submit requests;

7) to provide oral explanations and written explanations to the court;

8) to express their arguments and considerations;

9) to raise objections against requests, arguments, and considerations of other participants in the case;

10) to appeal court judgments and decisions;

11) to receive true copies of judgments, decisions, and other documents in the case, and to enjoy other procedural rights granted them by this Law.

(3) In addition, plaintiffs have the right:

1) to withdraw their claims partly or fully;

2) to reduce the amount of their claims;

3) to amend in writing the basis or the subject-matter of their action or to increase the amount claimed, before examination of the case on the merits is commenced (Section 163 of this Law).

(4) A defendant is entitled to admit a claim fully or partly, raise objections against a claim, or to bring a counterclaim.

(5) Parties may agree on the use of mediation, also enter into a settlement or agree to transfer the case for examination to an arbitration court.

(6) Parties shall exercise their rights and perform their obligations in good faith.

(7) It is the obligation of the parties:

1) to attend the court according to a court summons;

2) to give a timely notice in writing of reasons preventing them from attending a court hearing by submitting evidence thereon;

2¹) to ensure assistance of an interpreter, if they do not understand the language of the court proceeding, except in cases laid down in this Law, including to ensure assistance of an interpreter also for experts or witnesses who are summonsed upon request of the parties, if the expert or witness does not understand the language of the court proceeding;

3) to perform other procedural obligations imposed to him or her by this Law.

[4 August 2011; 22 May 2014; 4 February 2016 / Amendment made regarding the interpreters to Paragraph seven, by supplementing it with Clause 2.¹, shall come into force on 31 July 2016. See Paragraph 114 of Transitional Provisions]

Section 75. Co-party Participation

(1) An action may be brought by several plaintiffs against one defendant, one plaintiff against several defendants, or several plaintiffs against several defendants.

(2) Each co-plaintiff and co-defendant acts independently in relation to the other party and other co-participants.

(3) Co-participants may transfer the conducting of the case to one of the co-participants or to one joint representative.

Section 76. Plaintiffs in a Case Initiated by Other Persons

A person in whose interests a case has been initiated according to the application of a public prosecutor, or of a State or local government institution, or person to whom the right to defend the rights and lawful interests of other persons in court has been granted by law shall participate in the case as a plaintiff.

Section 77. Assumption of the Procedural Rights of a Party

(1) If one of the parties in a case withdraws (a natural person dies, a legal person ceases to exist, a claim is ceded, a debt is transferred or other circumstances), the court shall allow such party to be replaced by the successor in interest of the party.

(1¹) An application for the assumption of rights shall be examined in the written procedure, except in the case when the court considers as necessary to examine the application in a court hearing.

(2) Assumption of rights may take place at any stage of the procedure.

(2¹) An ancillary complaint may be submitted regarding a decision of a court.

(3) All actions performed in the procedure up until the time a successor in interest enters therein shall be as binding upon the successor as they were upon the person whose rights are assumed.

[8 September 2011; 22 June 2017]

Chapter 11 Third Persons

Section 78. Participation of Third Persons in the Civil Procedure

(1) Natural or legal persons whose rights or obligations in relation to one of the parties may be affected by the judgment in a case may be third persons in the civil procedure.

(2) The provisions regarding procedural legal capacity and capacity to act applicable to parties shall apply to third persons, and the third persons have the procedural rights and obligations of parties with the exceptions specified in Section 80 of this Law.

(3) Third persons may enter into a case before examination of the case on the merits has been completed in a first instance court. They may also be invited to participate in the case based on a request of a public prosecutor or the parties.

Section 79. Third Persons with Separate Claims

(1) Third persons presenting separate claims for the subject-matter of a dispute may enter into the case by submitting a statement of claim.

(2) Third persons with separate claims have the rights and obligations of plaintiffs.

Section 80. Third Persons without Separate Claims

(1) Third persons presenting separate claims for the subject-matter of the dispute may enter into the case on the side of the plaintiff or the defendant if the judgment in the case may affect the rights or obligations of such third persons towards one of the parties.

(2) Third persons presenting separate claims have the procedural rights and obligations of parties, except for the rights to amend the basis or the subject-matter of an action, to increase or decrease the amount of a claim, to withdraw from an action, to admit a claim or enter into a settlement, or to demand the enforcement of a court judgment.

(3) In applications regarding inviting of third persons to participate, and in applications of third persons regarding entering into a case on the side of the plaintiff or the defendant, the grounds shall be specified why the third persons should be invited or allowed to participate in the case.

Section 81. Court Decisions on Inviting or Allowing Third Persons to Participate in Cases

A third person shall be invited or allowed to participate in a case according to a decision of a court. A decision by which a request regarding inviting of or allowing a third person to participate in a case is satisfied or rejected shall not be subject to appeal. A decision shall be sent by registered mail.

[29 November 2012; 23 November 2016]

Chapter 12 Representatives

Section 82. Rights to Representation in the Civil Procedure

(1) Natural persons may conduct cases in court personally or through their authorised representatives.

(2) Cases of legal persons shall be conducted in court by officials who act within the scope of powers granted them by law, articles of association, or by-laws, or by other representatives authorised by legal persons.

(3) Cases of State or local government institutions to which the right to defend the rights and lawful interests of other persons in court has been granted shall be conducted by the head of the institution or a representative authorised by the head of the institution.

(4) The participation of participants in civil cases referred to in Paragraphs one, two, and three of this Section does not deprive them of the right to retain an advocate to provide legal aid in their case. In such case Section 86 of this Law shall determine the scope of powers of the advocate, and he or she shall not provide explanations regarding the nature of the case.

(5) *[12 February 2004]*

(6) *[14 December 2017 / See Paragraph 132 of Transitional Provisions]*

(7) *[14 December 2017 / See Paragraph 132 of Transitional Provisions]*

[20 June 2001; 31 October 2002; Constitutional Court Judgement of 27 June 2003; 12 February 2004; 19 December 2013; 14 December 2017]

Section 82.¹ Exceptions from General Provisions Regarding Rights to Representation

(1) Natural persons and legal persons shall conduct cases themselves or with the intermediation of an advocate in the court of first instance and the appellate court:

1) in cases concerning the recognition of decisions of shareholder or stockholder meetings of capital companies as invalid (Chapter 30.⁴);

2) in cases arising from obligation rights, if the amount of claim exceeds EUR 150 000;

3) in cases regarding the protection of a trade secret against illegal acquisition, use, and disclosure (Chapter 30.⁸).

(1¹) In the case referred to in Paragraph one, Clause 3 of this Section the case may be conducted also with the intermediation of a professional patent attorney.

(2) In the cases referred to in Paragraph one of this Section the case shall be conducted by the legal person itself, if it is conducted by its officials who act within the scope of the powers granted to them by the law, articles of association, or by-laws, as well as by persons who are in employment legal or civil service relation with the relevant legal person and are authorised for it in accordance with the procedures laid down in this Law.

(3) Cases of natural persons shall be conducted in a court of cassation by themselves or with the intermediation of an advocate.

(4) Cases of legal persons shall be conducted in a court of cassation by officials who act within the scope of the powers granted to them by law, articles of association, or by-laws, or they are conducted with the intermediation of an advocate.

[14 December 2017; 28 February 2019 / See Paragraph 133 of Transitional Provisions]

Section 83. Persons who may be Authorised Representatives in the Civil Procedure

Any natural person may be an authorised representative in the civil procedure, taking into account the restrictions

specified in Section 82.¹ and Section 84 of this Law.

[12 February 2004; 19 December 2013; 14 December 2017 / Amendment to this Section regarding replacement of the number and words "Section 82, Paragraphs six and seven" with the number and word "Section 82.¹" shall come into force on 1 January 2019. See Paragraph 132 of Transitional Provisions]

Section 84. Persons who May not Act as Representatives in the Civil Procedure

(1) The following persons may not act as representatives in the civil procedure:

- 1) persons who have not attained legal age;
- 2) persons for whom trusteeship has been established;
- 3) persons who, by a judgment of a court, have been deprived of the right to conduct the cases of other persons;
- 4) persons who are in kinship relations to the third degree, or in affinity relations to the second degree, with the judge who is to try the case;
- 5) persons who have given legal aid to the other party in the dispute in this case or in another case related thereto;
- 6) a mediator who has participated in mediation in this case or in another case related thereto.

(2) Upon finding that the circumstances referred to in Paragraph one of this Section exist, the court shall not allow the respective person to participate in examination of the case.

[29 November 2012; 22 May 2014]

Section 85. Formalising Representation

(1) Representation of natural persons shall be formalised with a notarially certified authorisation. The authorisation of a representative may be expressed by way of an oral application in court by the person to be represented, and shall be recorded in the minutes of the hearing.

(2) Representation of legal persons shall be formalised with a written authorisation or documents certifying the right of an official to represent the legal person without special authorisation.

(3) Authorisation of an advocate for the provision of legal aid shall be confirmed by an order. If an advocate acts as an authorised representative of a party, their authorisation shall be confirmed by a written authorisation.

(3¹) The authorisation of the State ensured legal aid provider for the provision of legal aid shall be certified by an order for the provision of legal aid issued by the responsible State authority.

(4) Parents, adopters, guardians, and trustees shall present to the court judicial documents confirming their rights.

(5) If an authorised representative is one of the procedural participants on behalf of another participant, such authorisation may be expressed by way of an oral application in court by the person to be represented, and shall be recorded in the minutes of the hearing.

[20 June 2001; 12 February 2004; 17 February 2005; 10 December 2015]

Section 86. Scope of the Powers of Representatives

(1) A representative has the right to perform, on behalf of the person represented, all procedural actions, except for those that require special authorisation. If the case of a natural person is conducted with the intermediation of an authorised representative, court notifications and documents shall be sent only to the representative. If the authorised representative of the natural person whose declared place of residence or indicated address is outside Latvia does not indicate an electronic mail address or does not notify of the registration of its participation in the online system, court notifications and documents may be sent only to the person represented.

(2) Full or partial withdrawal of an action, change of the subject-matter of an action, bringing of a counterclaim, full or partial admitting of a claim, entering into a settlement, transferring of a case to an arbitration court, appealing court rulings according to appeal or cassation procedure, submitting enforcement documents for recovery, receiving property or money adjudged, and terminating enforcement proceedings must be specially set out in the authorisation issued by the person represented.

(3) All procedural actions performed by representatives according to the authorisation issued to them are binding upon the person represented.

[19 June 2003; 1 June 2017]

Section 87. Early Termination of Representation

(1) A person represented may at any time withdraw the authorisation given to his or her representative by immediately notifying the court in writing. Oral notice regarding revocation of the authorisation may be given at a court hearing, and shall be recorded in the minutes of the hearing.

(2) A representative has the right to withdraw from the conducting of a case, giving timely written notice thereof to the person represented and to the court.

[23 November 2016]

Chapter 13

Authorities and Persons Participating in Procedure in Accordance with the Law

[7 April 2004]

Section 88. Participation of State or Local Government Institutions and Individual Persons in the Procedure in Order to Protect the Rights of Other Persons

(1) In the cases provided for in law, international agreements binding on the Republic of Latvia, or legal acts of the European Union, the State or local government institutions and persons may submit an application to the court in order to protect the rights and lawful interests of other persons.

(2) The institutions and persons indicated in this Section may become acquainted with the materials of the case, make applications for the removal, provide explanations, provide evidence, participate in examination of evidence, submit requests, and appeal the judgment and decision of a court.

(3) Withdrawal of an application by the specified institutions and persons which has been submitted by them in accordance with Paragraph one of this Section shall not deprive the person in whose interests the application was submitted of the right to require that the court examines the case on the merits.

[9 June 2011]

Section 89. Participation of Institutions in the Procedure in Order to Provide Opinions

(1) In the cases provided for in law the court shall invite institutions to participate in the procedure, so that they may, within the scope of their competence, provide their opinion in the case and defend the rights and interests of persons protected by law.

(2) The invited institutions have the right to become acquainted with the materials of the case, to participate in examination of evidence, to submit requests, and to provide opinions.

[7 April 2004]

Chapter 14

Public Prosecutors

Section 90. Participation of Public Prosecutors in the Civil Procedure

(1) Public prosecutors are entitled to participate in examination of a case, if they have brought an action or submitted an application, or if their participation is compulsory.

(2) A public prosecutor has the right to bring an action or to submit an application to a court, if:

1) it is necessary in order to protect the rights and interests of the State or of local governments specified in law;

2) the rights or lawful interests of minors, persons under guardianship, disabled persons, prisoners, or other such persons who have limited means to protect their rights have violated;

3) in conducting an inspection of public prosecutors, a violation of law is found.

(3) Participation of the public prosecutor in examination of a case is compulsory if it is specified in law or found necessary by the court.

(4) A public prosecutor who participates in examination of a case has the right to become acquainted with the materials of the case, to make application for removal, to provide evidence, to participate in examination of evidence, to

submit requests, to provide opinions on issues arising in the course of trial of the case and regarding the nature of the case in general, to submit a protest regarding a court judgment or decision, to receive a true copy of the judgment or decision, or of other documents in the case, as well as to perform other procedural actions specified in law.

(5) If a public prosecutor is a participant in the case, he or she has the right to submit a protest regarding a court judgment or decision in all cases where other participants in the case have the right to appeal a judgment or decision.

(6) Withdrawal of a public prosecutor from an action or application he or she has submitted to the court shall not deprive the person in whose interests the action has been brought or application has been submitted of the right to require that the court examines the case on the merits.

[29 November 2012]

Section 91. Withdrawal or Removal of a Public Prosecutor

(1) A public prosecutor may not deliver his or her opinion in a case if in the course of a previous examination of the case he or she has acted as a judge, party, third person, representative, expert, interpreter, or court recorder of the court hearing, as well as in the cases specified in Section 19, Paragraph one, Clauses 2, 3, and 4 of this Law.

(2) Where any of the abovementioned circumstances are present, a public prosecutor shall withdraw himself or herself prior to the commencement of the trial of the case.

(3) If a public prosecutor has not withdrawn himself or herself, participants in the case have the right to apply for removal of the public prosecutor on the basis referred to in this Section.

(4) Removal of a public prosecutor shall be applied for and the court shall decide such application in accordance with the procedures laid down in Sections 20 and 21 of this Law.

Division Three Evidence

Chapter 15 General Provisions Regarding Evidence

Section 92. Evidence

Evidence is information on the basis of which a court determines the existence or non-existence of such facts that are significant in the trial of the case.

[31 October 2002]

Section 93. Burden of Proof and Obligation to Submit Evidence

(1) Each party must prove the facts upon which they base their claims or objections. Plaintiffs must prove that their claims are well-founded. Defendants must prove that their objections are well-founded.

(2) Evidence shall be submitted by the parties and by other participants in the case. If it is not possible for the parties or other participants in the case to submit evidence, the court shall, upon a reasoned request from them, require such evidence.

(3) Evidence shall be submitted to the court not later than 14 days before a court hearing, unless the judge has set another time period within which evidence is to be submitted. The second sentence of Section 48, Paragraph four of this Law shall not apply to such time period.

(3¹) During the trial of the case evidence may be submitted upon a reasoned request from the party or other participants in the case if it does not impede the trial of the case or the court finds the reasons for untimely submission of evidence justified, or the evidence concerns facts which have become known during the trial of the case.

(3²) If a participant in a case submits evidence after the time period has expired, and the court does not find the reasons for untimely submission of evidence justified, the court shall impose the participant in the case a fine of up to EUR 750.

(3³) A decision of the court to refuse to accept evidence may not be appealed, but objections regarding such decision may be expressed in a notice of appeal or cassation complaint.

(4) If the court admits that no evidence has been submitted in respect of any of the facts on which the claims or objections of the party are based, it shall notify the parties thereon and, if necessary, determine a time period within

which evidence must be submitted.

[31 October 2002; 19 June 2003; 7 September 2006; 29 November 2012; 12 September 2013]

Section 94. Relevance of Evidence

The court shall accept only such evidence which is relevant to the case.

Section 95. Admissibility of Evidence

(1) The court shall admit only such means of evidence which are specified in law.

(2) Facts which, in accordance with law, may be proved only by particular means of evidence may not be proved by any other means of evidence.

Section 96. Grounds for Exemption of Proving

(1) If the court acknowledges a fact to be universally known, it needs not be proved.

(2) The facts established according to a judgment which has entered into lawful effect in one civil case need not be proved again upon trying other civil cases involving the same parties.

(3) A court judgment which has entered into lawful effect in a criminal case, a prosecutor's injunction regarding the punishment, as well as a decision to terminate criminal proceedings for reasons other than exoneration shall be binding on a court examining the case regarding civil liability of the person regarding whom the relevant ruling was made, only with respect to the issue of whether a criminal act or failure to act occurred and whether such has been committed or respectively been allowed by the same person.

(4) Facts which in accordance with law are deemed to be established need not be proved. Such subrogation may only be disputed according to the general procedure.

(5) A party needs not prove the facts which in accordance with the procedures laid down in this Law have not been disputed by the other party.

[31 October 2002; 5 February 2009]

Section 97. Assessment of Evidence

(1) A court shall assess the evidence according to its own convictions which are based on evidence that has been thoroughly, completely, and objectively examined, and according to judicial consciousness based on the principles of logic, scientific findings, and observations drawn from every-day experience.

(2) No evidence shall have a predetermined effect which would be binding upon the court.

(3) A court must indicate in its judgment why it has given preference to one body of evidence in comparison to another and has found certain facts as proven, but others as not proven.

Chapter 16 Securing of Evidence

Section 98. Admissibility of Securing the Evidence

(1) If a person has a reason to believe that the submission of the necessary evidence on their behalf may later be impossible or problematic, they may request for such evidence to be secured.

(2) Applications for securing evidence may be submitted at any stage of the proceedings, as well as prior to the bringing of an action to a court.

(3) Prior to court proceedings, evidence shall be secured by the district (city) court in the territory of which the source of evidence to be secured is located. After initiation of the case the court examining the case shall secure the evidence.

[14 December 2006]

Section 99. Application for Securing Evidence

The following shall be indicated in an application for the securing of evidence:

1) the given name and surname of the applicant, the case for examination of which the securing of evidence is required, or the potential participants therein;

- 2) the evidence to be secured;
- 3) the facts for the proving of which this evidence is necessary;
- 4) the reasons why the applicant is requesting the securing of evidence.

Section 100. Procedures by which an Application for Securing of Evidence Before Bringing an Action Before a Court are Decided

- (1) An application for securing evidence shall be decided by a court or a judge within ten days of its receipt.
- (2) If the application for securing evidence is decided by a court, the applicant and potential participants in the case shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for examination of the application submitted.
- (3) With a decision of a judge, evidence without summoning potential participants in the case may be ensured only in exceptional cases, including immediate infringement of the intellectual property rights or cases of possible infringements or in cases where it is impossible to determine the participants in the case.
- (4) If a decision to secure evidence has been taken without the presence of the potential defendant or the other participants in the case, they shall be notified regarding such decision not later than by the moment of enforcement of the abovementioned decision.
- (5) Examination of witnesses, as well as inspection on site and expert-examination shall be carried out in accordance with the applicable norms of this Law.
- (6) Upon satisfying an application for the securing evidence prior to bringing an action, the judge shall determine the time period for the submission of the statement of claim not longer than 30 days.
- (7) Upon satisfying an application for securing evidence prior to bringing an action, the judge may request that the potential plaintiff pays in a specified amount of money into the bailiffs deposit account or provides an equivalent guarantee to ensure coverage of the losses which may be caused to the defendant in relation to the securing of evidence.
- (8) The minutes of the court hearing and the materials collected in the course of securing the evidence shall be kept until required by the court that examines the case.
- (9) An ancillary complaint may be submitted in regard to a decision by a judge to reject an application for the securing of evidence or the decision referred to in Paragraph three of this Section. If the decision to secure evidence has been taken without the presence of the participants in the case, the time period for the submission of the ancillary complaint shall be counted from day of the issuance or sending of the decision.

[14 December 2006; 20 December 2010]

Section 101. Procedures for the Examination of an Application for the Securing of Evidence after Initiation of the Case in a Court

- (1) An application for the securing of evidence shall be examined at a court hearing in accordance with the relevant provisions of this Law.
- (2) The applicant and other participants in the case shall be notified of the time and place of the hearing. Failure of such persons to attend shall not constitute a bar for examination of the application for the securing of evidence.

Section 102. Court Assignments

- (1) If the court examining the case is unable to collect the evidence located in another city or district, the court or the judge shall assign the performance of specific procedural activities to the appropriate court.
- (2) In the decision on the court assignment there shall be a succinct description of the nature of the case to be examined, circumstances to be clarified, and the evidence that the court performing the assignment is required to collect. Such a decision shall be mandatory for the court to which it is addressed and shall be performed within 15 days.

[31 October 2002]

Section 103. Procedures for Performing Court Assignments

- (1) Court assignments shall be performed at a court hearing in accordance with the procedures laid down in this Law. Participants in the case shall be notified of the time and place of the hearing. Failure of such persons to attend shall not constitute a bar for the performance of the assignment.

(2) Minutes and other materials of the case which have been collected during the performance of the assignment shall be transferred to the court examining the case within three days.

Section 103.¹ Termination of Securing of Evidence

If a decision to secure evidence has been taken prior to the bringing of an action and the action is not brought within the time period specified by the court, the judge on the basis of the receipt of an application from the potential plaintiff or defendant shall take a decision to withdraw the securing of evidence.

[14 December 2006]

Section 103.² Compensation of Losses Incurred due to Securing of Evidence

A defendant is entitled to claim compensation for losses, which he or she has incurred in relation to the securing of evidence if the securing of evidence has been withdrawn in the case specified in Section 103.¹ of this Law if against him or her the action brought was refused, left without examination or court proceedings were terminated in the cases specified in Section 223, Clauses 2 and 4 of this Law.

[14 December 2006]

Chapter 17 Means of Evidence

Section 104. Explanations by Parties and Third Persons

(1) Explanations by parties and third persons which include information regarding facts on which their claims or objections are based shall be admitted as evidence, if supported by other evidence verified and assessed at a court hearing.

(2) If one party admits the facts on which the claims or objections of the other party are based, a court may find such facts to be proven, if the court has no doubt that the admission was not made due to the effects of fraud, violence, threat, or error or in order to conceal the truth.

Section 105. Testimony of Witnesses

(1) A witness is a person who has knowledge of facts related to the case and who has been summoned by the court to a court hearing.

(2) Upon a request to examine a witness, a participant in the case shall indicate what circumstances relevant to the case may be affirmed by the witness.

(3) A witness who has been called to court does not have the right to refuse to give testimony, except for the cases specified in Sections 106 and 107 of this Law.

(4) A witness may only be questioned regarding facts relevant to the instant case.

(5) Testimony based on information from unknown sources or on information obtained from other persons, unless such persons have been examined, may not be allowed as evidence.

Section 106. Persons who may not be Witnesses

The following persons may not be summoned or examined as witnesses:

1) ministers - regarding circumstances which have come within their knowledge through hearing confessions, and persons whose position or profession does not permit them to disclose certain information entrusted to them - regarding such information;

2) minors - regarding circumstances that testify against their parents, grandparents, brothers, or sisters;

3) persons whose physical or mental deficiencies render them incapable of appropriate assessment of circumstances relevant to the case;

4) children under the age of seven;

5) persons who have participated in mediation of this case or in another case related thereto.

[22 May 2014]

Section 107. Persons who may Refuse to Testify

(1) The following persons may refuse the obligation to testify:

1) relatives in a direct line and of the first or second degree in a collateral line, spouses, affinity relatives of the first degree, and family members of parties;

2) guardians and trustees of parties, and persons under guardianship or trusteeship of the parties;

3) persons involved in litigation in another case against one of the parties.

(2) The court shall explain to the abovementioned persons their right to refuse to testify.

Section 108. Obligations of Witnesses

(1) A person summoned as a witness shall attend the court and give a true testimony regarding circumstances of which they have knowledge. A witness may be questioned also by using a video conference at the court based on the location of the witness or at the place specially equipped for such purpose.

(2) A witness shall answer questions asked by a court and participants in the case.

(3) A court may question a witness at their place of residence, if the witness is unable to attend according to a court summons because of illness, old age, disability, or another justified cause.

[8 September 2011]

Section 109. Liability of Witnesses

(1) For a refusal to testify for reasons which the court has found unjustified, and for intentionally providing false testimony, a witness is liable in accordance with The Criminal Law.

(2) If a witness, without a justified cause, fails to attend pursuant to a summons by a court or a judge, the court may impose on him or her a fine of up to EUR 60 or have them brought to court by forced conveyance.

[12 September 2013]

Section 110. Written Evidence

Written evidence is information regarding facts relevant to the case which is recorded by letters, figures, or other characters or use of technical means in documents, other written or printed matter, or in other relevant recording media (audio and video tapes, computer diskettes, etc.).

Section 111. Procedures for Submitting Written Evidence

(1) Upon submitting written evidence to a court or requesting the requiring of such evidence participants in a case shall indicate what circumstances relevant for the case such evidence can attest to.

(2) Written evidence shall be submitted by way of original or true copy, copy or extract certified in accordance with the specified procedures. If a part of a written document or of other written matter is sufficient to clarify facts relevant for the case, an extract therefrom may be submitted to the court.

(3) Original documents, as well as written evidence certified in accordance with specified procedures shall be submitted, if laws or international treaties binding on the Republic of Latvia provide that the particular facts may be proven only with the original documents or with true copies certified in accordance with specified procedures.

(4) If written evidence has been submitted to the court by way of a true copy, copy or an extract, the court is entitled to require, upon a reasoned request from participants in the case or upon its own initiative, to submit or present the original if it is necessary for determining the circumstances in the case.

[8 September 2011]

Section 112. Procedures for Requiring Written Evidence

(1) A court or a judge is entitled to require, upon a reasoned request from a participant in the case, written evidence from the State and local government institutions and from other natural or legal persons.

(2) Participants in a case who request the court to require written evidence shall describe such evidence and provide their reasons for presuming that the evidence is in the possession of the abovementioned person.

(3) The State and local government institutions and other natural or legal persons that cannot submit the required written evidence or cannot submit such within the time limit specified by the court or the judge shall notify the court thereof in writing by stating their reasons.

(4) If a party refuses to submit the written evidence required to the court, without denying that the party possesses such evidence, the court may find as proved facts which the opposite party sought to prove by referring to such written evidence.

[31 October 2002]

Section 113. Returning of Written Evidence in a Case

According to a reasoned written application from the person who has submitted the originals of written evidence, the court shall return such evidence to this person after the court judgment has entered into lawful effect. If such evidence has been referred to in a ruling of the court, true copies of the written evidence certified by the judge shall remain in the case file.

Section 114. Inspection of Written Evidence at the Place of Keeping

If the submission of written evidence to the court is impossible or problematic due to the amount or volume thereof or other reasons, the court may perform an inspection and examination of written evidence at the place where it is kept.

[31 October 2002]

Section 115. Material Evidence

Material evidence consists of tangible things that may, due to their properties, characteristics, or very existence, be useful in clarifying facts which are relevant for a case.

Section 116. Submitting and Requesting Material Evidence

(1) A participant in a case who submits material evidence to a court or requests that such evidence be required must indicate what circumstances relevant for the case such evidence can attest to.

(2) A participant in a case who requests the court to require material evidence shall describe such evidence and indicate their reasons for presuming that the evidence is in the possession of the abovementioned person.

(3) A court or a judge is entitled to require, upon a reasoned request from a participant in the case, material evidence from the State and local government institutions and from other natural or legal persons.

(4) The State and local government institutions and other natural or legal persons that cannot submit the required material evidence or cannot submit such within the time limit specified by the court or the judge shall notify the court thereof in writing by stating their reasons.

[31 October 2002]

Section 117. Inspection of Material Evidence at the Place of Keeping

If the submission of material evidence to the court is impossible or problematic due to the amount or volume thereof or other reasons, the court may perform inspection and examination of the material evidence at the place where it is kept or transfer performance thereof to a bailiff.

[31 October 2002]

Section 118. Storage of Material Evidence

(1) Material evidence shall be attached to the case file or kept at the material evidence storage facility of the court.

(2) Articles that cannot be delivered to the court shall be kept at their current location. They shall be described and, if necessary, photographed or filmed. The descriptions and recorded images shall be attached to the case file.

(3) Material evidence that deteriorates rapidly shall be inspected by the court without delay, and participants in the case shall be notified. After inspection such material evidence shall be returned to the persons from whom it was obtained.

Section 119. Returning of Material Evidence

(1) After a court judgment has entered into lawful effect, material evidence shall be returned to the persons from whom it was obtained, or transferred to persons who, according to the court judgment, have the right to these things.

(2) Material evidence that may not, in accordance with law or the court judgment, be returned to participants in the case or persons from whom it was obtained shall be transferred by the court to relevant State institutions.

(3) In individual cases material evidence may be returned before the judgment has entered into lawful effect, provided that this is not detrimental to examination of the case.

Section 120. Liability for Failure to Submit Written and Material Evidence

If a court has not been notified that the required written or material evidence cannot be submitted or has not been submitted for reasons that the court has found to be unjustified, the court may impose on the person at fault a fine of up to EUR 40. Payment of the fine shall not release such person from the obligation to submit the evidence required by the court.

[12 September 2013]

Section 121. Expert-examination

(1) A court shall, upon request from a party, order expert-examination in a case where specific knowledge in science, technology, art or another field is required to clarify facts relevant to the case. If necessary, a court may order several such examinations.

(2) Expert-examination shall be carried out by the persons specified in the Law on Forensic Experts. The parties shall select the expert, upon mutual agreement, but if such agreement is not reached within the time limit specified by the court, the expert shall be selected by the court. If necessary, several experts may be selected.

(3) Participants in the case have the right to submit to the court questions regarding which expert opinion must, in their opinion, be provided. The court shall determine issues requiring an expert opinion. The court shall indicate grounds for rejection of the issues submitted by participants in the case.

(4) A court decision on the ordering of expert-examination shall specify what issues an expert opinion is required in regard to and whom the performing of the expert-examination has been assigned to.

(5) Expert-examination shall be performed in the court, or outside the court if its performance in the court is impossible or is problematic.

[29 October 2015]

Section 122. Obligations and Rights of Experts

(1) A person selected as an expert must attend according to a court summons. An expert may be examined, also using video conference at the court based on the location of the expert or at a place specially equipped for such purpose.

(2) If an expert who has been summoned fails to attend the court hearing for reasons that the court finds unjustified, the court may impose on the expert a fine of up to EUR 60.

(3) An expert has the right to review materials in the case, to question the participants and witnesses in the case, and to ask the court to require additional materials.

(4) An expert shall provide an objective opinion, in his or her own name, and shall be personally liable for it.

(5) An expert may refuse to provide an opinion, if the material provided for his or her examination is not sufficient, or if the questions asked are beyond the scope of the special knowledge of the expert. In such cases the expert shall notify the court, in writing, that it is not possible to provide an opinion.

(6) For refusal to perform his or her obligation without justified cause or for intentionally providing a false opinion, the expert shall be liable in accordance with The Criminal Law.

[8 September 2011; 12 September 2013]

Section 123. Withdrawal or Removal of an Expert

(1) An expert may not participate in examination of a case, if he or she has previously been a judge or a participant in examination of the case, and in the cases provided for in Section 19, Paragraph one, Clauses 2, 3, and 4 of this Law.

(2) An expert may not participate in examination of the case also if:

1) he or she is or has been, due to his or her position or otherwise, dependent on a party or another participant in the case;

2) there has been, prior to the initiation of the court proceedings, a connection between a party in the case being examined and the performance of professional obligations by this expert;

3) it is determined that the expert is not competent.

(3) Upon existence of the abovementioned circumstances, the expert must withdraw himself or herself prior to the

commencement of the trial of the case.

(4) If the expert does not withdraw himself or herself, participants in the case have the right to apply for removal of the expert on the bases referred to in this Section.

(5) Removal of an expert shall be applied for and a decision shall be made by the court in regard thereto in accordance with the procedures laid down in Sections 20 and 21 of this Law.

Section 124. Expert Opinion

(1) An expert opinion must be reasoned and the basis thereof provided.

(2) An opinion shall be stated in writing and submitted to the court. Precise description of examination performed, conclusions formed as a result thereof, and reasoned answers to the questions asked by the court shall be included in the expert opinion. If, upon performing expert-examination, the expert finds circumstances that are significant to the case and the expert has not been questioned regarding them, he or she is entitled to indicate such circumstances in the opinion.

(3) If several experts are selected, they have the right to consult with one another. If the experts reach a common opinion, all the experts shall sign it. If the opinions of the experts differ, each expert shall write a separate opinion.

Section 125. Assessment of Expert Opinion

(1) The court shall assess expert opinions in accordance with the provisions of Section 97 of this Law.

(2) If the expert opinion is not clear enough or is incomplete, a court may order a supplementary expert-examination, assigning performance thereof to the same expert.

(3) If an expert opinion is not justified or the opinions of several experts contradict one another, the court may order a repeated expert-examination, assigning performance thereof to another expert or experts.

Section 126. Opinion of an Institution

An opinion of an institution, summoned in accordance with the procedures laid down in Section 89 of this Law, shall be assessed by the court as evidence. Reasons for a court's disagreement with such opinion shall be set out in the ruling made in the case.

[7 April 2004]

Part B Court Proceedings in a Court of First Instance

Division Four Court Proceedings by Way of Action

Chapter 18 Bringing of an Action

Section 127. Persons who may Bring Actions before a Court

(1) Persons who have the civil-procedural capacity to act have the right bring an action before a court to protect their infringed or contested rights of a civil nature.

(2) An action in the interests of minors shall be brought by the statutory representatives of such persons, but in cases provided for in Section 72, Paragraph four of this Law, an action may be brought by minors themselves. An action in the interests of persons under trusteeship shall be brought by the representatives of such persons together with the person under trusteeship or by themselves on behalf of the relevant person, if it has been determined by the court, except for the case provided for in Section 72, Paragraph five.

(3) A public prosecutor, State or local government institutions, or persons to whom the right to defend the rights and lawful interests of other persons in court has been granted by law, may bring an action in order to protect the infringed or contested rights of a civil nature of such persons.

[29 November 2012]

Section 128. Statement of Claim

(1) An action shall be brought by submitting a written statement of claim to the court.

(2) The following information shall be indicated in a statement of claim:

1) the name of the court to which the application has been submitted;

1¹) the given name, surname, personal identity number, declared place of residence of the plaintiff, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the plaintiff agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the plaintiff may also indicate another address for correspondence with the court;

1²) the given name, surname, personal identity number, declared place of residence and the additional address indicated in the declaration of the defendant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. The personal identity number or registration number of the defendant shall be indicated, if such is known;

1³) the given name, surname, personal identity number and address for correspondence with the court of the representative of the plaintiff (if the action is brought by a representative); for a legal person - the name, registration number and legal address thereof. If the representative of the plaintiff whose declared place of residence or indicated address for correspondence with the court is in Latvia agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. If the declared place of residence or indicated address of the representative of the plaintiff is outside Latvia, in addition electronic mail address shall be indicated or he or she shall notify of the registration of his or her participation in the online system. If the representative of the plaintiff is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

2) [29 November 2012];

2¹) the name of the credit institution and the number of the account to which payment of the amount to be recovered must be made or court expenses must be reimbursed;

3) the subject-matter of the claim;

4) the amount of the claim, if the claim can be assessed in terms of money, as well as the calculation of the amount being recovered or contested;

5) the circumstances on which the plaintiff bases his or her claim, and evidence which corroborates such facts;

5¹) information on the use of mediation for settlement of a dispute before applying to a court;

6) the law on which the claim is based;

7) the claims of the plaintiff;

8) a list of documents attached to the statement of claim;

9) the date of preparing the statement of claim and other information, if such information is necessary for examination of the case. The plaintiff may indicate his or her telephone number, if he or she agrees to use telephone for correspondence with the court.

(3) The statement of claim shall be signed by the plaintiff or his or her representative, or the plaintiff together with the representative if determined by the court, except for the case specified in Section 72, Paragraph five of this Law. If an action is brought on behalf of the plaintiff by his or her representative, the statement of claim shall be accompanied by a power of attorney or another document confirming the authorisation of the representative to bring the action.

(4) The statement of claim in the matter regarding the maintenance may be submitted or sent with the intermediation of central institutions of Latvia designated for ensuring co-operation in the cases provided for in the legal acts of the European Union and international agreements by using the forms provided for in the relevant legal acts.

[9 June 2011; 8 September 2011; 29 November 2012; 22 May 2014; 29 October 2015; 23 November 2016; 1 June 2017; 22 June 2017]

Section 129. Documents to be Attached to a Statement of Claim

(1) A statement of claim shall be submitted to the court, attaching thereto as many true copies as there are defendants and third persons in the case.

(2) The following documents shall be attached to the statement of claim which confirm:

1) payment of the State duty and other court expenses in accordance with the procedures and in the amounts laid down in law;

2) conformity with the procedures for the preliminary extrajudicial examination of the case, if such examination is specified in law;

3) circumstances on which the claim is based.

(3) A judge may, depending on the circumstances and nature of the case, impose an obligation on a plaintiff to submit true copies of the documents attached to the statement of claim in order to send them to the defendant and third persons.

(4) A translation certified in accordance with the specified procedures shall be attached to a statement of claim and true copies of the attached documents in the cases provided for in the law, if documents are intended to be served to a person in accordance with Section 56.² of the this Law. The translation need not be attached by a person who is released from the payment of court expenses.

[5 February 2009]

Section 130. Submission of a Statement of Claim to the Court

(1) A statement of claim shall be submitted to a court of first instance according to the provisions regarding jurisdiction.

(2) *[23 April 2015]*

(3) *[23 April 2015]*

(4) A statement of claim which is not signed shall be considered as not submitted and sent back to the applicant.

[23 April 2015]

Section 131. Taking of a Decision to Accept a Statement of Claim and Initiation of a Civil Case

(1) Upon receipt of a statement of claim in a court, a judge shall, within ten days but upon receipt of the application referred to in Section 644.⁷ or 644.¹⁷ of this Law not later than on the following day, take a decision:

1) to accept the statement of claim and to initiate proceedings;

2) to refuse to accept the statement of claim;

3) to leave the statement of claim not proceeded with.

(2) If examination of a case is not possible in accordance with Regulation No 861/2007 of the European Parliament and of the Council or Regulation No 1896/2006 of the European Parliament and of the Council Regulation, a judge shall take one of the decisions provided for in Paragraph one of this Section in the cases provided for in the abovementioned laws and regulations regarding proceeding of the statement of claim.

[5 February 2009; 8 September 2011; 4 August 2011; 25 October 2018]

Section 132. Grounds for Non-Acceptance of a Statement of Claim

(1) A judge shall refuse to accept a statement of claim if:

1) the dispute is not allocated to the court;

2) the action has been brought by a person who does not have the right to bring an action;

3) the parties have agreed, in accordance with procedures laid down in law, to submit the dispute for examination in an arbitration court, except for the case when a statement of claim regarding recognition of the agreement of the arbitration court as invalid is submitted to the court;

3¹) the parties have, in accordance with the procedures laid down in law, agreed on the settlement of a dispute through mediation and evidence that a proposal to settle the dispute through mediation has been rejected has not been submitted, or mediation agreement has not been entered into, or mediation has been terminated without reaching an agreement in accordance with the procedures laid down in the Mediation Law;

4) there is already a case pending before the same court or another court concerning a dispute between the same parties, regarding the same subject-matter, and on the same basis;

5) in a dispute between the same parties, regarding the same subject-matter, and on the same grounds, a court judgment or decision to terminate the court proceedings due to the withdrawal of the action by the plaintiff or confirmation of a settlement between the parties has entered into lawful effect;

6) the case is not within the jurisdiction of this court;

7) the plaintiff has not complied with the procedures in regard to preliminary extrajudicial examination determined for the respective category of case, or has not taken the measures laid down in law to resolve the dispute with the defendant before the action is brought;

8) the statement of claim has been submitted by a person without the civil-procedural capacity to act;

9) authorisation does not arise from the power of attorney or another document attached to the statement of claim to bring such action by a representative;

10) a power of attorney or another document which certifies authorisation of the representative to bring an action is not attached to the statement of claim.

(2) A judge shall take a reasoned decision to refuse to accept a statement of claim. The decision, together with the submitted statement of claim, shall be issued to the plaintiff.

(3) A decision may be appealed in accordance with the procedures laid down in this Law, except for a decision to refuse to accept the statement of claim on the basis of Paragraph one, Clause 10 of this Section.

(4) Refusal by a judge to accept a statement of claim on the basis of Paragraph one, Clauses 6-10 of this Section shall not constitute a bar for the submission of the same statement of claim to the court after the deficiencies thereof have been eliminated.

[29 November 2012; 22 May 2014; 23 April 2015; 28 May 2015]

Section 133. Leaving a Statement of Claim Not Proceeded With

(1) A judge shall leave a statement of claim not proceeded with if:

1) all the details specified in Section 128, Paragraph two or four of this Law are not included in the statement of claim;

2) the documents specified in Section 129 of this Law are not attached to the statement of claim;

3) the statement of claim in the case of simplified procedure has not been drawn up in accordance with that specified in Section 250.²⁰ of this Law.

(2) A judge shall take a reasoned decision to leave a statement of claim not proceeded with, send such decision to the plaintiff, and determine a time limit for the elimination of deficiencies. Such time limit shall be not less than 20 days, counting from the day the decision is sent. The decision of a judge may be appealed in accordance with the procedures laid down in this Law. The time limit for appeal shall be counted from the day when the decision is served to the plaintiff.

(3) If a plaintiff eliminates the deficiencies within the determined time limit, the statement of claim shall be considered as submitted on the day when it was first submitted to the court.

(4) If a plaintiff does not eliminate the deficiencies within the determined time limit, the statement of claim shall be considered as not submitted and shall be returned to the plaintiff.

(5) Returning of a statement of claim to the plaintiff shall not constitute a bar for the repeated submission thereof to the court in conformity with the general procedures in regard to submitting statements of claim specified in this Law.

[5 February 2009; 8 September 2011; 23 April 2015; 14 December 2017]

Section 134. Merging of Claims and Civil Cases

(1) A plaintiff is entitled to merge several mutually related claims into one statement of claim.

(2) If in the court proceedings of the court there are several similarly constituted cases, involving the same parties, or cases, where one plaintiff is bringing an action against several defendants or several plaintiffs are bringing actions against the same defendant, the court is entitled to merge such cases in one court proceeding, if such merging favours quicker and more correct examination of the cases.

[8 September 2011]

Section 135. Separation of Claims and Civil Cases

(1) A judge may require a plaintiff to separate one or several claims from the claims that have been merged into separate claim, if he or she finds that separate examination of such claims will be more appropriate.

(2) The court examining a case may, according to the decision made by it, separate one or several claims from claims that have been merged into a separate case, if their examination in a single proceeding has become problematic or impossible.

Section 136. Bringing of a Counterclaim

(1) A defendant is entitled, up to the moment when examination of the case on its merits has been completed. to bring a counterclaim against the plaintiff in a court of first instance court.

(2) A counterclaim shall be brought in accordance with the general provisions regarding bringing of actions.

(3) A court or a judge shall accept a counterclaim if:

1) a mutual set-off is possible between the initial claims and the counterclaim;

2) satisfaction of the counterclaim would exclude, fully or partly, the satisfaction of the initial action;

3) the counterclaim and the initial claim are mutually related, and their joint examination would favour a quicker and more correct trial of the case.

(4) A counterclaim shall be examined together with the initial claim.

[19 June 2003; 5 February 2009]

Chapter 19 Securing a Claim

Section 137. Grounds for Securing a Claim and Contents of an Application

(1) If there are reasonable grounds to believe that enforcement of the court judgment in the case may become problematic or impossible, the court or judge may upon a reasoned application of the plaintiff take a decision to secure a claim. The following shall be indicated in an application for the securing of a claim:

1) the name of the court to which the application has been submitted;

1¹) the given name, surname, personal identity number, declared place of residence of the plaintiff, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the plaintiff agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the plaintiff may also indicate another address for correspondence with the court;

1²) the given name, surname, personal identity number, declared place of residence and the additional address indicated in the declaration of the defendant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. The personal identity number or registration number of the defendant shall be indicated, if such is known;

1³) the given name, surname, personal identity number and address for correspondence with the court of the representative of the plaintiff (if the action is brought by a representative); for a legal person - the name, registration number and legal address thereof. If the representative of the plaintiff whose declared place of residence or indicated address for correspondence with the court is in Latvia agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. If the declared place of residence or indicated address of the representative of the plaintiff is outside Latvia, in addition electronic mail address shall be indicated or he or she shall notify of the registration of his or her participation in the online system. If the representative of the plaintiff is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

2) [29 November 2012];

3) the subject-matter of the claim;

4) the sum of the claim;

5) the means for securing the claim which the plaintiff requests to apply;

6) the circumstances by which the plaintiff justifies the necessity for the securing of a claim.

(2) Securing of claims may be allowed only in claims of financial nature.

(3) Examination of the issue of securing of a claim may be allowed at any stage of the proceedings, as well as prior to the bringing of court action.

[7 September 2006; 4 August 2011; 29 November 2012; 23 November 2016; 1 June 2017]

Section 138. Means for Securing of a Claim

(1) The means by which a claim may be secured are:

1) seizure of movable property and monetary funds of the defendant;

2) entering of a pledge notation in the register of the respective movable property or any other public register;

3) entering of a notation regarding the securing of a claim in the Land Register or Ship Register;

4) arrest of a ship;

5) prohibition for the defendant to perform certain actions;

6) seizure of those payments which are due from third persons, including monetary funds in credit institutions and other financial authorities;

7) postponement of enforcement activities (also enjoining bailiffs from transferring money or property to a creditor or debtor, or staying of sale of property).

(2) When a claim is secured by entering a pledge notation in the register of the respective movable property or any other public register, the decision shall indicate the way in which the prohibition shall be entered.

(3) If the subject-matter of an action is property rights to movable property or immovable property, or the action is directed towards attaining the corroboration of rights, the claim shall be secured by seizing the disputed movable property or by entering a pledge notation in the respective immovable property division of the Land Register.

(4) If the subject-matter of an action is property rights to immovable property, the claim shall be secured by entering an encumbrance notation in the respective immovable property division of the Land Register.

(5) If the subject-matter of an action is a monetary claim, the such claim shall be secured with immovable property by entering a pledge rights notation in the respective immovable property division of the Land Register, indicating the amount of the sum of the claim to be secured.

(6) Arrest of a ship shall be applied only for maritime claims.

(7) Staying of a sale of property shall not be allowed in cases where a claim is brought regarding the recovery of money.

(7¹) Seizing of those payments, which are due from third persons, including monetary funds in credit institutions and other financial authorities, shall not be permissible in claims where the compensation, which is to be determined on the basis of the discretion of the court, is claimed.

(8) Upon satisfying an application for securing of a claim the amount up to which the security extends, but which may not exceed the amount claimed, shall be indicated in the decision.

(9) Simultaneous application of several means of securing a claim may be allowed, taking into account the provisions of Paragraph eight of this Section.

[7 September 2006; 5 February 2009; 4 August 2011; 11 September 2014]

Section 139. Securing of a Claim Before Bringing of an Action

(1) A potential plaintiff may request to secure his or her claim before an action is brought and even before the deadline for the fulfilment of an obligation has set in, if the debtor, with the purpose of avoiding the fulfilment of his or her obligation, removes or alienates his or her property, leaves his or her declared place of residence or place of residence without informing the creditor, or performs other actions which show that the debtor is not acting in good faith. Upon submitting an application for securing a claim before an action is brought, the potential plaintiff shall submit evidence that confirms his or her rights to the obligations and the necessity for securing the claim.

(2) An application for securing a claim before an action is brought shall be submitted to the court in which the action regarding the claim sought to be secured is to be brought. If the parties have agreed to submit the dispute to a

permanent arbitration court, an application shall be submitted to a court based on the location of the debtor or his or her property.

(3) Upon satisfying an application for securing a claim before an action is brought, a judge shall determine a time period for the plaintiff within which he or she must submit a statement of claim to the court or permanent arbitration court.

[7 September 2006; 29 November 2012; 11 September 2014]

Section 140. Examination of Issues Regarding Securing of a Claim

(1) A decision on an application for securing a claim shall be taken by a court or a judge not later than the day following receipt thereof, without giving prior notice to the defendant and other participants in the case. In deciding an issue regarding securing of a claim, a court or judge shall take into account prima facie formal legal grounds and proportionality between legal interests of the parties.

(2) Upon satisfying an application for securing a claim, a court or judge may require that the plaintiff secures losses which the defendant may suffer because of the claim enforcement by assigning a certain sum of money to be deposited into the bailiffs deposit account.

(3) On the basis of an application by a participant in the case, a court may replace the specified means for securing a claim with other means.

(3¹) When satisfying an application for the replacement of means for securing a claim with other means, the court may repeatedly take a decision on the obligations imposed on the plaintiff in accordance with Paragraphs two and 5.¹ of this Section.

(4) In cases in which the subject-matter of an action is a monetary claim, the defendant may pay the amount of the secured claim into the bailiffs deposit account. The defendant shall indicate in a submission to the bailiff in which case this amount is paid into for the replacement of the means applied for securing a claim, as well as shall submit a true copy of the relevant decision on securing a claim to the plaintiff. A court or judge shall, on the basis of a certificate issued by the bailiff regarding payment of the amount into a deposit account, replace the accepted means for securing a claim by seizing the monetary funds paid into. The replacement of the seized movable property with money by paying the amount of the secured claim into the bailiffs deposit account shall be deemed as the replacement of a means for securing a claim.

(5) The securing of a claim may be withdrawn by the same court which has secured the claim on the basis of a reasoned application of a party or by the court in the record-keeping of which a case for examination on its merits exists. Upon deciding an issue regarding withdrawal of securing of a claim, the court or judge shall evaluate the conditions indicated in Paragraph one of this Section, taking into account evidence and justification submitted by the party. In the application the defendant may include a justification for losses incurred due to the means applied for securing a claim or which might be incurred, if the means for securing a claim is not withdrawn.

(5¹) In rejecting an application for the withdrawal of the securing of a claim, the court or judge may concurrently impose an obligation on the plaintiff to ensure the losses referred to in Paragraph five of this Section, by paying the amount laid down by the court in the deposit account of the bailiff within 20 days after the day of taking a decision.

(6) Upon rejecting a claim, the securing of a claim shall be withdrawn in the court judgment. The securing of a claim is preserved until the day the judgment enters into lawful effect.

(6¹) If an obligation to ensure compensation for losses to the defendant is imposed on the plaintiff which could arise for the defendant in relation to securing the claim, an issue regarding disbursement of the amount paid for ensuring compensation for losses from the account of sworn bailiff shall be concurrently decided in the court judgment or decision by which the claim is left without examination or the case has been terminated. Upon withdrawal or satisfying the claim in part, the court shall decide on the issue regarding full or partial disbursement of security for losses to the defendant upon request of the defendant, if the defendant has submitted evidence to the court regarding actual amount of losses. If the request and evidence regarding actual amount of losses has not been submitted to the court, the secured losses shall be reimbursed to the plaintiff. The defendant has the right to request compensation for non-recovered losses in accordance with the procedures of Section 143 of this Law.

(7) If a claim is left without examination or proceedings are terminated, the court shall withdraw the securing of a claim in its decision. The securing of a claim is preserved until the day the judgment enters into lawful effect.

(8) If the decision to secure a claim has been taken prior to bringing a court action and in the time period specified by the court a court action has not been brought, the judge on the basis of the receipt of an application from the potential plaintiff or defendant shall take a decision to withdraw the security.

(9) The applications referred to in Paragraphs three and five of this Section shall be decided in a court hearing, previously notifying the participants in the case of this. Failure of such persons to attend shall not constitute a bar for

examination of the application. The day of court hearing shall be determined not later than within 30 days after receipt of the application.

(10) If in a decision, which is taken regarding an application for withdrawal of the securing of a claim, the fulfilment of obligation laid down in Paragraph 5.¹ of this Section is assigned to the plaintiff, however it has not been fulfilled and the plaintiff has not submitted to the court a certification issued by the bailiff regarding payment of the amount into his deposit account, the court or judge shall take a decision to withdraw means for securing a claim.

[7 September 2006; 5 February 2009; 4 August 2011; 8 September 2011; 11 September 2014; 23 April 2015; 28 May 2015]

Section 141. Notification and Appeal of Decisions Taken on Securing of Claim Issues

(1) An ancillary complaint may be submitted regarding the decision referred to in Section 140, Paragraph three of this Law, decision by which the application for withdrawal of securing a claim is refused, and also for the court decision to secure losses which could be incurred by the defendant in relation to securing a claim (Section 140, Paragraphs two, 3.¹ and 5.¹).

(1¹) A decision, which is taken regarding securing of losses that the defendant might incur in relation to securing of a claim, shall be notified to the defendant after the plaintiff has paid the amount laid down by the court or judge to the deposit account of the bailiff.

(2) If a decision to secure a claim has been taken in the absence of the participant in the case, the time period for submitting a complaint shall be calculated from the day when such decision was served.

[7 September 2006; 14 December 2006; 5 February 2009; Constitutional Court judgement of 30 March 2010; 4 August 2011; 23 April 2015]

Section 142. Enforcement of Decisions Taken on the Issue of Securing a Claim

(1) A decision to secure a claim (Section 140, Paragraph one) and a decision to withdraw securing of a claim (Section 140, Paragraphs five and ten) shall be enforced immediately after it is made.

(2) A decision to secure a claim which has been taken on the condition specified in Section 140, Paragraph two of this Law shall be enforced after the plaintiff has paid the amount specified by the court or judge into a bailiff's deposit account. The enforcement documents or a true copy of the decision referred to in Paragraph three of this Section shall be issued after the amount specified by the court has been paid.

(3) If a claim is secured with immovable property or a ship or by entering a pledge notation in a movable property register or any other public register, the court shall issue the plaintiff a true copy of the respective decision with an inscription that a true copy of the decision has been issued for the entering of a notation in the Land Register, a movable property register or any other relevant public register, but in the case of arrest of a ship - for the detention of the ship in a port.

(4) A decision to secure a claim by attachment of movable property or monetary funds belonging to the defendant which are in the possession of the defendant or a third person shall be enforced in accordance with the procedures laid down in Chapter 71 of this Law.

(5) Upon seizing payments which are due to the defendant from third persons according to a contract (except for monetary funds in credit institutions or with other payment service providers) the bailiff shall, on the basis of the enforcement document, send a request to such persons to notify regarding existence of an obligation to pay any amounts to the defendant, the amount and time period, as well as to notify that such amounts are seized in the amount of the claim by taking into account the restriction on the debtor specified in Paragraph 3 of Annex 1 to this Law, and give an order to transfer the payments due to be paid (also sight deposits) into the bailiff's deposit account. The bailiff shall seize monetary funds in credit institutions or with other payment service providers in accordance with the procedures laid down in Section 599.¹ of this Law. Seized payments may be disbursed to other persons only in conformity with the calculations of the bailiff who first performed the seizure of payments.

(6) A decision to secure a claim by prohibiting the defendant to perform certain actions shall be enforced by a bailiff who shall notify the defendant or the relevant third person of the court decision for which they shall sign, or by sending it by registered mail.

(7) If in cases in which the subject-matter of an action is a monetary claim, the defendant has paid in the amount of the claim into the bailiff's deposit account, the bailiff shall release the seized movable property from seizure.

(8) The revocation of the means of securing a claim applied, if the securing of the claim is withdrawn, shall be enforced on the basis of an order by the bailiff who enforced the decision to secure the claim.

(9) A decision to replace the means of securing a claim shall be enforced by a bailiff, firstly securing the claim with

the replacement means of securing of a claim and afterwards revoking the replaced means of securing of a claim. The sum that has been paid into the bailiff's deposit account as means of securing a claim shall be repaid by the bailiff only on the basis of a court ruling.

[7 September 2006; 5 February 2009; 23 April 2015; 23 November 2016 / The new wording of Paragraph five shall come into force on 1 July 2017. See Paragraph 120 of Transitional Provisions]

Section 142.¹ Action with Movable Property which is Subject to Rapid Deterioration Seized within the Framework of Securing a Claim

(1) A bailiff shall not seize the property which is subject to rapid deterioration and the sale of which could not be possible during its term of sale.

(2) If a bailiff has seized the property which is subject to rapid deterioration but could be possible to sell during its term of sale, upon request of the bailiff, the court which has taken the decision to secure the claim, or the court to which the case is submitted at that time shall decide on permission to sell the seized property, but the money obtained through the sale from which the sale expenditures have been deducted to seize for securing a claim. The court shall decide on the request of the bailiff by the written procedure not later than on the next day following the receipt thereof. The decision by which it is allowed to sell the seized property shall be drawn up in the form of a resolution. A court decision shall not be subject to appeal.

(3) After receipt of the court decision by which it is allowed to sell the seized property and to seize the funds obtained through the sale, the bailiff shall sell the seized property in accordance with the procedures provided for in Section 581, Paragraph two of this Law, but the money obtained through the sale from which the sale expenditures have been deducted shall transfer and keep in the deposit account of the bailiff. In such case the funds obtained through the sale shall serve in the case as the means for securing a claim. The bailiff shall notify the court, claimant, and defendant of the sale of the movable property seized for securing a claim and the results of the sale.

(4) If the court rejects the request of the bailiff to allow to sell the seized property, it shall concurrently assess the necessity to revoke the securing of a claim applied in respect of the particular property.

[1 March 2018]

Section 143. Compensation for Losses Incurred due to Securing a Claim

If a claim made against a defendant is dismissed, the defendant is entitled to demand compensation for losses he or she has incurred due to securing of the claim if securing of the claim has been withdrawn in the case specified in Section 140, Paragraph eight of this Law or if the claim brought against him or her is left without examination or legal proceedings in the case have been terminated in the cases specified in Section 223, Clauses 2 and 4 of this Law.

[4 August 2011; 8 September 2011; 29 November 2012]

Section 144. Withdrawal of Security for a Claim

[7 September 2006]

Section 145. Termination of Security for a Claim

[7 September 2006]

Section 146. Appeal of a Decision

[7 September 2006]

Chapter 20 Preparation of Civil Cases for Trial

[31 October 2002]

Section 147. Preparation of Civil Cases for Trial

(1) In order to ensure timely examination of a case, after receipt of a statement of claim the judge shall prepare the case for trial.

(2) Participants in the case have an obligation to participate in preparation of the case for trial: to answer within the time periods specified by the judge his or her requests, to submit written explanations, the necessary evidence, and to attend the court according to the summons of the judge.

Section 148. Sending of a Statement of Claim and Attached Documents to the Defendant

(1) After initiation of the case a statement of claim and true copies of documents attached thereto (Section 129, Paragraph three) shall be immediately sent to the defendant by a registered postal consignment, determining a time period for the submission of a written explanation - 15-30 days from the day of sending the statement of claim, but in the cases which concern a child determining a time period for the submission of a written explanation not longer than 15 days from the day of sending a statement of claim.

(1¹) If the statement of claim and true copies of documents attached thereto (Section 129, Paragraphs three and four) are to be sent to the defendant after initiation of a case in accordance with Section 56.² of this Law, the time period for submitting a written explanation shall be 30 days, counting from the day when the statement of claim was served to the defendant.

(1²) A plaintiff shall be notified of the sending of the statement of claim and true copies of documents attached thereto to the defendant.

(1³) The court shall send to a plaintiff and defendant information on the possibility to settle the dispute through mediation and about the obligation to notify the court within the laid down time period, if they agree to use mediation.

(2) A defendant shall indicate the following information in the explanation:

- 1) whether he or she admits the claim fully or partially;
- 2) his or her objections to the claim and the justification thereof;
- 3) the evidence certifying his or her objections to the claim and justification thereof, as well as the law upon which they are based;
- 4) requests for the acceptance of evidence or requiring thereof;
- 5) other circumstances which he or she regards as significant for examination of the case, also he or she may indicate his or her telephone number, if he or she agrees to use telephone for correspondence with the court;

5¹) an electronic mail address for correspondence with the court, and if he or she has registered his or her participation in the online system, also include an indication of registration if the defendant (or his or her representative whose declared place of residence or indicated address for correspondence with the court is in Latvia) agrees to electronic correspondence with the court, or he or she is any of the subjects referred to in Section 56, Paragraph 2.³ of this Law. If the declared place of residence or indicated address of the representative of the defendant is outside Latvia, in addition he or she shall indicate an electronic mail address or notify regarding registration of his or her participation in the online system. If the representative of the defendant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

5²) the name of the credit institution and the number of the account to which court expenses is to be reimbursed;

6) whether he or she agrees to use mediation.

(3) The defendant shall attach to the explanation true copies thereof in conformity with the number of participants in the case and written evidence corroborating the circumstances on which the objections are based.

(4) After receipt of the explanation a true copy thereof shall be sent to the plaintiff and third persons without delay. If the judge finds it necessary, he or she is entitled to request a response regarding the explanation from the plaintiff.

[7 September 2006; 5 February 2009; 22 May 2014; 29 October 2015; 23 November 2016; 1 June 2017; 22 June 2017]

Section 149. Actions of a Judge upon Preparing a Case for Trial

(1) After receipt of the explanation or expiry of the time period specified for the submission thereof the judge shall decide on the actions for preparation of the case to be able to examine it in a court hearing.

(2) Upon preparing a case for trial the judge shall strive to reconcile the parties, also offer to settle a dispute through mediation.

(3) Upon preparing a case for trial the judge shall decide on the requests of participants in the case regarding:

- 1) invitation or admission of third persons;
- 2) provision of evidence;
- 3) summoning of witnesses;

- 4) ordering of an expert-examination;
- 5) acceptance or requiring of written and material evidence;
- 6) participation of persons in the trial of the case by using a video conference.

(4) The judge is entitled to require written explanations from the participants in the case in order to clarify the circumstances of the case and evidence. Explanations and evidence shall be submitted within the time period specified by the judge.

(4¹) If the plaintiff and defendant agree to the use of mediation, the judge shall, when taking a decision regarding the use of mediation, determine a time period for the use of mediation, which is not longer than six months, and the obligation of the parties to submit evidence to the court regarding result of the mediation not later than within seven days after termination of the mediation. The decision of the judge on the use of mediation shall not be subject to appeal.

(5) The judge shall decide on the issue regarding participation in the case of representatives from the State and local government institutions and of a public prosecutor in the cases provided for in law, regarding sending of assignments to other courts regarding participation of persons in the trial of the case by using a video conference, as well as perform other necessary procedural actions.

(6) For the performance of the actions specified in this Section the judge may order a preparatory hearing to which the parties and third persons shall be summoned.

(7) If a preparatory hearing is not required the judge shall set the date and time of the court hearing and the persons to be summoned and summonsed to court. When determining a time period for the use of mediation, a judge shall concurrently determine the day of the court hearing not earlier than after the time period referred to in Paragraph 4.¹ of this Section.

(8) In cases regarding reinstatement of an employee in work and in cases regarding the annulment of an employer's notice of termination, the date of the court hearing shall be determined not later than 15 days after receipt of explanations or the end of the time period for the submission thereof, or after a preparatory hearing or after the end of the time period for the mediation. If evidence regarding the result of mediation is received before the time period specified by the judge, the judge may determine a new day for the court hearing.

(9) In cases regarding claims arising from alienation of immovable property for public needs, the date of the court hearing shall be determined within 15 days after receipt of explanations or the end of the time period for the submission thereof, or after a preparatory hearing or after the end of the time period for the mediation. If evidence regarding the result of mediation is received before the time period specified by the judge, the judge may determine a new day for the court hearing.

(10) In cases regarding claims in favour of insolvent debtors in the cases specified in Chapter XVII of the Insolvency Law and regarding the recovery of losses from members of administrative bodies of a legal person and participants (shareholders) of a capital company on the basis of their obligation to be liable for the damages caused, and also from members of a partnership personally liable on the basis of their obligation to be liable for the obligations of a partnership, the court hearing shall be determined not later than three months after receipt of explanations or the end of the time period for the submission thereof, or after a preparatory hearing or after the end of the time period for the mediation. If evidence regarding the result of mediation is received before the time period specified by the judge, the judge may determine a new day for the court hearing.

[7 April 2004; 9 June 2005; 30 September 2010; 8 September 2011; 22 May 2014]

Section 149.¹ Preparatory Hearing

(1) During a preparatory hearing the judge shall interview participants in the case regarding the nature of the case in order to clarify the subject-matter and limits of the dispute, explain the procedural rights and obligations of the participants in the case to them, the consequences of performing or failing to perform procedural actions, take a decision on the issues provided for in Section 149, Paragraphs three, four, and five of this Law, strive to reconcile the parties, also to settle the dispute through the use of mediation, if necessary, determine a time period by which separate procedural actions shall be performed.

(2) If the date of a court hearing has not been determined in advance, during the preparatory hearing the judge shall determine the date and time of the court hearing and notify the present participants in the case thereof for which they shall sign, as well as specify the persons to be summoned and summonsed to the court hearing.

(3) Minutes shall be taken of the preparatory hearing. The course of the preparatory hearing shall be recorded in full amount through the use of sound recordings or other technical means. Information regarding the proceedings of the hearing, the nature of the explanations by the participants in the case, and the decisions taken by the judge shall be indicated in the minutes.

[19 December 2013; 22 May 2014]

Section 150. Liability of the Participants in a Case

(1) If a participant in a case without a justified reason fails to submit explanations, does not reply to a request by the judge within the time period set by the judge, the judge may impose a fine not exceeding EUR 150 on him or her.

(2) If a participant in a case without a justified reason fails to attend the preparatory hearing, the judge may impose a fine of up to EUR 150 on him or her.

(3) If the defendant has failed to submit explanations, has failed to attend the preparatory hearing, and has failed to notify the reason for his or her failure to attend, the court may give a default judgment at the preparatory hearing.

[30 September 2010; 29 November 2012; 12 September 2013]

Chapter 21 Trial of Civil Cases

Section 151. Court Hearings

(1) Cases shall be tried at a court hearing presided over by a judge.

(2) A judge shall conduct the trial of a case so as to ensure equal opportunity for all participants in a case to participate in determination of the circumstances of the case.

(3) In the course of the trial of a case the judge shall strive to reconcile the parties, also offer to settle a dispute through the use of mediation.

[22 May 2014]

Section 152. Procedures during Court Sessions

(1) During a court hearing participants in a case, witnesses, experts, and interpreters shall follow the procedures laid down in this Law and shall, without objections, conform to the orders of the judge and decisions of the court.

(2) The persons present in the court room of a court shall behave so as not to disrupt the course of the court hearing.

(3) The course of the trial of a case may be written down or otherwise recorded, without the procedures of the court hearing being disturbed. Photography, filming, or videotaping at a court hearing shall be allowed only with the permission of the court. Before deciding such issue, the court shall hear the opinion of the participants in the case.

(4) The number of persons to be admitted to the court room of a court shall be determined by the court according to the number of places in the room. Relatives of parties and representatives of mass media shall have priority to be present at the trial of the case.

(5) Upon the entrance of the court into the court room and the departure of the court therefrom, all persons present in the court room shall rise.

(6) While providing explanations and opinions to the court, submitting requests, or giving evidence, the participants in the case, witnesses, and experts shall stand up. Derogation from this provision shall be allowed only with the permission of the judge.

(7) All persons present in the courtroom of the court shall stand up while hearing the judgment of the court.

[19 June 2003]

Section 153. Maintaining of Order at a Court Hearing

(1) Persons who disturb the order of the court during the trial of a case shall be warned by the judge.

(2) If participants in the case, witnesses, experts or interpreters disturb the order of the court repeatedly, the court may impose a fine of up to EUR 80 on such persons.

(3) If a public prosecutor or an advocate disturbs the order repeatedly, such fact shall be reported to a more senior public prosecutor or to the Council of Latvian Sworn Advocates.

(4) If a person who is not a participant in the case disturbs the order of the court repeatedly, he or she shall be excluded from the courtroom of the court. Such person may also be held liable, as laid down in law, for contempt of

court.

[12 September 2013]

Section 154. Commencement of a Court Hearing

At the time appointed for the trial of the case the court shall enter the court room, the chairperson of the hearing shall open the court hearing and announce:

1) the year, day, month, and place of the court hearing;

2) the name of the court which examines the case, the court panel, the court recorder of the court hearing, the interpreter, the representative appointed by the court for the progress of a video conference, the advocate and prosecutor who participate in the case;

3) the time of opening of the court hearing;

4) the name of the case.

[8 September 2011]

Section 155. Verifying Attendance of Participants in the Case

(1) The court recorder of the court hearing shall inform the court as to which of the summoned and summonsed persons are in attendance, whether persons not attending have been notified of the hearing, and what information has been received regarding the reasons for such persons failing to attend.

(2) The court shall verify the identity of the persons present and the authorisations of representatives. A representative specified by the court shall verify the identity of those persons who participate in the court hearing by using a video conference.

[8 September 2011]

Section 156. Consequences of Failure to Attend of Participants in a Case, Witnesses, Experts or Interpreters

(1) If a participant in a case, witness, expert or an interpreter fails to attend a court hearing, the court shall begin examination of the case, provided that there is not a basis for postponing it in accordance with Section 209 or 210 of this Law.

(2) If a participant in a case who has failed to attend the court hearing has not given timely notice to the court of the reasons for their failure to attend, the court may impose a fine upon such person not exceeding EUR 80.

(3) If a participant in a case fails to attend the court hearing for reasons, which the court finds unjustified, the court may impose a fine of up to EUR 150 on such person.

(4) Witnesses and experts who fail to attend a court hearing shall be subject to the procedural sanctions laid down in Sections 109 and 122 of this Law.

[12 September 2013]

Section 157. Explanation of Obligations to the Interpreters

(1) The court shall explain to interpreters their obligation to translate the explanations, questions, testimony, applications and requests of persons who do not understand the language of the court proceedings, and to translate to such persons the explanations, questions, testimony, applications and requests of other participants in the case and the contents of the documents read, the judge's instructions and the court ruling.

(2) The court shall warn interpreters that they are liable in accordance with the Criminal Law for refusal to translate or for intentionally providing a false translation.

Section 158. Exclusion of Witnesses from a Courtroom

Witnesses shall be excluded from the courtroom of the court until their examination commences. The chairperson of the hearing shall ensure that the witnesses who have been examined by the court do not communicate with the witnesses who have not been examined.

Section 159. Explanation of Rights and Obligations to the Participants in a Case

(1) The court shall explain to the participants in a case their procedural rights and obligations.

(2) In the course of examining a case the court shall explain to the parties and third persons the consequences of

performing or failing to perform procedural actions.

Section 160. Taking a Decision on Removal

(1) The court shall determine whether the participants in the case wish to remove a judge, public prosecutor, court recorder of the court hearing, expert or interpreter.

(2) Applications for the removal shall be decided by the court in accordance with the procedures laid down in Section 21 of this Law.

Section 161. Explanation of Rights and Obligations to the Experts

If a person selected as an expert is not a forensic expert certified in accordance with the Law on Forensic Experts, the court shall explain to experts their rights and obligations and warn them that for refusal to provide an opinion, or knowingly providing a false opinion, an expert is liable in accordance with the Criminal Law.

[29 October 2015]

Section 162. Taking a Decision on Requests Applied by the Participants in a Case

The court shall determine whether the participants in the case have requests related to the trial of the case and decide on such after hearing the opinion of other participants in the case.

Section 163. Commencement of Examining a Case on the Merits

(1) Examining a case on the merits shall commence with the judge's report regarding the circumstances of the case.

(2) After the judge's report, the court shall determine whether the plaintiffs maintain their claim, whether defendants admit a claim, and whether both parties wish to enter into a settlement or to transfer the case for examination to an arbitration court.

Section 164. Withdrawal of a Claim, Admission of a Claim, Settlement, Agreement to Transfer a Case to Arbitration Court or to Use Mediation

(1) Withdrawal of a claim or admission of a claim shall be recorded in a separate certification drawn up by the court and signed respectively by the plaintiff or by the defendant.

(2) If withdrawal of a claim or admission of a claim is expressed in a written application addressed to the court, such application shall be attached to the case file.

(3) A settlement must be submitted to the court in writing and attached to the case file.

(4) Agreement to transfer a case to an arbitration court shall be drawn up in writing and attached to the case file.

(5) The court shall take a decision on the withdrawal of a claim by the plaintiff, agreement of the parties to transfer the case for examination to an arbitration court, as well as a settlement of the parties, and such decision shall simultaneously terminate the court proceedings in the case. The provisions of a settlement shall be set out in a decision on the confirmation of the settlement.

(6) The court shall take a reasoned decision to refuse to confirm a settlement, and shall continue to examine the case on the merits.

(7) So long as the examination of a case on the merits is not completed, it shall be possible to withdraw a claim, admit a claim, enter into a settlement or an agreement to transfer the dispute examination in an arbitration court, also to agree on use of mediation.

[19 December 2013; 22 May 2014]

Section 165. Explanations by the Participants in a Case

(1) In a court hearing participants in the case shall provide explanations in the following order: plaintiffs, third persons with separate claims, defendants.

(2) If a third person without a separate claim participates in the proceedings, he or she shall provide explanations after the plaintiff or after the defendant, depending on whose side the third person participates in the case.

(3) If an action has been brought by a public prosecutor, a State or local government institution, or a person to whom the right to defend the rights and lawful interests of other persons in court has been granted by law, they shall be the first to provide explanations at the court hearing.

(4) Representatives of participants in the case shall provide explanations on behalf of the persons they represent.

(5) Participants in the case shall state in their explanations all the circumstances upon which their claims or objections are based.

[31 October 2002]

Section 166. Written Explanations of the Participants in a Case

(1) Participants in a case have the right to submit their explanations to the court in writing.

(2) Written explanations of participants in a case shall be read at the court hearing in accordance with the order set out in Section 165 of this Law, and shall be attached to the case file.

Section 167. Procedures for the Asking of Questions

(1) With the permission of the court, participants in the case may put questions to each other. The court may reject questions, which are not relevant to the case.

(2) The judge may ask questions to a participant in the case, if a participant expresses himself or herself obscurely or indefinitely, or if it is not evident from the explanations whether or not the participant admits or denies the circumstances on which the claims or objections of the other party are based.

(3) If a party refuses to answer a question regarding disputable circumstances or refuses to provide explanations regarding such, the court may assume that the party does not dispute such circumstances.

Section 168. Establishment of Procedures for the Examination of Evidence

After hearing the explanations and opinion of the participants in the case, the court shall establish procedures for the examination of witnesses and experts and for examination of other evidence.

Section 169. Warning of Witnesses

(1) Before questioning a witness, the court shall determine their identity and warn them regarding their liability for refusing to testify or for knowingly providing false testimony, as well as explain the substance of Section 107 of this Law.

(2) Before being examined, a witness shall sign a warning regarding such contents:

"I, . . . (given name and surname of the witness), undertake to testify to the court about everything I know about the case in which I am called as a witness. It has been explained to me that for refusing to testify or for intentionally giving a false testimony I may be criminally liable in accordance with the Criminal Law."

(3) The warning signed by the witness shall be attached to the minutes of the hearing.

(4) The judge shall explain to witnesses, who have not attained the age of 14 years, their obligation to testify truthfully and to tell everything they know about the case, but shall not warn such a witnesses about the liability for refusing to testify or intentionally giving false testimony.

Section 170. Examination of Witnesses

(1) Each witness shall be examined separately.

(2) The witnesses designated by the plaintiff shall be examined first and the witnesses designated by the defendant thereafter. The order of the examination of the witnesses designated by a party shall be determined by the court, taking into account the opinion of such party.

(3) A witness shall give a testimony and answer questions orally.

(4) The court shall determine the relationship between the witness and the parties and third persons and ask the witness to tell the court everything that he or she personally knows about the case and to avoid provision of information the source of which he or she cannot identify, as well as expressing his or her own assumptions and conclusions. The court may interrupt the narrative of a witness, if the witness speaks about circumstances not relevant to the case.

(5) With the permission of the court, participants in the case may put questions to the witness. Questions shall be put first by the participant at whose request the witness was called, and thereafter by other participants in the case.

(6) The judge may put questions to the witness at any time during the examination of the witness. During the examination of a witness, questions may also be put to the participants in the case.

(7) The court may examine a witness a second time during the same or at another court hearing, as well as confront witnesses with each other.

(8) If the circumstances for the determining of which witnesses were called have been determined, the court, with the consent of the participants in the case, upon taking an appropriate decision on this, may waive examining the witnesses in attendance. The consent of the participants in the case shall be recorded in a separate certification drawn up by the court which is signed by each participant in the case.

[19 December 2013]

Section 171. Right of a Witness to Use Written Notes

When giving testimony, a witness may use written notes, if the testimony is in connection with calculations or other data, which are difficult to remember. Such notes shall be shown to the court and to the participants in the case and may, according to a court decision, be attached to the case file.

Section 172. Examination of Witnesses who are Minors

(1) The examination of a minor shall be conducted, at the discretion of the court, in the presence of a statutory representative or a teacher. Such persons may ask questions to a witness who is a minor.

(2) In cases where it is necessary to determine the circumstances of a case, any participant in the case or any person present in the courtroom may, according to a court decision, be sent out of the courtroom during the examining of a witness who is a minor. After the participant in the case returns to the courtroom, he or she shall be acquainted with the testimony of the witness who is a minor and shall be given an opportunity to ask questions to such witness.

(3) Witnesses who have not attained 15 years of age shall be sent out of the courtroom after their examination, except for the cases where the court finds it necessary for such a witness to be present in the courtroom.

Section 173. Reading the Testimony of a Witness

The testimony of a witness obtained in accordance with the procedures for securing the evidence or a court assignment, or at a prior court hearing, shall be read or played back, if it is recorded by using a sound record, during the court hearing at which the case is being tried.

[4 February 2016]

Section 174. Obligations of Witnesses who have been Examined

Witnesses who have been examined shall remain in the courtroom until the end of the trial of the case. They may leave the courtroom before the end of the trial of the case only according to a court decision taken after hearing the opinion of the participants in the case.

Section 175. Examination of Expert Opinions and Examination of Experts

(1) An expert opinion shall be read at the court hearing.

(2) The court and the participants in the case may ask questions to the expert in the same order as to the witnesses.

(3) In cases referred to in Section 125 of this Law the court may order additional or repeat expert-examination.

Section 176. Attachment of Written Evidence to the Case File

(1) The court shall take a decision on the attachment of written evidence to the case file after it has acquainted the participants in the case with the contents of such evidence and has heard their opinion.

(2) Official secret objects shall be compiled in a separate volume.

(3) Upon a reasoned request of the party, evidence containing a trade secret shall be compiled in a separate volume.

[5 February 2009; 28 February 2019]

Section 177. Examination of Written Evidence

(1) Written evidence or the minutes of the examination thereof shall be read at a court hearing or presented to participants in the case, and, if necessary, also to experts and witnesses.

(2) Personal correspondence may be read at an open court hearing only with the consent of the persons involved in such correspondence. If no such consent has been given or if the persons are deceased, such evidence shall be read and examined in a closed court hearing.

Section 178. Disputing of Written Evidence

(1) Participants in a case may dispute the veracity of written evidence.

(2) Written evidence may not be disputed by the person who himself or herself has signed such evidence. Such a person may dispute the evidence by bringing an independent action, if their signature was obtained under the influence of duress, threat or fraud.

(3) The veracity of Land Register entries, notarised documents or other acts certified in accordance with procedures laid down in law may not be disputed. Such may be disputed by bringing an independent action.

(4) The submitter of the disputed written evidence shall explain at the same court hearing whether they wish to use such written evidence or whether they request that it be excluded from the evidence.

(5) If a participant in the case wishes to use the disputed evidence, the court shall decide as to allowing its use after comparing such evidence with other evidence in the case.

Section 179. Application for the Forgery of Written Evidence

(1) A participant in a case may submit a reasoned application for the forgery of written evidence.

(2) The person who has submitted such evidence may request the court to exclude it.

(3) In order to examine an application for the forgery of written evidence, the court may order an expert-examination or require other evidence.

(4) If the court finds that the written evidence has been forged, it shall exclude such evidence and notify a public prosecutor about the fact of forgery.

(5) If the court finds that the participant in the case has, without good cause, initiated a dispute regarding the forgery of written evidence it may impose on such participant a fine of up to EUR 150.

[12 September 2013]

Section 180. Examination of Material Evidence

(1) Material evidence shall be examined at a court hearing and presented to the participants in the case, and, where necessary, also to experts and witnesses.

(2) Participants in the case may provide explanations regarding material evidence and express their opinions and requests.

(3) Minutes of the examination of material evidence, written according to the procedures for securing evidence or a court assignment, shall be read at a court hearing.

Section 181. Inspection and Examination of Evidence On-site

(1) If written or material evidence cannot be brought to the court, the court shall, upon a request of a participant in the case, take a decision on inspection and examination of such evidence at the site where it is located.

(2) The court shall notify participants in the case of an inspection on-site. Failure of such persons to attend shall not constitute a bar for the performance of the inspection.

(3) When conducting an inspection on-site, the court may summon experts and witnesses.

(4) The course of the inspection shall be recorded in the minutes of the hearing, to which plans, technical drawings and representations of the real evidence drawn up and examined during the inspection shall be attached.

Section 182. Opinion of an Institution

(1) After examination of the evidence, the court shall hear the opinion of the institution participating in the proceedings in accordance with law or a court decision.

(2) The judge and participants in the case may ask questions to the representative of such institution concerning this or her opinion.

[7 April 2004]

Section 183. Termination of Examination of a Case on its Merits

(1) After all submitted evidence have been examined, the court shall ascertain the opinion of the participants in the case regarding the possibility of terminating the examination of the case on the merits.

(2) If it is not necessary to examine additional evidence, the court shall ascertain whether the plaintiff maintains his

claim and whether the parties wish to enter into a settlement.

(3) If the plaintiff does not withdraw his or her claim and the parties do not wish to make a settlement, the court shall declare that the examination of a case on its merits is terminated and proceed to court argument.

Section 184. Court Argument

(1) In a court argument plaintiffs or their representatives shall speak first, followed by defendants or their representatives. Public prosecutors, representatives of State or local government institutions and persons who have come to the court in order to defend the rights and interests protected by law of other persons, shall be the first to speak at a court argument.

(2) If third persons with separate claims for the subject-matter of the dispute are participating in the case, such persons or their representatives shall speak after the parties.

(3) Third persons without separate claims for the subject-matter of the dispute, or their representatives, shall speak after the plaintiff or defendant on whose side the third person is participating in the case.

(4) Participants in the court argument are not entitled to refer in their statements to such circumstances and evidence as have not been examined at the court hearing.

(5) The court may interrupt a participant in the argument, if the participant discusses circumstances not relevant to the case.

Section 185. Replies

(1) After the participants in the case referred to in Section 184 of this Law have spoken in the argument, each of them has the right to one reply.

(2) The court may limit the time for a reply.

Section 186. Opinion of a Public Prosecutor

If a public prosecutor, who has not brought an action, participates in the proceeding, he or she shall, subsequent to the court argument and comments, provide an opinion regarding the validity of the claim.

Section 187. Deliberation by the Court

(1) Following the court argument, as well as the replies and the opinion of the public prosecutor, the court shall retire to deliberation to give a judgment by notifying the persons present in the courtroom in advance thereof.

(2) If the court recognises that it is not possible to give a judgment in this court hearing, it shall determine a date when the judgment will be drawn up and available in the Court Registry.

[19 June 2003; 14 December 2017 / Amendment to Paragraph one regarding replacement of the words "to the deliberation room" with the words "to deliberation", as well as the new wording of Paragraph two shall come into force on 1 March 2018. See Paragraphs 137 and 141 of Transitional Provisions]

Section 188. Resuming the Examination of a Case on the Merits

(1) If during deliberation the court finds it necessary to determine new circumstances that are significant in the case or to further examine existing or new evidence, it shall resume the examination of a case on the merits.

(2) In such case the court hearing shall continue in accordance with the procedures laid down in this Chapter.

Chapter 22 Judgment

Section 189. General Provisions

(1) A court ruling, by which a case is tried on the merits, shall be given by the court in the form of a judgment and declared in the name of the Republic of Latvia.

(2) A judgment shall be given and declared after examination of the case.

(3) A judgment must be lawful and well-founded.

(4) No direct or indirect interference with the giving of a judgment, or exerting of influence upon the court, shall be permitted.

[19 June 2003]

Section 190. Lawfulness and Basis of a Judgment

(1) When giving a judgment, the court shall take into account the norms of substantive and procedural law.

(2) The court shall base the judgment on the circumstances that have been established by evidence in the case. In its judgment, the court shall not disclose information that is an official secret object or a trade secret, but shall indicate that it has become acquainted with such information and has assessed it.

[5 February 2009; 28 February 2019]

Section 191. Procedures for Giving Judgment

(1) [19 June 2003]

(2) In a deliberation of judges, only judges who are members of the court panel in the case to be examined may be present.

(3) If a judgment is given collegially, the chairperson of the court hearing shall be the last to state his or her opinion.

(4) When giving a judgment, the court shall adopt all rulings with a majority vote. All judges shall sign the judgment.

(5) The judgment in a case examined by a judge sitting alone shall be signed by the judge.

(6) After the judgment has been signed, no alterations or changes shall be permitted.

(7) No erasures or blockings out shall be permitted in a judgment, but corrections or written additions shall be justified before all the judges sign it.

[19 June 2003]

Section 192. Observance of Claim Limits

The court shall give a judgment on the subject-matter of the action set out in the action, and on the basis specified in the action, not exceeding the extent of what is claimed.

Section 193. Form and Contents of a Judgment

(1) A judgment shall be drawn up in writing.

(2) A judgment shall consist of an introductory part, a descriptive part, a reasoned part and an operative part.

(3) The introductory part shall set out that the judgment is made in the name of the Republic of Latvia, as well as the date when the judgment is given, the name of the court giving the judgment, the court panel, the court recorder of the court hearing, the participants in the case and the subject-matter of the dispute.

(4) The descriptive part shall set out the claim of the plaintiff, the counterclaim of the defendant, objections, and the nature of the explanations provided by participants in the case.

(5) The reasoned part shall state the facts found in the case, the evidence on which the conclusions of the court are based, and the arguments by which such evidence or other evidence has been rejected. This part shall also state the laws and regulations according to which the court has acted, and a judicial assessment of the circumstances found in the case, as well as the conclusions of the court on the validity or invalidity of the claim.

(6) The operative part shall set out the court ruling on the complete or partial satisfying of the claim, or the complete or partial rejection thereof, by separately presenting claims which are being satisfied and which are rejected, and the nature of the judgment. Moreover, it shall be indicated to whom and in what amount court expenses shall be paid, mentioning also the name of the credit institution and the number of the account to which payment shall be made, the time period for voluntary enforcement of the judgment, if the court has set such, the time period and procedures for appealing the judgment, as well as the date of drawing up the judgment, in conformity with the exceptions provided for in this Law.

[17 February 2005; 7 September 2006; 5 February 2009; 28 May 2015; 22 June 2017; 14 December 2017 / Amendment regarding deletion of the last sentence of Paragraph five, as well as amendment to the last sentence of Paragraph six regarding deletion of the word "full" and supplementation of the sentence with the words "in conformity with the exceptions provided for in this Law" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 194. Summary Decision, Its Form and Contents

(1) The court shall draw up a summary decision:

- 1) if the defendant has fully recognised the claim and the court satisfies the claim;
- 2) in case of a default judgment, if the court satisfies the claim completely;
- 3) in cases of simplified procedure;
- 4) [25 October 2018].

(2) A summary judgment shall be drawn up in accordance with the requirements of Section 193 of this Law, except for the descriptive part in which only the subject-matter of the claim, the laws and regulations on which actions of the participant of the case are based, as well as the claim, and the reasoned part in which only the laws and regulations according to which the court has acted, shall be indicated.

- (3) The court shall prepare a summary judgment within 14 days.

[14 December 2017; 25 October 2018]

Section 195. Judgments on the Recovery of Monetary Amounts

When giving a judgment on the recovery of monetary amounts, the court shall set out in the operative part thereof the type of claim and the amount to be recovered, indicating separately the principal debt and the interest, the time period for which the interest has been adjudged, the rights of the plaintiff regarding receipt of the interest for the time period prior to the enforcement of the judgment (the closing day of an auction), including also a reference to the extent thereof, as well as the name and account number of the credit institution to which the payment is to be made, if any has been indicated in the statement of claim.

[8 September 2011; 28 May 2015]

Section 196. Judgments on the Recovery of Property in Specie

When giving a judgment on the recovery of property in specie, the court shall set out in the operative part thereof the specific property and stipulate that in the case of the non-existence of the property its value shall be recovered from the defendant, referring to the specific amount.

Section 197. Judgments Imposing an Obligation to Perform Specific Actions

(1) In a judgment, which imposes an obligation to perform specific actions, the court shall state specifically who is to perform them, what actions are to be performed and the time period within which they are to be performed.

(2) When making a judgment which imposes an obligation on the defendant to perform specific actions not related to the provision of property or amounts of money, the court may set out in the judgment that if the defendant does not perform the said actions within the specified time period, the plaintiff is entitled to perform such actions at the expense of the defendant and thereafter recover payment of the necessary expenses from the defendant.

Section 198. Judgments in Favour of Several Plaintiffs or Against Several Defendants

(1) In a judgment in favour of several plaintiffs, the court shall set out which part of the judgment refers to each of them, or that the right to recovery is solidary.

(2) In a judgment against several defendants, the court shall state which part of the judgment shall be enforced by each of them, or that their liability is solidary.

Section 199. Declaration of a Judgment

(1) A judgment shall be declared in a court hearing after it has been signed by reading its introductory part and operative part, but in the case referred to in Section 187, Paragraph two of this Law the court shall determine a date within the nearest 30 days when the judgment is to be drawn up and available in the Court Registry. The date when the judgment is available in the Court Registry shall be regarded as the day of declaring the judgment.

(2) If the judgment is declared in a court hearing, the judge shall explain the procedures and time periods for appealing it.

(3) If the case is heard in a court hearing, the summary judgment shall be declared in a court hearing after it has been signed by reading its introductory part and operative part, but in the case referred to in Section 187, Paragraph two of this Law the court shall determine a date within the nearest 14 days when the summary judgment is to be drawn up and available in the Court Registry. The date when the summary judgment is available in the Court Registry shall be regarded as the day of declaring the judgment.

[14 December 2017 / The new wording of Section shall come into force on 1 March 2018. See Paragraphs 137 and 141 of Transitional Provisions]

Section 200. Correction of Clerical Errors and Mathematical Miscalculations

(1) The court may, upon its own initiative or upon an application of a participant in the case, correct clerical and mathematical calculation errors in the judgment. An issue regarding correction of errors shall be examined in the written procedure. The participants in the case shall be notified in advance regarding examination of the abovementioned issue in the written procedure. If the application is submitted by a participant in the case, concurrently with sending of the notification the court shall send an application for the correction of clerical and mathematical calculation errors in the judgment.

(2) Clerical and mathematical calculation errors in the judgment shall be corrected according to a decision of the court the true copy of which shall be sent to the participant in the case within three days after receipt thereof.

(3) The participant in the case may submit an ancillary complaint regarding a decision to correct an error in the judgment.

[8 September 2011]

Section 201. Supplementary Judgment

(1) The court that gives a judgment in a case is entitled, upon its own initiative or according to an application of a participant in the case, to give a supplementary judgment if:

1) a judgment has not been given regarding any of the claims for which the participants in the case have submitted evidence and provided explanations;

2) the court has not specified the amount of money adjudged, the property to be transferred, the actions to be performed, or compensation for court expenses.

(2) The giving of a supplementary judgment may be initiated within the time period laid down in the law for the appeal of the judgment.

(3) The court shall notify the participants in the case about the date and place for examination of such issue. Failure of such persons to attend shall not constitute a bar for taking a decision on the issue of giving a supplementary judgment.

(4) An ancillary complaint may be submitted regarding a court decision to refuse to give a supplementary judgment.

Section 202. Explanation of a Judgment

(1) The court which has given the judgment may, according to an application of a participant in the case, take a decision explaining the judgment without changing its contents.

(2) Explanation of a judgment shall be permitted, if the judgment has not yet been enforced and the time period for its enforcement has not expired.

(3) The issue regarding explanation of a judgment shall be examined in the written procedure, upon a prior notice to the participants in the case. Concurrently with the notification the court shall send an application to participants in the case regarding explanation of the judgment.

(4) An ancillary complaint may be submitted regarding a court judgment on the issue of explanation of a judgment.

[29 October 2015]

Section 203. Entering into Lawful Effect of a Judgment

(1) A court judgment shall enter into lawful effect when the time period for its appeal in accordance with appeal procedures has expired and no notice of appeal has been submitted. If an appellate court has left a notice of appeal without examination or closed appeal proceedings, the judgment shall enter into effect from the time the respective decision is declared.

(2) If a part of a judgment is appealed, the judgment shall enter into effect regarding the part, which has not been appealed, after expiration of the time period for appeal thereof.

(2¹) If the time period for submission of a notice of appeal regarding a judgment of the court of first instance in respect of different participants in the case is determined in accordance with Section 415, Paragraph one or two and Section 415, Paragraph 2.² of this Law or the time period for a notice of appeal regarding a judgment of the court of first instance in respect of all participants in the case is determined in accordance with Section 415, Paragraph three of this Law, a judgment of court shall enter into lawful effect after expiration of the time period for appeal thereof, by counting the time period from the latest day of service of true copy of the judgment, unless a notice of appeal has been submitted.

(2²) If in the cases referred to in Paragraph 2.¹ of this Section the relevant confirmation regarding service of a true copy of the judgment (Section 56.²) has not been received, the judgment shall enter into lawful effect within six months after declaration thereof.

(3) After a judgment has entered into lawful effect, the participants in the case or their successors in interest are not entitled to dispute at other court proceedings the facts established by the court, as well as to bring court action anew regarding the same subject-matter and on the same basis, except for the cases specified in this Law.

(4) If, after a judgment imposing periodic payments on a defendant has entered into lawful effect, there is a change of circumstances affecting the determination of the amount or duration of payments, either party is entitled to request that the amount or time period of payments be varied, by submitting a new claim.

(5) A judgment that has entered into lawful effect shall have the force of law, it is compulsory and may be enforced throughout the territory of the State, and it may be revoked only in cases and in accordance with procedures laid down in law.

[7 September 2006; 5 February 2009]

Section 204. Enforcement of a Judgment

A judgment shall be enforced after it has entered into lawful effect, except for the cases where the judgment is to be enforced without delay.

Section 204.¹ Voluntary Enforcement of a Judgment

(1) Upon giving a judgment on the recovery of amounts of money, the return of property in kind, the eviction of persons and property from premises, and the recovery of court expenses, a court shall determine a time period for voluntary enforcement of the judgment, except for the cases where the judgment is to be enforced without delay.

(2) The time period for the voluntary enforcement of a judgment may not be longer than 10 days from the day of entering into effect of the judgment.

[17 February 2005]

Section 205. Judgments to be Enforced without Delay

(1) Upon a request of a participant in the case, the court may state in the judgment that the following judgments shall be enforced, fully or a specific part thereof, without delay:

- 1) on the recovery of child maintenance or parent support;
- 2) on the recovery of remuneration for work;
- 3) on reinstatement to employment;
- 4) on the compensation for mutilation or other injury to health;
- 5) on the recovery of maintenance as a result of the death of a person who had an obligation to support someone;
- 6) in cases where the defendant has recognised the claim;
- 7) in cases where the delayed enforcement of the judgment may, due to special circumstances, cause substantial losses for the creditor, or recovery itself may become impossible;
- 8) in cases arising from the custody rights and access rights.

(2) Immediate enforcement of a judgment provided for in Paragraph one, Clause 7 of this Section shall be permitted only by requiring adequate security from the creditor in the event that an appellate court varies the judgment.

[9 June 2011; 29 November 2012]

Section 206. Postponement, Division into Time Periods, Varying of the Form and Procedure of Enforcement of a Judgment

(1) The court which has given a judgment in a case is entitled, according to an application of a participant in the case and taking into account the financial situation of the parties, children's rights, or other circumstances, to take a decision to postpone the enforcement of the judgment or divide it into time periods, as well as to vary the form and procedures of enforcement thereof. A decision on postponement, division into time periods, varying of the form and procedure of enforcement of a judgment shall be implemented without delay.

(2) An application shall be examined in the written procedure by previously notifying the participants in the case

thereof. Concurrently with the notification the court shall, by determining the time period for submission of the explanation, send an application to participants in the case for the postponement of the enforcement, division in time periods, variation of the form or procedures for the enforcement of a judgment.

(3) An ancillary complaint may be submitted regarding a court decision to postpone the enforcement of a judgment or divide it into time periods, or to vary the form and procedures of a judgment. Submission of an ancillary complaint shall not stay the enforcement of the decision.

[14 December 2006; 8 September 2011; 29 October 2015]

Section 206.¹ Issues of Enforcement of a Judgment Given in Accordance with the Procedures Provided for in European Parliament and Council Regulation No 861/2007 and of the European Order for Payment Rendered in Accordance with the Procedures Provided for in European Parliament and Council Regulation No 1896/2006

(1) A court that has given a judgment in accordance with the procedures provided for in European Parliament and Council Regulation No 861/2007 or a European order for payment in accordance with the procedures provided for in European Parliament and Council Regulation No 1896/2006, upon an application of the debtor in the cases provided for in Article 15(2) of European Parliament and Council Regulation No 861/2007 or Article 23 of European Parliament and Council Regulation No 1896/2006, is entitled to:

1) replace enforcement of the judgment or the European order for payment with the measures provided for in Section 138 of this Law for securing enforcement of the judgment or the European order for payment;

2) amend the type or procedure for the enforcement of the judgment or the European order for payment;

3) stay the enforcement of the judgment or the European order for payment.

(2) The application referred to in Paragraph one of this Section shall be examined in the written procedure at a court hearing by previously notifying the participants in the case thereof. Concurrently with the notification the court shall, by determining the time period for submission of the explanation, send an application to participants in the case.

(3) An ancillary complaint may be submitted regarding a decision of a court.

[5 February 2009; 8 September 2011; 29 October 2015]

Section 207. Securing the Enforcement of a Judgment

Upon an application of participants in the case, the court may state in the judgment the measures provided for in Section 138 or Chapter 77.³ of this Law in order to secure the enforcement of a judgment.

[7 September 2006; 8 December 2016 / Amendments to the Section regarding the European Account Preservation Order shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 208. Sending of a True Copy of the Judgment to the Participants in the Case

(1) A participant in the case who has not participated in a court hearing shall be sent a true copy of the judgment or of the summary judgment referred to in Section 194, Paragraph one, Clauses 1 and 2 of this Law not later than within three days after declaring the judgment.

(2) *[14 December 2017 / See Paragraph 137 of Transitional Provisions]*

(3) If in the cases referred to in Paragraph one of this Section a true copy of the judgement should be sent to a person in accordance with Section 56.² of this Law and a translation should be attached to the true copy of the judgment in the cases provided for in this Law, a court shall send the true copy of the judgment together with the translation immediately after preparation of the translation.

[5 February 2009; 14 December 2017; 31 May 2018]

Chapter 22.¹ Default Judgment

[31 October 2002]

Section 208.¹ Default Judgment

(1) A default judgment is a judgment which is given by a court of first instance in a case where the defendant has failed to provide explanations regarding the claim and has failed to attend according to the court summons without

notifying the reason for the failure to attend.

(2) A default judgment shall be given by the court on the basis of the explanations of the plaintiff and the materials in the case if the court recognises such as sufficient for settling of the dispute.

(3) A default judgment may not be given in cases:

1) which may not be terminated by settlement;

2) in which the declared place of residence, place of residence, location or legal address of the defendant is not in the Republic of Latvia;

3) in which the defendant has been summoned to court by a publication in the official gazette Latvijas Vēstnesis;

4) in which there are several defendants and at least one of them participates in proceedings.

(4) Provisions regarding the default judgment shall not apply to the special trial procedures.

[29 November 2012]

Section 208.² Form and Contents of a Default Judgment

(1) A court shall give and draw up a default judgment in accordance with the procedures laid down in Sections 189-198 of this Law, taking into account the features provided for by this Section.

(2) The fact that the judgment is made by default shall be indicated in the title thereof.

(3) Claims of the plaintiff, nature of the explanation of the plaintiff, procedural grounds for giving of a judgment shall be indicated in the descriptive part of the default judgment, except for the case when the descriptive part of the default judgement is drawn up in accordance with the requirements of Section 194, Paragraph one, Clause 2 and Paragraph two of this Law.

(4) The operative part of a default judgment in addition to the provisions prescribed in Section 193, Paragraph six of this Law shall set out that the plaintiff is entitled to appeal the judgment in accordance with appeal procedures, but the defendant is entitled, within 20 days from the day the default judgment was sent, to submit to the court which gave the default judgment an application for the renewal of court proceedings and examination of the case anew.

[31 May 2018]

Section 208.³ Sending of a True Copy of the Default Judgment to the Defendant

A true copy of the default judgment shall be sent to the defendant by registered mail.

Section 208.⁴ Appeal of a Default Judgment

(1) A plaintiff is entitled to appeal a default judgment in accordance with the appeal procedures.

(2) A defendant is not entitled to appeal a default judgment in accordance with the appeal procedures.

Section 208.⁵ Renewal of Court Proceedings and Examining of the Case Anew

(1) A defendant is entitled, within 20 days from the day a default judgment was sent, to submit to the court, which gave the default judgment, an application for the renewal of court proceedings and examination of the case anew.

(2) The following shall be indicated in an application:

1) the name of the court that gave the default judgment;

2) the given name, surname, personal identity number, declared place of residence of the defendant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the defendant agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has been registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the defendant may also indicate another address for correspondence with court;

2¹) the name of the credit institution and the number of the account to which court expenses is to be reimbursed;

3) the date when the default judgment was given and the nature thereof;

4) reasons due to which the defendant did not participate in the case;

5) objections of the defendant against the claim and judgment, grounds for the objections;

- 6) evidence corroborating the objections and the grounds thereof, the law on which they are based;
- 7) a request for the acceptance of evidence or requiring thereof;
- 8) a request for the renewal of court proceedings in the case and examination of the case anew.

(3) Documents attesting the following shall be attached to an application:

- 1) payment of the State duty and other court expenses in accordance with the procedures and in the amounts laid down in law;
- 2) the grounds for objections.

(4) True copies of the application and true copies of documentary evidence shall be attached to the application for sending to the plaintiff and third persons.

(5) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

[29 November 2012; 23 April 2015; 23 November 2016; 22 June 2017]

Section 208.⁶ Leaving an Application Not Proceeded With

(1) A judge shall leave an application not proceeded with if:

- 1) the application does not contain all details laid down in Section 208.⁵, Paragraph two of this Law;
- 2) the application is not accompanied by all of the documents provided for in Section 208.⁵, Paragraphs three and four of this Law.

(2) A judge shall take a reasoned decision on leaving an application not proceeded with, a true copy of which shall be sent to the defendant, and shall stipulate a time period of at least 20 days for the elimination of deficiencies. The time period shall be calculated from the day when the decision was served. The decision of a judge may be appealed in accordance with the procedures laid down in this Law. The time period for appeal shall be calculated from the day when the decision was served.

(3) If the defendant does not eliminate the deficiencies within the time period stipulated by the judge, the application shall be deemed as not submitted and shall be returned to the defendant. The decision on the return of the application may not be appealed.

(4) If the application is returned to the defendant, he or she has no right to submit the application to the court repeatedly.

[5 February 2009]

Section 208.⁷ Actions of a Judge after Acceptance of an Application

(1) Having recognised that the application complies with the requirements of Section 208.⁵ of this Law, the judge shall notify the plaintiff and third persons of the application and send them true copies of the application and the documents attached thereto.

(2) The judge shall examine the application within seven days after receipt thereof and take one of the following decisions:

- 1) to renew the court proceedings and examine the case anew, if it is recognised that examination of the case without participation of the defendant and examination of his or her applied evidence has led or may have led to wrongful trial of the case;
- 2) to dismiss the application if it is recognised that examination of the case anew does not have the grounds specified in Paragraph two, Clause 1 of this Section.

(3) The judge shall specify in the decision to renew court proceedings and examine the case anew the day and time of the court hearing and the persons to be summoned and summonsed to the court.

(4) If a decision to renew court proceedings and examine the case anew has been taken and the plaintiff has submitted a notice of appeal with respect to the default judgment, the complaint shall be returned to the plaintiff.

(5) An ancillary complaint may be submitted regarding the decision by which an application is dismissed. A decision to renew court proceedings and examine the case anew may not be appealed.

Section 208.⁸ Entering into Lawful Effect of a Default Judgment

(1) A default judgment shall enter into lawful effect if within the time period laid down in law no notice of appeal has been submitted and no application for the renewal of court proceedings and examination of the case anew has been submitted.

(2) If the application for the renewal of court proceedings has been dismissed and a notice of appeal with respect to the court judgment has not been submitted, a default judgment shall enter into effect after the time period for appeal of the decision of the judge has expired.

(3) If the decision of the judge to dismiss the application is appealed and the appellate court has left it unvaried, the default judgment shall enter into effect from the moment the decision of the appellate court is declared.

Section 208.⁹ Examination of a Case Anew

If a decision to renew court proceedings and examine the case anew has been taken, a default judgment shall not enter into effect and the case shall be examined anew in full in accordance with the procedures provided for in Chapter 21 of this Law. The restriction on the judge laid down in this Law to participate in examination of a case anew shall not apply to this case.

Chapter 23

Postponing Examination of a Case

Section 209. Obligation of the Court to Postpone Examination of a Case

The court shall postpone examination of a case if:

1) any participant in the case is absent from the court hearing and has not been notified of the time and place of the court hearing;

2) any participant in the case, who has been notified of the time and place of the court hearing, is absent from the court hearing because of reasons that the court finds justified;

3) a true copy of the statement of claim has not been served to the defendant and therefore he or she is asking for postponement of examination of the case;

4) it is necessary to summon, as a participant in the case, a person whose rights or lawful interests might be infringed by the judgment of the court;

5) in the case provided for in Section 240 of this Law;

6) if such defendant fails to arrive to a court hearing to whom a notification has been sent in accordance with Section 56.², Paragraph one of this Law regarding the time and place of the court hearing and a confirmation regarding service of the documents has been received (Section 56.², Paragraph two), but the defendant has not received the notification in due time;

7) if such defendant fails to arrive to a court hearing to whom a notification has been sent in accordance with Section 56.², Paragraph one of this Law regarding the time and place of the court hearing or a true copy of the statement of claim and a confirmation regarding service of the documents or non-service of the documents has not been received (Section 56.², Paragraph two);

8) if consent for mediation has been received from the parties.

[5 February 2009; 8 September 2011; 22 May 2014]

Section 210. Right of the Court to Postpone Examination of a Case

(1) The court may postpone examination of a case if:

1) a plaintiff who has been notified of the time and place of the court hearing fails to attend the court hearing for reasons which are unknown;

2) a defendant who has been notified of the time and place of the court hearing fails to attend the court hearing for reasons which are unknown;

3) it is found that examination of the case is impossible because of the failure to attend of a participant in the case, whose participation in the examination of the case is compulsory in accordance with law, or of a witness, expert or interpreter ensured by the court;

4) based on a request of a participant in the case, in order that the participant be given the opportunity to provide additional evidence;

5) if a person cannot participate in the court hearing by using a video conference due to technical or other reasons not depending on the court;

6) if an interpreter fails to arrive to the court hearing due to the reason which the court recognises as justified.

(2) For the reason set out in Paragraph one, Clause 1 or 2 of this Section, the court may postpone examination of the case not more than once.

[8 September 2011; 4 February 2016 / Amendment made regarding the interpreters to Paragraph one, Clause 3, and also amendment regarding supplementing Paragraph one with Clause 6 shall come into force on 31 July 2016. See Paragraph 114 of Transitional Provisions]

Section 211. Decision to Postpone Examination of a Matter

(1) A decision to postpone the examination of a case shall be recorded in the minutes of the court hearing.

(2) In a decision to postpone the examination of a case all the procedural actions as must be performed prior to the next court hearing shall be mentioned, and the date of the next court hearing stipulated. If the court postpones examination of the case in the case provided for in Section 209, Clause 7 of this Law, the next court hearing shall only be determined after the conditions referred to in Article 19(2) of Regulation No 1393/2007 of the European Parliament and of the Council or the second paragraph of Article 15 of the 1965 Hague Convention have been conformed to, or, if the laws and regulations referred to in this Paragraph are not applicable, equivalent measures have been performed.

(2¹) When postponing examination of a case in the case referred to in Section 209, Clause 8 of this Law, the court shall determine in its decision to postpone examination of the case a time period for the use of mediation which is not longer than six months, and the obligation of the parties to submit evidence to the court regarding result of the mediation not later than within seven days after termination of the mediation. The court decision to postpone the examination of a case for the use of mediation may not be appealed.

(3) The court shall inform the persons attending the court hearing about the date of the next court hearing, for which such persons shall sign. Absent persons shall be again summoned or summonsed to the court hearing.

(4) A decision to postpone examination of the case may not be appealed, except for a decision in which the date of the next court hearing is not specified.

[8 September 2011; 22 May 2014; 31 May 2018]

Section 212. Examination of Witnesses if Examination of a Case is Postponed

(1) If all participants in the case are present at the court hearing, the court may, upon postponing the examination of the case, examine the witnesses who are present.

(2) Where necessary, witnesses who have been examined may be summonsed to the next court hearing.

Section 213. Recommencement of Examination of a Case

[7 September 2006]

Chapter 24

Staying of Court Proceedings in Civil Cases

Section 214. Obligation of the Court to Stay Court Proceedings

The court shall stay court proceedings if:

1) such natural person has died or such legal person has ceased to exist, which is a party or third person with separate claims in the case, and if the disputed legal relations allow for the assumption of rights;

2) the court has determined such restriction for the capacity to act for a party or third person which prevents him or her from independent exercising of the civil-procedural rights and obligations;

3) a party or third person is no longer able to participate in the examination of the case because of serious illness, old age or disability;

4) the court takes a decision to submit an application to the Constitutional Court or also the Constitutional Court has initiated a case in relation to the constitutional complaint submitted by the parties or a third person;

4¹) it takes a decision to make a request to the Court of Justice of the European Union for the giving of a preliminary ruling;

5) examination of the case is not possible prior to the deciding of another case, which is required to be examined in accordance with civil, criminal or administrative procedures;

6) [8 September 2011];

7) the Competition Council examines a case regarding violation of the competition law which is related to a claim regarding reimbursement of losses.

[20 June 2001; 7 April 2004; 7 September 2006; 5 February 2009; 8 September 2011; 29 November 2012; 19 October 2017]

Section 215. Right of a Court to Stay Court Proceedings

The court, upon an initiative of a participant or its own initiative, may stay the court proceedings if:

1) a party or a third person with separate claims is outside the borders of Latvia in connection with lengthy official business, or the performing of obligations for the State;

2) a search for a defendant has been announced;

3) a party or a third person with separate claims is unable to participate in examination of the case due to illness;

4) the court orders an expert-examination;

5) the parties have mutually agreed to stay the proceedings and a third person with separate claims does not object;

6) insolvency proceedings of a legal person or insolvency proceedings of a natural person have been declared for a defendant in the claims which are financial in nature.

[18 April 2013]

Section 216. Duration of Staying of Court Proceedings

Court proceedings shall be stayed:

1) in the cases provided for in Section 214, Clause 1 of this Law - until determination of a successor in interest or appointing of a statutory representative;

2) in the cases provided for in Section 214, Clause 2 of this Law - until the appointing of a statutory representative;

3) in the cases provided for in Section 214, Clause 3 of this Law - until the date set by the court to formalise representation;

4) in the cases provided for in Section 214, Clauses 4, 4.¹ and 5 of this Law - until the ruling of the Constitutional Court or the Court of Justice of the European Union or a court ruling in the civil case, criminal case or administrative case comes into lawful effect;

5) in the cases provided for in Section 215, Clauses 1-4 of this Law - until the time when the conditions referred to in these Clauses are no longer in effect;

6) in the cases provided for in Section 215, Clause 5 of this Law - for the time period stipulated in the court decision;

7) [8 September 2011];

8) in the cases provided for in Section 215, Clause 6 of this Law - until the termination of insolvency proceedings of a legal person or insolvency proceedings of a natural person;

9) in the case provided for in Section 214, Clause 7 of this Law - until the competition authority has taken a decision or has otherwise terminated examination of cases.

[20 June 2001; 7 April 2004; 5 February 2009; 8 September 2011; 18 April 2013; 19 October 2017]

Section 217. Decision on Staying of Court Proceedings

(1) In regard to staying of court proceedings, the court shall take a reasoned decision, which shall be drawn up in the form of a separate procedural document.

(2) In the decision shall be set out the conditions, until coming into effect or ceasing of which the court proceedings have been stayed, or the time period for which the court proceedings have been stayed.

(3) An ancillary complaint may be submitted regarding a court decision to stay court proceedings.

Section 218. Renewal of Court Proceedings

(1) Court proceedings shall be renewed by the court upon its own initiative or an application of a participant in the case.

(2) If insolvency proceedings of a legal person or insolvency proceedings of a natural person have been declared for a defendant in claims of a financial nature, the court shall renew the stayed court proceedings:

1) upon a request of a creditor, if an administrator of insolvency proceedings has taken a decision not to recognise creditor's claim or to recognise it partly on the basis of the fact that there is a dispute regarding rights;

2) if, when examining the complaint regarding a decision of the administrator of insolvency proceedings, it is found that there is a dispute regarding rights, and renewal of the court proceedings is requested within a time period laid down by the court.

[18 April 2013]

Chapter 25

Leaving a Claim without Examination

Section 219. Obligation of the Court to Leave a Claim without Examination

(1) The court shall leave a claim without examination if:

1) the plaintiff has not complied with the preliminary procedures for extrajudicial examination provided for the relevant category of cases or has not, prior to submitting the claim, performed the measures laid down in law in order to resolve his or her dispute with the defendant;

2) the statement of claim has been submitted by a person lacking civil-procedural capacity to act;

3) the action has been brought on behalf of the plaintiff by a person who has not been authorised, in accordance with the procedures laid down in law, to do so;

4) there already is such a dispute in the case, between the same parties, regarding the same subject-matter and on the same basis is being examined by the same or another court;

5) the case is not within the jurisdiction of the Latvian court according to the international agreements binding upon the Republic of Latvia and legal norms of the European Union;

6) the parties have, in accordance with the procedures laid down in law, agreed on the settlement of a dispute through the use of mediation, except for the claim of an employee arising from employment legal relations, and evidence has not been submitted that a proposal to settle the dispute through the use of mediation is rejected, or mediation agreement is not entered into, or mediation is terminated without reaching an agreement.

(2) The court shall leave a claim without examination in the part regarding which a European order for payment is not issued in the case provided for in Article 10(2) of the European Parliament and Council Regulation No 1896/2006.

[5 February 2009; 29 November 2012; 22 May 2014]

Section 220. Right of the Court to Leave a Claim without Examination

The court may leave a claim without examination if the plaintiff or his or her representative has repeatedly failed to attend the court and has not requested that the case be examined in his or her absence.

[31 October 2002; 19 June 2003]

Section 221. Decision to Leave a Claim without Examination

(1) In regard to leaving a claim without examination, the court shall take a reasoned decision, which shall be in the form of a separate procedural document.

(2) An ancillary complaint may be submitted regarding the decision of the court to leave a claim without examination.

Section 222. Consequences of Leaving a Claim without Examination

If a claim is left without examination, the plaintiff is entitled to resubmit a statement of claim to the court in conformity with the procedures laid down in law.

Chapter 26

Termination of Court Proceedings

Section 223. Basis for Terminating Court Proceedings

A court shall terminate court proceedings if:

- 1) examination of the case is not allocated to the court;
- 2) the case has been submitted by a person who does not have the right to make a claim;
- 3) a court judgment, which has been given in a dispute between the same parties, regarding the same subject-matter and on the same basis, or a court decision to terminate the court proceedings has entered into lawful effect;
- 4) the plaintiff has withdrawn the claim;
- 5) the parties have entered into a settlement and the court has confirmed it;
- 6) the parties have agreed, in accordance with procedures laid down in law, to submit the dispute for examination in an arbitration court;
- 7) a natural person who is one of the parties in the case dies and the disputed legal relations do not allow for the assumption of rights;
- 8) a legal person who is one of the parties has ceased to exist and a successor in interest does not exist;
- 9) insolvency proceedings of a natural person have been terminated and the natural person is released from the relevant obligations in accordance with Section 164 of the Insolvency Law.

[18 April 2013]

Section 224. Decision to Terminate Court Proceedings

- (1) Court proceedings shall be terminated according to a reasoned decision of the court, made in the form of a separate procedural document.
- (2) An ancillary complaint may be submitted regarding a court decision to terminate court proceedings.

Section 225. Consequences of Terminating Court Proceedings

If court proceedings have been terminated, repeated court proceedings regarding the dispute, by the same parties, regarding the same subject-matter and on the same basis shall not be permitted.

Chapter 27

Settlement

Section 226. Agreement Regarding Settlement

- (1) A settlement shall be permitted at any stage in the procedure.
- (2) A settlement shall be permitted in any civil dispute, except for the cases provided for in this Law.
- (3) Settlement shall not be permitted:
 - 1) in disputes related to amendments to registers of documents of civil status;
 - 2) in disputes related to the inheritance rights of persons under guardianship or trusteeship;
 - 3) in disputes regarding immovable property, if among the participants are persons whose rights to own or possess immovable property are restricted in accordance with procedures laid down in law;
 - 4) if the terms of the settlement infringe on the rights of another person or on interests protected by law.

Section 227. Entering into a Settlement

(1) The parties shall enter into a settlement in writing and shall submit it to the court.

(2) The following shall be indicated in the settlement:

1) the given name, surname, personal identity number, declared place of residence of the plaintiff, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof;

2) the given name, surname, personal identity number, declared place of residence and the additional address (addresses) indicated in the declaration of the defendant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof;

3) the subject-matter of the dispute;

4) the obligations of each party which they voluntarily undertake to perform.

(3) A court may confirm a settlement without the presence of the party in a court hearing or in the written procedure, if the settlement has been made by a notary in the form of a notarial deed and contains a statement by the parties that they are aware of the procedural consequences of the court confirming the settlement.

[29 November 2012; 29 October 2015; 4 February 2016]

Section 228. Court Decision on Confirmation of a Settlement

(1) A court, upon receiving a settlement of the parties, shall establish whether the parties have agreed to the settlement voluntarily, whether it conforms to the provisions of Sections 226 and 227 of this Law, and whether the parties are aware of the procedural consequences of the court confirming the settlement.

(2) If the court finds that the settlement conforms to the requirements of this Law, it shall take a decision confirming the settlement and terminating court proceedings in the case.

(3) A settlement confirmed by a court decision shall be enforced in accordance with the provisions regarding enforcement of court judgments.

Chapter 28 Court Decision

Section 229. Taking of a Decision

(1) A court ruling by which a case is not tried on the merits shall be given in the form of a decision.

(2) A decision shall be drawn up in the form of a separate procedural document, or shall be written into the minutes of the hearing and shall be declared after the minutes are approved. In the cases provided for in this Law a decision may be drawn up in the form of a resolution. In such case only the time and place of taking the decision, the name and composition of the court, and also ruling of the court or judge shall be indicated.

(3) In the cases provided for in this Law a court decision shall be drawn up in the form of a separate procedural document.

(4) In regard to a judge's procedural work outside the court hearing a decision shall be taken, which shall be drawn up in the form of a separate procedural document.

[15 March 2012; 29 October 2015; 25 October 2018]

Section 230. Form and Contents of a Decision

(1) A decision shall consist of an introductory part, a descriptive part, a reasoned part and an operative part.

(2) In the introductory part the time and place of taking the decision, the name and composition of the court, the participants in the case and the subject-matter of the dispute shall be indicated.

(3) In the descriptive part the issues on which the decision has been taken shall be indicated.

(4) In the reasoned part the established facts, evidence, on which conclusions and arguments of the court or judge are based, and also laws and regulations according to which the court has acted shall be indicated.

(5) In the operative part the ruling and decision of the court or judge, and the procedures for and term of the appeal shall be indicated.

(6) In decisions, which are necessary for a bailiff, additional information regarding the participants in the case [natural person - plaintiff or applicant - given name, surname, personal identity number (if known) and declared place of

residence, but if none, place of residence; natural person - defendant - given name, surname, personal identity number (if known), declared place of residence, additional address (addresses) indicated in the declaration and place of residence if it is known; legal person - name, legal address and registration number] shall be indicated.

[29 October 2015]

Section 230.¹ Summary Decision

(1) The court shall draw up a summary decision:

- 1) on satisfying an application for undisputed enforcement of obligations;
- 2) on satisfying an application for enforcement of obligations according to warning procedures or satisfying in a part - in relation to the satisfied part;
- 3) on approving a settlement entered into by the parties.

(2) The summary decision shall be drawn up in accordance with the requirements of Section 230 of this Law, except for the reasoned part in which only the laws and regulations according to which the court has acted shall be indicated.

(3) The summary decision referred to in Paragraph one, Clause 3 of this Section shall be declared and its true copy shall be sent in accordance with Section 231 of this Law.

[14 December 2017 / The new wording of Section shall come into force on 1 March 2018. See Paragraphs 137 and 141 of Transitional Provisions]

Section 231. Declaring of a Decision and Sending a True Copy of the Decision

(1) The court shall declare a decision in a court hearing after it has been signed by reading its introductory part and operative part or determining a date within the nearest 14 days when the decision is to be drawn up and available in the Court Registry. The date when the decision is available in the Court Registry shall be regarded as the day of declaring the decision. The decision which is taken in the written procedure shall be regarded as drawn up on the date when it is available in the Court Registry.

(2) A true copy of the court decision shall, within three days after declaration of the decision, be sent to the participant in the case who was not present in a court hearing, and to the person to whom it applies. A true copy of the decision taken in the written procedure shall be sent within three days after the decision has been drawn up.

(3) If in the cases referred to in Paragraphs one and two of this Section a true copy of the court decision is sent to a person in accordance with Section 56.² of this Law and in the cases provided for in this Law, a translation should be attached to the true copy of the court decision, a court shall send the true copy together with the translation immediately after the translation is prepared.

[5 February 2009; 29 October 2015; 14 December 2017; 31 May 2018]

Section 232. Ancillary Court Decision

(1) If in the course of examining a case, circumstances indicating to a possible breach of law are found, a court is entitled to take an ancillary decision, which shall be sent to the appropriate institution.

(2) An ancillary decision of a court may not be appealed.

Division Five

Particular characteristics of Examination of Separate Categories of Cases

Chapter 29

Cases Regarding Annulment of Marriage and Divorce

Section 233. Procedures for Examining Cases

Cases regarding annulment of marriage and divorce shall be examined by the court in accordance with the procedures for court proceedings by way of action according to general procedures taking into account the exceptions provided for in this Chapter.

Section 234. Jurisdiction of Cases

An action for annulment of marriage or divorce may also be brought before a court based on the declared place of

residence of the plaintiff, but if none, the place of residence of the plaintiff if:

- 1) there are minor children with the plaintiff;
- 2) [29 November 2012];
- 3) the marriage to be dissolved is with a person who is serving a sentence in a penal institution;
- 4) the marriage to be dissolved is with a person who does not have a declared place of residence and whose place of residence is unknown or who resides abroad.

[29 November 2012]

Section 235. Cases Regarding Divorce Based on an Application of Both Spouses

[28 October 2010]

Section 235.¹ Statement of Claim for Divorce

In addition to the information provided for in Section 128 of this Law, the following shall be specified in a statement of claim:

- 1) since when the parties live separately;
- 2) whether the other spouse agrees to the divorce;
- 3) whether the parties have agreed on the custody of children, the procedures for exercising the access rights of the other parent, the means of support and division of the property acquired during marriage or are submitting relevant claims.

[31 October 2002; 19 June 2003]

Section 236. Participation of the Parties in a Court Hearing

- (1) A case regarding divorce shall be examined with the participation of both parties.

(1¹) Upon a request of one spouse the court may hear each spouse in a separate court hearing, if the divorce is related to violence against the spouse requesting the divorce or against the child of the spouse, or a joint child of the spouses.

(2) If the defendant, without a justified cause, fails to attend according to a court summons if it has been sent by registered mail, he or she may be brought to court by forced conveyance.

(3) If one of the parties lives far or due to other reasons cannot attend according to a court summons, the court may admit a written explanation by this party or the participation of his or her representative as sufficient for examination of the case.

(4) If the place of residence of the defendant is unknown or it is not located in Latvia, the case may be examined without the participation of the defendant if he or she has been summoned to court according to the procedures laid down in law.

(5) In cases regarding divorce or annulment of a marriage the representative of a party must be specifically authorised to conduct such case. Authorisation to represent in cases regarding divorce or annulment of marriage shall also apply to all other claims associated thereto.

[31 October 2002; 19 June 2003; 29 November 2012; 23 November 2016]

Section 237. Bringing of an Action Regarding Annulment of a Marriage

An action for annulment of a marriage may be brought by persons interested or by a public prosecutor.

Section 238. Prohibition of Division of a Claim

(1) In a case regarding divorce or annulment of marriage claims arising from family legal relationships shall be tried concurrently. Such claims shall be disputes regarding:

- 1) determining of custody;
- 2) exercising of access rights;
- 3) child maintenance, including maintenance in the minimum amount determined by the Cabinet;

- 4) means for the provision of the previous welfare level of the spouse;
- 5) joint family home and household or personal articles;
- 6) division of the property of spouses (also if it affects third persons).

(2) [29 October 2015].

(3) [29 October 2015].

(4) [29 October 2015].

(5) [29 October 2015].

[31 October 2002; 7 September 2006; 4 August 2011; 29 November 2012; 29 October 2015; 8 December 2016]

Section 238.¹ Provisional Decision in Certain Claims

(1) Upon a request of a party a court or judge may take a decision which temporarily, until the judgment on divorce or annulment of marriage is given, specifies the place of residence of the child, the procedures for child care, the procedures for exercising access rights, child maintenance, prohibition to taking the child out of the State, means for the provision of the previous welfare level of the spouse, procedures for use of the joint home of the spouses or instructs one of the parties to issue to the other party household and personal articles.

(2) A request for child maintenance and means for the provision of the previous welfare level of the spouse shall be examined in the written procedure.

(3) A request for the place of residence of a child, the procedures for child care, the procedures for exercising access rights, prohibition to take the child out of the State, procedures for use of the joint home of the spouses or instruction for one of the parties to issue to the other party household and personal articles shall be examined in a court hearing.

(4) In claims concerning a child (regarding the place of residence of a child, the procedures for child care, the procedures for exercising access rights, prohibition to take the child out of the State) a representative of the Orphan's and Custody Court shall, upon a request of the court, provide any information which has significance in the case on:

- 1) the living conditions of the parties;
- 2) the point of view of the child if he or she can formulate such considering his or her age and degree of maturity;
- 3) contact of the child with parties and other persons who are living or it is known that will live with the child in one household;
- 4) the child's health care and education;
- 5) co-operation of the parties with social services;
- 6) persons who are living or it is known that will live with the child in one household;
- 7) violence of the parties against the child or child's parent.

(5) The parties shall be notified of a court hearing, but in claims concerning the child - a representative of the Orphan's and Custody Court shall be invited to the court hearing. If a court considers that it is necessary to clarify the information provided by the Orphan's and Custody Court, it shall clarify the opinion of the child if he or she is able to formulate it considering his or her age and degree of maturity. Failure of the other spouse to attend shall not constitute a bar for the examination of the claim.

(6) If in claims regarding the procedures for exercising of access rights the court, upon a request of the participant in the case or its own initiative, finds, that the access rights should be exercised in the presence of the access person, the court shall invite the access person to participate in the court hearing. The court shall determine, whether the access person agrees that access rights are to be exercised in the presence thereof.

(7) The court or judge shall examine the request of the party and take a decision within a month from the day of receipt of the request. The decision shall be enforced without delay. The decision shall become invalid, if other decision or judgment is taken in the relevant claim.

(8) A decision of a judge on claims referred to in Paragraph two of this Section shall not be appealed. An ancillary complaint may be submitted in respect of the court decision in the case regarding claims referred to in Paragraph three of this Section.

[29 October 2015]

Section 239. Preparation of Divorce Cases for Examination and Examination Thereof

(1) In cases regarding divorce or annulment of marriage the court shall, upon its own initiative, require evidence, especially for taking a decision on such issues which are related to the interests of a child.

(2) In issues regarding granting of custody rights, childcare and procedures for exercising access rights a court shall require an opinion from the Orphan's and Custody Court and summon a representative thereof to participate in the court hearing, as well clarify the opinion of the child if he or she is able to formulate it considering his or her age and degree of maturity.

(3) Cases regarding divorce shall be examined, and the judgment thereon shall be declared in a closed court hearing. Copies of documents (full text of the documents) shall be issued to third persons only if it directly relates to such persons.

[31 October 2002; 7 September 2006; 4 August 2011]

Section 240. Postponing the Examination of a Divorce Case

(1) The court shall, upon its own initiative, postpone the examination of a case for the purpose of restoring the cohabitation of spouses or promoting friendly settlement of the case. Upon a request of a party the examination of the case may also be repeatedly postponed for such purpose.

(2) The court may not postpone the examination of the case if the parties have lived separately for more than three years and both parties object against postponing of the examination of the case or if the divorce is related to violence against the spouse requesting the divorce or against the child of the spouse, or a joint child of the spouses.

[31 October 2002; 29 November 2012]

Section 241. Settlement and Conciliation

(1) In cases regarding divorce or annulment of a marriage settlement by the parties shall be permitted only in disputes related to family legal relationships (Section 238, Paragraph one).

(2) Withdrawal of an action regarding divorce or termination of court proceeding regarding divorce shall not constitute a bar for the examination of the remaining claims on the merits.

[31 October 2002]

Section 242. Court Judgments in Divorce Cases

When giving a judgment in a divorce case, the court shall:

- 1) try all claims arising from the family legal relationships and regarding which actions have been brought;
- 2) establish whether a party who on entering into the marriage has changed his or her surname shall be granted use of the premarital surname;
- 3) divide between the parties court expenses, taking into account their financial situation.

[31 October 2002]

Section 243. Court Judgment in Annulment of Marriage Cases

When giving a judgment on the annulment of marriage, the court shall indicate in the judgment:

- 1) the basis for annulment of the marriage in accordance with Sections 60-67 of The Civil Law;
- 2) whether a party who changed his or her surname upon entering into the marriage is to be granted the use of his or her premarital surname or whether the married surname shall remain in effect;
- 3) which children shall remain with which parent, if this is in dispute;
- 4) from which parent and in what amount means for child maintenance shall be recovered, if this is in dispute.

Section 244. Issuing and Sending the True Copies of a Judgment and Giving Notice of a Judgment

(1) After a judgment on the annulment of marriage or divorce has entered into lawful effect, a true copy of the judgment or an extract from the judgment shall be sent to the General Registry office where the relevant civil status document registration is kept, but if the marriage was entered into before a minister - to the relevant church (minister of the congregation) and the General Registry office in whose jurisdiction the church (congregations) is located.

(2) In a case in which the defendant does not have a declared place of residence and his or her place of residence

is unknown, the court shall give notice regarding the annulment of the marriage in the official gazette Latvijas Vēstnesis.

(3) The court shall issue to the former spouses a true copy of the judgment by which the marriage is dissolved or declared annulled.

[31 October 2002; 8 September 2011; 29 November 2012]

Chapter 29.¹ **Cases Arising from the Custody Rights and Access Rights**

[7 September 2006]

Section 244.¹ Procedures for Examining Cases

Cases arising from the custody rights and access rights shall be examined by the court in accordance with the procedures for court proceedings by way of action according to general procedures taking into account the exceptions provided for in this Chapter.

Section 244.² Bringing of an Action

(1) An action in cases arising from the custody rights may be brought by the parents of the child, guardians, the Orphan's and Custody Court or the public prosecutor.

(2) An action in cases arising from the access rights may be brought by the persons indicated in Section 181 of The Civil Law, as well as by the public prosecutor or the Orphan's and Custody Court.

(3) In cases arising from the access rights in addition to that referred to in Section 128 of this Law the plaintiff shall indicate the following in the statement of claim:

1) the procedures, time and place for exercising the access rights;

2) if the plaintiff requests for access rights to be exercised in the presence of the access person - information regarding the relevant access person (for natural persons - given name, surname, personal identity number, and address, for legal persons - firm name, legal address and registration number).

[29 October 2015]

Section 244.³ Jurisdiction of Cases

(1) An action for cases arising from the custody rights and access rights shall be brought before a court based on the place of residence of the child.

(1¹) In cases arising from the custody rights and access rights the declared place of residence of parents of the child shall be deemed the place of residence of the child. If the declared places of residence of parents of the child are located in different administrative territories, the declared place of residence of the parent with whom the child is living shall be deemed the place of residence of the child. If the parents of the child or the child do not have a declared place of residence, the place of residence of parents of the child shall be deemed the place of residence of the child.

(2) If cases arising from the custody rights and access rights are examined together with cases regarding divorce or annulment of a marriage, the provisions of Chapter 29 of this Law shall be applied.

[29 November 2012]

Section 244.⁴ Participation of the Parties in a Court Hearing

(1) A case arising from the custody rights and access rights shall be examined with the participation of both parties.

(1¹) If the action for the removal of custody rights is brought by the Orphan's and Custody Court, the case may be examined without the participation of the defendant if he or she has been summoned to court according to the procedures laid down in law.

(2) If the defendant, without a justified cause, fails to attend according to a court summons, he or she may be brought to court by forced conveyance.

(3) If one of the parties lives far or due to other reasons cannot attend according to a court summons, the court may admit a written explanation by this party or the participation of his or her representative as sufficient for examination of

the case.

(4) If the place of residence of the defendant is unknown or it is not located in Latvia, the case may be examined without the participation of the defendant if he or she has been summoned to court according to the procedures laid down in law.

[29 October 2015]

Section 244.⁵ Preparation of Cases for Examination and Examination Thereof

[29 October 2015]

Section 244.⁶ Settlement between the Parties

[29 October 2015]

Section 244.⁷ Consequences of a Court Judgment

[29 October 2015]

Section 244.⁸ Access Person

(1) An access person is a participant in the case arising from the access rights. The access person has the following procedural rights and obligations:

- 1) the right to acquaint with the request for inviting the access person to participate in the case;
- 2) the right to participate in a court hearing;
- 3) the right to express consent to or objections against the fact, that obligations are imposed on him or her by a ruling;
- 4) the right to receive a true copy of the court judgment or decision;
- 5) the obligation to arrive at the court according to a court summons;
- 6) the obligation to give in writing a timely notice of reasons preventing them from attending a court hearing by submitting evidence thereon;
- 7) to appeal the court judgment and decision in a part which applies to the access person.

(2) An access person shall be invited to participate in the case upon an initiative of the participant in the case or court.

[29 October 2015]

Section 244.⁹ Preparation of Cases for Examination and Examination Thereof

(1) In cases arising from the custody rights and access rights the court shall, upon its own initiative or a request of a participant in the case, request evidence.

(2) In cases that arise from custody rights and access rights the court shall, upon its own initiative or a request of a participant in the case, request an opinion by the relevant Orphan's and Custody Court and summon a representative thereof to participate in the court hearing, as well clarify the opinion of the child if he or she is able to formulate it considering his or her age and degree of maturity.

(3) If in the case arising from the access rights the court, upon a request of the participant in the case or upon its own initiative, finds, that access rights should be exercised in the presence of the access person, the court shall invite the access person to participate in the court hearing. The court shall determine, whether the access person agrees that access rights are to be exercised in the presence thereof.

(4) When commencing examination of the case on the merits, the case shall listen to an access person. The access person shall not participate in further examination of the case on the merits.

(5) When examining the cases which are arising from custody or access rights, in addition to other circumstances the court shall take into account all cases, when the person, who wants to exercise custody or access rights, has used violence against the child or child's parent. When examining the cases arising from custody rights, in addition to other circumstances the court shall take into account the breach of the procedures for exercising the access rights laid down by it.

(6) A court in applying the Hague Convention of 19 October 1996 on Jurisdiction, Applicable Law, Recognition,

Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children, and evaluating the jurisdiction of the case in conformity with the interests of the child, on its own initiative or the request of a participant in the case may take a decision on the transfer of the case for examination in a court in another state if the child during the court proceedings procedure has acquired a place of residence in such state and the court of the relevant state has consented to take over the case.

(7) If in the mutual relations of the involved states Council Regulation (EC) No 2201/2003 of 27 November 2003 concerning jurisdiction and the recognition and enforcement of judgments in matrimonial cases and the cases of parental responsibility, repealing Regulation (EC) No 1347/2000 (hereinafter - Council Regulation No 2201/2003) is applicable, the court decision on the transfer of the case shall be taken in accordance with the provisions of the abovementioned regulation.

[29 October 2015]

Section 244.¹⁰ Provisional Decision

(1) On the basis of a request from the parties the court or judge shall take a decision with which for a period to the giving of a judgment shall determine the place of residence of the child, the procedures for the care of the child, the procedures for the exercising of access rights, child maintenance, and a prohibition to taking the child out of the State.

(2) A request for child maintenance shall be examined in the written procedure.

(3) A request for the place of the residence of the child, the procedures for the care of the child, the procedures for the exercising of access rights, prohibition to taking the child out of the State shall be examined in a court hearing.

(4) A representative of the Orphan's and Custody Court shall, upon a request of the court, provide any information which has significance in the case on:

- 1) the living conditions of the parties;
- 2) the point of view of the child if he or she can formulate such considering his or her age and degree of maturity;
- 3) contact of the child with parties and other persons who are living or it is known that will live with the child in one household;
- 4) the child's health care and education;
- 5) co-operation of the parties with social services;
- 6) persons who are living or it is known that will live with the child in one household;
- 7) violence of the parties against the child or child's parent.

(5) The parties shall be notified of the court hearing, and a representative of the Orphan's and Custody Court shall be invited to the court hearing. If a court considers that it is necessary to clarify the information provided by the Orphan's and Custody Court, it shall determine the point of view of the child if he or she is able to formulate it considering his or her age and degree of maturity. Failure of the other party to attend shall not constitute a bar for the examination of the issue.

(6) If in claims regarding the procedures for exercising of access rights the court, upon a request of the participant in the case or upon its own initiative, finds, that access rights should be exercised in the presence of the access person, it shall invite the access person to participate in the court hearing. The court shall determine, whether the access person agrees that access rights are to be exercised in the presence thereof.

(7) The court or judge shall examine the request of the party and take a decision within a month from the day of receipt of the request. The decision shall be enforced without delay. The decision shall become invalid, if other decision or judgment is taken in the relevant claim.

(8) A decision of the judge on the claim referred to in Paragraph two of this Section shall not be appealed. An ancillary complaint may be submitted in respect of the court decision in the case regarding claims referred to in Paragraph three of this Section.

[29 October 2015]

Section 244.¹¹ Settlement between the Parties

(1) In cases that arise from custody rights and access rights, the parties are entitled to enter into an amicable settlement.

(2) The amicable settlement shall be approved by the court on its own initiative requesting an opinion from the relevant Orphan's and Custody Court or inviting the representative thereof to participate in the court hearing.

[29 October 2015]

Section 244.¹² Court Ruling in Cases Arising from Custody Rights and Access Rights

(1) In addition to the provisions of Section 193 or 230 of this Law in cases arising from access rights the following shall be indicated in the court ruling:

- 1) information regarding the child - the given name, surname, personal identity number, and place of residence;
- 2) the procedures, time and place for exercising the access rights;
- 3) where necessary, the obligations of the parties and division of expenses between the parties for the implementation of the access rights;
- 4) where necessary, restrictions referred to in Section 182 of the Civil Law;
- 5) where necessary, other obligations of the parties.

In addition to the provisions of Section 193 or 230 of this Law in cases arising from custody rights the information regarding the child shall be indicated in the court ruling - the given name, surname, personal identity number and place of residence.

(3) In cases arising from custody and access rights the court shall warn the parties in the ruling that in the case, when the judgment is not enforced voluntarily, a fine will be applied in accordance with this Law, the issue will be decided regarding suspension or withdrawal of custody rights and the party will be held liable in accordance with the Criminal Law regarding malicious evasion from enforcement of the ruling.

[29 October 2015]

Section 244.¹³ Claims Arising From Impossibility to Enforce a Ruling on Exercising of Access Rights

(1) If a bailiff in accordance with Section 620.²⁷ of this Law finds that enforcement of the ruling is not possible, a creditor may ask the court to review the time and place for the exercising of access rights laid down in the ruling.

(2) The request referred to in Paragraph one of this Section shall be submitted to the court, which has given the ruling in the case arising from access rights, or in the territory of activities of which the ruling is to be enforced, if the enforcement of the ruling of a foreign state or enforcement document indicated in Section 540, Clause 7.¹ of this Law issued by a foreign court or institution is not possible.

(3) The court shall request information regarding the daily regimen of the child from the Orphan's and Custody Court, which in accordance with Section 620.²⁶ of this Law has evaluated action of a debtor.

(4) The court, upon receipt of information that it is impossible for the Orphan's and Custody Court to find out the daily regimen of the child because the location of the child is unknown, shall take a decision to search for the child or debtor and child by the help of the police.

(5) The request regarding review of the time and place for exercising access rights shall be examined in a court hearing, by notifying participants in the case thereof in advance. Failure of the other party to attend shall not constitute a bar for the examination of the application.

(6) The court shall, upon its own initiative or a request of an interested person, request that a bailiff, who in accordance with Section 620.²⁷ of this Law has found that the enforcement of the judgment is not possible, provide information regarding the circumstances found in the enforcement case, including obstacles for enforcement of the ruling.

(7) The court shall invite a representative of the Orphan's and Custody Court and also psychologist to participate in a court hearing, if the Orphan's and Custody Court has invited him or her or if the court deems it necessary.

(8) If the court, upon a request of the participant in the case or upon its own initiative, finds, that access rights should be exercised in the presence of the access person, it shall invite the access person to participate in the court hearing. The court shall determine, whether the access person agrees that access rights are to be exercised in the presence thereof.

(9) The court shall give a ruling on the review of the time and place for exercising the access rights within a month, if extraordinary circumstances do not made it impossible. The decision shall be enforced without delay.

(10) The court, having found that the circumstances hindering the enforcement of the decision or making it impossible, may determine other procedures for exercising the access rights in the ruling on the review of the time and place for exercising the access rights in the interests of the child.

(11) If implementation of access rights is not possible in no other way as by entering into the premises and it is foreseeable that a bailiff will not be allowed to enter the premises regarding which there is information that a child is therein, the court may indicate in the ruling on the review of the time and place for exercising the access rights in the interests of the child that the premises are to be opened by force. In such case the court shall indicate the address of the relevant premises and time period in the ruling when the premises may be opened by force.

(12) If the court has indicated in the ruling on the review of the time and place for exercising the access rights in the interests of the child that the premises are to be opened by force, the ruling shall be declared without presence of the defendant, and the ruling shall be sent to the defendant after the time period for opening of the premises by force indicated in the ruling has elapsed.

(13) If the court finds that the circumstances have changed so significantly that a ruling on the review of the time and place for exercising the access rights laid down in the judgment cannot be given, the court shall refuse the request of the creditor and inform the creditor on his or her rights to submit a new claim to the court in accordance with the general procedures. If access rights remain in the previous amount, the change of the time and place of exercising of access rights shall not be regarded as significant change of circumstances.

(14) The ruling on the review of the time and place for exercising the access rights may not be appealed. An ancillary claim may be submitted regarding the decision by which the request of the creditor regarding review of the time and place for exercising access rights is refused.

[29 October 2015]

Section 244.¹⁴ Consequences of a Court Judgment

If after a judgment has entered into lawful effect in a case that arises from custody rights and access rights, the circumstances change, each party is entitled to submit a new claim to the court by general procedures.

[29 October 2015]

Chapter 30

Cases Regarding Determination of the Parentage of Children

[19 June 2003]

Section 245. Procedures for Examining Cases

A court shall examine cases regarding the determination of the parentage of a child or a paternity dispute in accordance with general provisions and observing the exceptions provided for in this Chapter.

Section 246. Persons who may Dispute the Presumption of Paternity

(1) The presumption of paternity may be disputed in a court by the mother of a child, the husband of the mother of the child, and the child himself or herself after he or she attains legal age.

(2) After the death of the husband of the mother of a child, the parents of the husband may bring such an action if the husband up to the time of his death had not known about the birth of the child.

(3) After the death of the husband of the mother of the child his lawful heirs may, as successors in interest to him, enter the proceedings initiated by the husband.

(4) If the presumption of paternity has been disputed by a person to whom a trusteeship has been established, the court shall invite a representative of the Orphan's and Custody Court to participate in the case.

(5) Actions referred to in this Section may be brought in accordance with the provisions of Section 149 of The Civil Law.

[7 September 2006; 29 November 2012]

Section 247. Persons who may Dispute the Acknowledgement of Paternity

(1) Paternity, which has been acknowledged and registered in a General Registry office, may be disputed by the person who has acknowledged the paternity, the mother of the child or the person who deems himself the father of the child.

(2) A child himself or herself may bring such action after attaining legal age.

(3) After the death of the father of the child his lawful heirs may, as successors in interest to him, enter the

proceedings initiated by the father.

(4) Paternity, which has been determined based on a court judgment that has entered into lawful effect, may not be disputed.

(5) An action referred to in this Section may be brought in accordance with the provisions of Section 156 of The Civil Law.

[29 November 2012; 22 May 2014]

Section 248. Persons who may Bring an Action for Determination of Paternity

(1) An action for the determining of the paternity of a child may be brought before a court by the mother or guardian of the child, as well as by the natural father of the child.

(2) A child himself or herself may bring such action after attaining legal age.

(3) Actions referred to in this Section may be brought in accordance with Section 158, Paragraph one of The Civil Law.

Section 249. Procedures for Bringing Actions for Determination of Paternity of a Child

(1) The mother, the child himself or herself or guardian of the child may bring a paternity action against the person from whom the child is descended.

(2) The person from whom the child is descended may bring an action to determine paternity against the mother of the child if she does not consent to the determination of paternity or other obstacles indicated by law for making a record of paternity in the birth register exist.

(3) *[7 September 2006]*

(4) Actions for dispute of the presumption of paternity and the determination of paternity may be merged.

[7 September 2006]

Section 249.¹ Determination of Court Expert-examination

(1) A court on the basis of a request from a participant in the case shall determine expert-examination for the specification of the child's biological descent.

(2) If one of the participants in the case evades the expert-examination, the court shall take a decision on the forced conveyance of such person for the conduct of the expert-examination.

Section 249.² Finding of the Fact of Paternity

If the person from whom the child is descended has died, the fact of paternity may be found according to special trial procedures.

Section 249.³ Provisional Decision

(1) Upon a request of the party the court or judge shall take a decision by which a prohibition to take the child out of the State until a judgment is given in the case regarding determining the origin of the child.

(2) A request regarding prohibition to take the child out of the State shall be examined in a court hearing.

(3) A representative of the Orphan's and Custody Court shall, upon a request of the court, provide information on the opinion of the child if he or she is able to formulate it considering his or her age and degree of maturity, and other evidence which have significance in the case.

(4) The parties shall be notified of the court hearing, and a representative of the Orphan's and Custody Court shall be invited to the court hearing. If a court considers that it is necessary to clarify the information provided by the Orphan's and Custody Court, it shall clarify the opinion of the child if he or she is able to formulate it considering his or her age and degree of maturity. Failure of the other party to attend shall not constitute a bar for the examination of the issue.

(5) The court or judge shall examine the request of the party and take a decision within a month from the day of receipt of the request. The decision shall be enforced without delay. The decision shall become invalid, if other decision or judgment is taken in the relevant claim.

(6) An ancillary complaint may be submitted regarding the court decision in the abovementioned claim.

[29 October 2015]

Section 249.⁴ Opinion of the Orphan's and Custody Court

In the case regarding appeal of paternity recognition the court shall, upon its own initiative or request of interested persons, request the opinion of the relevant Orphan's and Custody Court and may invite a representative thereof to participate in the court hearing.

[29 October 2015]

Section 250. Sending and Issuing True Copies of Court Judgments

A true copy of the judgment on determination of the paternity, finding of the fact of paternity and recognition of the record of paternity as void shall be sent by the court for amendment of the record to the General Registry Office where the birth of the child is registered.

Chapter 30.¹ Cases Regarding Division of Estate

[31 October 2002]

Section 250.¹ Jurisdiction of a Case

(1) A statement of claim for division of an estate, unless the heirs agree thereon in accordance with informal procedures or at a notary, shall be submitted to the court based on the declared place of residence of one heir, but if none, based on the place of residence, but if immovable property is in the estate - based on its location.

(2) An application for the division of an estate shall specify which property of the estate is subject to division and which heirs have applied for such.

[29 November 2012]

Section 250.² Actions of a Judge in Preparing a Case

(1) A judge may set a preparatory hearing that shall be notified to the parties.

(2) According to a decision of the judge a notation regarding the securing of a claim shall be entered in the Land Register in conformity with the provisions regarding securing of a claim.

(3) The judge may assign the notary, who has issued the inheritance certificate or European Certificate of Succession, or another notary practising in the judicial region to supervise the course of drawing up an estate division plan.

[28 May 2015 / Amendment to Paragraph three shall come into force on 17 August 2015. See Paragraph 108 of Transitional Provisions]

Section 250.³ Drawing up of a Draft Division of an Estate

(1) The notary who has received the assignment to supervise the course of drawing up a draft division of an estate, if necessary, shall invite a bailiff to draw up an estate property inventory statement and perform an appraisal of the property.

(2) Inventorying of the estate shall be performed in accordance with the provisions of this Law. The inventory statement shall also specify the known debts, obligations and entries in the Land Register encumbering the estate.

(3) The notary shall perform activities to harmonise the views of the parties and reach an agreement.

(4) Persons who draw up a draft division of an estate shall specify in their opinion which grounds they have taken into account.

(5) The notary shall submit the property inventory statement, the appraisal of the property and the draft division of the estate to the judge.

Section 250.⁴ Actions of a Judge after Receipt of a Draft Division of an Estate

(1) The court shall send true copies of the documents submitted by the notary to co-heirs and set a time period for provision of explanations.

(2) In addition to written explanations the judge may summon all co-heirs for verification of calculations and adjusting of the draft division of the estate.

Section 250.⁵ Auctioning of the Estate to be Divided

(1) The estate shall be appraised and auctioned in conformity with the general provisions of this Law. If all heirs and in appropriate cases also the Orphan's and Custody Court (Sections 280-283 of The Civil Law) agrees, the estate may be sold on the open market.

(2) Sale of immovable property for determination of the actual value thereof shall be performed according to the regulations regarding voluntary sale at auction through the court, in conformity with the provisions of Sections 737 and 738 of The Civil Law; moreover, the immovable property shall be inventoried and appraised only if it is required by any of the co-heirs.

[7 September 2006 / See Transitional Provisions]

Section 250.⁶ State Duty in Cases Regarding Division of Estate

State duty in cases regarding division of estate shall be distributed among the heirs, taking into account the value of the estate granted to each heir.

Section 250.⁷ Division of Joint Property

Provisions of this Chapter shall also be applicable in dividing joint property of all kinds and observing in such division the provisions of the relevant laws.

Chapter 30.² Cases Regarding Infringement and Protection of the Intellectual Property Rights

[14 December 2006]

Section 250.⁸ Procedures for Examining Cases

A court shall examine cases regarding infringement and protection of intellectual property rights in accordance with the procedures for court proceedings by way of action according to general procedures taking into account the exceptions provided for in this Chapter.

Section 250.⁹ Persons who may Submit Application for the Infringement and Protection of the Intellectual Property Rights

The persons laid down in law may submit an application for the infringement and protection of the intellectual property rights.

Section 250.¹⁰ Basis and Means for the Imposition of a Provisional Remedy

(1) If there are grounds to believe that the rights of a holder of intellectual property rights are being infringed or could be infringed, a court on the basis of a reasoned application of a plaintiff may decide to impose a provisional remedy. The provisional remedy shall be indicated in the application for the imposition of a provisional remedy.

(2) The examination of the issue of the imposing a provisional remedy is allowed at any stage of the proceedings, as well as before the action is brought before a court.

(3) The following are provisional remedies:

- 1) seizing of such movable property with which the intellectual property rights are allegedly being infringed;
- 2) an obligation to recall goods with which it is alleged that the intellectual property rights are being infringed;

3) a prohibition to perform specific activities by both the defendant and persons whose provided services are used in order to infringe the intellectual property rights, or persons who make it possible for the committing of such infringements.

Section 250.¹¹ Imposition of a Provisional Remedy before the Action is Brought before the Court

(1) Within three months from the day when the potential plaintiff found out about the infringement or the possible infringement, he or she may request a court that provisional remedy be specified prior to the bringing of an action.

(2) When submitting an application for the imposition of a provisional remedy before the action is brought, the potential plaintiff shall provide evidence that certifies his or her intellectual property rights, which are being infringed, and evidence that they are being infringed or may be infringed.

(3) An application for the imposition of a provisional remedy before the action is brought shall be submitted to the court wherein the action shall be brought.

(4) In satisfying an application for the imposition of a provisional remedy before the action is brought, the judge shall specify the plaintiff a time period of not more than 30 days for bringing the action.

Section 250.¹² Examination of the Issue of Imposing a Provisional Remedy

(1) An application for the imposition of a provisional remedy shall be decided by a court or a judge within 10 days after receipt of the application or initiation of the case if the application has been submitted together with the bringing of the action.

(2) If delay may cause irreversible harm to a holder of the intellectual property rights, then a court or judge shall decide on an application for the imposition of a provisional remedy not later than on the next day after receipt of the application without previously notifying the defendant and other participants in the case. If the decision on the imposition of a provisional remedy has been taken without the presence of the defendant or other participants in the case, they shall be notified of such decision not later than by the moment of the enforcement of the abovementioned decision.

(3) In satisfying an application for the imposition of a provisional remedy before the action is brought, a court or a judge may request the plaintiff to secure the losses, which may be caused to the defendant or other persons who are referred to in Section 250.¹⁰, Paragraph three, Clause 3 of this Law in relation to the imposition of a provisional remedy, by paying a specific amount of money into the c deposit account or provide an equivalent guarantee.

(4) A court on the basis of an application of the plaintiff may replace the imposed provisional remedy with another remedy.

(5) Provisional remedies may be withdrawn by the same court upon an application of a participant in the case.

(6) In refusing a claim, the provisional remedy shall be withdrawn in the court judgment. The provisional remedy shall be in effect until the day when the judgment comes into lawful effect.

(7) If the claim is left without examination or the court proceedings are terminated, the court shall withdraw the provisional remedy in the decision. The provisional remedy shall be in effect until the day when the decision comes into lawful effect.

(8) If the decision to impose a provisional remedy has been taken before the action is brought and the action is not brought within the time period specified by the court, the judge, upon receipt of an application from the potential plaintiff or other possible participant in the case, or the defendant, shall take decision to withdraw the provisional remedy.

(9) The applications referred to in Paragraphs one, four and five of this Section shall be decided in a court hearing, previously notifying the participants in the case regarding this. Failure of such persons to attend shall not constitute a bar for the examination of the application.

[4 August 2011]

Section 250.¹³ Appeal of the Decision Taken to Impose a Provisional Remedy

(1) In respect of the decisions referred to in Section 250.¹², Paragraph four of this Law, the decision by which the application for the imposition of a provisional remedy has been refused and the decision by which the application for the withdrawal of a provisional remedy has been refused an ancillary complaint may be submitted.

(2) If the decision to impose a provisional remedy has been taken without the presence of a participant in the case, the time period for the submission of an ancillary complaint shall be counted from the day of the issuance of the decision.

[4 August 2011]

Section 250.¹⁴ Enforcement of the Decision to Impose a Provisional Remedy

(1) The decision to impose a provisional remedy (Section 250.¹², Paragraphs one and two) and a decision to withdraw the provisional remedy (Section 250.¹², Paragraph five) shall be enforced immediately after it has been taken.

(2) The decision to impose a provisional remedy, which has been taken with the conditions referred to in Section

250.¹², Paragraph three of this Law, shall be enforced after the plaintiff has paid the amount specified by the court or judge into the ☐ deposit account or provided an equivalent guarantee. The enforcement document shall be issued after receipt of payment of the amount specified by the court or the equivalent guarantee.

(3) The decision to impose a provisional remedy by seizing of movable property with which the intellectual property rights that are allegedly being infringed, shall be enforced in accordance with the procedures laid down in Chapter 71 of this Law.

(4) The decision to impose a provisional remedy by specifying a prohibition to perform specific activities or an obligation to recall goods with which the intellectual property rights are allegedly being infringed, shall be enforced by a bailiff, and the bailiff shall notify the court decision to the defendant or a relevant third person, such person signing therefor, or sending it by registered mail.

(5) The withdrawal of the imposed provisional remedy shall be enforced by the order of the bailiff who enforced the decision to impose a provisional remedy.

(6) The decision to replace the provisional remedy shall be enforced by a bailiff, firstly imposing the replacement provisional remedy and afterwards revoking the replaced provisional remedy.

[4 August 2011]

Section 250.¹⁵ Compensation of Losses Caused by the Provisional Remedy

A defendant is entitled to claim compensation for losses, which he or she has incurred in relation to the imposition of a provisional remedy if the provisional remedy has been withdrawn in the case specified in Section 250.¹², Paragraph eight of this Law if the action that was brought against him or her was refused, left without examination or court proceedings were terminated in the cases specified in Section 223, Clauses 2 and 4 of this Law.

Section 250.¹⁶ Rights to Information

(1) In cases of an infringement of the intellectual property rights, a court on the basis of a reasoned request of the plaintiff, taking into account the rights of participants in the case to protection of trade secrets, may request that the information regarding the origin of the goods or services and the distribution thereof be provided by the defendant or a person:

1) at whose disposal are the infringing goods (infringing copies) on a commercial scale;

2) who on a commercial scale has provided or used services associated with the unlawful use of objects of intellectual property rights;

3) about whom the persons referred to in Clauses 1 and 2 of this Paragraph have provided information, that he or she is involved the manufacture, distribution or offering of the infringing goods (infringing copies) or the provision or offering of such services, which are associated with the unlawful use of objects of the intellectual property rights.

(2) In the information referred to in Paragraph one of this Section shall be indicated information regarding the relevant manufacturer, distributor, supplier, wholesaler and retailer of the goods or the relevant service provider and distributor [natural persons - given name, surname, personal identity number (if such is known) and declared place of residence and place of residence if different, and legal persons - name, legal address and registration number (if such is known)], information regarding the amount manufactured, distributed, received or ordered goods or provided or ordered services, as well as the price, which was paid for them.

(3) If evidence of the fact of an obvious infringement of the intellectual property rights exist and the holder of the intellectual property rights has requested that the securing of evidence, security for a claim or imposition of a provisional remedy specified in this Law be applied, then the holder of the intellectual property rights is entitled to request that the information referred to in Paragraphs one and two of this Section is ensured also before the action is brought before a court within the scope of the procedure for securing the evidence specified in this Law.

[4 August 2011; 29 November 2012]

Section 250.¹⁷ Court Judgment in Infringement and Protection of the Intellectual Property Rights Cases

(1) If the fact of an infringement has been proven, a court may specify one or several of the following measures in the judgment:

1) stop and prohibit the use of unlawful objects of intellectual property rights;

2) stop and prohibit measures, which are recognised as preparation for the unlawful use of objects of intellectual property rights;

3) stop and prohibit the provision of services, which are used for unlawful activities with objects of intellectual

property rights by persons:

- a) the services of whom are used in order to infringe the rights of the holder of the intellectual property rights,
- b) who make possible the performance of such infringements;

4) in accordance with the procedures laid down in law, reimburse the losses and moral damages caused due to unlawful use of an object of intellectual property rights.

(2) Upon an application of a plaintiff, regardless of the loss and harm caused to the plaintiff, a court may specify one or several of the following measures to be performed on the account of the infringer:

- 1) cancel or withdraw completely the infringing goods (infringing copies) from trade;
- 2) destroy the infringing goods (infringing copies);

3) cancel or withdraw completely from trade the facilities and materials used or intended to be used for making of the infringing goods (infringing copies) if the owner thereof knew or should have known from the circumstances that such facilities and materials have been used or intended for the performance of unlawful activities;

- 4) fully or partially publicize the court judgment in newspapers and other mass media.

Chapter 30.³ **Examining Cases of Certain Categories in the Written Procedure**

[8 September 2011; 10 December 2015]

Section 250.¹⁸ Procedures for Examining Cases

(1) The court shall examine cases of simplified procedure and cases regarding the rights in respect of which a dispute is examined in the Board of Appeal for Industrial Property in accordance with the procedures for court proceedings by way of action, complying with the exceptions provided for in this Chapter.

(2) The provisions of this Chapter shall not prejudice the application of Regulation No 861/2007 of the European Parliament and of the Council, except the case laid down in Section 250.²⁷, Paragraph two of this Law.

(3) The City of Riga Vidzeme Suburb Court shall examine cases regarding the right in respect of which a dispute is examined in the Board of Appeal for Industrial property.

[20 March 2014; 10 December 2015; 14 December 2017]

Section 250.¹⁹ Initiation of a Case

(1) Initiation and examination of cases of simplified procedure in accordance with the procedures provided for in this Chapter shall be permissible only in claims regarding the recovery of money and recovery of maintenance (Section 35, Paragraph one, Clauses 1 and 3).

(2) A judge shall commence a case of simplified procedure on the basis of a written statement of claim, if a principal debt or - in claim regarding the recovery of maintenance - the total amount of payments does not exceed EUR 2500 on the day when the claim was submitted. A court shall initiate a case regarding the recovery of child maintenance in the minimum amount determined by the Cabinet if the obstacles referred to in the Maintenance Guarantee Fund Law exist which prevent a person from the receipt of maintenance in the minimum amount determined by the Cabinet from the Maintenance Guarantee Fund. The total amount of payments in claims regarding the recovery of maintenance shall be applicable to each child individually.

(3) Cases regarding the rights in respect of which a dispute has been examined in the Board of Appeal for Industrial property shall be initiated on the bases of a written statement of claim.

[12 September 2013; 10 December 2015; 8 December 2016; 14 December 2017]

Section 250.²⁰ Contents of a Statement of Claim

(1) A statement of claim in simplified procedure shall be drawn up in conformity with the sample approved by the Cabinet.

(2) In a statement of claim in addition to that specified in Section 128 of this Law it shall be indicated whether a plaintiff requests trial of a case in a court hearing, by substantiating his or her request.

(3) In a statement of claim in cases in respect of which a dispute is examined in the Board of Appeal for Industrial Property the nature of the error of the decision of the Board of Appeal for Industrial Property shall be indicated.

(4) A statement of claim in cases in respect of which a dispute is examined in the Board of Appeal for Industrial Property shall be attached with a copy of the relevant decision of the Board of Appeal for Industrial Property. The evidence submitted to the Board of Appeal for Industrial Property need not be attached to the statement of claim.

[29 October 2015; 10 December 2015; 14 December 2017]

Section 250.²¹ Sending of a Statement of Claim and Attached Documents to the Defendant

(1) An explanation form shall be sent to the defendant concurrently with sending of a statement of claim in simplified procedure and true copies of the documents attached thereto, determining the time period for submitting a written explanation - 30 days counting from the day when the statement of claim in simplified procedure has been sent to the defendant.

(2) A court shall inform the defendant additionally on the fact that non-submission of an explanation shall not constitute a bar for giving a judgment in a case, as well as on the fact that the defendant may request trial of the case in a court hearing.

[10 December 2015; 14 December 2017]

Section 250.²² Explanation of Procedural Rights to Parties

(1) Concurrently with sending of documents to the parties (Section 148) a court shall explain them the procedural rights, inform regarding the court panel that will examine the case and explain the right to apply for removal of a judge.

(2) The parties are entitled to use the civil-procedural rights referred to in this Law that are related to the preparation of a case for trial not later than seven days prior the time notified for examination of the case (Section 250.²⁵, Paragraph one).

Section 250.²³ Explanations of a Defendant

(1) Explanations regarding a statement of claim in simplified procedure shall be drawn up in conformity with the sample approved by the Cabinet.

(2) A defendant shall indicate the following information in the explanation:

1) the name of the court to which explanations have been submitted;

1¹) the given name, surname, personal identity number, declared place of residence of the plaintiff, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof;

1²) the given name, surname, personal identity number, declared place of residence and the additional address of the defendant indicated in the declaration, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. In addition the defendant may also indicate another address for correspondence with the court;

1³) an electronic mail address for correspondence with the court, and if he or she has registered his or her participation in the online system, also include an indication of registration if the defendant (or his or her representative whose declared place of residence or indicated address for correspondence with the court is in Latvia) agrees to electronic correspondence with the court or he or she is any of the subjects referred to in Section 56, Paragraph 2.³ of this Law. If the declared place of residence or indicated address of the representative of the defendant is outside Latvia, in addition he or she shall indicate an electronic mail address or notify regarding registration of his or her participation in the online system. If the representative of the defendant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

1⁴) the name of the credit institution and the number of the account to which court expenses is to be reimbursed;

2) [29 November 2012];

3) the number of the case and subject-matter of the claim;

4) whether he or she recognises the claim fully or in any part thereof;

5) his or her objections against the claim and substantiation thereof, as well as the regulatory enactment on which they are based upon;

6) evidence that confirms his or her objections against the claim;

- 7) requests for requisition of evidence;
- 8) the fact whether it is requested to recover the court expenses;
- 9) the fact whether it is requested to recover expenses related to conducting of the case, indicating the amount thereof and attaching the documents justifying the amount;
- 10) the fact whether the trial of the case in a court hearing is requested, by justifying his or her request;
- 11) other circumstances that he or she considers as important for examination of the case;
- 12) other requests;
- 13) the list of documents attached to explanations;
- 14) the time and place of drawing up of explanations.

[29 November 2012; 29 October 2015; 10 December 2015; 23 November 2016; 1 June 2017; 22 June 2017; 14 December 2017]

Section 250.²⁴ Bringing of a Counterclaim

- (1) A defendant is entitled to bring a counterclaim for the provision of explanations within a specific period of time.
- (2) A court shall accept a counterclaim (Section 136, Paragraph three) and examine a case in accordance with the procedures laid down in Chapter 30.³ of this Law, if the counterclaim complies with the amount of the sum of the claim specified in Section 250.¹⁹ of this Law and has been drawn up in conformity with Section 250.²⁰ of this Law.
- (3) A court shall accept a counterclaim (Section 136, Paragraph three), but continue to examine the case in accordance with the procedures for court proceedings by way of action according to the general provisions, if the sum of the claim indicated in the counterclaim exceeds the sum of the claim specified in Section 250.¹⁹ of this Law or it is not the claim for recovery of money or recovery of the maintenance (Section 35, Paragraph one, Clauses 1 and 3).

Section 250.²⁵ Examination of Cases in the Written Procedure, Drawing up of a Judgment, Sending of its True Copy, and Request for Drawing up a Judgment

- (1) If the court does not examine a case of simplified procedure in a court hearing in accordance with Section 250.²⁶ of this Law, the case shall be examined in the written procedure, notifying the parties in a timely manner regarding the date when a true copy of the summary judgment may be received in the Court Registry, as well as inform regarding the composition of the court examining the case, and explain the right to apply for removal of a judge. The date when a true copy of the summary judgment is available in the Court Registry shall be regarded as the day of drawing up a judgment.
- (1¹) If the court does not examine a case for which a dispute has been examined in the Board of Appeal for Industrial Property, in a court hearing in accordance with Section 250.²⁶ of this Law, the case shall be examined in the written procedure, notifying the parties in a timely manner of the date when a true copy of the judgment may be received in the Court Registry, as well as inform of the composition of the court examining the case, and explain the right to apply for removal of a judge. The date when a true copy of the judgment is available in the Court Registry shall be regarded as the day of drawing up a judgment.
- (2) [29 October 2015]
- (2¹) The court shall draw up a judgment in a case of simplified procedure according to the contents of the judgment specified in Section 193 of this Law, if the party submits a request for drawing up a judgment thereto in writing. The request shall be submitted to the court within 10 days from the day of drawing up the summary judgment, and that specified in the second sentence of Section 48, Paragraph four of this Law shall not apply to this period of time. The court may also, upon its own initiative, draw up a judgment in accordance with the procedures laid down in Paragraph 2.³ of this Section according to the contents of the judgment specified in Section 193 of this Law.
- (2²) A request for drawing up a judgment which is not signed in a case of simplified procedure shall be regarded as not submitted and shall be sent back to the applicant. A request for drawing up a judgment submitted after expiration of the time period shall not be accepted and shall be returned to the applicant. The decision on refusal to accept a request for drawing up a judgment shall not be subject to appeal.
- (2³) In the case referred to in Paragraph 2.¹ of this Section the judgment shall be drawn up within 20 days after expiry of the time period for submitting a request for drawing up a judgment. The date when a true copy of the judgment is available in the Court Registry shall be regarded as the day of drawing up a judgment.

(3) Upon a written request by a party a true copy of the summary judgment or a true copy of a judgment drawn up in accordance with the contents of the judgment specified in Section 193 of this Law, shall be immediately sent as a postal consignment or, if possible, in another way in accordance with the procedures for delivery and issuance of court documents laid down in this Law.

(4) [14 December 2017 / See Paragraph 137 of Transitional Provisions]

[29 October 2015; 10 December 2015; 14 December 2017; 25 October 2018; 28 February 2019]

Section 250.²⁶ Trying of Cases in a Court Hearing, Drawing up of a Judgment, Sending of its True Copy, and Request for Drawing up a Judgment

(1) The court shall try a case in a court hearing by complying with the exceptions provided for in this Chapter, if a reasoned request of a party is received and the court deems it necessary to try the case in the court hearing. The court may try the case in the court hearing also upon its own initiative. If the court refuses the request to try the case in the court hearing, it shall be indicated in the judgment.

(2) Upon assigning a case of simplified procedure for trying in a court hearing, concurrently with the summons, the court shall notify that if any of the parties does not arrive to the court hearing, the court shall complete examination of the case in its absence and determine a date after the notified date of the court hearing within the nearest 14 days when the true copy of the summary decision is to be available in the Court Registry, as well as explain the rights of the parties to submit a request for drawing up a judgment.

(3) In a court hearing the court shall, in a case of simplified procedure, determine the date for drawing up the summary judgment within the nearest 14 days when the summary judgment is to be available in the Court Registry. The date when a true copy of the summary judgment is available in the Court Registry shall be regarded as the day of drawing up the summary judgment. Also the date when the judgment drawn up in accordance with the contents of the judgment specified in Section 193 of this Law is to be available in the Court Registry shall be indicated in the summary judgment, if the party had submitted a request for drawing up a judgment.

(4) The court shall draw up a judgment in a case of simplified procedure according to the contents of the judgment specified in Section 193 of this Law, if the party submits a request for drawing up a judgment thereto in writing. The request shall be submitted to the court within 10 days from the day of drawing up the summary judgment, and that specified in Section 48, Paragraph four of this Law shall not apply to this period of time. The court may also, upon its own initiative, draw up a judgment in accordance with the procedures laid down in Paragraph six of this Section according to the contents of the judgment specified in Section 193 of this Law.

(5) A request for drawing up a judgment which is not signed in a case of simplified procedure shall be regarded as not submitted and shall be sent back to the applicant. A request for drawing up a judgment submitted after expiration of the time period shall not be accepted and shall be returned to the applicant. The decision on refusal to accept a request for drawing up a judgment shall not be subject to appeal.

(6) If a request for drawing up a judgment in a case of simplified procedure has been received, the court shall draw up the judgment according to the contents of the judgment specified in Section 193 of this Law within 20 days after expiry of the time period specified in Paragraph four of this Section. The date when a true copy of the judgment is available in the Court Registry shall be regarded as the day of drawing up a judgment.

(7) Upon a written request by a party a true copy of the summary judgment or a true copy of the judgment drawn up according to the contents of the judgment specified in Section 193 of this Law shall be, without delay, sent as a postal consignment or, if possible, in another way in accordance with the procedures for delivery and issuance of court documents laid down in this Law.

[14 December 2017; 25 October 2018]

Section 250.²⁷ Contents of the Summary Judgment and Entering into Legal Effect of the Judgment

(1) In addition to that specified in Section 194 of this Law the court shall indicate in the operative part of the summary judgment that a request for drawing up a judgment may be submitted within 10 days from the day of drawing up the summary judgment, as well as the date when a true copy of the judgment is to be available in the Court Registry, if the party had submitted a request for drawing up a judgment.

(2) The summary judgment in a case of simplified procedure shall enter into legal effect after the time period for submitting a request for drawing up a judgment has expired and none of the parties has submitted a request for drawing up a judgment. If upon a request for drawing up a judgment the court draws up a judgment, it shall enter into legal effect in accordance with the procedures laid down in Section 203 of this Law.

(²¹) A judgement in a case in respect of which a dispute has been examined in the Board of Appeal for Industrial Property shall enter into effect in accordance with the procedures laid down in Section 203 of this Law.

(3) A court judgment which has been drawn up according to the contents of the judgment specified in Section 193 of this Law may be appealed by the participants in the case according to the procedures for appeal within 20 days after the day of drawing up the judgment, if any of the grounds for initiating appeal proceedings specified in Section 440.² of this Law exist.

(4) A participant in a case to whom a true copy of the judgment has been sent in accordance with Section 56.² of this Law may appeal the judgment according to the procedures for appeal within 20 days from the day of issuing the true copy of the judgment.

(5) In cases regarding the rights in respect of which a dispute has been examined in the Board of Appeal for Industrial Property the court shall indicate the rights granted, approved or refused for a person, or amendments to the registration data in conformity with the provisions of the laws and regulations in the operative part of the judgment in addition to that specified in Section 193, Paragraph six of this Law.

[14 December 2017; 25 October 2018]

Chapter 30.⁴

Matters Concerning Recognition of Decisions of a Shareholder (Stockholder) Meeting of Capital Companies as Invalid

[18 April 2013 / Provisions of this Chapter shall not be applicable for examination of those statements of claim which are received in the court until 30 June 2013. See Paragraph 68 of Transitional Provisions]

Section 250.²⁸ Jurisdiction of Cases and Procedures for Examination Thereof

Cases regarding the recognition of decisions of a shareholder (stockholder) meeting of capital companies as invalid shall be examined by the Zemgale District Court in accordance with the procedures for court proceedings by way of action in conformity with the exceptions provided for in this Chapter.

[14 December 2017]

Section 250.²⁹ Persons who may Submit a Statement of Claim

A statement of claim regarding recognition of decisions of a shareholder (stockholder) meeting of a capital company as invalid may be submitted by the persons laid down in law.

Section 250.³⁰ Initiation of a Case

Initiation and examination of a matter in accordance with the procedures provided for in this Chapter shall be permissible in claims against a capital company concerning recognition of the following decisions of a shareholder (stockholder) meeting of the capital company as invalid:

- 1) a decision on changes in the composition of the officials of the capital company (board of directors, council, liquidator) or in the right of representation of members of the board of directors;
- 2) a decision on changes in the amount of the equity capital;
- 3) a decision to make amendments to the articles of association;
- 4) a decision to terminate the operation of the capital company, to reorganise or to enter into, amend or terminate a group of companies contract.

Section 250.³¹ Contents of a Statement of Claim

(1) In addition to that indicated in Section 128 of this Law the following shall be indicated in a statement of claim:

- 1) whether the plaintiff requests for the matter to be tried in a court sitting;
- 2) the address for communication with a court in Latvia in order to receive court documents, if the place of residence or location of the plaintiff is not in Latvia.

(2) A plaintiff may request in the application the imposition of a provisional remedy (Section 250.³⁵).

Section 250.³² Sending of a Statement of Claim and Attached Documents to the Defendant

(1) The deadline for submitting explanations shall be 15 days, counting from the day when a statement of claim was sent to the defendant.

(2) The court shall inform the defendant regarding the fact that non-submission of an explanation shall not constitute a bar for giving a judgment in a case, as well as regarding the fact that the defendant may submit evidence and request trial of the case in a court hearing only in the explanation and within the time period laid down for submission thereof.

Section 250.³³ Explanation of Procedural Rights to Participants in a Case

(1) Concurrently with sending documents to participants in a case (Section 148) the court shall explain their procedural rights, inform them regarding the composition of the court which will examine the case and explain the right to apply for removal of a judge.

(2) Participants in a case are entitled to exercise the civil procedural rights referred to in this Law, which are related to the preparation of a matter for trial, except the right to request that a matter is tried in a hearing, not later than seven days prior to the notified time period for examination of the matter (Section 250.³⁶, Paragraph one).

Section 250.³⁴ Requesting a Reference

(1) If a judge recognises it as necessary, he or she is entitled to request a reference from the plaintiff concerning explanation, determining a time period of 15 days for submitting the reference, counting from the day when the true copy of the explanation was sent to the plaintiff.

(2) A plaintiff may request in the reference and within the time period laid down for its submission that a case is tried in a court hearing, if such request has not been expressed in the statement of claim. If the defendant submits an explanation and a reference is not requested, then the plaintiff may request that a case is tried in a court hearing not later than seven days before the notified time period for examination of the matter, if such request has not been expressed in the statement of claim.

Section 250.³⁵ Provisional Remedies

(1) If there are grounds to believe that the rights of a plaintiff are infringed or could be infringed, a court or a judge, upon a reasoned request of the plaintiff, may take a decision to impose a provisional remedy. The provisional remedy shall be indicated in the application for the imposition of a provisional remedy.

(2) An issue regarding the imposition of a provisional remedy may not be examined before the action has been brought to court.

(3) The following are provisional remedies:

- 1) entering a pledge notation in the Commercial Register;
- 2) a prohibition for the defendant to perform certain activities.

(4) The court or judge shall decide on an application for the imposition of a provisional remedy without prior notification to the defendant and other participants in a case, within 15 days after receipt of the application or concurrently with initiation of the matter, if the application was submitted concurrently with bringing a claim.

(5) The court or judge shall send the decision to impose a provisional remedy to the defendant in a registered postal item, notify in a court hearing or issue to the defendant upon signature. The defendant shall be responsible for conformity with the prohibition to perform certain activities from the time when he or she was notified of such decision. The court or judge shall notify the Commercial Register Office regarding entering of a pledge notation in the Commercial Register.

(6) Upon a request of a plaintiff, the court may substitute the imposed provisional remedy with another provisional remedy.

(7) Upon an application of a party, the court may withdraw the provisional remedy.

(8) Upon rejecting a claim, the court shall withdraw the provisional remedy in the court judgment. The provisional remedy shall be in effect until the day when the judgment comes into lawful effect.

(9) If a claim is left without examination or the court proceedings have been terminated, the court shall withdraw the provisional remedy in a decision. The provisional remedy shall be in effect until the day when the decision comes into lawful effect.

(10) An ancillary complaint may not be submitted for a decision, by which a provisional remedy is imposed, substituted or withdrawn.

(11) The defendant is entitled to request compensation for losses incurred by him or her due to imposition of a provisional remedy, if the claim brought against him or her has been rejected, left without examination, or the court

proceedings have been terminated in the cases specified in Section 223, Clauses 2 and 4 of this Law.

Section 250.³⁶ Examination of a Case in the Written Procedure, Drawing-up and Declaration of a Judgment

(1) If the parties do not request the trial of the case in a court hearing or the court does not deem it necessary to trial a case in a court hearing, the court shall examine the case in the written procedure not later than within a month after receipt of the explanation or expiry of the time period for the submission thereof, or after receipt of the reference or expiry of the time period for the submission thereof, notifying the participants in the case in due time regarding the date when a true copy of the judgment may be received in the Court Registry. This date shall be deemed as the date when the judgment has been drawn up.

(2) A court judgment shall be declared, issuing a true copy of the judgment to the participants in the case immediately after drawing up of the judgment.

(3) Upon a written request by a participant a true copy of the judgment may be sent by post or, if it is possible, in other way in accordance with the procedures for delivery and service of court documents laid down in this Law. A true copy of the judgment shall be sent immediately after the date of drawing up of the judgment. Receipt of the judgment shall not affect the counting of the time period.

(4) A decision to leave a claim not proceeded with, to terminate the court proceedings or to transfer the case for examination at a court hearing may also be taken in the written procedure.

[14 December 2017 / Amendment to Paragraphs one and three regarding deletion of the word "full" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 250.³⁷ Trial of a Case in a Court Hearing

(1) The court shall try a case in a court hearing in accordance with the procedures for court proceedings by way of action, if it is requested by any of the parties or if the court deems it necessary to try the case in a court hearing.

(2) The judge shall determine the day of a court hearing not later than within 15 days after receipt of explanation or expiry of the time period for the submission thereof, or after receipt of a reference or expiry of the time period for the submission thereof.

(3) If the court postpones examination of the case, then the next day of a court hearing shall be determined not later than within 15 days, except for the cases when objective grounds for a longer time period exist. Postponing a matter shall not be permissible in the case provided for in Section 210, Paragraph one, Clause 4 of this Law.

Section 250.³⁸ Entering into Lawful Effect of a Judgment

(1) A court judgment may not be appealed in accordance with appeal procedures.

(2) Participants in a case may appeal a court judgment in accordance with the cassation procedures (Division Ten). In such case the operations of the judge of an appellate court referred to in Division Ten of this Law shall be performed by a judge of the first instance court.

(3) A court judgment shall enter into lawful effect when the time period for appeal in accordance with the cassation procedures has expired and a cassation complaint has not been submitted.

(4) If a cassation complaint has been submitted, the court judgment shall enter into lawful effect concurrently with:

1) a decision of the Supreme Court assignments hearing, if the initiation of the cassation proceedings has been refused (Section 464, Paragraph three and Section 464.¹);

2) a cassation instance court judgment, if a court judgment has not been set aside or the referred-to judgment or part thereof has been set aside and the application has been left not proceeded with or the court proceedings have been terminated (Section 474).

(5) The provisions of Section 203, Paragraphs two, three, four and five of this Law shall be applicable to the lawful effect of a court judgment.

(6) If in respect of different participants in a matter the time period for submitting a cassation complaint regarding a court judgment is determined in accordance with both, Section 454, Paragraph one or two and Section 454, Paragraph 2.¹ of this Law, or in respect of all participants in the matter the time period for submitting a cassation complaint regarding a court judgment is determined in accordance with Section 454, Paragraph 2.¹ of this Law, the court judgment shall enter into lawful effect after expiry of the time period for appeal thereof, counting the time period from the latest day of service of a true copy of the judgment, unless a cassation complaint has been submitted.

(7) If in the cases referred to in Paragraph six of this Section the relevant confirmation regarding service of a true copy of the judgment (Section 56.²) has not been received, the judgment shall enter into lawful effect six months after declaration thereof.

(8) A court judgment shall be enforced in accordance with the provisions of Sections 204, 204.¹ and Section 205, Paragraph one of this Law. Immediate enforcement of a judgment in the case provided for in Section 205, Paragraph one, Clause 7 of this Law shall be permitted only by requiring adequate security from a creditor for the case when a cassation instance court would take the judgment referred to in Section 474, Clause 2, 3 or 4 of this Law.

[30 October 2014]

Section 250.³⁹ Submission of an Ancillary Complaint

(1) An ancillary complaint may be submitted to the Supreme Court within 10 days from the day of taking of a decision of the court or judge, concerning the following decisions:

- 1) refusal to accept the statement of claim;
- 2) decision by which the statement of claim is returned to the plaintiff;
- 3) leaving the claim not proceeded with;
- 4) termination of the court proceedings.

(2) The time period for submitting an ancillary complaint regarding a decision taken in the written procedure shall be counted from the day when the decision was received.

(3) An ancillary complaint may not be submitted in relation to other decisions of the court and judge, but objections against such decisions may be expressed in the form of a cassation complaint.

[30 October 2014]

Section 250.⁴⁰ Contents of a Cassation Complaint

If the place of residence or location of a plaintiff is not in Latvia, the address of the submitter of the complaint in Latvia for communication with a court in Latvia in order to receive court documents shall be indicated in the cassation complaint in addition to that laid down in Section 453 of this Law.

Section 250.⁴¹ The Supreme Court Assignments Hearing

The Supreme Court assignments hearing shall take place not later than within a month after expiry of the time period for submission of the explanations laid down in Section 460, Paragraph one and Section 463, Paragraph three of this Law.

[30 October 2014]

Section 250.⁴² Time Periods for Examining a Matter in the Supreme Court

(1) A case shall be examined in the written procedure and a judgment shall be drawn up not later than within two months after the relevant Supreme Court assignments hearing.

(2) A case shall be examined in the Supreme Court meeting not later than within two months after the relevant Supreme Court assignments hearing or after a decision to transfer the case for examination in a court hearing has been taken in the written procedure.

[30 October 2014; 14 December 2017 / Amendment to Paragraph one regarding deletion of the word "full" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Chapter 30.⁵ Provisional Protection Against Violence

[13 February 2014]

Section 250.⁴³ Permissibility of Provisional Protection Against Violence in Claims

Provisional protection against violence is permissible in claims regarding annulment or divorce, or in claims arising due to personal injury, in claims regarding the recovery of maintenance, in claims regarding the division of joint dwelling of the parties where they live in one household, or determination of procedures for the use of the dwelling where the

parties live in one household, and in cases arising from custody rights and access rights.

Section 250.⁴⁴ Persons who have the Right to Submit an Application for Provisional Protection Against Violence

An application for provisional protection against violence may be submitted by spouses or former spouses; persons between whom children and parent relations exist, guardianship or other out-of-family care relations exist or have existed; persons between whom kinship or affinity relations exist; persons who are living or have lived in one household; persons who have or are expecting a common child, regardless of whether such persons have ever been married or lived together; persons between whom close personal or intimate relations exist or have existed.

Section 250.⁴⁵ Basis for Provisional Protection Against Violence

(1) If any physical, sexual, psychological or economical violence, that occurs between former or present spouses or other mutually related persons regardless of whether a transgressor is living or has lived in one household with the infringed person, is turned against a person a court or judge may, upon a reasoned application of the person or application which is submitted through the police, take a decision to provide provisional protection against violence.

(2) Paragraph one of this Section shall be applied also in cases when violent control is applied to a person - such activity or an aggregate of activities which includes infringement, sexual compelling, threats, debasing, intimidation or other violent activities the purpose of which is to be harmful, to punish or intimidate the infringed person.

(3) The examination of the question of the determination of provisional protection against violence is allowed at any stage of the proceedings, and also prior to the bringing of an action to a court.

Section 250.⁴⁶ Contents of the Application for Provisional Protection Against Violence

(1) An application for provisional protection against violence shall be drawn up in conformity with the sample approved by the Cabinet.

(2) The following shall be indicated in the application for provisional protection against violence:

1) name of the court to which the application has been submitted;

2) the plaintiff's given name, surname, personal identity number, declared place of residence, additional address and place of residence provided for in the declaration. If the plaintiff agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has been registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the plaintiff may also indicate another address for correspondence with the court;

3) the defendant's given name, surname, personal identity number, declared place of residence, additional address and place of residence provided for in the declaration. The personal identity number of the defendant shall be included, if such is known;

4) the given name, surname, personal identity number and address for communication with the court of the representative of the plaintiff (if the action is brought by a representative); for a legal person - the name, registration number and legal address thereof. If the representative of the plaintiff whose declared place of residence or indicated address for correspondence with the court is in Latvia agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. If the declared place of residence or indicated address of the representative of the plaintiff is outside Latvia, in addition electronic mail address shall be indicated or he or she shall notify regarding registration of his or her participation in the online system. If the representative of the plaintiff is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

5) the circumstances referred to in Section 250.⁴⁵, Paragraphs one and two of this Law and how such circumstances express themselves;

6) evidence which approves the circumstances referred to in Section 250.⁴⁵, Paragraphs one and two, if any is at the disposal of the plaintiff and if a person is known from whom the abovementioned evidence can be requested, however they are not at the disposal of the plaintiff or the plaintiff cannot request them himself or herself due to objective reasons;

7) one or several impossible provisional remedies for protection against violence;

8) a list of documents attached to the application;

9) a certification that true information has been provided to the court regarding the facts and that the plaintiff or plaintiff and representative, if the application is submitted by the representative, are informed regarding liability in accordance with the Criminal Law regarding provision of false application;

10) the date of preparing the application and other information, if such information is necessary for examination of the case.

(3) If the impossible provisional remedy is an obligation for the defendant to leave a dwelling where the plaintiff is permanently living and a prohibition to return and stay therein, an Annex shall be attached to the application where contact information (phone number, electronic mail address, address) of the plaintiff shall be indicated, in order for the State Police to be able to carry out enforcement control of the relevant decision, by contacting the plaintiff. Such Annex is restricted access information which in accordance with Section 250.⁶², Paragraph four of this Law shall be sent to the State Police and not be attached to the case materials.

(4) If the certification referred to in Paragraph two, Clause 9 of this Section is not included in the application, the application shall be regarded not submitted and it shall be set back to the submitter.

[23 April 2015; 23 November 2016; 1 June 2017]

Section 250.⁴⁷ Provisional Remedies Against Violence

(1) Provisional remedies against violence are:

- 1) obligation for the defendant to leave the dwelling where the plaintiff is permanently living and prohibition to return and stay therein;
- 2) prohibition for the defendant to be closer to the dwelling, where the plaintiff is permanently living, than the distance referred to in the court decision regarding provisional protection against violence;
- 3) prohibition for the defendant to stay at specific places;
- 4) prohibition for the defendant to meet the plaintiff and keep physical or visual contact with him or her;
- 5) prohibition for the defendant to communicate with the plaintiff in any way;
- 6) prohibition for the defendant to organise a meeting or communication of any kind with the plaintiff by using the intermediation of other persons;
- 7) prohibition for the defendant to use personal data of the plaintiff;
- 8) other prohibitions and obligations, which the court or judge have determined for the defendant and the purpose of which is to ensure provisional protection against violence.

(2) Provisional remedies against violence referred to in Paragraph one, Clauses 1 and 2 of this Section shall be imposed, if the defendant has attained legal age.

3) It is permissible to concurrently impose several provisional remedies against violence.

Section 250.⁴⁸ Obligation for the Defendant to Leave the Dwelling where the Plaintiff is Permanently Living and Prohibition to Return and Stay Therein

(1) An obligation for the defendant to leave the dwelling where the plaintiff is permanently living and a prohibition to return and stay therein is a restriction provided by a court decision or decision of the judge for the defendant to be and stay in such dwelling regardless of whether the defendant is owner, possessor or user of such dwelling.

(2) If the restriction referred to in this Section is determined for the defendant, the defendant shall be ensured the right to take the necessary clothes, footwear, underwear, books, instruments, tools, things necessary for health care and other articles, which are necessary for him or her in everyday life, present in the dwelling, or they shall be issued to him or her.

Section 250.⁴⁹ Prohibition for the Defendant to Be Closer to the Dwelling, where the Plaintiff is Permanently Living, than the Distance Referred to in the Court Decision on the Provisional Protection Against Violence

Prohibition for the defendant to be closer to the dwelling, where the plaintiff is permanently living, than the distance referred to in the court decision or decision of the judge on the provisional protection against violence is a restriction stipulated by the court decision or decision of the judge for the defendant to visit the relevant dwelling and be closer than the distance referred to in the decision.

Section 250.⁵⁰ Prohibition for the Defendant to Stay at Specific Places

(1) Prohibition for the defendant to stay at specific places is a restriction stipulated by the court decision or decision of the judge for the defendant to visit the relevant place, other than dwelling, where the plaintiff is permanently

living, or to be present at such place closer than the distance referred to in the decision.

(2) The court or judge, when determining the restriction referred to in this Section for the defendant, may specify that the prohibition for the defendant to stay at specific places applies to the address of a specific place or places, which comply with certain features, or public or other specified events. The court or judge shall take into account, as far as possible, the obligations of the defendant to arrive at a work place and other obligations of the defendant which are related to arrival at certain places.

Section 250.⁵¹ Prohibition for the Defendant to Meet the Plaintiff and Keep Physical or Visual Contact with Him or Her

(1) Prohibition for the defendant to meet the plaintiff and keep physical or visual contact with him or her is a restriction stipulated by the court decision or decision of the judge for the defendant to knowingly approach the plaintiff or be closer to him or her than the distance referred to in the decision, and to avoid physical or visual contact with the plaintiff.

(2) The court or judge, when determining the restriction referred to in this Section for the defendant, may specify that the prohibition for the defendant to meet the plaintiff and keep physical or visual contact with him or her shall apply also to the persons who are closely related to the plaintiff or dependent on him or her.

Section 250.⁵² Prohibition for the Defendant to Communicate with the Plaintiff in Any Way

(1) Prohibition for the defendant to communicate with the plaintiff in any way is a restriction stipulated by the court decision or decision of the judge for the defendant to use communication means, including electronic communication means, or any other methods for transfer of information, with a view to contact the plaintiff.

(2) The court or judge, when determining the restriction referred to in this Section for the defendant, may specify that the prohibition for the defendant to communicate with the plaintiff in any way shall apply also to the persons who are closely related to the plaintiff or dependent on him or her.

Section 250.⁵³ Prohibition for the Defendant to Organise a Meeting or Communication of Any Kind with the Plaintiff by Using the Intermediation of other Persons

Prohibition for the defendant to organise a meeting or communication of any kind with the plaintiff by using the intermediation of other persons is a restriction stipulated by the court decision or a decision of the judge for the defendant to use intermediation of other persons in order to approach the plaintiff or organise physical or visual contact with the plaintiff or to contact the plaintiff by using any communication means or any other methods for transfer of information.

Section 250.⁵⁴ Prohibition for the Defendant to Use Personal Data of the Plaintiff

Prohibition for the defendant to use personal data of the plaintiff is a restriction stipulated by the court decision or decision of the judge for the defendant to process, publish, disclose personal data of the plaintiff or use them otherwise, except for the procedural actions related to court proceedings.

Section 250.⁵⁵ Provisional Protection Against Violence before Bringing an Action before the Court

(1) The potential plaintiff may submit a reasoned application with request for the court to ensure provisional protection against violence before bringing an action before the court, if the circumstances referred to in Section 250.⁴⁵, Paragraph one and two of this Section exist.

(2) If the circumstances referred to in Section 250.⁴⁵, Paragraphs one and two of this Law apply to a child, the application referred to in Paragraph one of this Section may be submitted by one of parents of the child, his or her guardian, Orphan's and Custody Court or prosecutor in the interests of the child.

(3) An application for provisional protection against violence before bringing an action shall be submitted to the court according to the location where the delicts were inflicted.

Section 250.⁵⁶ Provisional Protection Against Violence before Bringing an Action before the Court based on the Application which is Submitted with the Intermediation of the Police

(1) If before bringing an action the police has taken a decision which imposes an obligation on the potential defendant, who is causing threats, to leave the dwelling, not to return and stay therein or nearby thereof, or prohibits the potential defendant from contacting with the potential plaintiff (police decision regarding separation), the police, upon a request of the potential plaintiff, shall send to the court a true copy of the police decision, the application of the potential plaintiff in which it is indicated that the potential plaintiff wants the court to examine an issue regarding provisional protection against violence, and also other information which is at the disposal of the police and is related to the issue regarding provisional protection against violence.

(2) The application referred to in Paragraph one of this Section shall be drawn up in conformity with the sample approved by the Cabinet.

(3) The police shall send the application referred to in Paragraph one of this Section, and also other information to the court according to the location where the delicts were inflicted.

(4) In the application of the potential plaintiff which is submitted with the intermediation of the police an authorisation for the police to submit such application on behalf of the plaintiff need not be included.

(5) The judge shall examine an issue regarding provisional protection against violence, on the basis of the application of the potential plaintiff, which is submitted by intermediation of the police, in accordance with Section 250.⁵⁸, Paragraph one of this Law.

Section 250.⁵⁷ Evidence in Cases Regarding Provisional Protection Against Violence

(1) A participant in the case shall approve with certification the circumstances significant in the case indicated in the application in the cases regarding provisional protection against violence.

(2) If there is no other evidence or it is not sufficient, the court may, upon its own initiative, request the participant in the case to approve their explanations, which contain information regarding the facts and circumstances on which his or her claim or objections are based o, during the court hearing.

(3) Before provision of an explanation a participant in the case shall sign the certification of the following content:

"I, (given name, surname), hereby certify that to the best of my conscience I will say only the truth and nothing will be concealed. I certify that the information provided by me to the court on the facts and circumstances of the case are complete and true. I have been warned that I might be held criminally liable in accordance with the Criminal Law for knowingly providing false explanations and knowingly concealing facts and circumstances in the case known to me."

(4) A certification with a signature of the participant in the case referred to in Paragraph three of this Section shall be attached to the case.

(5) A participant in the case may be held criminally liable in accordance with the Criminal Law for knowingly providing false certified explanations or application to the court.

(6) A certification of explanations and application shall not be permissible as evidence in respect of such circumstances which are established by the court judgment which has come into effect, and also for approval or confutation of generally known facts.

Section 250.⁵⁸ Examination of the Issue Regarding Provisional Protection Against Violence

(1) A court or judge shall decide on the application for provisional protection against violence not later than on the next working day after receipt of the application, if it is not necessary to request additional evidence or delay may cause significant breach of the rights of the plaintiff. The court or judge shall decide on the abovementioned application without prior notification to the participants in the case.

(2) If evidence is not sufficient or it must be requested from the State or local government institutions indicated in the application or from other natural persons or legal persons, the court or judge shall decide on the application for provisional protection against violence within 20 days after receipt of the application.

(3) A court or judge shall decide on the application for provisional protection against violence also in the case when all the information referred to in Section 250.⁴⁶ of this Law is not indicated in the application or documents are not attached, if the lack of documents or necessary information does not significantly affect possibility of deciding on the application.

(4) A court or judge, when deciding on the imposition of a provisional remedy against violence, shall take into account proportionality between the infringement or possible infringement and the imposable provisional remedy against violence. The court or judge may, upon its own discretion, determine also other provisional remedies against violence that have not been indicated in the application.

(5) If it is arising prima facie from the application for provisional protection against violence that delay could cause significant breach of the rights of the plaintiff, the court or judge, in accordance with Paragraph one of this Section, shall decide on such application and may satisfy it on the basis of the certification included in the application also in the cases when there is no other evidence or it is not sufficient.

(6) If it is not arising prima facie from the application for provisional protection against violence that delay could cause significant breach of the rights of the plaintiff and it was not possible to obtain other evidence in accordance with Paragraph two of this Section, the court or judge, in accordance with Paragraph two of this Section, shall decide on such application and may satisfy it on the basis of the certification included in the application and certification of the

explanations which is provided in accordance with Section 250.⁵⁷, Paragraph two and three of this Law.

(7) When satisfying an application for the provisional protection against violence before the action is brought, the court or judge shall determine a time period for the submission of the statement of claim to the court for the plaintiff - not longer than one year, but, when imposing provisional remedies against violence referred to in Section 250.⁴⁷, Paragraph one, Clauses 1 and 2 of this Law on the defendant, who is permanently living in the dwelling with the plaintiff - not more than 30 days.

(8) When satisfying the claim, provisional protection against violence shall be in effect up to the day when the judgment comes into lawful effect.

(9) In certain cases the court may determine in the judgment that provisional protection against violence is in effect also after coming into lawful effect of the judgment, however not longer than a year after coming into lawful effect of the judgment. If the provisional remedies against violence, which are referred to in Section 250.⁴⁷, Paragraph one, Clauses 1 and 2 of this Law, have been imposed on the defendant, who is permanently living in the dwelling together with the plaintiff, the court may determine that provisional protection against violence is in effect not longer than 30 days after coming into lawful effect of the judgment.

(10) When refusing a claim, the court shall withdraw provisional protection against violence in the judgment. The provisional protection against violence shall be in effect up to the day when the judgment comes into lawful effect.

(11) If the claim is left without examination or the court proceedings are terminated, the court shall withdraw the provisional protection against violence by taking a decision. The provisional protection against violence shall be in effect up to the day when the decision comes into lawful effect.

(12) If a decision on the provisional protection against violence has been taken prior to the bringing of an action and the action is not brought within the time period laid down by the court, the judge on the basis of the receipt of justified application from the potential plaintiff or the defendant shall take a decision on the withdrawal of provisional protection against violence.

(13) The application referred to in Paragraph two of this Section shall be decided at a closed court hearing upon prior notice to the participants in the case. The court, upon a request of one party, may hear each party in a separate court hearing. Failure of the defendant to attend shall not constitute a bar for the examination of the application.

Section 250.⁵⁹ Decision on the Provisional Protection Against Violence

(1) In addition to that laid down in Section 230 of this Law the court or judge shall provide in a decision the information regarding participants in the case [given name, surname, personal identity number (if any is known), declared place of residence and additional address indicated in the declaration and the place of residence].

(2) The court or judge, where necessary, shall indicate the time limit for the voluntary execution of the decision in the decision to impose a provisional remedy against violence - an obligation for the defendant to leave the dwelling where the plaintiff is permanently living.

(3) The court or judge shall warn the defendant in the decision on provisional protection against violence, that the police will perform the control of the decision, and, if the decision will not be executed voluntarily, the defendant will be held liable in accordance with the Criminal Law.

(4) The court or judge shall indicate in the decision to impose a provisional remedy against violence - an obligation for the defendant to leave the dwelling where the plaintiff is permanently living, that:

1) the defendant has an obligation to notify to the court of his or her future address for communication with the court, if this dwelling is the declared place of residence or additional address indicated in the declaration;

2) the defendant has the right to submit an application to the court for the replacement or withdrawal of the provisional remedy against violence;

3) the date when the defendant is made familiar with the decision by the State Police shall be regarded as the date when the abovementioned decision is notified to the defendant, and that refusal of the defendant to become familiar with the decision does not affect legal consequences thereof;

4) the defendant may receive a true copy of such decision in the court chancellery.

(5) A decision on provisional protection against violence (Section 250.⁵⁸, Paragraph one and two) shall be executed immediately after taking thereof.

Section 250.⁶⁰ Withdrawal or Replacement of Provision of Provisional Protection Against Violence

(1) Upon a reasoned application of the party, the provisional remedies against violence may be substituted with

other remedies by the same court which has imposed the provisional remedies against violence, or by the court in the court proceedings of which is the case for examination on the merits.

(2) Upon a reasoned application of the party, the provisional remedies against violence may be withdrawn by the same court which has imposed the provisional remedies against violence, or by the court in the court proceedings of which is the case for examination on the merits.

(3) The application referred to in Paragraphs one and two of this Section shall be decided at a closed court hearing upon prior notice to the participants in the case. The court, upon a request of one party, may hear each party in a separate court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(4) The decision to replace or withdraw the provisional remedies against violence shall be executed immediately after the taking thereof.

Section 250.⁶¹ Appeal of Decisions Taken on Provisional Protection Against Violence

(1) An ancillary complaint may be submitted in respect of the decisions referred to in Section 250.⁶⁰, Paragraph one of this Law, the decision by which the application for the means of provisional protection against violence has been refused and the decision by which the application for the withdrawal of a provisional remedy against violence has been refused.

(2) Submission of an ancillary complaint regarding decision referred to in Paragraph one of this Section shall not stay the execution thereof.

(3) If the decisions referred to in Paragraph one of this Section have been taken without the presence of a participant in the case, the time period for the submission of an ancillary complaint shall be counted from the day of the issuance of the relevant decision.

Section 250.⁶² Notification, Issue and Sending of a Decision on Provisional Protection Against Violence

(1) The court shall notify of the decision on provisional protection against violence, the decision to replace or withdraw a provisional remedy against violence to the parties, by issuing it against a signature or by sending it in a registered postal item.

(2) The court shall send the decision on provisional protection against violence, the decision to replace or withdraw the provisional remedy against violence to the State Police immediately after receipt thereof for the control of execution to the electronic mail address indicated by it, and also to the unit of the State Police according to the place of residence of the plaintiff.

(3) If a decision on the issue regarding provisional protection against violence is taken according to the application which is submitted by intermediation of the police (Section 250.⁵⁶), the potential defendant and potential plaintiff may receive a true copy of the decision in the court chancellery on the next working day when the court has received the application and information from the police. This date shall be regarded as the date when the abovementioned decision is notified to the potential defendant, and non-delivery of the true copy of the decision to the defendant shall not affect legal consequences thereof.

(4) If the provisional remedy against violence referred to in Section 250.⁴⁷, Paragraph one, Clause 1 of this Law has been imposed on the defendant according to a reasoned application of the plaintiff which is not submitted through the police, the court shall not send the decision to the defendant. The court shall send such decision and plaintiff's contact information referred to in Section 250.⁴⁶, Paragraph three of this Law to the State Police in accordance with Paragraph two of this Section. When commencing the control of enforcement of such decision, the State Police shall make the defendant familiar with the decision. The date when the State Police has made the defendant familiar with the decision shall be regarded as the date when the decision is notified to the defendant and non-delivery of a true copy of the decision shall not affect lawful consequences thereof. The defendant may receive a true copy of the decision in the court chancellery.

(5) If it arises from materials of the case regarding provisional protection against violence that the child's interests are affected, the court shall send the decision on provisional protection against violence, decision on the replacement or withdrawal of the provisional remedy against violence to the Orphan's and Custody Court based on the place of residence of the child.

[23 April 2015]

Section 250.⁶³ Special Provisions for Communication of the Defendant with the Court, if Prohibition to Return and Stay in the Dwelling, which is the Declared Place of Residence of the Defendant, is Applied for the Defendant

(1) If such provisional remedies against violence are imposed which oblige the defendant to leave the dwelling in which the plaintiff is permanently living and prohibit him or her to return and stay therein, and such dwelling is the declared place of residence of the defendant or his or her additional address indicated in the declaration, the court shall notify of further decisions on provisional protection against violence, decisions to replace or withdraw the provisional remedy against violence to the defendant in the address indicated by him or her for communication with the court.

(2) If such provisional remedies against violence are imposed which oblige the defendant to leave the dwelling in which the plaintiff is permanently living and prohibit him or her to return and stay therein, and such dwelling is the declared place of residence of the defendant or his or her additional address indicated in the declaration, and if the plaintiff has brought an action before a court within the time period laid down in the decision on provisional protection against violence, the summons related to such claims and other court documents shall be delivered and issued to the defendant in the address indicated by him or her for communication with the court.

(3) If in the cases referred to in Paragraphs one and two of this Section the defendant has not indicated his or her address for communication with the court, the defendant shall be invited to the court and other court documents shall be delivered and issued by summoning the defendant by summons which is published in accordance with Section 59.

Section 250.⁶⁴ Forwarding of the Case Regarding Provisional Protection Against Violence According to the Application which is Submitted Prior to Bringing an Action

If the plaintiff brings an action before the court, other than the court which has imposed the provisional remedy against violence, within the time period laid down in the decision on provisional protection against violence according to the application which is submitted prior to bringing an action, the court, which has imposed the provisional remedy against violence, shall forward the relevant case to the court in the jurisdiction of which is the examination of the case on the merits.

Chapter 30.⁶ Cases Regarding Reimbursement of Losses for Violations of the Competition Law

[19 October 2017]

Section 250.⁶⁵ Procedures for Examining Cases

(1) Cases regarding reimbursement of losses for violations of the competition law shall be examined by the Latgale Suburb Court of Riga City in accordance with the procedures for court proceedings by way of action according to general provisions, in conformity with the exceptions provided for in this Chapter.

(2) Cases regarding reimbursement of losses for violations of the competition law shall, within the meaning of this Chapter, constitute the cases related to the violations of the competition law which have been determined in Articles 101 and 102 of the Treaty on the Functioning of the European Union or laws and regulations of Latvia or a European Union Member State the major purpose of which is the same as that of Articles 101 and 102 of the Treaty on the Functioning of the European Union.

[19 October 2017; 31 May 2018]

Section 250.⁶⁶ Requiring Evidence in Cases Regarding Reimbursement of Losses for Violations of the Competition Law

(1) Upon a motivated request of participants in a case which is justified by reasonably available information, the court may require evidence in cases regarding reimbursement of losses for violations of the competition law, in conformity with:

1) the extent to which the request or objections of the defendant against the request are justified with the information available justifying the request to require evidence;

2) the status and costs of acquisition of evidence, particularly in relation to persons who are not participants in the case;

3) whether the required evidence include restricted access information, particularly on persons who are not participants in the case, and the procedures by which protection of such restricted access information is intended.

(2) A person from whom evidence is required has the right to notify the court in writing of the status of and costs of submitting the information by justifying them.

(3) The court may reject the request for requesting evidence, if it is of the opinion that the extent of evidence to be required or the costs related to requiring evidence are not commensurate with the amount of the claim brought.

(4) In conformity with the right of a person to protection of restricted access information, the court shall request that the person to the information provided by whom the status of restricted access information has been determined submits the relevant derivative of the written evidence, without indicating restricted access information.

(5) The court may restrict the rights of the authorised representative of the participant in the case to become acquainted with such evidence of the case which contain restricted access information, but which have been submitted in non-disclosed form, and disclosing of such information may cause substantial harm to the participant in the case or another person.

(6) Upon requiring evidence which have been submitted to the competition authority or are in case materials of the competition authority, the court shall evaluate whether evidence has been indicated in the request as accurately as possible, basing on the information provided by the party, and whether submission of evidence to the court will not cause obstacles for efficient application of the competition law.

(7) In order to evaluate whether the submission of evidence to the court will not cause obstacles for efficient application of the competition law, the court shall request an opinion of the competition authority. After evaluating the opinion of the competition authority the court shall decide on the issue on requiring evidence.

[19 October 2017]

Section 250.⁶⁷ Restrictions on Requiring Evidence in Cases Regarding Reimbursement of Losses for Violations of the Competition Law

(1) The court shall not require from the parties or other persons:

1) the testimonies provided within the scope of the tolerance programme which include information provided voluntarily by a person in oral or written form to the competition authority, or an entry of the relevant information in which information at the disposal of the abovementioned person on cartel agreement is described and the role of the market participant or the particular person therein is described, and which has been specially prepared for submission to the competition authority in order to receive release from a fine or reduction of a fine according to the tolerance programme. This provision shall not apply to evidence existing independently from the investigation conducted by the competition authority, regardless of whether such information is in the case materials of the competition authority or not;

2) settlement submission for entering into such administrative contract in which the market participant recognises or refuses to contest its participation in violation of the competition law and its liability for violating the abovementioned competition law and which has been specially prepared in order for the competition authority to be able to apply a simplified or expedited examination procedure.

(2) The court shall require evidence from case materials of the competition authority, if it is not possible to acquire such evidence from participants in the case or other persons.

(3) Upon a justified request of the plaintiff, in order to ascertain that the materials submitted to the Competition Council conform to that laid down in Paragraph one of this Section, the court shall request an opinion from the Competition Council and an opinion from the person who submitted such material to the Competition Council.

(4) Upon receipt of the opinions referred to in Paragraph three of this Section, the court may examine the information indicated in the opinions by requesting to submit case materials of the authority which are not attached to the civil case.

(5) The court shall take a decision to attach the materials submitted to the Competition Council to the case materials, if the requirements laid down in Paragraph one of this Section do not apply to the materials submitted by the competition authority.

[19 October 2017]

Section 250.⁶⁸ Admissibility of Evidence in Cases Regarding Reimbursement of Losses for Violations of the Competition Law

(1) The evidence referred to in Section 250.⁶⁷, Paragraph one of this Law shall not be admissible, if the person has obtained them, using access to case materials of the competition authority.

(2) Information which has been obtained by the person, using access to case materials of the competition authority, may be used as evidence only by the abovementioned person or the person who has taken over the rights and liabilities of the abovementioned person.

[19 October 2017]

Section 250.⁶⁹ Grounds for Releasing from Proving in Cases Regarding Reimbursement of Losses for

Violations of the Competition Law

(1) A violation of the competition law which has been established by a decision of the Competition Council which has entered into effect or by a court judgment which has entered into legal effect need not be proved anew upon examining a claim regarding reimbursement of losses which has been brought in accordance with Article 101 or 102 of the Treaty Establishing the European Union, or the Competition Law.

(2) A violation of the competition law which has been established by a decision of the competition authority of another Member State which has entered into effect, is deemed proved, if the participant of the case does not submit evidence to the court regarding non-existence of a violation of the competition law.

(3) If one party refers to an evidence which is at the disposal of the other party, and it, upon a request of the court, refuses to submit the relevant evidence to the court or has destroyed it without denying that such evidence is or has been at its disposal, the court may recognise such facts as proved for the approval of which the other party has referred to such evidence.

[19 October 2017]

Section 250.⁷⁰ Liability for Non-submission, Destruction or Unauthorised Use of Evidence in Cases Regarding Reimbursement of Losses for Violations of the Competition Law

If the court does not establish objective circumstances for the non-submission of evidence or the person has violated the restrictions for the admissibility of evidence indicated in Section 250.⁶⁸ of this Law, or the court has established that the evidence has been destroyed, the court may impose a fine on a natural person in the amount of up to EUR 14 000, but on a legal person - up to EUR 140 000.

[19 October 2017]

Chapter 30.⁷ Cases in Respect of Disputes Regarding Rights and Provisional Remedy Claims in Cases of Insolvency Proceedings

[31 May 2018 / See Paragraph 144 of Transitional Provisions]

Section 250.⁷¹ Jurisdiction of Cases and Procedures for Examination Thereof

(1) Cases in respect of disputes regarding rights in cases of insolvency proceedings shall be examined by a court in which the relevant insolvency proceedings have been declared in the case specified in Section 363.¹⁷, Paragraph four of this Law and Section 80, Paragraph one of the Insolvency Law. Cases shall be examined in accordance with the procedures for court proceedings by way of action according to general provisions, in conformity with the exceptions provided for in this Chapter.

(2) Cases in respect of disputes regarding rights in cases of insolvency proceedings shall, within the meaning of this Chapter, also constitute the cases regarding creditor's claims in accordance with Section 80, Paragraphs two and three of the Insolvency Law.

(3) If a case regarding examination of a dispute regarding rights has been initiated prior to initiation of insolvency proceedings in a court and examination of this case on the merits has not been initiated, the court shall refer this case for examination to the court in which the relevant insolvency proceedings have been declared, if there is no co-party participation among parties in the case on the side of the defendant.

[31 May 2018]

Section 250.⁷² Contents of a Statement of Claim

In addition to the information provided for in Section 128 of this Law, the following shall be specified in a statement of claim:

1) the address for communication with a court in Latvia in order to receive court documents if the place of residence or location of the plaintiff is not in Latvia;

2) whether the plaintiff requests trial of the case in a court hearing by justifying his or her request.

[31 May 2018]

Section 250.⁷³ Leaving a Statement of Claim Not Proceeded With

(1) A court shall leave a statement of claim not proceeded with if:

1) not all the details specified in Section 128, Paragraph two or three and Section 250.⁷² of this Law have been included in the statement of claim;

2) the documents laid down in Section 129 of this Law are attached to the statement of claim.

(2) A judge shall take a reasoned decision to leave a statement of claim not proceeded with, send such decision to the plaintiff, and determine a time period of up to 20 days for elimination of deficiencies counting from the day of sending of the decision. The decision of a judge may be appealed in accordance with the procedures laid down in this Law. The time limit for appeal shall be counted from the day when the decision is served to the plaintiff.

(3) If a plaintiff eliminates the deficiencies within the set time limit, the statement of claim shall be considered as submitted on the day when it was first submitted to the court.

(4) If a plaintiff does not eliminate the deficiencies within the set time limit, the statement of claim shall be considered as not submitted and shall be returned to the plaintiff. The decision to return the statement of claim to the plaintiff may not be appealed.

(5) Return of the statement of claim to the plaintiff shall be an obstacle for the repeated submission thereof to the court.

(6) A court shall, concurrently with the decision to return the statement of claim to the plaintiff, take a decision in the case in respect of a complaint regarding a decision of the administrator and withdraw the provisional remedy.

[31 May 2018]

Section 250.⁷⁴ Grounds for the Imposition of a Provisional Protection and Applicable Remedies in Cases of Insolvency Proceedings

(1) A court may, upon a reasoned application of a submitter of the complaint, take the decision to impose a provisional remedy if it is reasonable to believe that rights of the creditor specified in the Insolvency Law might be violated by the decision of the administrator. Imposition of a provisional remedy shall be acceptable upon examining an issue regarding acceptance of a complaint regarding a decision of the administrator in the cases specified in Section 363.¹⁷, Paragraphs 1.¹ and four of this Law, if the decision of the administrator has been appealed by the person specified in Section 80, Paragraph two or three of the Insolvency Law.

(2) Upon examining an issue regarding imposition of a provisional remedy, a court shall, in addition to the circumstances specified in the complaint regarding a decision of the administrator, also take into consideration other case materials of the insolvency proceedings.

(3) The provisional remedy which the court is asked to impose until a judgment is given shall be indicated in the application for the imposition of a provisional remedy.

(4) The submitter of the complaint has the right to ask the court to impose the following provisional remedies:

1) the prohibition to participate in a creditors meeting with the right to vote on the creditor in respect of whose recognised claim the complaint has been submitted;

2) the prohibition to provide objections regarding the received information specified in Section 81, Paragraphs one and two of the Insolvency Law regarding the creditor in respect of whose recognised claim the complaint has been submitted.

(5) A court shall decide on an application for the imposition of a provisional remedy not later than on the day following receipt of the complaint regarding the decision of the administrator without notifying the administrator and creditors in advance.

(6) The administrator shall be responsible for conformity with the prohibition to perform certain activities from the moment when he or she was notified of this decision. A court shall notify the responsible institution which makes entries in the Insolvency Register of the imposition of a provisional remedy.

(7) A court may, upon a reasoned application of the submitter of the complaint or an interested party, substitute the imposed provisional remedy with another provisional remedy.

(8) A court may, upon a reasoned application of an interested party, withdraw the provisional remedy.

(9) If a provisional remedy has been imposed, but a claim for the examination of a complaint regarding rights has not been brought and the court has not specified a time period for bringing the claim, then the court shall, concurrently with the taking of a decision in the case in respect of complaint regarding a decision of the administrator, withdraw the provisional remedy.

(10) If a provisional remedy has been imposed before the claim for the examination of a dispute regarding rights has been brought and the claim has not been brought within the time period specified by the court, the court shall concurrently decide an issue in respect of complaint regarding a decision of the administrator and withdraw the provisional remedy. The provisional remedy shall be in effect until the day when the decision in the case in respect of complaint regarding a decision of the administrator enters into lawful effect.

(11) Upon rejecting a claim for the examination of a dispute regarding rights, the court shall concurrently decide an issue in respect of the complaint regarding a decision of the administrator and withdraw the provisional remedy. The provisional remedy shall be in effect until the day when the decision in the case in respect of complaint regarding a decision of the administrator enters into lawful effect.

(12) If a claim for the examination of a dispute regarding rights has been left without examination or court proceedings have been terminated, the court shall concurrently decide an issue in respect of a complaint regarding a decision of the administrator and withdraw the provisional remedy. The provisional remedy shall be in effect until the day when the decision in the case in respect of complaint regarding a decision of the administrator enters into lawful effect.

(13) An ancillary complaint may not be submitted for a decision, by which the provisional remedy is imposed, substituted or revoked.

[31 May 2018]

Section 250.⁷⁵ Examination of a Case in the Written Procedure and Drawing up of a Judgment

(1) Examination of a case in the written procedure shall be commenced not later than within 30 days after receipt of an explanation or expiry of the time period for submission thereof, notifying the participants in the case in a timely manner regarding the date when a true copy of a judgment may be received in the Court Register. The court shall inform regarding the composition of the court which will examine the case and explain the rights to apply for removal of a judge. The date when a true copy of the judgment is available in the Court Registry shall be regarded as the day of drawing up a judgment.

(2) Upon a written request by a participant a true copy of the judgment may be sent by post or, if it is possible, in other way in accordance with the procedures for delivery and service of court documents laid down in this Law. Receipt of the judgment shall not affect the counting of the time period.

[31 May 2018]

Section 250.⁷⁶ Trial of a Case in a Court Hearing

(1) The court shall try a case in a court hearing if a reasoned request has been received from a participant in the case and the court deems it necessary to try the case in the court hearing.

(2) The judge shall determine the day of a court hearing not later than within 30 days after receipt of an explanation or expiry of the time period for submission thereof.

(3) If the court postpones examination of a case, the next day of a court hearing shall be determined not later than within 15 days, except for the case when there are objective grounds for a longer time period.

[31 May 2018]

Section 250.⁷⁷ Appeal, Entry into Effect of a Judgment, and Entry into Effect of a Decision to Examine a Complaint

(1) Participants in the case may appeal a court judgment in accordance with appeal procedures, if any of the grounds for initiation of the appeal proceedings laid down in Section 440.² of this Law exists.

(2) A judgment shall enter into effect after expiry of the time period for the submission of a notice of appeal.

(3) If a judgment has been appealed and an appellate court refuses to initiate appeal proceedings, the judgment of the court of first instance and the decision thereof on a complaint regarding a decision of the administrator shall enter into effect concurrently with the decision by which initiation of appeal proceedings has been rejected.

(4) A court decision on a complaint regarding a decision of the administrator in the case referred to in Section 363.¹⁷, Paragraph four of this Law shall enter into effect, if a notice of appeal has not been submitted within the time period specified in the law.

(5) Upon entry into effect of the rulings referred to in this Section true copies thereof shall also be sent to the administrator and the Insolvency Control Service.

[31 May 2018]

Chapter 30.⁸

Cases Regarding the Protection of a Trade Secret Against Illegal Acquisition, Use, and Disclosure

[28 February 2019]

Section 250.⁷⁸ Procedures for Examining Cases

Cases regarding illegal acquisition, use, and disclosure of a trade secret that has already taken place or is reasonably possible in future (hereinafter - the violation) shall be examined by a court in accordance with the procedures for court proceedings by way of action according to general provisions, taking into account the exceptions provided for in this Chapter.

[28 February 2019]

Section 250.⁷⁹ Protection of Information Containing a Trade Secret

(1) If, upon a reasoned request of the party, the court finds that the case includes a document containing a trade secret that has been submitted in non-disclosed form, and disclosure of such information may cause substantial harm to the participant in the case or another person, the court may restrict the rights of the person who participates in the examination of the case to acquaint himself or herself with this part of the case materials, incorporating the respective evidence in a separate volume.

(2) Taking into account the rights of a person to protection of a trade secret, the court shall request the person whose provided information has the status of a trade secret to submit the respective derivative of a written evidence without indicating the information containing trade secret or by submitting it in a disclosed form.

[28 February 2019]

Section 250.⁸⁰ Grounds and General Provisions for the Imposition of a Provisional Remedy

(1) Upon a reasoned application of a plaintiff, the court may decide to impose a provisional remedy, if there are grounds to believe that:

- 1) the trade secret exists and the plaintiff is its holder;
- 2) the right to the protection of the trade secret against illegal acquisition, use, and disclosure is infringed or might be infringed.

(2) Upon deciding on the satisfaction or rejection of the application or upon assessing the proportionality of the imposition of a provisional remedy, the court shall take into account that laid down in Section 250.⁸⁸ of this Law.

(3) The examination of the issue of the imposition of a provisional remedy is allowed at any stage of the proceedings, as well as prior to the bringing of an action before a court.

[28 February 2019]

Section 250.⁸¹ Provisional Remedies

(1) The respective provisional remedy shall be indicated in the application for the imposition of a provisional remedy.

(2) The following are provisional remedies:

1) a prohibition for the defendant or a specific person making the commitment of the infringement possible to use or disclose a trade secret, to manufacture, offer, place on the market or use the infringing goods for the abovementioned purposes;

2) seizing of such movable property with which the rights to the protection of a trade secret against illegal acquisition, use, and disclosure are allegedly being infringed.

(3) Upon deciding on the application that is not related to the disclosure of a trade secret, the court may choose to not impose the provisional remedy laid down in Paragraph two of this Section, but to impose an obligation on the defendant to pay a specific amount of money in the deposit account of the bailiff or submit to the court an equivalent guarantee in order to ensure compensation to the holder of the trade secret.

[28 February 2019]

Section 250.⁸² Imposition of a Provisional Remedy before an Action is Brought

(1) A potential plaintiff may request the imposition of a provisional remedy before the action is brought within three months from the day when he or she found out or he or she was supposed to find out about the infringement or alleged infringement of rights.

(2) Upon submitting an application, the potential plaintiff shall submit evidence certifying infringement or alleged infringement of rights.

(3) An application for the imposition of a provisional remedy before an action is brought shall be submitted to the court wherein the action shall be brought.

(4) Upon satisfying an application for the imposition of a provisional remedy before an action is brought, the judge shall determine a time period for the plaintiff to submit a statement of claim to the court of not more than 30 days.

[28 February 2019]

Section 250.⁸³ Examination of the Issue Regarding Imposition of a Provisional Remedy

(1) An application for the imposition of a provisional remedy before an action is brought, and also in cases when it is not possible to determine who will be the participants in the case, shall be decided by the court or the judge within 10 days after the receipt of the application, without organising a court hearing and without notifying the participants in the case in advance. If the judge recognises it as necessary to find out additional circumstances, the application shall be decided within 15 days after its receipt, inviting a plaintiff and the possible participants in the case to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(2) An application for the imposition of a provisional remedy, if the application is submitted concurrently with the bringing of an action, shall be decided by the court or the judge within 10 days after initiation of the case, without organising a court hearing and without notifying the participants in the case in advance, or within 10 days after the receipt of an application if the case has already been initiated. If the judge recognises it as necessary to find out additional circumstances, the application shall be decided within 15 days after the initiation of the case or, if the case has already been initiated, within 15 days after its receipt, inviting a plaintiff and the possible participants in the case to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(3) If delay could cause irreversible harm to a holder of the trade secret and if it is not necessary to request additional evidence, the judge shall decide the application for the imposition of a provisional remedy not later than on the next day after the initiation of the case, or, if the case has already been initiated, not later than on the next day after receipt of the application, without prior notice to the defendant and other participants in the case.

(4) If the decision to impose a provisional remedy has been taken without the presence of a defendant or other participants in the case, the court shall notify the defendant or other participants in the case of this decision not later than on the next day after the notice by a bailiff on the enforcement of the provisional remedy has been received.

(5) Upon satisfying an application for the imposition of a provisional remedy, a court or a judge may request the plaintiff to secure the losses which may be caused to the defendant or other persons referred to in Section 250.⁸¹, Paragraph two, Clause 1 of this Law in relation to the imposition of the provisional remedy, pay a specific amount of money into the bailiffs deposit account or submit an equivalent guarantee to the court. If the plaintiff has not fulfilled the imposed obligation or has not submitted to the court a certification issued by the bailiff on the payment of the amount of money into its deposit account within the time period specified by the court or the judge, the court or the judge shall take the decision to withdraw the provisional remedy. The decision to secure losses shall be notified to the defendant after the plaintiff has paid the amount of money specified by the court or the judge into the deposit account of the bailiff.

[28 February 2019]

Section 250.⁸⁴ Substitution or Withdrawal of a Provisional Remedy

(1) Upon a request of a plaintiff, the court may substitute the imposed provisional remedy with another remedy.

(2) The provisional remedy may be withdrawn by the same court upon an application of a participant in the case.

(3) After receipt of the application from the plaintiff, other possible participant in the case or a person subject to the imposed provisional remedy, the court shall take the decision to withdraw the provisional remedy if:

1) the decision to apply the provisional remedy has been taken before the action is brought and the action is not brought within the time period specified by the court;

2) the respective information which was considered to be a trade secret no longer conforms to the requirements for a trade secret laid down in the Law on the Protection of a Trade Secret for reasons which may not be attributed to the

defendant.

(4) Upon rejecting a claim, the court shall withdraw the provisional remedy in the court judgment. The provisional remedy shall be in effect until the day when the judgment comes into lawful effect.

(5) If a claim is left not proceeded with or the court proceedings have been terminated, the court shall withdraw the provisional remedy in a decision. The provisional remedy shall be in effect until the day when the decision comes into lawful effect.

(6) The applications referred to in Paragraphs one, two and three of this Section shall be decided in a court hearing, previously notifying the participants in the case regarding this. Failure of such persons to attend shall not constitute a bar for the examination of the application.

[28 February 2019]

Section 250.⁸⁵ Appeal of the Decisions Taken on the Imposition of a Provisional Remedy

(1) An ancillary complaint may be submitted in respect of the decision by which the provisional remedy has been substituted, by which the application for the imposition of a provisional remedy has been refused, and the decision by which the application for the withdrawal of the provisional remedy has been refused.

(2) If the decision to impose a provisional remedy has been taken without the presence of a participant in the case, the time period for the submission of an ancillary complaint shall be counted from the day of the issuance of the decision.

[28 February 2019]

Section 250.⁸⁶ Enforcement of the Decision to Impose a Provisional Remedy

(1) The decision to impose a provisional remedy and the decision to withdraw the provisional remedy shall be enforced immediately after it has been taken.

(2) The decision to impose a provisional remedy, which has been taken with the condition referred to in Section 250.⁸³, Paragraph five of this Law, shall be enforced after the plaintiff has paid the amount of money specified by the court or judge into the deposit account of the bailiff or has submitted an equivalent guarantee to the court. The enforcement document shall be issued after receipt of payment of the amount of money specified by the court or the equivalent guarantee.

(3) The decision to impose a provisional remedy by seizing the movable property with which the infringement has allegedly been committed shall be enforced in accordance with the procedures laid down in Chapter 71 of this Law.

(4) The decision to impose a provisional remedy by specifying the prohibition to perform specific actions, with which the infringement has allegedly been committed, shall be enforced by a bailiff who shall notify the defendant or the relevant third person of the court decision for which they shall sign, or by sending it by registered mail.

(5) The withdrawal of the imposed provisional remedy shall be enforced by the order of the bailiff who enforced the decision to impose the provisional remedy.

(6) The decision to replace the provisional remedy shall be enforced by a bailiff, firstly imposing the replacement provisional remedy and afterwards withdrawing the replaced provisional remedy.

[28 February 2019]

Section 250.⁸⁷ Compensation for Damages Caused by the Provisional Remedy

A defendant is entitled to claim compensation for damages which he or she has incurred due to the imposition of a provisional remedy if the provisional remedy has been withdrawn in the case specified in Section 250.⁸⁴, Paragraph three, Clause 1 of this Law, if the action brought against him or her was refused, left without examination or court proceedings were terminated in the cases specified in Section 223, Clauses 2 and 4 of this Law.

[28 February 2019]

Section 250.⁸⁸ Examination of a Statement of Claim and General Provisions for the Application of Legal Remedies

Upon deciding on full or partial satisfaction of the claim, or the full or partial rejection thereof, or upon assessing the proportionality of application of a legal remedy, the court shall take into account the circumstances of the case, including where appropriate:

- 1) the value of the trade secret or other specific features of the trade secret;
- 2) the measures taken to protect the trade secret;
- 3) the action of the defendant in acquiring, using or disclosing the trade secret;
- 4) the consequences of illegal use or disclosure of the trade secret;
- 5) the legitimate interests of the parties and the impact of the imposition of a provisional remedy thereon;
- 6) the legitimate interests of third persons and the public;
- 7) the protection of fundamental rights.

[28 February 2019]

Division Six Special Forms of Procedure

Chapter 31 General Provisions

Section 251. Cases to be Examined According to Special Forms of Procedure

Courts shall examine the following cases in accordance with special forms of procedure:

- 1) regarding approval and revocation of adoption;
- 2) regarding restriction of the capacity to act of a person due to mental disorders or other health disorders, reviewing of restriction and restoration of the capacity to act;
- 2¹) regarding establishment and termination of temporary trusteeship;
- 3) regarding restriction of the capacity to act of a person and establishment of trusteeship for persons due to their dissolute or spendthrift lifestyle, as well as due to excessive use of alcohol or other intoxicating substances;
- 3¹) regarding suspension of the rights of a future authorised person;
- 4) regarding establishment of trusteeship for the property of absent or missing persons;
- 5) regarding declaration of missing persons as deceased;
- 6) regarding finding of such facts that are legally significant;
- 7) regarding extinguishing of rights in accordance with notification procedures;
- 8) regarding renewal of rights according to debt instruments or bearer securities;
- 9) regarding inheritance rights;
- 10) regarding pre-emption with respect to immovable property;
- 11) regarding legal protection proceedings and insolvency proceedings;
- 12) regarding liquidation or insolvency of a credit institutions;
- 13) regarding declaration of a strike or an application to strike as being unlawful;
- 14) regarding declaration of a lock-out or an application to lock-out as being unlawful.

[31 October 2002; 1 November 2007; 29 November 2012 / Clause 3.¹ shall come into force on 1 July 2013. See Paragraph 64 of Transitional Provisions and Law as of 29 November 2012]

Section 252. Initiation of Cases

Cases to be examined according to special forms of procedure shall be initiated by a judge on the basis of a written application.

Section 253. Participants in a Case

(1) Participants in cases to be tried according to special forms of procedure shall be applicants and their representatives, interested persons and their representatives, and in the cases provided for in law, public prosecutors or State or local government institutions.

(2) Parties in cases to be tried according to special forms of procedure shall have the procedural rights of parties as provided for in Section 74, Paragraph two of this Law.

Section 254. Application for Trial According the Special Forms of Procedure

(1) The following shall be indicated in an application:

1) the name of the court to which the application has been submitted;

1¹) the given name, surname, personal identity number, declared place of residence of the applicant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the applicant agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the applicant may indicate also another address for correspondence with the court;

1²) the given name, surname, personal identity number, declared place of residence and the additional address of the interested party indicated in the declaration, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. The personal identity number or registration number of the interested party shall also be indicated if known;

1³) the electronic mail address of the representative of the applicant or of the person who has the right to submit an application and, if he or she has registered in the online system for correspondence with the court, also include an indication of registration, if the representative of the applicant whose declared place of residence or indicated address for correspondence with the court is in Latvia, or the person who has the right to submit an application agrees to electronic correspondence with the court. If the declared place of residence or indicated address of the representative of the applicant is outside Latvia, in addition the electronic mail address shall be indicated or registration of participation in the online system shall be notified. If the representative of the applicant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

2) [29 November 2012];

3) the subject-matter and basis of the application;

4) the circumstances on which the application is based and evidence corroborating them;

5) the law on which the application is based;

6) the request of the applicant;

7) the list of attached documents;

8) the date when the application was drawn up.

(2) An application shall be signed by the applicant or his or her representative, or the applicant together with the representative, if determined by the court, except for the case specified in Section 72, Paragraph five of this Law. If the application has been signed by the representative, an authorisation or another document certifying the authorisation of the representative to apply to the court with an application shall be attached to the application.

(3) An application shall be submitted to the court with as many true copies attached thereto as there are interested persons in the case.

(4) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

[29 November 2012; 23 April 2015; 23 November 2016; 1 June 2017]

Section 255. Refusal to Accept an Application and Leaving Application not Proceeded with

(1) If an application does not conform to the requirements of Section 254, Paragraph two of this Law, a judge shall refuse to accept it and the consequences provided for in Section 133 of this Law shall come into effect.

(2) If an application does not conform to the requirements of Section 254, Paragraphs one and three of this Law and the requirements set out in the separate chapters of this Part, or if court expenses have not been paid, the judge shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall come into effect.

[23 April 2015]

Section 256. Procedures for Examining Cases

Cases to be examined according to special forms of procedure shall be prepared by a judge, and the court shall examine them in accordance with the provisions of this Law and in conformity with the provisions of the separate Chapters of Division Six.

Section 257. Judgment

A judgment in cases to be examined according to special trial procedures shall conform to the requirements of Section 193 of this Law and shall be in conformity with the provisions of this Part.

Section 258. Leaving an Application without Examination

If in a case to be examined according to special forms of procedure a dispute arises regarding rights and such dispute is required to be examined in court in accordance with procedures for court proceedings by way of action, the court, depending on the content of the dispute, shall leave the application without examination or stay the court proceedings until the dispute is decided.

Chapter 32

Approval and Revocation of Adoptions

Section 259. Jurisdiction

(1) An application for the approval of an adoption shall be submitted to a court based on the declared place of residence of the adopter, but if none, based on the place of residence of the adopter, but an application to revoke an adoption - to a court based on the declared place of residence of one applicant, but if none, based on the place of residence of the applicant.

(2) An application from an alien or a person living in a foreign state for the approval of an adoption shall be submitted to a court based on the declared place of residence of the adoptee, but if the adoptee is under out-of-family care, according to address of the place where out-of-family care is provided.

[31 October 2002; 19 June 2003; 29 November 2012]

Section 260. Contents of an Application

(1) The circumstances referred to in Sections 162-169 of the Civil Law shall be indicated in the application.

(2) A decision of the Orphan's and Custody Court on the recognition of the person as adopter and conformity of the adoption with the interests of the child shall be attached to the application.

(3) If the applicant is a foreigner or a person living abroad, the adoption case and a valid adoption permit issued by the responsible minister shall be attached to the application.

[29 October 2015]

Section 260.¹ Requiring Evidence from the Orphan's and Custody Court

The court shall, after initiating the case, where necessary, require evidence from the Orphan's and Custody Court which approves the circumstances referred to in Sections 162-169 of The Civil Law.

[29 October 2015]

Section 261. Examination of an Application

(1) The case shall be examined with the participation of at least one of the adopters in person and the public prosecutor.

(2) The Orphan's court, which has decided on the conformity of the adoption with the interests of the child, and adoptee shall be invited to the examination of the case, if it is necessary to hear him or her in the court hearing and he or she has reached 12 years of age.

(3) *[29 October 2015]*.

(4) If the adopter dies before the court has approved the adoption, such circumstance shall not constitute a bar for the approval of the adoption, but if the adoptee dies before approval, then the case shall be terminated.

[31 October 2002; 19 June 2003; 29 October 2015]

Section 262. Court Judgment on Approval of the Adoption

(1) The court, having examined the validity of the application and conformity thereof to the requirements of the law, shall give a judgment on the approval of the adoption or dismissal of the application.

(2) Such information as is necessary to make an entry in the appropriate Births Register regarding adopters and to cancel entry regarding former parents of the child shall be indicated in a court judgment on the approval of adoption.

(3) The court shall notify former parents of the child that the entry regarding the child's parents is revoked in the relevant Births Register.

(4) A court judgment on the approval of adoption, which has entered into lawful effect, shall constitute a basis for making an entry in the appropriate Births Register and for issuing a new birth certificate to the adoptee.

[20 June 2001; 31 October 2002; 29 October 2015]

Section 263. Revocation of an Adoption

(1) Adoption may be revoked by a court upon a joint application of an adopter and adoptee of legal age or upon an application of an adoptee of legal age (Section 175 of the Civil Law).

(2) A court judgment on the revocation of an adoption, which has entered into lawful effect, shall constitute a basis for making an entry in the appropriate Births Register and for issuing a new birth certificate.

[31 October 2002; 7 September 2006; 29 October 2015]

Chapter 33

Restricting the Capacity to Act of a Person and Establishing of Trusteeship due to Mental Disorders or Other Health Disorders

[29 November 2012]

Section 264. Jurisdiction

An application to restrict the capacity to act of a person due to mental disorders or other health disorders shall be submitted to a court based on the declared place of residence of such person, but if none, based on the place of residence of such person; if the person has been placed in a medical treatment institution, based on the address of the medical treatment institution.

[29 November 2012]

Section 264.¹ Applicants

An application to restrict the capacity to act of a person due to mental disorders or other health disorders and to establish custody rights may be submitted by the person himself or herself, his or her children, brothers, sisters, parents, spouse or a public prosecutor.

[29 November 2012]

Section 265. Contents of an Application

The restriction of the capacity to act to be determined for a person shall be indicated in the application. Evidence confirming the necessity for the restriction of the capacity to act in the interests of the person shall be attached to the application.

[29 November 2012]

Section 266. Preparation of a Case for Trial and Examination of an Application

(1) A case regarding determining restrictions of the capacity to act of a person and establishing of trusteeship due to mental disorders or other health disorders shall be examined by the court, with a representative of the Orphan's and Custody Court and a public prosecutor participating.

(2) A representative of the Orphan's and Custody Court shall participate by submitting evidence that has significance in the case. The representative of the Orphan's and Custody Court has the right to get acquainted with materials of the case, to participate in the examination of evidence and to submit requests.

(3) The court has an obligation to invite such person to a court hearing in relation to whom the case of restricting of the capacity to act is examined. A true copy of the application shall be sent to the person for whom restricting of the capacity to act and establishing of trusteeship is proposed, except for the case where the applicant is the person himself or herself, determining a time period of not more than 30 days for the provision of an explanation.

(4) Upon examining a case, the court shall, upon its initiative, request a statement from the medical treatment institution and other evidence necessary for determination of the amount of restricting the capacity to act of the person from the applicant and institutions.

(5) Upon preparing a case for trial, the court may convene a preparatory meeting and in case of insufficient evidence determine carrying out of additional expert-examination or to request other evidence.

[29 November 2012]

Section 267. Determination of Court Expert-examination

(1) The court may decide on the issue of determining a court psychiatric and, if necessary, a court psychological expert-examination. The decision to determine a court expert-examination shall be subject to appeal.

(2) If a person, regarding whom a case has been initiated, evades the expert-examination, the court, with a public prosecutor participating, may take a decision on the forced sending of such person to the court expert-examination.

(3) *[29 November 2012]*

[7 September 2006; 29 November 2012; 29 October 2015]

Section 267.¹ Establishment of Temporary Trusteeship

(1) Upon a request of participants in the case, the court may take a decision by which temporary trusteeship established for the relevant person for the time period until a judgment regarding restriction of the capacity to act is given in accordance with the provisions of Chapter 33.² of this Law regarding establishment of temporary custody rights.

(2) The decision shall enter into effect without delay. It shall cease to be in effect if another ruling is given on the relevant issue.

(3) An ancillary complaint may be submitted regarding a court decision to establish temporary trusteeship. Submission of an ancillary complaint shall not stay the enforcement of the decision.

[29 November 2012]

Section 268. Court Judgment

(1) If a court, on the basis of evidence, finds that the capacity to act of a person should be restricted, the court shall give a judgment in which the extent of restriction of the capacity to act is indicated and trusteeship is established for the person.

(2) In determining the extent of restriction of the capacity to act, the court shall take such circumstances into consideration, regarding which evidence has been submitted. In determining the extent of restriction of the capacity to act, upon a request of a participant in a case, the court may consider restricting of the capacity to act in such areas as:

1) making and receiving of payments;

2) entering into transactions;

3) action involving property and management thereof, particularly alienation, pledging and encumbering of immovable property with property rights;

4) conducting of commercial activity and economic activity.

(3) A court may assess the extent of restriction of the capacity to act also in other field, except in the cases referred to in Section 356.¹ of the Civil Law.

(4) Upon considering the capacity of a person, the court shall determine whether and to what extent the trustee acts together with the person under trusteeship and only afterwards the court shall determine the extent to which the trustee will act independently.

(5) After the judgment has entered into lawful effect a true copy of the judgment shall be sent to the Orphan's and Custody Court - for the appointing of a trustee, as well as to the public prosecutor and the person whose capacity to act is restricted. The court shall send information about the judgment also to the Population Register and, if

necessary, a true copy of the judgment for a notation to be entered in the Land Register, the movable property register or another relevant public register.

(6) After the judgment has entered into lawful effect, the court shall send a notice to the official gazette Latvijas Vēstnesis for publication, in which the following shall be indicated:

- 1) the name of the court that gave the judgment;
- 2) the given name, surname and personal identity number of the person regarding whom the judgment was given;
- 3) the fact that such person has been recognised as a person with restricted capacity to act;
- 4) the operative part of the judgment;
- 5) the day when the judgment enters into lawful effect.

[29 November 2012; 23 April 2015]

Section 269. Court Expenses

(1) Court expenses in such cases shall be covered from State funds.

(2) If the court finds that the applicant has deliberately submitted an unjustified application, an obligation to cover the court expenses shall be imposed on such person.

[29 November 2012]

Section 270. Finding a Person as Having Capacity to Act and Terminating Trusteeship

[29 November 2012]

Chapter 33.¹ Reviewing of Restriction of the Capacity to Act of a Person due to Mental Disorders or Other Health Disorders

[29 November 2012]

Section 270.¹ Jurisdiction

An application for the reviewing of the extent of restriction of the capacity to act for a person shall be submitted to the court based on the declared place of residence of the person whose capacity to act it is initiated to be reviewed, but if none, according to the place of residence of such person; if the person is placed in a medical treatment institution - based on the address of the medical treatment institution.

[23 April 2015]

Section 270.² Applicants

(1) An application for the reviewing the extent of the restriction of the capacity to act of a person may be submitted by the person himself or herself, his or her trustee, children, brothers, sisters, spouse or a public prosecutor. A representative of the Orphan's and Custody Court shall participate in the examination of cases by submitting evidence of significance to the case. The representative of the Orphan's and Custody Court has the right to get acquainted with materials of the case, to participate in the examination of evidence and to submit requests.

(2) A trustee has an obligation to submit an application to the court for the review of the extent of the restriction of the capacity to act not less than once in seven years from the day when a court judgment regarding restriction of the capacity to act entered into effect.

Section 270.³ Contents of an Application

(1) The extent of reviewing the restriction of the capacity to act shall be indicated in the application.

(2) Evidence certifying it shall be attached to an application for the review of the extent of the restriction of the capacity to act.

Section 270.⁴ Preparation of a Case for Trial

(1) A true copy of the application shall be sent to the person the reviewing of whose capacity to act is proposed,

except for the case where the applicant is the person himself or herself. Then a time period of not more than 30 days shall be determined for such persons to submit explanations.

(2) The court has an obligation to invite to a court hearing the person in relation to whom restriction of the capacity to act is reviewed.

(3) In examining a case the court, upon its own initiative, shall request a statement from a medical treatment institution and other evidence from the applicant and institutions, which are necessary for reviewing the extent of restriction of the capacity to act.

Section 270.⁵ Determination of Court Expert-examination

A court expert-examination shall be determined according to the provisions applied in cases regarding restriction of the capacity to act of a person and establishment of trusteeship due to mental disorders or other health disorders.

Section 270.⁶ Court Judgment

(1) If the court reviews restriction of the capacity to act of a person, it shall indicate in the judgment whether the restriction should be:

- 1) withdrawn completely;
- 2) withdrawn in part;
- 3) kept;
- 4) amended.

(2) The extent for withdrawing and keeping of restriction shall be indicated in the operative part of the court judgment.

(3) After the judgment has entered into lawful effect the court shall send a true copy thereof to the Orphan's and Custody Court - for amending the extent of the rights and obligations of a trustee or for withdrawal of a trustee, as well as to the public prosecutor, trustee and the person in relation to whom restriction of the capacity to act is reviewed. The court shall send information regarding the judgment also to the Population Register and, if necessary, a true copy of the judgment for amending a notation in the Land Register, the movable property register or another relevant public register.

(4) After the judgment has entered into lawful effect, the court shall send a notice to the official gazette Latvijas Vēstnesis for publication, in which the following shall be indicated:

- 1) the name of the court that gave the judgment;
- 2) the given name, surname and personal identity number of the person regarding whom the judgment was given;
- 3) the fact that restriction of the capacity to act has been reviewed for the person;
- 4) the operative part of the judgment;
- 5) the day when the judgment enters into lawful effect.

Chapter 33.² Establishment of Temporary Trusteeship

[29 November 2012]

Section 270.⁷ Jurisdiction

An application for the establishment of temporary trusteeship for a person shall be submitted to the court based on the declared place of residence of such person, but if none, based on the place of residence of such person; if the person is placed in a medical treatment institution - based on the address of the medical treatment institution.

Section 270.⁸ Applicants

An application for the establishment of temporary trusteeship for a person may be submitted by the person himself or herself, his or her children, brothers, sisters, spouse or a public prosecutor.

Section 270.⁹ Contents of an Application

In addition to that laid down in Section 254 of this Law the circumstances referred to in Section 364.² of The Civil Law shall be indicated in the application, by attaching evidence confirming such circumstances, and whether the applicant is requesting trying of the case in a court hearing.

Section 270.¹⁰ Court Action after Initiation of a Case

(1) After a case regarding establishment of temporary trusteeship for a person is initiated, a judge upon his or her own initiative or upon a request of a participant in the case shall request evidence, including a statement of a medical treatment institution regarding whether the person has lost the ability to understand the significance of his or her actions and to control them due to mental disorders or other health disorders.

(2) A true copy of the application shall be sent to the person for whom establishment of temporary trusteeship is proposed, except for the case where the applicant is the person himself or herself. Then a time period of not more than 15 days shall be determined for him or her to submit explanations.

(3) After a case is initiated, without organising a court hearing, the court shall inform the Prosecutor's Office and the Orphan's Court regarding initiation of the case. After explanations, all evidence and a statement from a medical treatment institution have been received, the court shall request the public prosecutor to submit a written opinion in the case within 10 working days, but the Orphan's Court - evidence of significance to the case.

Section 270.¹¹ Examination of an Application

(1) A judge shall take a decision on an application for the establishment of temporary trusteeship without delay.

(2) If the applicant is not requesting trial of the case in a court hearing and the court does not deem it necessary to try the case in a court hearing, the application shall be examined in the written procedure by notifying the participants in the case in due time of the date when a true copy of the judgment may be received in the Court Registry. This date shall be deemed as the date when the full judgment has been drawn up.

(3) If the application is examined by organising a court hearing, a public prosecutor and a representative of the Orphan's and Custody Court shall participate therein. The court has an obligation to invite such person to the court hearing, in relation to whom temporary trusteeship are to be established.

Section 270.¹² Court Decisions

(1) If a court, on the basis of evidence, finds that temporary trusteeship should be established for the person, the court shall give a judgment on the establishment of such trusteeship, indicating the obligation of the trustee to conduct certain cases and the term of validity of the decision which does not exceed two years.

(2) A decision to establish temporary trusteeship for a person shall enter into effect without a delay and shall be in effect for the time period indicated in such decision.

(3) A true copy of the decision to establish temporary trusteeship shall be sent to the Orphan's and Custody Court - for appointing of a temporary trustee, as well as to the public prosecutor and the person in relation to whom temporary trusteeship has been established.

(4) An ancillary complaint may be submitted regarding the court decision to establish temporary trusteeship. Submission of an ancillary complaint shall not stay the enforcement of the decision.

Section 270.¹³ Termination of Temporary Trusteeship

(1) Temporary trusteeship shall be terminated within the term stipulated by the court.

(2) If prior to the term referred to in Section 270.¹¹, Paragraph two of this Law circumstances on the basis of which the temporary trusteeship have ceased to exist, the same court shall terminate the established temporary trusteeship upon an application of the trustee or the person under trusteeship.

(3) The decision to terminate temporary trusteeship shall enter into effect without delay.

(4) A true copy of the decision to terminate temporary trusteeship shall be sent to the person for whom the temporary trusteeship was established, to the trustee, public prosecutor and Orphan's and Custody Court - for withdrawal of the temporary trustee.

Section 270.¹⁴ Court Expenses

If a court finds that an applicant has intentionally submitted an unjustified application, the obligation to cover the court expenses shall be imposed on such person.

Chapter 34

Restriction of the Capacity to Act of a Person and Establishment of Trusteeship due to Dissolute or Spendthrift Lifestyle, as well as Excessive Use of Alcohol or Other Intoxicating Substances

[29 November 2012]

Section 271. Jurisdiction

An application to restrict the capacity to act and to establish trusteeship for a person due to his or her dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances shall be submitted to a court based on the declared place of residence of such person, but if none, based on the place of residence.

[29 November 2012]

Section 271.¹ Applicants

An application to restrict the capacity to act and to establish trusteeship for a person due to his or her dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances may be submitted by the person himself or herself, his or her children, brothers, sisters, parents, spouse or a public prosecutor.

[29 November 2012]

Section 272. Contents of an Application

(1) The basis on which and the extent to which the capacity to act shall be restricted for a person and trusteeship shall be established due to his or her dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances and the evidence corroborating this shall be indicated in the application.

(2) In an application a request may be made for immediate securing of property against it being squandered, by application of the security measures provided for in Section 138 of this Law. A judge shall rule on such a request no later than the next day after receipt of the application.

[7 September 2006; 29 November 2012]

Section 273. Preparation of a Case for Examination

(1) A true copy of the application shall be sent to the person for whom the restriction of the capacity to act and establishment of trusteeship has been initiated, except for the case where the applicant is the person himself or herself. Then a time period of not more than 30 days shall be determined for such persons to submit explanations.

(2) The court may impose an obligation on an applicant to submit supplementary evidence.

[29 November 2012]

Section 274. Participation of a Representative of the Orphan's and Custody Court and a Public Prosecutor

A case for establishing trusteeship for a person due to his or her dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances, shall be examined with the participation of a representative of the Orphan's and Custody Court and a public prosecutor. A representative of the Orphan's and Custody Court shall participate in the examination of the case by submitting evidence of significance to the case. The representative of the Orphan's and Custody Court has the right to get acquainted with materials of the case, to participate in the examination of evidence and to submit requests.

[29 November 2012]

Section 275. Court Judgment

(1) If the court has determined that a person living dissolutely or with a spendthrift lifestyle or excessively using alcohol or other intoxicating substances is creating a threat that he or she or his or her family will be led into privation or poverty, the court according to a judgment shall deprive such person the right to manage his or her property, restrict his or her actions with such property and establish trusteeship for the relevant person. If the court, on the basis of evidence, finds that the capacity to act should be restricted for the person, the court shall give a judgment in which restriction of the capacity to act and joint action of the trustee with the person under trusteeship or independent action of the trustee is indicated.

(2) After the judgment has entered into lawful effect a true copy of the judgment shall be sent to the Orphan's and Custody Court - for the appointing of a trustee, as well as to the public prosecutor and the person whose capacity to act is restricted. The court shall send information about the judgment also to the Population Register and, if

necessary, a true copy of the judgment for a notation to be entered in the Land Register, the movable property register or another relevant public register.

(3) After the judgment has entered into lawful effect the court shall send a notice for publication to the official gazette *Latvijas Vēstnesis*, in which the following shall be indicated:

- 1) the name of the court that gave the judgment;
- 2) the given name, surname and personal identity number of the person regarding whom the judgment was given;
- 3) the fact that such person has been recognised as a person with restricted capacity to act;
- 4) the operative part of the judgment;
- 5) the day when the judgment enters into lawful effect.

[29 November 2012]

Section 276. Court Expenses

(1) If the application is satisfied, the court expenses shall be adjudged against the property of the person whose capacity to act has been restricted and for whom the trusteeship has been established.

(2) If the court has determined that the application is unjustified, the court expenses shall be adjudged against the person according to whose application the case was initiated, but if the case was initiated according to an application of a public prosecutor, the court expenses shall be covered from the State funds.

[7 September 2006; 29 November 2012]

Section 277. Reviewing the Restriction of the Capacity to Act of a Person

In reviewing the restriction of the capacity to act for persons due to dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances, the provisions of Chapter 33.1 of this Law shall be applied.

[29 November 2012]

Chapter 34.¹ **Staying of the Rights of a Future Authorised Person**

[29 November 2012 / Chapter shall come into force on 1 July 2013. See Paragraph 64 of Transitional Provisions and Law as of 29 November 2012]

Section 277.¹ Jurisdiction

An application to stay the rights of a future authorised person may be submitted by the children, brothers, sisters, parents, spouse of the authorising person or a public prosecutor based on the declared place of residence of the authorising person, but if none, based on the place of residence of the authorising person.

Section 277.² Contents of an Application

The circumstances which are the basis for the staying of the rights of a future authorised person shall be indicated in the application and the evidence corroborating such circumstances shall be attached.

Section 277.³ Examination of an Application

(1) The court shall examine a case regarding staying of the rights of a future authorised person with the participation of a public prosecutor.

(2) The person who has issued a future authorisation shall be invited to the court hearing.

Section 277.⁴ Preparation of a Case for Examination

A true copy of the application shall be sent to the authorised person determining a time period of not more than 30 days for him or her to submit explanations.

Section 277.⁵ Court Judgment

(1) If the court has determined that the activities of an authorised person are contrary to the interests of the authorising person or the authorised person does not fulfil his or her obligations at all, the court shall stay the rights

granted to him or her by the future authorisation.

(2) After a judgment has entered into lawful effect the court shall send a true copy of the judgment to the authorised person, authorising person, public prosecutor and the Council of Sworn Notaries of Latvia.

Section 277.⁶ Court Expenses

If the court finds that the activities of an authorised person are contrary to the interests of the authorising person or the authorised person does not fulfil his or her obligations at all, the authorised person shall be imposed an obligation to cover the court expenses.

Chapter 35

Establishing Trusteeship for the Property of Absent or Missing Persons

Section 278. Jurisdiction

Cases regarding trusteeship for the property of an absent or missing person shall be examined by a court based on the last place of residence of the missing or absent person.

Section 279. Contents of an Application

(1) An application to establish trusteeship for the property of an absent or missing person may be submitted by persons who have an interest in preserving the property of the absent or missing person or in protecting the rights of such person, or by a public prosecutor.

(2) The circumstances confirming the absence of the person and the location of this person's property regarding which it is necessary to establish trusteeship shall be set out in the application.

(3) If the whereabouts of the absent or missing person are known, the court must summon them as an interested person.

Section 280. Court Judgment

(1) The court, having found that an application is well founded, shall give a judgment on the establishment of trusteeship for the property of the absent or missing person.

(2) After the judgment has entered into lawful effect, the court shall send a true copy of the judgment to the Orphan's and Custody Court.

(3) After the judgment has entered into lawful effect, the court shall send a true copy of the judgment to the absent person, if their place of residence is known; if it is not known, the court shall send an appropriate notice for publication in the official gazette *Latvijas Vēstnesis*.

[7 September 2006; 29 November 2012]

Section 281. Termination of Trusteeship

Upon the entering into effect of the circumstances specified in Section 375, Clause 1 of The Civil Law, trusteeship may be terminated according to the judgment of the court, which established trusteeship.

Chapter 36

Declaring a Missing Person as Deceased

Section 282. Jurisdiction

An application to declare a missing person as deceased shall be submitted to a court based on the last place of residence of such person.

Section 283. Contents of an Application

There shall be set out in an application the given name, surname, personal identity number, if known, and year of birth of the missing person, the date when he or she left his or her place of residence and when the latest information about such person was received and, if possible, the place of birth of the missing person, and the given name, surname and other information about his or her parents.

Section 284. Notice of a Missing Person

(1) After accepting an application, the judge shall take a decision to publish a notice in the official gazette *Latvijas*

Vēstnesis, to be paid for by the applicant.

(2) There shall be set out in the notice:

- 1) the name of the court which received the application;
- 2) the given name, surname and year of birth of the person proposed to be declared deceased, and other information regarding him or her laid down in the application;
- 3) a stipulation that the missing person appear in court or advise as to his or her whereabouts within three months, and a statement that otherwise the person will be declared deceased;
- 4) a request to anyone who knows the whereabouts of the missing person or who has knowledge of his or her death to notify the court within three months.

[29 November 2012]

Section 285. Participation of a Public Prosecutor

Cases regarding the declaration of a missing person as deceased shall be examined with a public prosecutor participating.

Section 286. Court Judgment

- (1) The court, having found the application to be well founded, shall give a judgment on the declaration of the missing person as deceased.
- (2) If the court has established the presumed date of death of the missing person, it shall be set out in the judgment.
- (3) If the court is unable to establish the presumed date of death of the missing person, the date of death of the missing person shall be deemed to be the date when the application was submitted to the court, concerning which the court shall make a statement in the judgment.
- (4) After the judgment according to which the person has been declared deceased has entered into lawful effect, a true copy of the judgment shall be sent to the General Registry office to register the death of the missing person and to the Orphan's and Custody Court to establish trusteeship over the property of the person declared deceased.
- (5) After the judgment, by means of which the person has been declared deceased, has entered into lawful effect, the Court shall send a notice for publication to the official gazette Latvijas Vēstnesis in which shall be set out:
 - 1) the name of the court that gave the judgment;
 - 2) the given name, surname, year of birth and other personal data that have been established regarding the missing person;
 - 3) the fact that this person has been declared deceased;
 - 4) the presumed date of death of the missing person or the date this person is deemed to have died.

[7 September 2006; 29 November 2012]

Section 287. Consequences of the Appearance of the Person Declared Deceased

- (1) If the person who by a court judgment has been declared deceased appears or his or her whereabouts are determined, the court which gave the judgment shall, according to a new judgment, revoke the judgment which declared this person as deceased.
- (2) An application to revoke a judgment may be submitted by the person who has been declared deceased, by the person according to whose application the case was initiated, or by a public prosecutor.
- (3) After the court judgment enters into lawful effect, a true copy of the judgment shall be sent to the General Registry office for the registration of death to be annulled, and an appropriate notice shall be sent for publication to the official gazette Latvijas Vēstnesis.

[29 November 2012]

Chapter 37 Finding of Juridical Facts

Section 288. Cases to be Examined by the Court

(1) The court shall examine cases regarding finding of facts that affect the creation, varying or termination of property rights and other rights of natural or legal persons.

(2) The court shall find facts regarding:

1) the kinship relationships of natural persons;

2) a person's being maintained;

3) the registration of adoptions, entering into and divorces, and deaths;

4) the ownership of documents (except for passports and certificates issued by institutions which register civil status documents) that create rights for natural persons whose given name, patronymic, surname, or date of birth does not correspond with those indicated in the passport or birth certificate;

5) the ownership of documents that create rights for legal persons whose name or registration data do not correspond with those shown in the relevant register;

6) death of a person in specific time and specific circumstances if the General Registry Office refuses to register a death.

(3) The court shall also find other facts that have legal significance, if the legal enactments in force do not provide for other procedures to find such facts.

[29 November 2012]

Section 289. Provisions Applicable to the Finding of Judicial Facts

The court shall find judicial facts only if the applicant cannot obtain the relevant documents confirming such facts through some other procedure or if such documents have been lost, stolen or destroyed and they cannot be renewed anymore.

Section 290. Jurisdiction

An application for finding of judicial facts shall be submitted to the court based on the declared place of residence of the applicant, but if none, based on the place of residence.

[29 November 2012]

Section 291. Contents of an Application

(1) The purpose for which the applicant requires finding of the relevant fact shall be indicated in the application.

(2) Corroborating evidence, which confirms the inability of the applicant to receive the relevant documents or to have reissued lost, stolen or destroyed documents, must be attached to the application.

Section 292. Court Judgment

(1) Where an application is satisfied, the court judgment shall state which facts have been found and for what purpose.

(2) A court judgment regarding finding of such fact which should be registered in a General Registry office or formally recorded in other agencies, shall not constitute as a replacement of the documents issued by such agencies; however, after entering into lawful effect such judgment shall constitute as a basis for registration or formal recording by such agencies.

Chapter 38

Summoning Procedures Regarding Extinguishing of Rights

Section 293. Cases as May be Examined by Way of Summoning Procedures

(1) Summoning procedures are applicable only in the cases where provided for in law.

(2) Summoning shall be done on the basis of an application from the interested person, unless otherwise provided for in law.

Section 294. Submission of an Application

(1) In an application for summoning to be conducted and rights to be extinguished, the following shall be set out:

1) the circumstances upon which the request for summoning to be conducted are based, together with a reference to any corroborating evidence;

2) any interested persons known to the applicant;

3) consequences if the persons summoned fail to attend.

(2) An application for the extinguishing of rights which are related to immovable property shall be submitted to a court according to the location of such property, but where the application is for other rights, to a court based on the applicant's location - the declared place of residence, but if none, based on the place of residence of a natural person, or the legal address of a legal person, unless otherwise provided for in law.

[29 November 2012]

Section 295. Preparation of a Case for Examination

(1) After an application has been accepted, a judge shall take a decision on the publication of a notice in the official gazette *Latvijas Vēstnesis*, to be paid for by the applicant.

(2) There shall be set out in the notice:

1) the name of the court which received the application;

2) the applicant's given name and surname - but in regard to a legal person, its name;

3) the basis for the summoning and the subject-matter to which the summoning relates;

4) the time period for making an application for rights;

5) the consequences of failing to conform to a time period.

(3) The time period, if it is not laid down in law, shall be determined by the court, but it must not be less than three months from the date of publication of the notice.

(4) If the summoning is in regard to rights to immovable property or to claims secured by a mortgage, the notice shall also be posted in the relevant district (city) court.

[29 November 2012; 25 October 2018 / Amendment to Paragraph four regarding replacement of the words "Land Registry Office" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 296. Examination of an Application

(1) A case shall be examined by the court after expiry of the time period stated in the notice; the applicant, interested persons indicated by the applicant and persons who have submitted a claim within the time period shall be summoned.

(2) An application in regard to rights, that has been submitted after the time period stated in the notice but prior to judgment being given in the case, shall be considered to be submitted within the time period.

(3) If, in connection with the summoning, a dispute arises with respect to rights that may affect the judgment in the case, the court shall stay the court proceedings, and set a time period for the bringing of an action.

(4) If an action is not brought within the time period set or a judgment on the deciding of the dispute is issued, the court proceedings shall be renewed.

Section 297. Court Judgment

(1) Upon satisfying an application, a court shall give a judgment on declaration of all the rights which have not been asserted within the time period invalid.

(2) *[25 October 2018]*

[25 October 2018]

Chapter 39

Renewal of Rights based on Debt Instruments or Bearer Securities

Section 298. Submission of an Application

In cases where a debt instrument of bearer security has been lost, stolen or destroyed, the creditor or person to whom the document has been pledged, given for safekeeping, administering, or on commission or entrusted in some other way, and the last holder of the document if it was endorsed to bearer or the endorsement was in blank, may request the court to cancel such document and thereafter renew the rights related to it.

Section 299. Jurisdiction

An application for the cancelling of a lost, stolen or destroyed document and renewal of rights related to it shall be submitted to a court in accordance with the payment location indicated on the document, but if the payment location is not known, then to a court in accordance with the location of the debtor - the declared place of residence, but if none, based on the place of residence if the debtor is a natural person, or their legal address if the debtor is a legal person - and if the location of the debtor is also unknown, then in accordance with the location where the document was issued.

[29 November 2012]

Section 300. Contents of an Application

(1) There shall be set out in an application for cancellation of a lost, stolen or destroyed document the following:

1) the given name, surname, personal identity number, declared place of residence of the applicant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the applicant agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has been registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the applicant may indicate also another address for correspondence with the court;

2) the given name, surname, declared place of residence and the additional address indicated in the declaration of the person who issued the document, but, if none, the place of residence; for a legal person - the name and legal address thereof, as well as the given name, surname, declared place of residence and the additional address indicated in the declaration of the person who, in accordance with the document, must perform the obligation, but, if none, the place of residence; for a legal person - the name and legal address thereof. The personal identity number or registration number of the defendant shall be indicated if known;

3) the name, contents and identifying features of the document;

4) the circumstance in which the document was lost, stolen or destroyed.

(2) Where possible, a true copy of the document shall be attached to the application.

[29 November 2012; 23 November 2016]

Section 301. Preparation of a Case for Examination

(1) After an application is accepted, a judge shall take a decision on:

1) the prohibition for the person who according to the document must perform an obligation to make a payments monetarily or otherwise according to such document;

2) publication of a notice in the official gazette Latvijas Vēstnesis.

(2) There shall be set out in the notice:

1) the name of the court which received the application;

2) the given name and surname of the applicant, but if the applicant is a legal person, their name and legal address;

3) the name, contents and identifying features of the lost, stolen or destroyed document;

4) a stipulation regarding the submitting to the court - within three months, but in the case of a promissory note or a cheque within two months from the day the notice is published - of an application by the holder of the document, in regard to the holder's right to this document, and a statement that in the absence of such submission the document may be declared cancelled.

(3) The court shall send a true copy of the decision, as provided for in Paragraph one, Clause 1 of this Section, to the person who according to the document must perform the obligation and also, if possible, notify all persons mentioned in the document of the decision.

[29 November 2012]

Section 302. Obligation of the Holder of the Document

(1) It is the obligation of the holder of the document, after the notice has been given regarding the loss, theft or destruction of the document, to submit, within the time period set out in the notice, to the court which took the

decision, an application for his or her rights with respect to this document together with the original of the document.

(2) If the holder of the document has not submitted such application, but the cancellation of the document infringes his or her rights, he or she may defend his or her infringed rights in accordance with the procedures for court proceedings by way of action.

Section 303. Actions by the Court Following Receipt of an Application from the Holder of the Document

(1) If an application from the holder of the document is received by the court within the time period set out in the notice, the court shall leave without examination the application of the person requesting cancellation of the document and shall set a time period during which any payments, monetary or otherwise, made in accordance with the document are prohibited. Such time period shall not exceed two months.

(2) The court shall, at the same time, explain to the applicant his or her right to bring an action against the holder of the document to reclaim such document, and to the holder of the document his or her right to recover from the applicant losses caused as a result of injunctive measures determined by the court.

(3) An ancillary complaint may be submitted regarding a decision of a court.

Section 304. Examination of an Application

(1) The court shall examine a case regarding cancellation of a document and renewal of rights related to it after expiration of the time period set out in the notice, provided an application has not been received from the holder of the document.

(2) The court shall notify the submitter and the person who issued the document and, where possible, all persons mentioned in the document, of the time and place for the examination of the case. Failure of such persons to attend shall not constitute a bar for the examination of the case.

Section 305. Court Judgment

(1) If the court finds that the document set out in the application has been lost, stolen or destroyed and that the applicant was the lawful holder of such document, it shall give judgment on the cancellation of the document and renewal of the rights of the applicant related to it.

(2) A court judgment that has entered into lawful effect shall be a basis for issuing a new document to replace the cancelled document, if such is provided for in law.

(3) If the law does not provide that a new document may be issued, the judgment shall be a basis to make a claim for realisation of rights arising from the cancelled document.

Chapter 40

Reading and Entering into Lawful Effect of Last Will Instruction Instruments

[31 October 2002 / See Paragraph 12 of Transitional Provisions]

Chapter 41

Protection of and Trusteeship on an Estate

[31 October 2002 / See Paragraph 12 of Transitional Provisions]

Chapter 42

Announcement Regarding Opening of Succession

[31 October 2002 / See Paragraph 12 of Transitional Provisions]

Chapter 43

Accepting an Inheritance

[31 October 2002 / See Paragraph 12 of Transitional Provisions]

Chapter 44

Confirmation of Rights of Intestate Succession

[31 October 2002 / See Paragraph 12 of Transitional Provisions]

Chapter 45 Pre-emption of Immovable Property

Section 336. Jurisdiction of Cases

Applications for the pre-emption of immovable property shall be submitted to the court in accordance with the location of the immovable property subject to pre-emption.

Section 337. Contents of an Application

(1) There shall be set out in an application the location of the immovable property subject to pre-emption, the acquirer thereof and the basis for the right of pre-emption (Section 1382 of The Civil Law).

(2) The following shall be attached to an application:

- 1) a true copy of the instrument on the basis of which the immovable property has been alienated;
- 2) evidence regarding the right of the applicant to pre-empt the immovable property;
- 3) information on the sale price of the immovable property, alienation costs and fees, and payment thereof.

Section 338. Sending a True Copy of the Application to the Acquirer of the Immovable Property

The court shall send a true copy of the application to the acquirer of the immovable property, setting out a term of one month for the submission of explanations and provision of information on the necessary and useful expenses incurred in regard to the immovable property.

Section 339. Examination of an Application

An application shall be examined at a court hearing to which the applicant and the acquirer of the immovable property shall be summoned.

Section 340. Court Judgment

Where it finds that the application is well founded, the court shall give a judgment on the right of pre-emption of the applicant in regard to the immovable property and the right of the acquirer of the pre-empted immovable property to compensation for expenses.

Section 341. Leaving an Application without Examination

If the acquirer of the immovable property disputes the right of pre-emption of the applicant, the court shall leave the application without examination, and explain to the participants in the case that the dispute is required to be resolved in accordance with the procedures for court proceedings by way of action.

Chapter 45.¹ Cases Regarding Legal Protection Proceedings

[30 September 2010]

Section 341.¹ Jurisdiction of a Case Regarding Legal Protection Proceedings

The court shall examine a case regarding legal protection proceedings based on the legal address of the debtor which was registered for the debtor three months prior to the submission of application to the court.

[8 December 2016]

Section 341.² Contents of the Application for Legal Protection Proceedings

(1) The following information shall be indicated in a legal protection proceedings application:

- 1) the firm name (name), registration number and legal address of a debtor;
- 2) that restrictions specified in the Insolvency Law for initiation of a case regarding legal protection proceedings do

not exist in respect of a debtor;

3) whether during a year a case regarding legal protection proceedings has been initiated in respect of a debtor but implementation of legal protection proceedings has not been declared;

4) the legal address of the debtor which was registered for the debtor three months prior to the submission of application to the court.

(2) Documents confirming the following shall be attached to the application:

1) payment of the State duty and other court expenses in accordance with the procedures and in the amounts laid down in law;

2) conditions justifying the application;

3) payment of the insolvency proceedings deposit of a legal person in the case when an application for legal protection proceedings is re-submitted within a year.

[29 November 2012; 8 December 2016; 31 May 2018 / See Paragraph 146 of Transitional Provisions]

Section 341.³ Receipt and Registration of the Legal Protection Proceedings Application

(1) A court shall accept a legal protection proceedings application from a debtor in whose name the application is submitted or from a person who has been authorised to submit such application.

(2) A court shall verify the identity of the applicant upon receipt of the application for legal protection proceedings. If the identity cannot be verified or the applicant does not have the relevant authorisation, the application shall not be accepted.

(3) Application for legal protection proceedings shall be registered in a separate register, in which the applicant and the recipient of the application shall sign.

Section 341.⁴ Initiation of a Case Regarding Legal Protection Proceedings

(1) Not later than the day following receipt of a legal protection proceedings application the judge shall take a decision:

1) to leave the legal protection proceedings application not proceeded with;

2) to refuse to accept the legal protection proceedings application;

3) to accept the legal protection proceedings application and initiation of a case.

(2) If the application for legal protection proceedings has been left not proceeded with, then the judge shall take a decision to accept the application for legal protection proceedings and to initiate a case not later than the day after the elimination of deficiencies indicated in the judge's decision. If the time period for the elimination of deficiencies indicated in the decision has expired and they have not been eliminated, the application shall be deemed as not submitted and it shall be returned to the applicant.

Section 341.⁵ Court Activities to be Performed and Issues to be Decided after Taking of a Decision to Initiate a Case Regarding Legal Protection Proceedings

(1) A true copy of a court decision to initiate a case regarding legal protection proceedings shall be sent without delay to:

1) the responsible institution that makes entries in the Insolvency Register;

2) the Finance and Capital Market Commission, if a decision has been taken on a participant of the finance and capital market, the activity of which is supervised by the Finance and Capital Market Commission in accordance with the requirements of laws and regulations;

3) the administrator of the proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council if the case has been initiated in Latvia upon an application for commencement of the insolvency proceedings specified in Article 3(2) of the Regulation No 2015/848 of the European Parliament and of the Council.

(2) After taking of a decision to initiate legal protection proceedings, the judge shall:

1) take a decision on conformity of the candidate for the position of a person supervising the legal protection proceedings (hereinafter - the supervising person) for carrying out the duties in the relevant legal protection proceedings and on appointing him or her as the supervising person;

2) according to the application of a secured creditor decide on a permit to sell the pledged property of the debtor (Section 37, Paragraph two of the Insolvency Law).

(3) If the candidate for the position of the supervising person has been indicated in the plan for measures of legal protection proceedings, the judge shall immediately decide on his or her appointment as the supervising person. The judge shall determine a time period for the provision of the opinion of the supervisory person in the decision, and it may not be longer than 15 days from the day when a decision on the appointing of the supervisory person has been taken.

(4) [1 June 2017]

(5) If the agreement specified in Section 35.¹ of the Insolvency Law on a candidate for the position of the supervisory person is not reached, the judge shall take a decision on appointing the supervisory person by choosing the candidate for the position of the supervisory person selected by the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law who is in the best position to ensure the supervision of legal protection proceedings. The judge shall determine a time period for the provision of the opinion of the supervisory person in the decision, and it may not be longer than 15 days from the day when a decision on appointing of the supervisory person was taken.

(6) Having established that there are restrictions for carrying out the duties of the supervisory person in the relevant legal protection proceedings for the candidate for the position of the supervisory person indicated in the plan for measures of legal protection proceedings or all candidates for the position of the supervisory person which have been selected by the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law, the judge shall take a decision on refusal to appoint the supervisory person and send an invitation for the debtor to provide information on a new candidate for the position of the supervisory person which has been selected by the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law. The judge shall decide on appointing as the supervisory person of the candidate for the position of the supervisory person in accordance with the procedures laid down in Paragraph three or five of this Section.

(7) A true copy of the decision on appointing the supervisory person shall be sent to the supervisory person and the responsible institution that makes entries in the Insolvency Register.

[1 June 2017; 31 May 2018]

Section 341.⁶ Procedures for Examining an Application for Legal Protection Proceedings and Ruling in a Case Regarding Legal Protection Proceedings

(1) A court shall examine an application for legal protection proceedings in the written procedure, except for the case when it considers as necessary to examine the case in a court hearing. If the application for legal protection proceedings is examined in a court hearing, the debtor and the supervisory person shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the case.

(¹) If an application has been submitted for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, the court shall, within the time period specified in Paragraph two of this Section, examine the application in the written procedure, except for the case when it deems it necessary to examine the case in a court hearing. If the application for insolvency proceedings is examined in a court hearing, an applicant, debtor, and administrators of the insolvency proceedings specified in Article 3(1) and (2) of the Regulation No 2015/848 of the European Parliament and of the Council shall be summoned to the hearing. Failure of such persons to attend shall not constitute a bar for the examination of the case.

(2) A court shall examine an application for legal protection proceedings within 15 days from:

1) [31 May 2018];

2) the day of receipt of the opinion of the supervisory person.

(²) A creditor the claim of which the supervisory person has recognised prima facie as unjustified, or the creditor which has expressed any doubts regarding justification of other creditor's claim, may ask the court to invite or admit him or her in the case as an interested person. The creditor shall attach evidence to the request regarding justification of his or her claim. A decision by which a request regarding inviting of or allowing an interested person to participate in a case is satisfied or rejected shall not be subject to appeal.

(3) A court shall satisfy the application and give a judgment on the implementation of legal protection proceedings, if on the basis of the opinion of the supervisory person and other evidence, as well as upon evaluation of an opinion of a sworn auditor, if any has been attached to the plan for measures of legal protection proceedings, and objections of creditors, if any have been received, it is found that the plan for measures of legal protection proceedings:

1) complies with the requirements of the Insolvency Law;

2) has been supported in accordance with the procedures and in the time period laid down in the Insolvency Law.

(3¹) If on the basis of the opinion of the supervisory person and other evidence the court finds that a plan for measures of legal protection proceedings contains obligations in respect of which there is a dispute regarding the rights, and the amount of obligations significantly affects co-ordination of the plan for measures of legal protection proceedings, the court shall leave the application in a case regarding legal protection proceedings without examination.

(4) If the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council has been commenced against a debtor in Latvia and the administrator of the main proceedings has not coordinated the plan for measures of legal protection proceedings in accordance with the procedures laid down in the Insolvency Law, a court shall satisfy the application and give a judgment on the implementation of the legal protection proceedings if it finds that the implementation of the legal protection proceedings is in the interests of the creditors of the insolvency proceedings specified in Article 3(1) of the abovementioned Regulation.

(4¹) Upon examining an application for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, a court shall take into consideration Article 38 of Regulation No 2015/848 of the European Parliament and of the Council.

(4²) Upon declaring insolvency proceedings in accordance with Regulation No 2015/848 of the European Parliament and of the Council, the type of insolvency proceedings shall be indicated in the court judgment, if the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council are commenced, or the type of insolvency proceedings shall be indicated in the decision referred to in Paragraph 4.³ of this Section, if the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council are commenced.

(4³) If the court establishes that the centre of the main interests of a debtor is located in Latvia, it shall declare a judgement on the commencement of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council and take a decision by which it establishes that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council. In respect of a court decision by which it is established that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, the debtor or any creditor may, in accordance with Article 5 of Regulation No 2015/848 of the European Parliament and of the Council, submit an ancillary complaint within 30 days from the day of declaring the decision. Submission of an ancillary complaint shall not suspend the commencement of the insolvency proceedings.

(4⁴) A court shall commence the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, if it establishes that the debtor within the meaning of Article 2(10) of Regulation No 2015/848 of the European Parliament and of the Council carries out or has carried out economic activity over the time period of three months prior to submission of the application. Upon establishment that a court of another Member State which has commenced the insolvency proceedings against the debtor specified in Article 3(1) of this Regulation was entitled to commence such proceedings, the court shall give a judgment on commencement of the insolvency proceedings against the debtor specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council. The court shall not commence the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council if it establishes that the conditions of Article 38 of Regulation No 2015/848 of the European Parliament and of the Council have set in.

(5) When giving a judgment on the implementation of legal protection proceedings, a court shall approve the plan for measures of legal protection proceedings.

(6) A court shall indicate a list of pledged property in the judgment on the implementation of the legal protection proceedings, to which restrictions in respect of secured creditors to exercise their rights are applicable until termination of the legal protection proceedings.

(7) When refusing the application for legal protection proceedings, a court shall concurrently terminate the legal protection proceedings and recover the court expenses from the applicant for legal protection proceedings.

(8) A court judgment in a case regarding legal protection proceedings may not be appealed, except for the judgment by which the application in a case regarding legal protection proceedings has been rejected. A court judgment, by which the application in case regarding legal protection proceedings has been rejected, may be appealed in accordance with appellate procedure, if any of the grounds for initiation of appellate court proceedings laid down in Section 440.² of this Law exists.

(9) A true copy of the judgment shall be issued to the applicant for legal protection proceedings and the supervisory person, as well as sent to the responsible institution that makes entries in the Insolvency Register.

Section 341.⁷ Decision to Implement Legal Protection Proceedings in Extrajudicial Legal Protection Proceedings

(1) The provisions of this Chapter shall be applied in cases regarding legal protection proceedings in the extrajudicial legal protection proceedings, unless otherwise provided for in this Section.

(2) A court shall examine an application for legal protection proceedings in the extrajudicial legal protection proceedings within 15 days in the written procedure, except for the cases when it finds it necessary to examine the case in a court hearing. If the application in a case regarding legal protection proceedings is examined in a court hearing, the debtor and the supervisory person shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the case.

(3) When the decision to initiate the case regarding legal protection proceedings is taken, a court shall not decide on the issue regarding a permit to sell the pledged property of the debtor upon an application of the secured creditor.

(4) If the conditions referred to in the Insolvency Law exist for the implementation of legal protection proceedings in extrajudicial legal protection proceedings, a court shall take a decision to implement the legal protection proceedings in extrajudicial legal protection proceedings and approve a plan for measures of legal protection proceedings, as well as concurrently appoint the supervisory person indicated in the plan for measures of legal protection proceedings.

(5) A court decision in a case regarding legal protection proceedings in the extrajudicial legal protection proceedings may not be appealed, except for the decision by which the application for the implementation of extrajudicial legal protection proceedings has been rejected. An ancillary complaint may be submitted regarding the decision by which the application for the implementation of extrajudicial legal protection proceedings has been rejected.

(6) A true copy of the decision shall be issued to the applicant and the supervisory person, as well as sent to the responsible institution that makes entries in the Insolvency Register.

[12 February 2015; 1 June 2017 / See Paragraph 125 of Transitional Provisions]

Section 341.⁸ Issues to be Decided after a Ruling on the Implementation of Legal Protection Proceedings has been Given

(1) After a ruling on the implementation of legal protection proceedings upon the relevant application has been given, a court shall decide on:

- 1) amendments to the plan for measures of legal protection proceedings;
- 2) discharge of the supervisory person, determining the time period for drawing up a statement for acceptance and delivery of documents and property and transfer of documents and property;
- 3) appointing a new candidate for the position of the supervisory person as the supervisory person, if the previous supervisory person was discharged from legal protection proceedings;
- 3¹) changing of the supervisory person;
- 4) carrying out of the activities specified in Article 51 of Regulation No 2015/848 of the European Parliament and of the Council;
- 5) termination of legal protection proceedings.

(2) The supervisory person may be discharged by a court upon its own initiative if it, when examining the application or complaint in a case regarding legal protection proceedings, has found that the supervisory person fails to fulfil the requirements of laws and regulations or fails to fulfil the court ruling, or does not conform to the requirements of the Insolvency Law.

(3) A court shall send true copies of the decisions referred to in Paragraph one of this Section to the responsible institution that makes entries in the Insolvency Register. The court shall, without delay, send a true copy of the decision on discharge of the supervisory person to the debtor after taking of such decision.

(4) After receipt of an application of the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law the court shall, without delay, decide on appointing a candidate for the position of the supervisory person as the supervisory person, if the restrictions specified in the Insolvency Law for carrying out such obligation in the relevant legal protection proceedings do not exist in relation thereto. If within 15 days from the day when an application of the supervisory person regarding withdrawal from the particular legal protection proceedings or a decision on discharge of the supervisory person which is not justified with an application of the supervisory person regarding withdrawal from the particular legal protection proceedings is received and the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law has not submitted a proposal to the court regarding a candidate for position

of the supervisory person, the court shall decide on the termination of legal protection proceedings. A true copy of the decision shall be sent to the Insolvency Control Service, the debtor, and the responsible institution that makes entries in the Insolvency Register.

(5) A court may request that the supervisory person of legal protection proceedings submits a report or other information on his or her activity for the examination of the issues referred to in this Section.

(6) The court shall examine the application within 15 days from the day of the receipt thereof. The judge shall examine an application in the written procedure without organising a court hearing, except for the case when he or she considers as necessary to examine the case in a court hearing or it is requested by a participant of the proceedings whose interests are affected by the application. The applicant, the supervisory person, the representative of the debtor, and other interested persons shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the issue.

(7) A court shall take a decision on examining an application which may not be appealed. The court decision on discharge of the supervisory person of legal protection proceedings on the basis of Section 12.⁴, Paragraph two, Clause 1, 4, or 5 of the Insolvency Law shall be subject to appeal in respect of the part regarding the established failure to conform to requirements of laws and regulations or failure to enforce a court ruling or non-conformity with the requirements of the Insolvency Law by submitting an ancillary complaint. Regional court shall examine such ancillary complaint within 15 days.

(8) Upon examining the ancillary complaint referred to in Paragraph seven of this Section the regional court has the right to:

- 1) leave the decision unamended, but to reject the complaint;
- 2) withdraw the decision and, by its decision, to decide on the issue on the merits.

(9) The decision referred to in Paragraph eight of this Section shall enter into effect and must be enforced without delay.

(10) A true copy of the decision referred to in Paragraph eight, Clause 1 of this Section shall be sent to the debtor.

(11) A regional court shall, within 15 days, examine the ancillary complaint of the debtor or creditor regarding a court decision by which it is established that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council.

(12) In addition to the information provided for in Section 443.¹ of this Law, the following information shall be indicated in the ancillary complaint referred to in Paragraph eleven of this Section:

1) since when the legal address of the debtor has been located or the main economic activity has been carried out in the indicated European Union Member State;

2) facts which show that the debtor usually implements his or her main interests in the European Union Member State indicated in the ancillary complaint;

3) information regarding creditors or a significant part of assets, or economic activity in another European Union Member State;

4) whether the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council have been commenced against the debtor in another European Union Member State.

(13) Upon examining the ancillary complaint referred to in Paragraph eleven of this Section, the regional court has the right to:

- 1) leave the decision unamended, but to reject the complaint;
- 2) withdraw the decision fully.

(14) If the regional court has withdrawn the decision, the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be continued as the insolvency proceedings specified in Article 3(2) or (4) of Regulation No 2015/848 of the European Parliament and of the Council.

(15) The court shall also send a true copy of the decision on the ancillary complaint to the administrator and the responsible institution that makes entries in the Insolvency Register.

[21 June 2012; 1 June 2017; 31 May 2018 / See Paragraph 145 of Transitional Provisions]

Section 341.⁹ Examination of a Complaint in a Court Regarding a Decision Taken by the Insolvency

Administration on the Conduct of the Administrator in the Legal Protection Proceedings or Imposition of a Legal Obligation

[1 June 2017 / See Paragraph 125 of Transitional Provisions]

Section 341.¹⁰ Decision to Terminate Legal Protection Proceedings

(1) A court shall examine an issue regarding termination of legal protection proceedings upon its own initiative or upon an application of a debtor.

(2) A court shall take a decision upon its own initiative to terminate legal protection proceedings in the case specified in Section 341.⁸, Paragraph four of this Law and Section 51, Paragraph one of the Insolvency Law.

(3) A court shall take a decision upon an application of a debtor to terminate legal protection proceedings in the case determined in Section 51, Paragraph four of the Insolvency Law.

(4) In the case specified in Paragraph three of this Section the debtor shall attach a written opinion of the supervisory person regarding implementation of the plan for measures of legal protection proceedings to the application for termination of legal protection proceedings.

(4¹) A court may, upon an application of the administrator of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council which has been submitted in accordance with Article 39 of Regulation No 2015/848 of the European Parliament and of the Council, terminate the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council.

(5) A court shall immediately send a true copy of the decision on legal protection proceedings to the applicant, the supervisory person, as well as the responsible institution that makes entries in the Insolvency Register.

[1 June 2017; 31 May 2018]

Section 341.¹¹ Decision to Terminate Legal Protection Proceedings by Declaring Insolvency Proceedings of a Legal Person

(1) A court shall take a decision upon its own initiative to terminate legal protection proceedings, if insolvency proceedings of a legal person have been declared on the basis of Section 57, Paragraph one, Clause 8 or 9 of the Insolvency Law.

(2) A court shall, upon its own initiative, take a decision to terminate legal protection proceedings and declare insolvency proceedings of a legal person in the case laid down in Section 51, Paragraph two of the Insolvency Law.

(3) A court shall take a decision to terminate legal protection proceedings and declare insolvency proceedings of a legal person upon an application of the person referred to in Article 37(1)(a) of Regulation No 2015/848 of the European Parliament and of the Council, if it establishes that carrying out of the activity specified in Article 51 of this Regulation is in the interests of the creditors of the insolvency proceedings specified in Article 3(1) of the abovementioned Regulation.

(4) An application of insolvency proceedings of a legal person in the case laid down in Paragraph one of this Section shall be submitted to the court, in legal proceedings of which is the case regarding legal protection proceedings.

(5) A court shall send immediately a true copy of the decision to terminate legal protection proceedings to the responsible institution that makes entries in the Insolvency Register.

[1 June 2017; 31 May 2018]

Chapter 46 Cases Regarding Legal Protection Proceedings

[30 September 2010]

Chapter 46.¹ Cases Regarding Insolvency Proceedings of a Legal Person

[30 September 2010]

Section 363.¹ Jurisdiction of Cases Regarding Insolvency Proceedings of a Legal Person

(1) The case regarding insolvency proceedings of a legal person according to an application of the debtor, the creditor, or the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law shall be examined by a court based on the legal address of the debtor which was registered for the debtor three months prior to submitting the application to the court.

(2) The case regarding commencement of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be examined by a court based on the location of the centre of the main interests of the debtor, but in the case of commencement of the insolvency proceedings specified in Article 3(2) of this Regulation - based on the location of the economic activity of the debtor (within the meaning of Article 2(10) of Regulation No 2015/848 of the European Parliament and of the Council).

[29 November 2012; 8 December 2016; 1 June 2017; 31 May 2018]

Section 363.² Contents of the Application for Insolvency Proceedings of a Legal Person of a Creditor or Majority of Creditors

(1) A creditor shall provide the following information in an application for insolvency proceedings of a legal person (hereinafter in this Chapter - the application for insolvency proceedings):

1) the firm name (name), registration number and legal address of the creditor;

2) the firm name (name), registration number and legal address of the debtor;

3) the feature of insolvency proceedings;

4) the legal address of the debtor which was registered for the debtor three months prior to the submission of application to the court.

(¹) If the application is submitted by several creditors or the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law by indicating the information referred to in Paragraph one of this Section on the creditor, the firm name (name), registration number, and legal address of each creditor upon whose authorisation the application for insolvency proceedings is submitted shall be indicated.

(2) When submitting the application for insolvency proceedings, a creditor shall attach documents certifying payment of the State duty and other court expenses, as well as payment of the insolvency proceedings deposit.

(3) When submitting an application for insolvency proceedings in conformity with the element of insolvency proceedings referred to in Section 57, Paragraph one, Clause 1 of the Insolvency Law, the evidence regarding substantiation and amount of the claim shall be attached to the application, as well as a statement issued by the bailiff on the impossibility to recover the debt from the debtor.

(4) When submitting an application for insolvency proceedings in conformity with the feature of insolvency proceedings referred to in Section 57, Paragraph one, Clauses 2 and 3 of the Insolvency Law, the evidence regarding justification and amount of the claim, a copy of the warning regarding intention to submit an application for insolvency proceedings, documents regarding issue or sending of the warning (a receipt regarding sending of a document with certificate of consignment content) shall be attached to the application, as well as it shall be certified in the application that the debtor has not brought justified objections.

(5) When submitting an application for insolvency proceedings in conformity with the feature of insolvency proceedings referred to in Section 57, Paragraph one, Clause 4 of the Insolvency Law, the time period for which the remuneration for work and compensation for damages has not been disbursed shall be indicated in the application, and a statement issued by the employer regarding the amount of remuneration for work and mandatory social insurance payments shall be attached thereto, but in case the employer has not issued the abovementioned statement, such fact shall be indicated in the application.

(¹) When submitting an application for insolvency proceedings in conformity with the feature referred to in Section 57, Paragraph one, Clause 7 or 8 of the Insolvency Law, the number of the case regarding legal protection proceedings shall be indicated in the application in addition to the information referred to in Paragraph one of this Section. Documents justifying the facts referred to in the application shall be attached to the application.

(6) Upon submitting an application for insolvency proceedings on the commencement of the insolvency proceedings against a debtor specified in Article 3(1) or (2) of Regulation No 2015/848 of the European Parliament and of the Council, the creditor shall indicate validity of the application therein and attach evidence thereto which confirms the circumstances on which the application is justified, if such is at his or her disposal.

(7) Upon submitting an application for insolvency proceedings on the commencement of the insolvency proceedings against a debtor specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, the creditor shall send a true copy thereof to the administrator involved in the insolvency proceedings specified in Article

3(1) of the abovementioned Regulation.

[29 November 2012; 8 December 2016; 1 June 2017; 31 May 2018 / The norm of Paragraph two regarding payment of insolvency proceedings deposit insofar as is applicable to the employees whose sole means of legal protection are declaration of the employer as insolvent has been recognised as non-conforming to the first sentence of Section 92 of the Constitution of the Republic of Latvia by the Constitution Court judgment of 20 April 2012 which shall enter into effect on 24 April 2012]

Section 363.³ Contents of the Application for Insolvency Proceedings of a Debtor

(1) The application for insolvency proceedings on behalf of the debtor may be submitted by the administrative body or members of a partnership who have the right of representation, or a specially authorised person.

(2) The following information shall be indicated in an application for insolvency proceedings by a debtor:

1) the firm name (name), registration number and legal address of a debtor;

2) the feature of insolvency proceedings;

3) information regarding location of the centre of the main interests of the debtor within the meaning of Regulation No 2015/848 of the European Parliament and of the Council;

4) whether the debtor carries out or has carried out economic activity in another European Union Member State over the time period of three months prior to submission of the application within the meaning of Article 2(10) of Regulation No 2015/848 of the European Parliament and of the Council, and location thereof;

5) the number of the case regarding legal protection proceedings if the application for insolvency proceedings has been submitted in conformity with the feature of the insolvency proceedings referred to in Section 57, Paragraph one, Clause 9 of the Insolvency Law;

6) the legal address of the debtor which was registered for the debtor three months prior to the submission of application to the court.

(3) A debtor shall attach the following to the application for insolvency proceedings:

1) a list of the members of administrative bodies, auditors (the members of audit bodies) and proctors, indicating the given name, surname, address and other information with the help of which they may be identified and located;

2) evidence that the participants (members) of the commercial company, members of the society or other founders or participants of a legal person are informed regarding an intention to submit the application for insolvency proceedings;

3) evidence regarding the right of representation;

4) documents certifying payment of the State duty and other court expenses, as well as payment of the insolvency proceedings deposit.

(4) Upon submitting an application for commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, a debtor shall, in addition to the documents specified in Paragraph three of this Section, attach a certification regarding the location of the centre of the main interests of the debtor to the application for insolvency proceedings.

[29 November 2012; 18 April 2013; 8 December 2016; 1 June 2017; 31 May 2018]

Section 363.⁴ Contents of the Application for Insolvency Proceedings of a Debtor in the Liquidation Proceedings

(1) A liquidator shall submit the application for insolvency proceedings on behalf of the debtor in conformity with the feature of insolvency proceedings referred to in Section 57, Paragraph one, Clause 6 of the Insolvency Law.

(2) The provisions of Section 363.³, Paragraphs two, three and four of this Law shall be applicable to the application for insolvency proceedings of a liquidator.

[1 June 2017]

Section 363.⁵ Contents of the Application for Insolvency Proceedings of the Person Referred to in Regulation No 2015/848 of the European Parliament and of the Council

(1) The person referred to in Article 37(1)(a) of Regulation No 2015/848 of the European Parliament and of the Council shall submit an application for insolvency proceedings to the court in order to initiate the insolvency

proceedings against a debtor specified in Article 3(2) of this Regulation.

(2) The person referred to in Article 37(1)(a) of Regulation No 2015/848 of the European Parliament and of the Council shall provide the following information in the application for insolvency proceedings:

1) the firm name (name), registration number and legal address of the debtor which was registered for the debtor three months prior to the submission of application to the court, and the legal address on the day when the application was submitted;

2) the name of the court that has commenced the insolvency proceedings against a debtor specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, the date of adoption and entry into effect of the court ruling;

3) validity of the commencement of the insolvency proceedings against a debtor specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council;

4) information on whether the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council have been commenced against a debtor in another European Union Member State (hereinafter - the Member State).

(3) The person referred to in Article 37(1)(a) of Regulation No 2015/848 of the European Parliament and of the Council shall attach the following to the application for insolvency proceedings:

1) a true copy of the court ruling on the commencement of the insolvency proceedings against a debtor specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, and a translation thereof in the official language which has been certified according to the specified procedures;

2) a true copy of the court ruling or another certification regarding appointing of the administrator in the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, and a translation thereof in the official language which has been certified according to the specified procedures;

3) documents certifying that the debtor carries out or has carried out economic activity in Latvia over the time period of three months prior to submission of the application within the meaning of Article 2(10) of Regulation No 2015/848 of the European Parliament and of the Council;

4) documents certifying payment of the State duty and other court expenses, as well as payment of the insolvency proceedings deposit.

[29 November 2012; 8 December 2016; 31 May 2018]

Section 363.⁶ Contents of the Application for Insolvency Proceedings of an Administrator

[1 June 2017 / See Paragraph 125 of Transitional Provisions]

Section 363.⁷ Receipt and Registration of the Application for Insolvency Proceedings

(1) A court shall accept an application for insolvency proceedings from a person in whose name the application is submitted or from a person who has been authorised to submit such application.

(2) A court shall verify the identity of the applicant when an application for insolvency proceedings is received. If the identity cannot be verified or the applicant does not have the relevant authorisation, the application shall not be accepted.

(3) An application for insolvency proceedings shall be registered in a separate register, in which the applicant and the recipient of the application shall sign.

Section 363.⁸ Prohibition to Amend Subject of the Application for Insolvency Proceedings and to Withdraw the Application for Insolvency Proceedings by a Debtor

(1) In cases regarding insolvency proceedings amending of the subject of the application for insolvency proceedings is not permissible.

(2) A debtor is not entitled to withdraw an application for insolvency proceedings.

Section 363.⁹ Deciding on the Issue of Accepting of the Application for Insolvency Proceedings and Initiation of a Case

(1) Not later than on the day after receipt of an application for insolvency proceedings the judge shall take a decision:

- 1) to leave the application for insolvency proceedings not proceeded with;
- 2) to refuse to accept the application for insolvency proceedings;
- 3) to accept the application for insolvency proceedings and initiation of the case.

(2) If the application for insolvency proceedings is left not proceeded with, the judge shall take a decision to accept the application for insolvency proceedings and to initiate the case not later than on the day after elimination of the deficiencies indicated in the decision. If the time period for the elimination of deficiencies indicated in the decision has expired and they have not been eliminated, the application shall be deemed as not submitted and it shall be returned to the applicant.

(3) The judge shall take a decision to refuse to accept an application for insolvency proceedings of a creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law, if he or she has found that a case regarding insolvency proceedings of a legal person has been initiated against the debtor upon the application for insolvency proceedings of the debtor.

(4) A court shall, upon its own initiative, initiate a case regarding insolvency proceedings of a legal person, if upon taking of a decision to terminate legal protection proceedings the element of insolvency proceedings of a legal person specified in Section 57, Paragraph one, Clause 7 of the Insolvency Law is determined.

(5) The judge shall take a decision to merge the initiated case regarding insolvency proceedings of a legal person into one legal proceeding, if until the commencement of examining the case regarding insolvency proceedings of a legal person which was initiated upon an application for insolvency proceedings of a creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law, on the merits it is found that the case regarding insolvency proceedings of a legal person has been initiated against the debtor upon an application for insolvency proceedings of another creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law.

(6) The judge shall take a decision to stay legal proceedings in the case upon an application for insolvency proceedings of a creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law, if until the commencement of examining the case regarding insolvency proceedings of a legal person which was initiated upon an application for insolvency proceedings of a creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law, on the merits it is found that the case regarding insolvency proceedings of a legal person has been initiated against the debtor upon an application for insolvency proceedings of the debtor. When declaring insolvency proceedings of a legal person upon an application for insolvency proceedings of the debtor, the court shall renew court proceedings in the stayed case upon an application of the creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law and terminate it. The State duty paid shall be refunded to the creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law in full amount.

[18 April 2013; 1 June 2017 / See Paragraph 125 of Transitional Provisions]

Section 363.¹⁰ Court Activities in Preparing a Case Regarding Insolvency Proceedings of a Legal Person for Examination

(1) A judge shall immediately send a true copy of the decision to initiate a case to:

1) [31 May 2018];

2) the Finance and Capital Market Commission, if a decision has been taken on a participant of the finance and capital market, the activity of which is supervised by the Finance and Capital Market Commission in accordance with the requirements of laws and regulations;

3) the administrator of the proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council if a case has been initiated in Latvia upon an application for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council.

(2) If a case is initiated based on the application for insolvency proceedings of a creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law, the judge shall send the application of the creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law and a true copy of the decision on the initiation of the case to the debtor, inform the debtor and creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law of the day of examination of the application for insolvency proceedings, and also regarding the rights of the debtor to bring justified objections against the claim referred to in the application for insolvency proceedings not later than three days before the day of examination of the application for insolvency proceedings, including to provide evidence regarding the fact that the debtor is able to cover debt obligations referred to in the application for insolvency proceedings.

(3) After initiation of a case regarding insolvency proceedings of a legal person a candidate for the position of an

administrator shall be selected from the list of candidates for the position of an administrator maintained in the Electronic Insolvency Accounting System for the Insolvency Control Service (hereinafter - the List of Candidates), using the automated selection provided by the Judicial Informative System, and a judge shall assess his or her suitability for the performance of the administrator's obligations in the relevant insolvency proceedings of a legal person.

(4) Having established restrictions on the performance of the administrator's obligations in the relevant insolvency proceedings of a legal person for the candidate for the position of an administrator, the judge shall take a decision to refuse to appoint the candidate for the position of the administrator as an administrator. A new candidate for the position of an administrator shall be selected from the List of Candidates, using the automated selection provided by the Judicial Informative System, and the judge shall assess his or her suitability for the performance of the administrator's obligations in the relevant insolvency proceedings of a legal person.

[18 April 2013; 1 June 2017; 31 May 2018]

Section 363.¹¹ Procedures for Examining the Application for Insolvency Proceedings

(1) A court shall examine the application submitted by the creditor or the majority of creditors referred to in Section 42, Paragraph three of the Insolvency Law within 15 days from the day of initiating the case. The applicant for insolvency proceedings and the debtor shall be summoned to the court hearing. If applications for insolvency proceedings of several creditors are merged in one legal proceeding, the applicants which may be notified at least seven days before the relevant hearing shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the case.

(2) A court shall examine an application for insolvency proceedings submitted by the debtor in the written procedure within seven days from the day of initiation of the case. A court shall examine an application in the written procedure, except for the case when it considers as necessary to examine the case in a court hearing. If the application for insolvency proceedings is examined in a court hearing, the debtor shall be summoned to the hearing. Failure of such person to attend shall not constitute a bar for examination of the case.

(3) *[1 June 2017]*

(3¹) If the application has been submitted for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, the application shall be examined in the written procedure within 15 days from the day of initiation of the case or, if the court deems it necessary, in a court hearing. If the application for insolvency proceedings is examined in a court hearing, an applicant, debtor, and administrator of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be summoned to the hearing. Failure of such persons to attend shall not constitute a bar for the examination of the case.

(4) If until giving the judgment a court finds that the submitter has not paid the State duty or insolvency proceedings deposit, except for the case when the court has initiated the case regarding insolvency proceedings of a legal person upon its own initiative or exempted an employee from payment of the deposit, it shall leave the application for insolvency proceedings without examination. The exception indicated in this Paragraph shall not apply to the cases when an application for legal protection proceedings is re-submitted within a year.

(5) A judge may give a ruling to fully or partly exempt an employee from the payment of insolvency proceedings deposit, if he or she submits an application for insolvency proceedings after it was not possible to fulfil a court ruling on the recovery of debt from the debtor by applying enforcement measures, and the employee, by taking into account his or her financial situation, cannot pay in insolvency proceedings deposit.

(6) Upon examining an application for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, the court shall take into consideration Article 38 of Regulation No 2015/848 of the European Parliament and of the Council.

[18 April 2013; 12 February 2015; 1 June 2017; 31 May 2018 / See Paragraph 146 of Transitional Provisions]

Section 363.¹² Sequence of Examining the Application for Insolvency Proceedings and the Application for Legal Protection Proceedings

(1) A court shall stay legal proceedings if, until commencement of examination of a case regarding insolvency proceedings of a legal person on the merits, it is found that the case regarding legal protection proceedings has been initiated in respect of the debtor.

(2) Legal proceedings in the case regarding insolvency proceedings of a legal person shall be stayed until a ruling is given in the case regarding legal protection proceedings.

(3) Legal proceedings in the case regarding insolvency proceedings of a legal person shall be terminated if legal protection proceedings are implemented in respect of the debtor in accordance with a ruling.

(4) Legal proceedings in the case regarding insolvency proceedings of a legal person shall be renewed and examined in accordance with the procedures laid down in this Chapter, if legal protection proceedings in respect of the debtor are terminated on the basis of Section 341.¹⁰, Paragraph two of this Law.

Section 363.¹³ Court Ruling in a Case Regarding Insolvency Proceedings of a Legal Person

(1) The court shall announce insolvency proceedings of a legal person and its judgement shall not be appealed, except for the judgment by which an application for insolvency proceedings has been rejected. A court judgment, by which the application for insolvency proceedings has been rejected, may be appealed in accordance with appeal procedure, if any of the grounds for initiation of appeal proceedings laid down in Section 440.² of this Law exists.

(2) A court shall declare insolvency proceedings of a legal person, if on the day of examination of the application it finds an element of insolvency proceedings indicated in the application.

(3) Upon satisfying an application a court shall appoint the candidate for the position of an administrator who has been selected in accordance with the procedures laid down in Section 363.¹⁰ of this Law as an administrator.

(4) Upon declaring insolvency proceedings in accordance with Regulation No 2015/848 of the European Parliament and of the Council, the court shall indicate in its judgment the type of insolvency proceedings, if the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council are commenced, or it shall indicate the type of insolvency proceedings in the decision referred to in Paragraph five of this Section, if the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council are commenced.

(5) If the court establishes that the centre of the main interests of a debtor is located in Latvia, it shall declare a judgement on the commencement of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council and take a decision by which it establishes that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council. In respect of a court decision by which it is established that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, the debtor or any creditor may, in accordance with Article 5 of Regulation No 2015/848 of the European Parliament and of the Council, submit an ancillary complaint within 30 days from the day the decision is declared. Submission of an ancillary complaint shall not suspend the commencement of the insolvency proceedings.

(6) A court shall commence the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, if it establishes that the debtor within the meaning of Article 2(10) of Regulation No 2015/848 of the European Parliament and of the Council carries out or has carried out economic activity over the time period of three months prior to submission of the application. Upon establishment that a court of another Member State which has commenced the insolvency proceedings against a debtor specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council was entitled to commence such proceedings, the court shall give a judgment on commencement of the insolvency proceedings against a debtor specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council without prejudice to Paragraph two of this Section. The court shall not commence the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, if it establishes that conditions of Article 38 of Regulation No 2015/848 of the European Parliament and of the Council have occurred.

(7) Upon declaring insolvency proceedings of a legal person and terminating legal protection proceedings a court shall appoint the candidate for the position of an administrator selected in accordance with the procedures laid down in Section 363.¹⁰ of this Law as an administrator.

(8) Upon declaring insolvency proceedings of a legal person, a court shall send a true copy of the judgment to the appointed administrator, the administrator involved in the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, if it has commenced the insolvency proceedings against a debtor specified in Article 3(2) of the abovementioned Regulation in Latvia, and the responsible institution that makes entries in the Insolvency Register.

(9) If the feature of insolvency proceedings indicated in the application is not found, the court shall reject the application for insolvency proceedings and terminate the case regarding insolvency proceedings of a legal person, as well as take a decision on the issue whether the application for insolvency proceedings should be recognised as unfounded or knowingly false. The court shall reject the application for insolvency proceedings which was submitted in conformity with the features of insolvency proceedings referred to in Section 57, Paragraph one, Clauses 2 and 3 of the Insolvency Law, if it finds that not later than three days before examination of the case the debtor has brought justified objections against the claim referred to in the application for insolvency proceedings or that debt obligations, in respect of which the application for insolvency proceedings has been submitted, are covered in the full amount.

(10) Having recognised an application for insolvency proceedings as unfounded or intentionally false, a court shall

recover court expenses from the applicant for insolvency proceedings. If the applicant for insolvency proceedings revokes his or her application because the debtor has voluntarily covered the debt obligations referred to in the application for insolvency proceedings until the day of examination of the case, the court, when deciding on the termination of the case, shall, upon a request of the applicant for insolvency proceedings, adjudge the recovery of the court expenses paid by the applicant as against the debtor. In other cases such costs shall be indicated in the court judgment and included in the costs of insolvency proceedings.

(11) Upon rejecting an application for insolvency proceedings which has been submitted in conformity with the element of insolvency proceedings referred to in Section 57, Paragraph one, Clauses 2 and 3 of the Insolvency Law, because on the day of examination of the application the court does not detect the element of the insolvency proceedings indicated therein, because the debtor has covered a part of the debt obligations indicated in the application until the day of examination of the case with a view to prevent announcement of the insolvency proceedings of a legal person, it shall, when deciding on termination of the case, adjudge recovery of the court expenses paid by the applicant as against the debtor.

(12) Upon rejecting an application for insolvency proceedings, the court shall send a true copy of the judgement to the Insolvency Control Service.

[18 April 2013; 12 February 2015; 1 June 2017; 31 May 2018]

Section 363.¹⁴ Issues to be Decided by the Court after Declaration of Insolvency Proceedings of a Legal Person

(1) After declaration of the insolvency proceedings of a debtor a court shall, on the basis of the relevant application, decide on:

1) discharge of the administrator in the cases specified in the Insolvency Law, specifying the time period for drawing up a statement for acceptance and delivery of documents and property and transfer of documents and property to another administrator;

2) appointing as the administrator of a new candidate for the position of the administrator, if the previous administrator has been discharged from the relevant insolvency proceedings;

3) carrying out of the activities specified in Article 46 of Regulation No 2015/848 of the European Parliament and of the Council;

4) approval of a statement of auction of immovable property or undertaking (Sections 611 and 613) and corroboration of the sold immovable property in the name of the buyer, and also deletion of an insolvency notation in the Land Registry;

5) [11 September 2014].

6) termination of insolvency proceedings.

(2) The administrator may be discharged by a court upon its own initiative if the court, when examining the application or complaint in a case regarding insolvency proceedings, has found that the administrator fails to observe the requirements of laws and regulations or fails to fulfil a court ruling.

(3) If after the day of declaration of insolvency proceedings the court has taken a decision to discharge an administrator, after taking of this decision the court shall appoint a candidate for the position of an administrator who is selected from the List of Candidates as the administrator, using the automated selection provided by the Judicial Informative System.

(4) [31 May 2018]

(5) Having established restrictions on the performance of the administrator's obligations in the relevant insolvency proceedings of a legal person for the candidate for the position of an administrator, the judge shall take a decision to refuse to appoint the candidate for the position of the administrator as an administrator. The judge shall decide on appointing as the administrator of a candidate for the position of the administrator in accordance with the procedures laid down in Paragraph three of this Section.

(6) If upon an application of the administrator involved in the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council the court establishes that carrying out of the activities specified in Article 46(1) of Regulation No 2015/848 is in the interests of the creditors of insolvency proceedings specified in Article 3(1) of the abovementioned Regulation, it shall take a decision to carry out the activities specified in Article 46(1) of Regulation No 2015/848 of the European Parliament and of the Council and determine the appropriate measures for ensuring the interests of creditors of the insolvency proceedings specified in Article 3(2) of this Regulation.

(7) If upon an application of the administrator involved in the insolvency proceedings specified in Article 3(1) of

Regulation No 2015/848 of the European Parliament and of the Council, the administrator or the creditor involved in the insolvency proceedings specified in Article 3(2) of this Regulation the court establishes that carrying out of the activities specified in Article 46(1) of the abovementioned Regulation is no longer justified, it shall take a decision to carry out the activity specified in Article 46(2) of Regulation No 2015/848 of the European Parliament and of the Council.

(8) A court shall send a true copy of the decision to carry out the activities specified in Article 46 of Regulation No 2015/848 of the European Parliament and of the Council to the debtor's representative and the administrator.

(9) A court shall send true copies of the decisions referred to in Paragraph one, Clauses 1, 2, 3 and 6 of this Section to the responsible institution that makes entries in the Insolvency Register.

(10) A court shall examine a complaint regarding the decision of the creditors meeting, a complaint regarding the decision of the administrator, as well as a complaint regarding the decision taken by the Insolvency Control Service on the action of an administrator during insolvency proceedings or imposition of a lawful obligation. The court shall, upon examination of the abovementioned complaints, send a true copy of the decision taken, except for a decision on the complaint regarding the decision of the creditors meeting, to the Insolvency Control Service.

(11) A court shall examine an application and complaint within 15 days from the day of receipt of the application or complaint. The judge shall examine an application in the written procedure without organising a court hearing, except for the case when he or she considers as necessary to examine the case in a court hearing. The judge shall examine a complaint in the written procedure without organising a court hearing, except for the case when the administrator requests to examine the case in a court hearing or the court considers as necessary to examine the complaint in a court hearing. The applicant or complaint, the administrator, representative of the debtor and other interested persons shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the issue.

(12) A court decision on examination of an application and complaint may not be appealed. A court decision to discharge the administrator on the basis of Section 22, Paragraph two, Clause 1, 2, 3, 4, or 7 of the Insolvency Law shall be subject to appeal in respect of the part regarding the established failure to conform to requirements of laws and regulations or failure to enforce a court ruling by submitting an ancillary complaint. Regional court shall examine such ancillary complaint within 15 days.

(12¹) An ancillary complaint may be submitted regarding a court decision in a case regarding approval of a statement of auction.

(13) A court may request that the administrator submits a report on his or her activity or other information for examination of the issues referred to in this Section, but the administrator involved in the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council - the information necessary for giving rulings referred to in this Section.

(14) In reviewing the ancillary complaint referred to in Paragraph twelve of this Section the regional court has the right to:

- 1) leave the decision unamended, but to reject the complaint;
- 2) withdraw the decision and, by its decision, to decide on the issue on the merits.

(15) The decision referred to in Paragraph fourteen of this Section shall enter into effect and must be enforced without delay.

(16) A regional court shall send true copies of the decisions referred to in Paragraph fourteen of this Section to the Insolvency Control Service.

(17) A regional court shall, within 15 days, examine an ancillary complaint of a debtor or creditor regarding a court decision by which it is established that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council.

(18) In addition to the information provided for in Section 443.¹ of this Law, the following shall be indicated in an ancillary complaint:

- 1) since when the legal address of the debtor has been located or the main economic activity has been carried out in the indicated European Union Member State;
- 2) facts which show that the debtor usually implements his or her main interests in the European Union Member State indicated in the ancillary complaint;
- 3) information regarding creditors or a significant part of assets, or economic activity in another European Union Member State;

4) whether the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council have been commenced against the debtor in another European Union Member State.

(19) Upon examining the ancillary complaint referred to in Paragraph seventeen of this Section the regional court has the right to:

1) leave the decision unamended, but to reject the complaint;

2) withdraw the decision fully.

(20) If the regional court has withdrawn the decision, the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be continued as the insolvency proceedings specified in Article 3(2) or (4) of Regulation No 2015/848 of the European Parliament and of the Council.

(21) The court shall also send a true copy of the decision on the ancillary complaint to the administrator and the responsible institution that makes entries in the Insolvency Register.

[21 June 2012; 29 November 2012; 18 April 2013; 11 September 2014; 31 May 2018; 25 October 2018]

Section 363.¹⁵ Decision to Approve a Statement of Sale of Property in the Insolvency Proceedings

(1) If the administrator has sold immovable property at auction, the statement of auction shall be submitted for approval to the court when the highest bidder has paid all amount to be paid by him. The administrator shall indicate information in the application for the activities taken in the case which are related to the sale of property, by attaching the documents attesting it, and also the documents which approve that the court expenses regarding submission of the abovementioned application to the court have been paid.

(2) The court shall approve the statement of auction in accordance with the provisions of this Law regarding the auction of immovable property (except for that specified in Section 613, Paragraphs three and nine of this Law). The court shall examine the application for approval of the statement of auction of the immovable property (Sections 611 and 613) and corroboration of the sold immovable property in the name of the acquirer in accordance with the written procedure within 15 days after the submission of the administrator's application to the court. In satisfying an application the court shall concurrently take the decisions provided for in Section 613, Paragraph five of this Law.

(3) The activities specified in this Section shall be performed by the court, in the legal proceedings of which is the case regarding insolvency proceedings of a legal person.

(4) Not later than within three days from the day when the court decision to approve a statement of auction has come into effect, the administrator shall pay the State duty and office fee referred to in Section 611, Paragraph two, Clause 4 of this Law into the State budget and notify the acquirer and the district (city) court thereof. Latgale Suburb Court of Riga City and Pārdaugava Court of Riga City shall send the decision by which the administrator's application for approval of a statement of auction and corroboration of the sold immovable property in the name of the acquirer is satisfied to Vidzeme Suburb Court of Riga City, within three days after the day when it has come into effect.

[11 September 2014; 25 October 2018 / The new wording of Paragraph four shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 363.¹⁶ Procedures for Examining an Application for Legal Protection Proceedings in Extrajudicial Legal Protection Proceedings after Declaration of Insolvency Proceedings of a Legal Person

(1) After declaration of insolvency proceedings of a legal person an application for legal protection proceedings in extrajudicial legal protection proceedings shall be submitted to the court, in the legal proceedings of which is the case regarding insolvency proceedings of a legal person.

(2) After declaration of insolvency proceedings of a legal person a court shall examine the application for legal protection proceedings in extrajudicial legal protection proceedings in accordance with the procedures laid down in Chapter 45.¹ of this Law.

Section 363.¹⁷ Examination of a Complaint in a Court Regarding a Decision of the Administrator in Insolvency Proceedings of a Legal Person

(1) A court shall examine a complaint of a creditor, a representative of a debtor, or a third person whose lawful rights are concerned regarding a decision of the administrator or auction calculation in insolvency proceedings of a legal person in the cases specified in the Insolvency Law.

(¹) If it is reasonable to believe that the rights of the submitter of the complaint might be infringed, the submitter of the complaint is entitled to, concurrently with submission of the complaint regarding a decision of the administrator, ask the court to impose a provisional remedy in accordance with the procedures laid down in Chapter 30.⁷ of this Law.

(2) If a court acknowledges that the appealed decision of the administrator or auction calculation fails to conform to the requirements of laws and regulations, it shall satisfy the complaint and assign the administrator to eliminate the breach admitted.

(3) If a court finds that the appealed decision of the administrator or auction calculation complies with the requirements of laws and regulations, it shall reject the complaint.

(4) If upon examining the complaint regarding a decision of the administrator, a court establishes a dispute regarding rights, it shall determine a time period, not longer than one month, within which the submitter of the complaint may bring an action in accordance with the procedures laid down in Chapter 30.⁷ of this Law. If the court, upon its own initiative, establishes a dispute which may not be examined in the civil procedure, it shall determine a time period, not longer than 15 days, within which the submitter of the complaint may submit an application to an institution or court in accordance with the general procedure.

(5) The submitter of the complaint has the right to withdraw his or her complaint while examination thereof on the merits has not been completed. If the submitter of the complaint withdraws the complaint submitted, the court shall take a decision to terminate legal proceedings of the complaint.

[18 April 2013; 12 February 2015; 31 May 2018]

Section 363.¹⁸ Examination of a Complaint in a Court Regarding a Decision of the Creditors Meeting in Insolvency Proceedings of a Legal Person

(1) A court shall examine a complaint of a creditor, a representative of a debtor or administrator regarding a decision of the creditors meeting in insolvency proceedings of a legal person.

(2) Having acknowledged the appealed decision of the creditors meeting as non-complying with the requirements of laws and regulations, a court shall withdraw it.

(3) When revoking a decision of the creditors meeting on the non-approval of the costs of insolvency proceedings, non-approval of remuneration for the administrator or refusal to extend the time period for insolvency proceedings, a court may concurrently take a decision on approval of the costs of insolvency proceedings, approval of remuneration for the administrator or extension of the time period for the insolvency proceedings.

(4) Having found that the appealed decision of the creditors meeting complies with the requirements of laws and regulations, a court shall reject the complaint.

(5) The submitter of the complaint has the right to withdraw his or her complaint while examination thereof on the merits has not been completed. If the submitter of the complaint withdraws the complaint submitted, the court shall take a decision to terminate legal proceedings of the complaint.

Section 363.¹⁹ Examination of a Complaint in a Court Regarding a Decision Taken by the Insolvency Control Service on Action of the Administrator during Insolvency Proceedings of a Legal Person or Imposition of a Lawful Obligation and on Disbursement of Deposit

(1) A court shall examine a complaint of a creditor, a representative of a debtor, an administrator, or a third party whose lawful rights have been infringed regarding a decision taken by the Insolvency Control Service on action of the administrator during insolvency proceedings or imposition of a lawful obligation and on disbursement of the deposit. The court shall examine a complaint regarding a decision of the Insolvency Control Service which has been taken after termination of the relevant insolvency proceedings of a legal person, except for the decision on disbursement of the deposit, in accordance with the procedures laid down in this Section.

(2) If a court acknowledges that the appealed decision of the Insolvency Control Service fails to conform to the requirements of laws and regulations, it shall satisfy the complaint and decide on the following:

1) revocation of the decision taken by the Insolvency Control Service fully or partly;

2) imposition of an obligation on the Insolvency Control Service to accept or examine a complaint regarding action of the administrator;

3) imposition of an obligation to eliminate the violation admitted upon the administrator, except for the case when the debtor has been excluded from the relevant public register.

(3) If a court establishes that the appealed decision of the Insolvency Control Service conforms to the requirements of laws and regulations, it shall reject the complaint.

(4) The submitter of the complaint has the right to withdraw his or her complaint while examination thereof on the merits has not been completed. If the submitter of the complaint withdraws the complaint submitted, the court shall take a decision to terminate legal proceedings of the complaint.

(5) A court shall, upon examination of the complaint, immediately send a true copy of the decision taken to the Insolvency Control Service.

(6) If the decision of the Insolvency Control Service on action of the administrator in insolvency proceedings of a legal person has been taken within a year after termination of the relevant insolvency proceedings of a legal person, a complaint regarding decision of the Insolvency Control Service shall be submitted to the court in the legal proceedings of which was the relevant case regarding insolvency proceedings of a legal person.

[31 May 2018]

Section 363.²⁰ Termination of Insolvency Proceedings of a Legal Person

(1) A court shall terminate insolvency proceedings of a legal person rejecting the application for insolvency proceedings or terminating insolvency proceedings.

(2) A court shall take a decision to terminate insolvency proceedings of a legal person, if:

1) the debtor has settled all the obligations thereof;

2) legal protection proceedings have been declared for the debtor (transfer of insolvency proceedings to legal protection proceedings);

3) a proposal to terminate insolvency proceedings has been expressed in a report on non-existence of the debtor's property and agreement has not been reached regarding the source of financing of insolvency proceedings;

4) the plan for covering of creditors' claims has been fulfilled.

(3) A plan for measures of legal protection proceedings co-ordinated in accordance with the procedures laid down in the Insolvency Law shall be attached to an application for the termination of insolvency proceedings in the case referred to in Paragraph two, Clause 2 of this Section.

(4) A report on non-existence of the debtor's property, objections of creditors, if any have been expressed, and a reply of the administrator shall be attached to the application for the termination of the insolvency proceedings in the case referred to in Paragraph two, Clause 3 of this Section.

(5) The administrator shall provide information in the application for the objections of creditors not taken into account in respect of the report regarding the fulfilment of the plan for covering of the creditors' claims in the case referred to in Paragraph two, Clause 4 of this Section and a report on fulfilment of such plan shall be attached thereto.

(6) The administrator shall attach a report on his or her activity and a certificate regarding payment of surplus of the funds to the administrator involved in the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council to the application for termination of the case regarding insolvency proceedings, if a court has commenced the insolvency proceedings against a debtor specified in Article 3(2) of the abovementioned Regulation.

(6¹) A court may, upon an application of the administrator of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council which has been submitted in accordance with Article 39 of Regulation No 2015/848 of the European Parliament and of the Council, terminate the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council.

(7) A court shall send a true copy of the decision to terminate insolvency proceedings to the responsible institution that makes entries in the Insolvency Register.

[31 May 2018]

Chapter 46.² Cases Regarding Insolvency Proceedings of a Natural Person

[30 September 2010]

Section 363.²¹ Norms to be Applied to Examination of Cases

A court shall apply the provisions of Chapter 46.¹ of this Law to insolvency proceedings of a natural person in so far as it is not otherwise provided for in this Chapter.

Section 363.²² Jurisdiction of Cases Regarding Insolvency Proceedings of a Natural Person

(1) The case regarding insolvency proceedings of a natural person according to an application of the debtor shall be

examined by the court based on the declared place of residence of the debtor which was registered for the debtor three months prior to the submission of application to the court, but if none, based on the place of residence.

(2) The case regarding the commencement of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be examined by a court based on the location of the centre of the main interests of the debtor, but in the case of commencement of the insolvency proceedings specified in Article 3(2) of this Regulation - based on the location of the economic activity of the debtor (within the meaning of Article 2(10) of Regulation No 2015/848 of the European Parliament and of the Council).

[29 November 2012; 8 December 2016; 31 May 2018]

Section 363.²³ Application for Insolvency Proceedings of a Natural Person

(1) The following information shall be provided for in an application for insolvency proceedings of a natural person (hereinafter in this Chapter - the application for insolvency proceedings):

- 1) the given name, surname, personal identity number and declared place of residence of the debtor;
- 2) the circumstances due to which the natural person is not able to fulfil his or her obligations;
- 3) all obligations non-fulfilled within the due time and amounts thereof;

3¹) all obligations the due time of which will set in conformity with Section 134, Paragraph three of the Insolvency Law;

- 4) the total amount of all obligations the due time of which will set within a year;

5) the composition of the property of the debtor, including a part of the debtor in the joint property of spouses and in other joint property;

6) whether the provisions of Regulation No 2015/848 of the European Parliament and of the Council are applicable to the insolvency proceedings;

7) the declared place of residence of the debtor which was registered for the debtor three months prior to the submission of application to the court, but if none, the place of residence.

(1¹) If an application for insolvency proceedings is submitted by the debtor together with his or her spouse or a person who is in kinship or affinity with the debtor to the second degree, the information referred to in Paragraph one of this Section shall be indicated regarding each applicant separately.

(2) The documents confirming the following shall be attached to the application for insolvency proceedings:

- 1) payment of the State duty and other court expenses in accordance with the procedures and in the amounts laid down in law;
- 2) payment of the deposit of insolvency proceedings of a natural person;
- 3) conditions justifying the application.

[12 February 2015; 9 June 2016; 8 December 2016; 31 May 2018]

Section 363.²⁴ Receipt and Registration of the Application for Insolvency Proceedings

(1) The court shall accept an application for insolvency proceedings from a debtor, his or her guardian or trustee.

(2) Having received an application for insolvency proceedings, the court shall verify the identity of a debtor, his or her guardian or trustee. If the identity cannot be verified or the applicant does not have the relevant authorisation, the application shall not be accepted.

(3) An application for insolvency proceedings shall be registered in a separate register, in which the applicant and the recipient of the application shall sign.

[18 April 2013]

Section 363.²⁵ Deciding on the Issue of Accepting of the Application for Insolvency Proceedings and Initiation of a Case

(1) Not later than on the day after receipt of an application for insolvency proceedings the judge shall take a decision:

- 1) to leave the application for insolvency proceedings not proceeded with;
- 2) to refuse to accept the application for insolvency proceedings;
- 3) to accept the application for insolvency proceedings and initiation of the case.

(2) If the application for insolvency proceedings is left not proceeded with, the judge shall take a decision to accept the application for insolvency proceedings and to initiate the case not later than on the day after elimination of the deficiencies indicated in the decision. If the time period for the elimination of deficiencies indicated in the decision has expired and they have not been eliminated, the application shall be deemed as not submitted and it shall be returned to the applicant.

(3) The judge shall take a decision to refuse to accept the application for insolvency proceedings, if he or she finds that:

- 1) the debtor is not a subject of insolvency proceedings of a natural person;
- 2) [4 August 2011];
- 3) the debtor has not paid in a deposit of insolvency proceedings of a natural person.

[4 August 2011; 12 February 2015]

Section 363.²⁶ Court Activities in Preparing a Case Regarding Insolvency Proceedings of a Natural Person for Examination

(1) After initiation of a case regarding insolvency proceedings of a natural person a candidate for the position of an administrator shall be selected from the List of Candidates, using the automated selection provided by the Judicial Informative System, and a judge shall assess his or her suitability for the performance of the administrator's obligations in the relevant insolvency proceedings of a natural person.

(2) Having established restrictions on the performance of the administrator's obligations in the relevant insolvency proceedings of a natural person for the candidate for the position of an administrator, the judge shall take a decision to refuse to appoint the candidate for the position of the administrator as an administrator. A new candidate for the position of an administrator shall be selected from the List of Candidates, using the automated selection provided by the Judicial Informative System, and the judge shall assess his or her suitability for the performance of the administrator's obligations in the relevant insolvency proceedings of a natural person.

(3) A court shall immediately send its decision to initiate a case upon an application for commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council to the administrator of the proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council.

[31 May 2018]

Section 363.²⁷ Examination of an Application for Insolvency Proceedings and a Ruling in a Case Regarding Insolvency Proceedings of a Natural Person

(1) A court shall examine a case regarding insolvency proceedings of a natural person within seven days from the day of initiation thereof. A court shall examine an application in the written procedure, except for the case when it considers as necessary to examine the case in a court hearing. If the application for insolvency proceedings is examined in a court hearing, the debtor shall be summoned to the hearing. Failure of such person to attend shall not constitute a bar for examination of the case.

(¹) If an application has been submitted for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, the application shall be examined within 15 days from the day of initiation of the case or, if the court deems it necessary, in a court hearing. If the application for insolvency proceedings is examined in a court hearing, an applicant, debtor, and administrator of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be summoned to the hearing. Failure of such persons to attend shall not constitute a bar for the examination of the case.

(2) A court shall declare insolvency proceedings of a natural person if it establishes the following:

- 1) the feature of insolvency proceedings;
- 2) over the last year insolvency proceedings of a natural person which are terminated without extinguishing liabilities have not been declared;
- 3) over the last 10 years insolvency proceedings of a natural person within the framework of which liabilities are extinguished have not been declared;

4) the submitter has paid the State duty for submission of an application for insolvency proceedings of a natural person;

5) the submitter has paid a deposit of insolvency proceedings of a natural person.

(3) Upon satisfying an application a court shall appoint the candidate for the position of an administrator who has been selected in accordance with the procedures laid down in Section 363.²⁶ of this Law as an administrator.

(3¹) If a feature of insolvency proceedings indicated in the application for insolvency proceedings is not found, the insolvency proceedings of a natural person have been declared during the last 10 years for a debtor within the framework of which the obligations have been extinguished, or the applicant has not paid the deposit of insolvency proceedings of a natural person or the State duty regarding submission of the application for insolvency proceedings of a natural person, the court shall refuse the application for insolvency proceedings and terminate the case regarding insolvency proceedings of a natural person.

(4) A court judgment may not be appealed in insolvency proceedings of a natural person, except for a judgement on rejection of the application for insolvency proceedings of a natural person. A judgment on the rejection of the application for insolvency proceedings of a natural person may be appealed in accordance with appeal procedures, if any of the grounds for initiation of appeal proceedings laid down in Section 440.² of this Law exists.

(4¹) Upon examining an application for the commencement of the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, a court shall take into consideration Article 38 of Regulation No 2015/848 of the European Parliament and of the Council.

(4²) Upon declaring insolvency proceedings in accordance with Regulation No 2015/848 of the European Parliament and of the Council, the type of insolvency proceedings shall be indicated in the court judgment, if the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council are commenced, or the type of insolvency proceedings shall be indicated in the decision referred to in Paragraph 4.³ of this Section, if the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council are commenced.

(4³) If the court establishes that the centre of the main interests of a debtor is located in Latvia, it shall declare a judgement on the commencement of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council and take a decision by which it establishes that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council. A debtor or creditor may submit an ancillary complaint regarding this court decision in accordance with Article 5 of Regulation No 2015/848 of the European Parliament and of the Council within 30 days from the day of declaring the decision. Submission of an ancillary complaint shall not suspend the commencement of the insolvency proceedings.

(4⁴) Upon establishment that a court of another Member State which has commenced the insolvency proceedings against a debtor specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council was entitled to commence such proceedings, the court shall give a judgment on the commencement of the insolvency proceedings against a debtor specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council without prejudice to Paragraph two of this Section. The court shall not commence the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council, if it establishes that the conditions of Article 38 of Regulation No 2015/848 of the European Parliament and of the Council have set in.

(5) A court shall issue a true copy of a judgment to the applicant and the administrator, as well as the administrator involved in the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council, if it has commenced the insolvency proceedings against a debtor specified in Article 3(2) of the abovementioned Regulation in Latvia. The court shall send a true copy of the judgment to the responsible institution that makes entries in the Insolvency Register.

[4 August 2011; 18 April 2013; 12 February 2015; 31 May 2018]

Section 363.²⁸ Issues to be Decided by the Court after Declaration of Insolvency Proceedings of a Natural Person

(1) After declaration of insolvency proceedings of a natural person the court shall, on the basis of the relevant application, decide on:

1) discharge of the administrator, determining the time period for drawing up a statement for acceptance and delivery of documents and property and transfer of documents and property to another administrator;

2) appointing as the administrator of a new candidate for the position of the administrator, if the previous administrator has been discharged from the relevant insolvency proceedings;

3) approval of completion of the bankruptcy procedure;

4) approval of a plan for extinguishing obligations of a natural person and amendments thereto;

5) termination of insolvency proceedings of a natural person;

6) approval of a statement of auction of immovable property (Sections 611 and 613) and corroboration of the sold immovable property in the name of the buyer, and also deletion of an insolvency notation in the Land Register;

7) [11 September 2014].

(1¹) An application for approval of a statement of auction of immovable property (Sections 611 and 613) and corroboration of the sold immovable property in the name of the buyer shall be examined by the court in the court proceedings of which is the case of insolvency proceedings in accordance with the procedures laid down in Chapter 46.¹ of this Law.

(2) Administrator may be discharged by a court upon its own initiative if it, when examining the application or complaint in a case regarding insolvency proceedings of a natural person, has found that the administrator fails to observe the requirements of laws and regulations or fails to fulfil a court rulings.

(3) If after the day of declaration of insolvency proceedings the court has taken a decision to discharge an administrator, after taking of this decision the court shall appoint a candidate for the position of an administrator who is selected from the List of Candidates, using the automated selection provided by the Judicial Informative System, as the administrator.

(4) [31 May 2018]

(5) Having established restrictions on the performance of the administrator's obligations in the relevant insolvency proceedings of a natural person for the candidate for the position of an administrator, the judge shall take a decision to refuse to appoint the candidate for the position of the administrator as an administrator. The judge shall decide on appointing as the administrator of a candidate for the position of the administrator in accordance with the procedures laid down in Paragraph three of this Section.

(6) A court shall immediately send true copies of the decisions referred to in Paragraph one, Clauses 1-5 of this Section to the responsible institution that makes entries in the Insolvency Register.

(7) A court shall examine a complaint regarding the decision of the administrator, as well as a complaint regarding the decision taken by the Insolvency Control Service on the action of the administrator during insolvency proceedings or imposition of a lawful obligation. After examination of the complaint the court shall immediately send a true copy of the decision taken to the Insolvency Control Service.

(8) A court shall examine an application and complaint within 15 days from the day of receipt of the application or complaint. The judge shall examine an application in the written procedure without organising a court hearing, except for the case when he or she considers as necessary to examine the case in a court hearing. The judge shall examine a complaint in the written procedure without organising a court hearing, except for the case when the administrator requests to examine the case in a court hearing or the court considers as necessary to examine the complaint in a court hearing. The applicant or complaint, the administrator, representative of the debtor and other interested persons shall be summoned to the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the issue.

(9) A court decision on examination of the application and complaint may not be appealed. A court decision to discharge the administrator on the basis of Section 22, Paragraph two, Clause 1, 2, 3, 4, or 7 of the Insolvency Law shall be subject to appeal in respect of the part regarding the established failure to conform to the requirements of laws and regulations or failure to enforce a court ruling by submitting an ancillary complaint. The regional court shall examine such ancillary complaint within 15 days.

(9¹) An ancillary complaint may be submitted regarding a court decision in a case regarding approval of a statement of auction.

(10) A court may request that the administrator submits a report or other information regarding his or her activity for examination of the issues referred to in this Section.

(11) In examining the ancillary complaint referred to in Paragraph nine of this Section the regional court has the right to:

1) leave the decision unamended, but to reject the complaint;

2) withdraw the decision and, by its decision, to decide on the issue on the merits.

(12) The decision referred to in Paragraph eleven of this Section shall enter into effect and must be enforced without delay.

(13) The regional court shall send true copies of the decisions referred to in Paragraph eleven of this Section to the Insolvency Control Service.

(14) The regional court shall examine an ancillary complaint of a debtor or creditor regarding a court decision by which it is established that the centre of the main interests of the debtor is located in Latvia and Latvia has jurisdiction to commence the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council within 15 days.

(15) In addition to the information referred to in Section 443.¹ of this Law, the following information shall be indicated in the ancillary complaint:

1) since when the permanent place of residence of the debtor has been in the European Union Member State indicated in the ancillary complaint;

2) whether the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council have been commenced against the debtor in another European Union Member State.

(16) Upon examining the ancillary complaint referred to in Paragraph fourteen of this Section the regional court has the right to:

1) leave the decision unamended, but to reject the complaint;

2) withdraw the decision fully.

(17) If the regional court has withdrawn the decision, the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council shall be continued as the insolvency proceedings specified in Article 3(2) or (4) of Regulation No 2015/848 of the European Parliament and of the Council.

(18) The court shall also send a true copy of the decision on the ancillary complaint to the administrator and the responsible institution that makes entries in the Insolvency Register.

[21 June 2012; 29 November 2012; 18 April 2013; 11 September 2014; 31 May 2018 /] See Paragraph 145 of Transitional Provisions]

Section 363.²⁹ Termination of a Bankruptcy Procedure

(1) A court shall decide on termination of a bankruptcy procedure upon an application of the administrator.

(2) The administrator shall indicate the basis for termination of the bankruptcy procedure in the application for the termination of bankruptcy procedure.

(²¹) A court shall decide on termination of a bankruptcy procedure upon an application of the debtor, if creditors' claims have not been submitted against the debtor.

(²²) A debtor shall indicate all his or her obligations and grounds thereof in the application for termination of the bankruptcy procedure in the case laid down in Paragraph 2.1 of this Law.

(²³) If upon termination of the bankruptcy procedure the court finds that obligations of a debtor have elapsed in accordance with the procedures laid down in the Insolvency Law, it shall concurrently take a decision to terminate insolvency proceedings of a natural person.

(3) A court shall terminate the bankruptcy procedure if it finds restrictions on the application of insolvency proceedings to a natural person.

(4) When terminating the bankruptcy procedure, a court shall concurrently take a decision to terminate insolvency proceedings.

[12 February 2015]

Section 363.³⁰ Completion of a Bankruptcy Procedure

(1) Upon an application of the administrator a court shall decide on termination of a bankruptcy procedure.

(2) The administrator shall indicate the following in the application for completion of the bankruptcy procedure:

1) basis for the completion of the bankruptcy procedure;

2) measures performed within the framework of the bankruptcy procedure;

3) the list of the sold property of the debtor, including the sold part of the debtor's property in the joint property of spouses and in another joint property and income obtained from the sale of the debtor's property and distribution thereof;

4) whether the procedure for extinguishing of obligations should be applied to the debtor;

5) objections and proposals received from the debtor and creditors that have not been taken into account.

(3) If it is intended for the debtor to apply the procedure for extinguishing of obligations the debtor shall submit a plan for extinguishing of obligations for approval to the court and the objections and proposals of creditors received and not taken into account in respect of such plan.

(4) In examining an issue regarding completion of the bankruptcy procedure, a court shall verify whether the bankruptcy procedure has occurred in accordance with the procedures laid down by the law.

(5) If the court approves completion of the bankruptcy procedure and the procedure for extinguishing of obligations is not applied to the debtor, the court shall concurrently take a decision to terminate insolvency proceedings.

Section 363.³¹ Approval of a Plan for Extinguishing of Obligations

(1) In approving the completion of a bankruptcy procedure, a court shall concurrently examine an issue regarding approval of a plan for extinguishing of obligations.

(2) A court shall not approve a plan for extinguishing of obligations, if it finds restrictions on the application of the procedure for extinguishing obligations.

(3) A court shall verify whether the plan for extinguishing of obligations complies with the requirements of the law.

(4) If a court determines deficiencies in the plan for extinguishing obligations, it shall determine a term for elimination of the deficiencies for the debtor and it may not be less than 10 days and more than 30 days.

(5) A court shall approve the plan for extinguishing of obligations, if it complies with the requirements of the law and objections have not been received from creditors and debtors or such objections are to be recognised as unfounded.

Section 363.³² Examination of a Complaint Regarding a Decision of the Administrator in the Insolvency Proceedings of a Natural Person in a Court

(1) A court shall examine a complaint of a creditor, debtor or third person whose lawful rights are concerned regarding a decision of the administrator in insolvency proceedings of a natural person.

(2) If a court acknowledges that the appealed decision of the administrator fails to conform to the requirements of laws and regulations, it shall satisfy the complaint and assign the administrator to eliminate the breach admitted.

(3) If a court finds that the appealed decision of the administrator complies with the requirements of laws and regulations, it shall reject the complaint.

(4) If, when examining the complaint regarding a decision of the administrator, a court finds that there is a dispute regarding rights, it shall determine the time period within which the submitter of the complaint may bring an action before the court in accordance with the general procedures or may request to renew the stayed court proceedings regarding the subject-matter of the dispute.

(5) The submitter of the complaint has the right to withdraw his or her complaint while examination thereof on the merits has not been completed. If the submitter of the complaint withdraws the complaint submitted, the court shall take a decision to terminate legal proceedings of the complaint.

[18 April 2013]

Section 363.³³ Examination of a Complaint Regarding a Decision of the Creditors Meeting in the Insolvency Proceedings of a Natural Person in a Court

(1) A court shall examine a complaint of a creditor, debtor or administrator regarding a decision of the creditors meeting in insolvency proceedings of a natural person.

(2) Having acknowledged the appealed decision of the creditors meeting as non-complying with the requirements of laws and regulations, a court shall withdraw it.

(3) When revoking a decision of the creditors meeting on the non-approval of the costs of insolvency proceedings, non-approval of remuneration for the administrator or refusal to extend the time period for insolvency proceedings, a court may concurrently take a decision on approval of the costs of insolvency proceedings, approval of remuneration for

the administrator or extension of the time period for the insolvency proceedings.

(4) Having found that the appealed decision of the creditors meeting complies with the requirements of laws and regulations, a court shall reject the complaint.

(5) The submitter of the complaint has the right to withdraw his or her complaint while examination thereof on the merits has not been completed. If the submitter of the complaint withdraws the complaint submitted, the court shall take a decision to terminate legal proceedings of the complaint.

Section 363.³⁴ Examination of a Complaint in a Court Regarding a Decision Taken by the Insolvency Control Service on Action of the Administrator during Insolvency Proceedings of a Natural Person or Imposition of a Lawful Obligation

(1) A court shall examine a complaint of a creditor, debtor, administrator, or third party whose lawful rights have been infringed regarding a decision taken by the Insolvency Control Service on action of the administrator during insolvency proceedings or imposition of a lawful obligation. The court shall examine a complaint regarding a decision of the Insolvency Control Service which has been taken after termination of the relevant insolvency proceedings of a natural person in accordance with the procedures laid down in this Section.

(2) If a court acknowledges that the appealed decision of the Insolvency Control Service fails to conform to the requirements of laws and regulations, it shall satisfy the complaint and decide on the following:

1) revocation of the decision taken by the Insolvency Control Service fully or partly;

2) imposition of an obligation on the Insolvency Control Service to accept or examine a complaint regarding action of the administrator;

3) imposition of an obligation to eliminate the violation admitted upon the administrator, except for the case when insolvency proceedings of a natural person have been terminated.

(3) If a court establishes that the appealed decision of the Insolvency Control Service conforms to the requirements of laws and regulations, it shall reject the complaint.

(4) The submitter of the complaint has the right to withdraw his or her complaint while examination thereof on the merits has not been completed. If the submitter of the complaint withdraws the complaint submitted, the court shall take a decision to terminate legal proceedings of the complaint.

(5) A court shall, upon examination of the complaint, immediately send a true copy of the taken decision to the Insolvency Control Service.

(6) If the decision of the Insolvency Control Service on action of the administrator in insolvency proceedings of a natural person has been taken within a year after termination of the relevant insolvency proceedings of a natural person, a complaint regarding a decision of the Insolvency Control Service shall be submitted to the court in the legal proceedings of which was the relevant case regarding insolvency proceedings of a natural person.

[31 May 2018]

Section 363.³⁵ Termination of Procedure for Extinguishing of Obligations

(1) A court shall examine an issue regarding termination of a procedure for extinguishing of obligations upon an application of the debtor or administrator.

(2) A court shall approve termination of the procedure for extinguishing of obligations, if it finds that the debtor has fulfilled the plan for extinguishing of obligations and objections have not been received from creditors and debtor or the objections received are to be recognised as unfounded.

(3) In approving termination of the procedure for extinguishing of obligations, a court shall decide on the extinguishing of the obligations which have not been fulfilled during the process of extinguishing of obligations.

(4) The debtor, creditor or administrator shall attach evidence to the application for the termination of the procedure for extinguishing of obligations, confirming the circumstances indicated in the application.

(5) When approving termination of the procedure for extinguishing of obligations, a court shall concurrently take a decision to terminate insolvency proceedings.

Section 363.³⁶ Termination of Insolvency Proceedings of a Natural Person

(1) A court shall take a decision to terminate insolvency proceedings of a natural person, if:

1) after completion of the bankruptcy procedure the procedure for extinguishing of obligations is not applied for the

debtor;

- 2) the debtor has settled all the obligations thereof;
- 3) restrictions on the application of the insolvency proceedings of a natural person are found;
- 4) restrictions on the application of the procedure for extinguishing of obligations are found;
- 5) the debtor fails to fulfil the plan for extinguishing of obligations;
- 6) the plan for extinguishing of obligations has been fulfilled;

7) during the bankruptcy procedure creditors' claims have not been submitted in conformity with the time periods laid down in the Insolvency Law, by concurrently terminating also the bankruptcy procedure.

(2) If a court, when terminating the procedure for extinguishing obligations, finds that the debtor should be released from the debt obligations in accordance with Section 164 of the Insolvency Law, it shall, concurrently with the termination of the procedure, release him or her from the obligations indicated in the plan for extinguishing obligations of a natural person.

(2¹) A court may, upon an application of the administrator of the insolvency proceedings specified in Article 3(1) of Regulation No 2015/848 of the European Parliament and of the Council which has been submitted in accordance with Article 39 of Regulation No 2015/848 of the European Parliament and of the Council, terminate the insolvency proceedings specified in Article 3(2) of Regulation No 2015/848 of the European Parliament and of the Council.

(3) A court shall immediately send a true copy of the decision to terminate insolvency proceedings of a natural person to the responsible institution that makes entries in the Insolvency Register.

[12 February 2015; 31 May 2018]

Chapter 47

Cases Regarding Credit Institution Insolvency and Liquidation

Section 364. Jurisdiction of Cases

Cases regarding insolvency or liquidation of credit institutions shall be examined by the court based on the legal address of the credit institution.

[29 November 2012]

Section 365. Submitters of an Application for Insolvency Proceedings

An application for insolvency proceedings may be submitted to the court by:

- 1) a credit institution or the liquidator of a credit institution;
- 2) a creditor or group of creditors;
- 3) an administrator for another insolvency case;
- 4) the Finance and Capital Market Commission.

[20 June 2001]

Section 366. Submitter of a Liquidation Application

Liquidation applications shall be submitted to the court by the Finance and Capital Market Commission.

[20 June 2001]

Section 367. Procedures for Submitting an Application for Insolvency Proceedings

(1) An application for insolvency proceedings may, after the application has been examined by the Finance and Capital Market Commission, be submitted to the court by a credit institution, the liquidator of a credit institution, a creditor or group of creditors, or the administrator of another insolvency case.

(2) Application for insolvency proceedings shall be submitted to the court by the Finance and Capital Market Commission, and the decision of the Finance and Capital Market Commission on the submission of the application to the court and other documents that could be significant in the case shall be attached thereto. In such case the person on whose behalf the application for insolvency proceedings is prepared and who submits it to the Finance and Capital

Market Commission shall be considered as the applicant. The insolvency petition must conform to the requirements of Sections 368 and 369 of this Law.

(3) If the Finance and Capital Market Commission dismisses an application for insolvency proceedings, the persons mentioned in Paragraph one of this Section may submit it directly to the court. In such case the decision of the Finance and Capital Market Commission on the refusal to submit the application for insolvency proceedings to the court shall be attached to the application for insolvency proceedings.

[20 June 2001]

Section 368. Applications for Insolvency Proceedings Submitted by a Creditor, a Group of Creditors or the Administrator of Another Insolvency Proceeding

(1) Set out in an application for insolvency proceedings submitted by a creditor, a group of creditors or the administrator of another insolvency case, shall be the following:

1) the name of the court which has jurisdiction over the case;

2) the given name, surname, personal identity number and declared place of residence of the applicant, but if none, the place of residence; for a legal person - the name, registration number and legal address, as well as information regarding their representative (given name, surname, personal identity number, position and address), if the application is submitted by a representative. In addition the applicant may indicate also another address for correspondence with the court;

3) the name and legal address of the credit institution;

4) the actual state of insolvency and evidence which confirms this state;

5) the documents attached to the application for insolvency proceedings.

(2) Attached to the application for insolvency proceedings shall be documents, which confirm the actual insolvency of the credit institution, as well as the decision of the Finance and Capital Market Commission on the refusal to submit the application for insolvency proceedings to the court.

[20 June 2001; 29 November 2012]

Section 369. Applications for Insolvency Proceedings of Credit Institutions

(1) Set out in an application for insolvency proceedings submitted by a credit institution shall be:

1) the name of the court which has jurisdiction over the case;

2) the name and registration number of the credit institution, the number and dates of issue and re-registration of the licence issued to operate the credit institution, legal address and the details of all accounts open in the credit institution;

3) the actual state of insolvency or the probability of it happening, and evidence confirming such state;

4) the documents attached to the application for insolvency proceedings.

(2) The following shall be attached to the application for insolvency proceedings:

1) a list (given name, surname, personal identity number and address) of chairpersons and members of the advisory board, and the executive and audit bodies of the credit institution and of the representatives of the credit institution;

2) the most recent balance of the credit institution, prepared in conformity with the instructions of the Finance and Capital Market Commission regarding the preparation of annual accounts;

3) documents which confirm the actual state of insolvency of the credit institution or the probability of it happening;

4) a list of the property belonging to third persons which is in the possession of or held by the credit institution, except for deposits and interest from them;

5) the decision of the Finance and Capital Market Commission to refuse to submit the application for insolvency proceedings to the court.

[20 June 2001; 29 November 2012]

Section 370. Application of the Finance and Capital Market Commission for the Insolvency of a Credit Institution

(1) Set out in an application for insolvency proceedings submitted by the Finance and Capital Market Commission

shall be:

- 1) the name of the court which has jurisdiction over the case;
 - 2) the address of the Finance and Capital Market Commission and information (given name, surname, personal identity number and position) regarding its representative who is submitting the application;
 - 3) the name and legal address of the credit institution;
 - 4) the actual state of insolvency or the probability of it happening, and evidence that confirms these conditions;
 - 5) the documents attached to the application for insolvency proceedings.
- (2) Documents that confirm the actual state of insolvency of the credit institution or the probability of it happening shall be attached to the application for insolvency proceedings.

[20 June 2001; 29 November 2012]

Section 371. Contents of the Credit Institution Liquidation Application

- (1) The following shall be indicated in a credit institution liquidation application:
- 1) the name of the court which has jurisdiction over the case;
 - 2) the address of the Finance and Capital Market Commission and information (given name, surname, personal identity number and position) regarding its representative who is submitting the application;
 - 3) the name and legal address of the credit institution;
 - 4) the representatives of the credit institution and persons whose participation in the liquidation of the credit institution is obligatory;
 - 5) the conditions, as a result of which the operating licence issued to the credit institution has been annulled and evidence which confirms these conditions;
 - 6) the documents attached to the application.
- (2) Attached to the liquidation application shall be the decision on annulment of the operating licence issued to the credit institution, and documents that confirm the conditions as a result of which the operating licence issued to the credit institution has been annulled.

[20 June 2001; 12 February 2009; 29 November 2012]

Section 372. Submission and Registration of an Application for Insolvency Proceedings and Liquidation Application of a Credit Institution

- (1) An application for insolvency proceedings or liquidation application in regard to a credit institution may be submitted to the court by a representative of the Finance and Capital Market Commission, but in cases provided for in Section 367, Paragraph three of this Law - by the applicant or his or her representative.
- (2) The identity of the applicant shall be verified upon receipt of an application. If such application cannot be verified or if the applicant does not have the appropriate authorisation, the application shall not be accepted.
- (3) Applications for insolvency proceedings and liquidation applications in regard to credit institutions shall be registered in separate registers, in which the applicant and the recipient shall sign.

[20 June 2001]

Section 373. Initiation of Insolvency Cases and Liquidation Cases of Credit Institutions

- (1) A judge shall take a decision to initiate an insolvency case or a liquidation case or refusal to accept an application not later than the day following receipt of the application in court, but if an application is left not proceeded with, then not later than the day following the elimination of deficiencies indicated in a judge's decision or after expiry of the time period for the elimination of deficiencies.
- (2) Upon initiating a case, the court shall seize the property of the credit institution, except for the cases where the application for insolvency proceedings has been submitted in accordance with the procedures provided for in Section 367, Paragraph three of this Law.

Section 374. Activities of a Judge in Preparing Credit Institution Insolvency Cases for Examination

- (1) When an insolvency case regarding a credit institution is being initiated, a credit institution administrator

recommended by the Finance and Capital Market Commission shall be appointed by a decision of a judge.

(2) A person to whom the restrictions laid down in the Credit Institution Law apply may not be appointed as an administrator.

(3) When an administrator is appointed, the following functions shall be assigned to such person:

1) drawing up a list of those persons whose participation in the insolvency case is mandatory;

2) preparation of a statement of the assets (property) of the credit institution at their actual (market) value;

3) ascertaining of any property of third persons possessed or owned by the credit institution, and drawing up a list of such property;

4) drawing up a list of creditors based on the existing accounting data of the credit institution by including information on the creditors, the amount of debt and obligations, and performance time periods;

5) submission of the abovementioned information to the court before the case is being examined.

(4) A declaration signed by the administrator, which shall confirm his or her consent to take the position and assume the liability laid down in law, shall be attached to the file.

(5) The judge shall certify the identification document of the administrator.

[20 June 2001]

Section 375. Examination of Cases Regarding the Insolvency or Liquidation of a Credit Institution

(1) The court shall examine cases regarding the insolvency and liquidation of credit institutions within seven days of the day when the case is initiated.

(2) The applicant, a representative of the credit institution and a representative of the Finance and Capital Market Commission, and in a case regarding insolvency also the administrator, shall be invited to the court hearing.

(3) In cases regarding the insolvency or liquidation of credit institutions withdrawal or varying of applications shall not be permitted.

(4) When examining cases regarding the insolvency of credit institutions, the court shall verify the existence of any condition laid down in the Credit Institution Law that indicates the insolvency of the credit institution and verify that the pre-trial procedures for the examination of applications laid down in Section 367 of this Law have been complied with.

(5) When examining a case regarding the liquidation of a credit institution, the court shall not assess the solvency of the credit institution.

[20 June 2001; 12 February 2009]

Section 376. Court Judgment in a Case Regarding the Insolvency of a Credit Institution

(1) If the court finds any circumstances that indicate the insolvency of a credit institution, the court shall, according to its judgment, declare the credit institution insolvent and determine that the insolvency of the credit institution sets in on the day of declaration thereof. If the application for insolvency proceedings is submitted by the liquidator, the court shall, simultaneously with the declaration of the insolvency of credit institution and based on the liquidator's application, take a decision to initiate bankruptcy procedures. The judgment shall be final and may not be appealed by the way of appeal procedures.

(2) In giving a judgment on the insolvency of a credit institution, the court shall confirm the appointed administrator.

(3) The court shall, based on an application of the Finance and Capital Market Commission and the list drawn up by the administrator, determine those representatives of the credit institution and persons whose participation in the insolvency proceeding is mandatory.

(4) The judgment shall constitute the basis for a stay of court proceedings in civil cases initiated against the credit institution, and for a termination of judgement enforcement proceedings in cases regarding the recovery of amounts adjudged against the credit institution, but not yet recovered.

(5) If the court does not find any circumstances indicating that the credit institution is insolvent, the court shall dismiss the request, and at the same time shall terminate the insolvency proceedings and take a decision on the issue of whether the application should be found intentionally false in accordance with the Credit Institutions Law.

(6) Upon finding that a request is intentionally false, the court shall recover from the applicant the court expenses and remuneration for the administrator and the administrator's assistant.

[20 June 2001; 8 September 2011]

Section 377. Court Judgment in a Case Regarding the Liquidation of a Credit Institution

(1) If the court finds that the Finance and Capital Market Commission has annulled the operator's licence issued to the credit institution in accordance with the Credit Institution Law, the court shall declare the credit institution subject to liquidation. The judgment shall be final and may not be appealed by the way of appeal procedures.

(2) In giving a judgment on the liquidation of a credit institution, the court shall appoint a liquidator for the credit institution. The court shall appoint as the liquidator for the credit institution a person recommended by the Finance and Capital Market Commission.

(3) Persons subject to the restrictions laid down in the Credit Institutions Law may not be appointed as liquidators.

(4) The court shall, on the basis of an application of the Finance and Capital Market Commission, determine those representatives of the credit institution and persons whose participation in the liquidation of the credit institution is mandatory.

(5) The judgment shall constitute the basis for a stay of court proceedings in civil cases initiated against the credit institution, and for a termination of judgement enforcement proceedings in cases regarding the recovery of amounts adjudged against the credit institution, but not yet recovered.

[20 June 2001; 12 February 2009]

Section 378. Court Activities Following Declaration of the Insolvency or Liquidation of a Credit Institution

(1) After declaration of a judgment, the court shall issue to the administrator or liquidator three true copies of the judgment certified in accordance with prescribed procedure with a notation regarding the entering into effect of the judgment.

(2) The judge shall warn the representatives of the credit institution and persons specified in the judgment, whose participation in the credit institution insolvency proceedings or the liquidation of the credit institution is mandatory, for which such representatives and persons shall sign, that:

1) it is their obligation to attend all court hearings, that their failure to attend shall not constitute a bar for the examination of the case at the court hearing, but the court may declare their attendance mandatory and require forced conveyance;

2) it is their obligation to provide the necessary information to the court and the administrator or liquidator;

3) in case of change of the declared place of residence, place of residence and address for correspondence with the court they must, within three days, notify the court and the administrator or liquidator regarding their new declared place of residence, place of residence and address;

4) in case of failure to perform their obligations, they may be held liable as laid down in law.

(2¹) After declaration of the judgment, the court shall inform the Financial and Capital Market Commission of this, ensuring that the commission receives the relevant information on the day of the declaration of the judgment. The procedures for informing the Financial and Capital Market Commission shall be determined by the Minister for Justice.

(3) Based on a request of the administrator or liquidator, the judge shall take a decision on the release of property from seizure and its transfer to the administrator or liquidator.

[12 February 2004; 29 November 2012]

Section 379. Issues to be Decided by the Court after Declaring the Insolvency of a Credit Institution

(1) After declaring a credit institution insolvent on the basis of the respective application, the court shall decide on:

1) revocation of restoration;

2) initiation and conclusion of bankruptcy procedures;

3) costs of insolvency proceedings;

4) procedures and time periods for settling debts;

5) termination of insolvency proceedings;

6) appointing of several administrators;

7) accepting the resignation of or discharging the administrator and appointing another administrator.

(2) The court shall also examine complaints about the actions of the administrator and decide other issues relevant to the insolvency proceedings.

(3) The court may, in connection with examination of the issues noted in this Section, require the administrator to submit a report of his or her actions or other information.

(4) The court shall examine applications and complaints within 15 days from the day of the receipt thereof. The following persons shall be invited to the court hearing: the applicant or complainant, the administrator, the representatives of credit institution determined by the court and persons whose participation in the insolvency process is mandatory. Failure of the invited persons to attend shall not constitute a bar for the examination of the issue in a court hearing. Nevertheless, the court may determine that representatives of the credit institution or persons whose participation in the insolvency proceeding is mandatory must attend a court hearing and require that they be brought by forced conveyance.

(5) The court shall take decisions on examining of applications and complaints, which may not be appealed.

Section 380. Issues to be Decided by the Court after Declaration of the Liquidation of a Credit Institution

(1) After declaring the liquidation of a credit institution based on the respective application, the court shall decide on:

- 1) appointing of several administrators;
- 2) accepting the resignation of the liquidator or dismissing him or her and appointing another liquidator;
- 3) concluding the liquidation and approving the report of the liquidator.

(2) The court shall also examine complaints about the actions of the liquidator and decide other issues connected with the liquidation.

(3) The court may, in connection with examination of the issues referred to in this Section, require the liquidator to submit a report of his or her actions or other information.

(4) The court shall examine applications and complaints within 15 days from the day of the receipt thereof. The following shall be invited to the court hearing: the applicant or complaint, the liquidator, the credit institution representatives determined by the court and persons whose participation in the liquidation of the credit institution is mandatory. Failure of the invited persons to attend shall not constitute a bar for the examination of the issue in a court hearing. Nevertheless, the court may determine that the representatives of the credit institution or persons whose participation in the liquidation is mandatory must attend the court hearing and require them to be brought by forced conveyance.

(5) The court shall take decisions on examining of applications and complaints, which may not be appealed.

Section 381. Revocation of Restoration

(1) The court shall, according to the application of an administrator, decide on revocation of restoration.

(2) In the application of the administrator shall be set out the conditions under which the decision on restoration of the credit institution was taken. Attached to the application shall be the restoration plan and the opinion of the Finance and Capital Market Commission regarding revocation of the restoration.

(3) The court shall withdraw the decision to restore a credit institution only if the court finds that the taking of such a decision has been achieved by fraud or duress, or as a result of error.

[20 June 2001]

Section 382. Decision to Initiate Bankruptcy Procedures

The court shall take a decision to initiate bankruptcy procedures according to the application of an administrator. Attached to the application shall be the relevant decision of the administrator, as confirmed by the Finance and Capital Market Commission.

[20 June 2001]

Section 383. Disputing the Procedures for Covering Expenses and Debts of Insolvency Proceedings and Liquidations

(1) According to an application of a creditor or group of creditors the court shall take a decision on whether the decision of the administrator or liquidator by which the procedures for covering the expenses of insolvency proceedings or liquidations and for settling debts is specified conforms to law.

(2) If the court finds that the procedures laid down by the administrator for covering the expenses and debts of the insolvency proceeding or the procedures specified by the liquidator for covering the expenses and debts of the liquidation do not conform to law, the court shall take a decision in which it shall determine the procedures for covering the expenses and debts of the insolvency proceeding or liquidation, concurrently, if necessary, deciding the issue on covering unfounded expenses of the insolvency proceeding or liquidation from the security of the administrator or liquidator.

Section 384. Decision to Conclude Bankruptcy Procedures

(1) The court shall take a decision to conclude the bankruptcy procedures according to the application of the administrator to which application shall be attached documents certifying monetary payments.

(2) At the same time the court shall take a decision to terminate insolvency proceedings.

(3) The court, after the decision has been taken, shall obtain from the administrator his or her identification document and seal, and shall destroy them.

Section 385. Decision to Conclude Liquidation

(1) The court shall decide as to the concluding of liquidation according to the application of the liquidator.

(2) The court shall take a decision to conclude the liquidation, and at the same time confirm the liquidator's report on the whole liquidation period.

(3) The court, after the decision is taken, shall receive from the liquidator his or her identification document and seal, and shall destroy them.

Section 386. Complaints Regarding the Actions of an Administrator or Liquidator

(1) In examining a complaint regarding the actions of an administrator or liquidator, the court may require a report on the actions of an administrator or liquidator and the opinion of the Finance and Capital Market Commission regarding the actions of the administrator or liquidator, and may decide on the discharge of the administrator or liquidator.

(2) If the court determines that the action appealed from does not conform to law, it shall satisfy the complaint and instruct the administrator or liquidator to eliminate the breach allowed to occur.

(3) If the court finds that the appealed action is lawful, it shall reject the complaint.

[20 June 2001]

Section 387. Decision to Accept the Resignation of or Discharge an Administrator or Liquidator

(1) The court shall accept the resignation of an administrator or liquidator if he or she submits a reasoned submission, to which a report of his or her actions is attached.

(2) The court may discharge an administrator or liquidator according to the application of the Finance and Capital Market Commission. To the application shall be attached the decision of the Finance and Capital Market Commission on the expression of no-confidence in the administrator or liquidator in connection with any of the following conditions:

1) the administrator or liquidator does not conform to the provisions of Section 131, Paragraph one or Section 131.¹, Paragraph one of the Credit Institution Law, or any of the circumstances referred to in Section 132 or 132.¹ have become disclosed;

2) the administrator or liquidator is incompetent;

3) the administrator or liquidator are using his or her powers in bad faith.

(3) The court may, upon an application of a creditor or group of creditors or its own initiative, examine the issue of discharging an administrator or liquidator, if there is evidence at the disposal of the court that the administrator or liquidator in the course of performing his or her obligations is failing to conform to the provisions of the Credit Institution Law and other laws and regulations or court rulings, the administrator or liquidator does not conform to the provisions of Section 131, Paragraph one or Section 131.¹, Paragraph one of the Credit Institution Law or any of the circumstances referred to in Section 132 or 132.¹ have become disclosed, or the administrator or liquidator is incompetent or is using his or her powers in bad faith.

[20 June 2001; 12 February 2009]

Section 388. Appointing of a New Administrator or Liquidator in the event of Resignation or Removal of the Administrator or Liquidator

In the event of the resignation or removal of an administrator or liquidator, the court, according to the recommendation of the Finance and Capital Market Commission, shall without delay appoint another administrator or liquidator, as well as determine the time period for submitting a document which confirms security.

[20 June 2001]

Section 389. Appointing of Several Administrators or Liquidators

(1) Taking into account the amount of assets of the credit institution, the court may, based on a request of the Finance and Capital Market Commission, appoint several administrators or liquidators, specifying their functions and mutual reporting relationships.

(2) The restrictions set out in law shall apply to all candidates for the position of administrator or liquidator.

[20 June 2001]

Chapter 48

Declaring a Strike or an Application to Strike as Unlawful

Section 390. Submission of an Application

(1) An employer may submit an application for the declaring of a strike or an application to strike as unlawful in accordance with the abovementioned grounds and procedures laid down in the Law on Strikes.

(2) The application to declare a strike or an application to strike as unlawful shall be submitted to the court based on the location where the strike is to take place.

Section 391. Contents of an Application

(1) The applicants for the strike, the claims of applicants for the strike or the strikers, the leader, membership and location of the strike committee, and the grounds referred to in the Law on Strikes in accordance with which the strike or the strike application may be declared unlawful shall be indicated in the application.

(2) Attached to the application shall be the minutes of the discussions of the employer and workers or workers' trade organisation.

Section 392. Examination of an Application

(1) The court shall examine an application within 10 days from the day of its receipt. The application shall be examined in a court hearing, regarding which prior notice shall be given to the employer, the State Labour Inspectorate and the strike committee.

(2) The participation of the applicant at the court hearing is mandatory. His or her failure to attend shall be cause for the court to terminate the case.

Section 393. Mandatory Participation of a Public Prosecutor

Cases regarding the declaring of a strike or an application to strike as unlawful shall be examined by the court with mandatory participation by a public prosecutor.

Section 394. Court Judgment on an Application

(1) Having examined an application, the court shall give a judgment which:

- 1) finds the employer's application to be unfounded and dismisses it;
- 2) finds the employer's application to be well-founded and the strike or the strike application to be unlawful.

(2) The court judgment shall be final and shall not be subject to appeal by the way of appeal procedures.

Chapter 48.¹

Declaring a Lockout or an Application for a Lockout as Unlawful

[31 October 2002]

Section 394.¹ Submission of an Application

(1) Representatives of employees may submit an application for the declaring of a lockout or an application for a lockout as unlawful in accordance with the grounds referred to and procedures laid down in the Labour Dispute Law.

(2) An application for a lockout or a declaration of an application for a lockout as unlawful shall be submitted to a court based on the location where the lockout is to take place.

Section 394.² Contents of an Application

The applicant of the lockout and the grounds referred to in the Labour Dispute Law in accordance with which the lockout or the application for a lockout may be declared unlawful shall be indicated in an application.

Section 394.³ Examination of an Application

(1) The court shall examine an application within 10 days from the day of its receipt. An application shall be examined in a court hearing, regarding which prior notice shall be given to the representatives of employees, the State Labour Inspectorate and the applicants of the lockout.

(2) The participation of the applicant at the court hearing is mandatory. If the applicant fails to attend the court hearing the court shall have a cause to terminate the case.

Section 394.⁴ Mandatory Participation of a Public Prosecutor

Cases regarding the declaring of a lockout or an application to lock-out as unlawful shall be examined by the court with mandatory participation by a public prosecutor.

Section 394.⁵ Court Judgment on an Application

(1) Having examined an application, the court shall give a judgment by which the application by the representatives of employees shall be found:

- 1) to be unfounded and dismiss it;
- 2) to be well-founded and the lock-out or the lock-out application to be unlawful.

(2) The court judgment shall be final and shall not be subject to appeal by the way of appeal procedures.

Division Seven Performance of Obligations through the Court

Chapter 49 Voluntary Sale of Immovable Property at Auction through the Court

Section 395. Jurisdiction

Applications for the voluntary sale of immovable property at auction through the court shall be submitted to the district (city) court based on the location of the immovable property.

Section 396. Application for Voluntary Sale at Auction of Immovable Property through the Court

(1) An application for the voluntary sale of immovable property at auction through the court may be submitted by the owner or the pledgee who has the right to sell the pledge on the open market.

(2) Attached to the application for the voluntary sale of immovable property at auction through the court shall be the conditions of sale and a certified print-out from the relevant part of the Land Register, which specifies the entries and notations in force, but if the application has been submitted by a pledgee - also a true copy of the pledge agreement, evidence regarding warning of the debtor, unless it does not follow from the law that such warning is required. The certificate regarding issue of the warning may be a statement drawn up by a sworn bailiff or his or her assistant regarding refusal to receive the warning.

(3) There shall be set out in the conditions of sale:

- 1) what the immovable property that is for sale consists of;
- 2) encumbrances and pledges of the immovable property;
- 3) the opening price for the auction;
- 4) the form of the procedure for payment of the highest bid;

5) rights in the immovable property reserved by the owner for himself or herself;

6) other conditions of sale which the vendor considers necessary.

(4) If the immovable property which is to be sold, is being owned by more than one person, held in joint ownership, the concurrence of all the joint owners is required to order a voluntary sale of the immovable property at auction through the court according to application by the owner.

(5) If the first mortgages are registered for the same pledgee and for immovable property of the same debtor and mutually they are related functionally or they have a joint borderline, an applicant has the right to ask a court to auction as an aggregation the immovable properties indicated in the application.

[31 October 2002; 5 February 2009; Constitutional Court Judgement of 24 November 2010; 20 December 2010; 8 September 2011]

Section 397. Decision by a Judge

(1) An application for the voluntary sale of immovable property at auction shall be examined by a judge sitting alone on the basis of the submitted application and documents attached thereto within seven days from the day of submission of the application, without notifying the applicant and the debtor thereof.

(2) The judge shall take a decision to permit the sale at auction having ascertained that:

1) the immovable property is owned by the applicant or by a debtor of a pledgee and the pledgee has the right to sell the immovable property on the open market;

2) there is no lawful impediment to the sale of this immovable property with the conditions set out in the application.

[31 October 2002]

Section 398. Auction Procedure

The sale at auction shall be performed by a bailiff in accordance with the procedures laid down in this Law for the enforcement of court judgments and in conformity with the provisions of Sections 2075, 2083, 2084, 2087, 2089 and 2090 of The Civil Law, and the following conditions:

1) the immovable property shall be inventoried and appraised only if it is requested by the person on the basis of whose application the sale is taking place;

2) the notice shall set out the conditions of sale, as well as the fact that the sale is voluntary;

3) the auction shall begin with a reading of the conditions of sale;

4) upon request of the applicant, the auction may be considered as having taken place even in the event of it being attended by only one buyer;

5) if, in accordance with the conditions of sale, the acceptance of the highest bid depends on the person on the basis of whose application the sale is taking place and if he or she has not commented on this within the time period provided for by the conditions of sale or as set by the court, then it shall be considered that he or she has implicitly agreed to the highest price bid.

[31 October 2002]

Section 399. Documents to be Issued to a Purchaser

(1) After the purchaser of the immovable property has fulfilled all the conditions of sale, the district (city) court shall decide on the confirmation of the statement of auction (Sections 611 and 613) and the corroboration of the sold immovable property in the name of the purchaser. If insolvency proceedings have been declared for an owner of the immovable property, the district (city) court in the legal proceedings of which is the case regarding insolvency proceedings of a legal person shall take a decision on the approval of the statement of auction and corroboration of the sold immovable property on behalf of the purchaser.

(2) The court decision together with the conditions of sale and the statement of auction shall be issued to the purchaser.

[19 June 2003; 30 September 2010; 11 September 2014; 25 October 2018 / Amendment to Paragraph one regarding replacement of the words "Land Registry Office of a district (city) court" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Chapter 50

Undisputed Enforcement of Obligations

Section 400. Obligations on the Basis of which Undisputed Enforcement is Permitted

(1) Undisputed enforcement of obligations is permitted:

- 1) according to agreements regarding obligations which are secured with a public mortgage or a commercial pledge;
- 2) according to notarially certified term agreements or term agreements of equivalent juridical effect regarding monetary payments or return of movable property;
- 3) according to term lease or rental of property agreements which are notarially certified or entered in a Land Register and which provide that the lessee or tenant has an obligation, due to expiry of the term, to vacate or deliver the leased or rented property (except for an apartment) and to pay the lease or rental payments;
- 4) according to a protested promissory note.

(1¹) Paragraph one of this Section shall not be applied for notarial deeds drawn up in accordance with the procedures laid down in Division D¹ of the Notariate Law.

(2) The obligations set out in Paragraph one of this Section shall not be subject to undisputed enforcement if:

- 1) such enforcement is directed against State- or local government-owned property;
- 2) the obligation has been extinguished by prescription, the elapse of which is unequivocally manifest from the document itself.

[23 May 2013 / See Paragraph 69 of Transitional Provisions]

Section 401. Persons Eligible to Submit an Application for the Undisputed Enforcement

The following may submit an application for the undisputed enforcement:

- 1) the person in whose name the document (agreement, promissory note) is issued;
- 2) a person to whom the deed has been transferred by a separate Land Registry deed or notarial deed;
- 3) the heir of the persons mentioned, if the inheritance rights of the heir are evidenced with a court judgment, an inheritance certificate or European Certificate of Succession regarding a will entering into lawful effect or confirmation of the inheritance rights of the heir, or according to a court decision by means of which the heir has been provided with possession of the property bequeathed (Section 638 of The Civil Law) or a court decision or a certificate by a notary by which it is recognised that he or she has accepted the inheritance (Section 697 of The Civil Law);
- 4) a guarantor who, on the basis of a court judgment or enforcement procedures, has made payment instead of a debtor, or the payment made by whom is confirmed by an endorsement on the document;
- 5) the acquirer of immovable property, according to a lease or rental agreement of such property, if the rights of the acquirer are certified by a Land Register instrument, or by the documents indicated in Clause 3 of this Section regarding change of ownership through inheritance;
- 6) according to protested promissory notes - the holder of a promissory note in whose name it has been protested, and a guarantor, endorser, or intermediary who has paid a promissory note and bring a subrogation action.

[31 October 2002; 23 May 2013; 28 May 2015 / Amendment to Clause 3 shall come into force on 17 August 2015. See Paragraph 108 of Transitional Provisions]

Section 402. Persons against whom Undisputed Enforcement shall be Permitted

Undisputed enforcement shall be permitted:

- 1) against persons in whose name a document is issued (contracting parties), but according to a protested promissory note - against all persons liable therefor;
- 2) against guarantors, if they have undertaken obligations as a principal debtor (Section 1702, Paragraph two of The Civil Law);
- 3) against an heir of a person who has undertaken an obligation, if acceptance of the inheritance is confirmed by the evidence referred to in Section 401, Paragraph three of this Law.

Section 403. Jurisdiction

(1) Applications for the undisputed enforcement regarding obligations concerning monetary payments, obligations concerning the return of movable property or obligations according to contracts, which are secured with a commercial pledge, shall be submitted to the district (city) court based on the declared place of residence of the debtor, but if none, based on the place of residence or the legal address.

(2) Applications for undisputed enforcement, according to immovable property pledge documents or the obligation to vacate or return the leased or rented immovable property, shall be submitted to the district (city) court based on the location of the immovable property. If the obligation is secured with several immovable properties and different district (city) courts have jurisdiction over examination of applications, the application shall be examined by the district (city) court chosen by the applicant - based on the location of one immovable property.

(3) Applications for undisputed enforcement based on a ship mortgage obligation shall be submitted to the district (city) court based on the place of registration of the ship mortgage obligation.

[8 September 2011; 4 August 2011; 29 November 2012; 25 October 2018 / Amendments to the Section shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 404. Contents of an Application

(1) The obligations and the documents according to which the creditor requests undisputed enforcement shall be indicated in the application.

(2) The application for the undisputed enforcement regarding monetary payment shall set out the principal debt to be recovered, penalties, and interest - both as agreed to and those set out in law - but according to promissory notes, also the expenses related to protesting and the compensation specified in law, as well as the name of the credit institution and the number of the account to which payment is to be made.

(3) The following shall be attached to an application:

1) a document to be enforced in accordance with undisputed compulsory procedures and a true copy thereof;

1¹) pursuant to protested promissory note in the printed form - a promissory note, true copy thereof and protested document in the printed form;

1²) pursuant to protested promissory note in electronic form - an electronic promissory note and electronic protest document;

2) a document regarding payment of the State duty;

3) evidence that the debtor (including owner of the immovable property or provider of commercial pledge) has been given a warning, unless it does not follow from the law that such warning is required. The certificate regarding issue of the warning may be a statement drawn up by a sworn bailiff or his or her assistant regarding refusal to receive the warning.

[8 September 2011; 19 December 2013; 22 June 2017]

Section 405. Decision by a Judge

(1) An application for the undisputed enforcement shall be decided by a judge sitting alone on the basis of the submitted application and documents attached thereto within seven days from the day the application was submitted, without notifying the applicant and the debtor thereof.

(2) The judge, having examined the validity of the submitted application and having found that it is to be satisfied, shall take a decision according to which the obligation to be enforced and the extent to which it is to be enforced, according to undisputed compulsory procedure, are determined. A true copy of the decision shall be sent to the applicant and to the debtor within three days.

(3) The judge's decision shall enter into effect without delay, and it shall have the effect of an enforcement document. The decision shall be enforced in accordance with the provisions regarding the enforcement of judgments. It shall be submitted for enforcement together with a true copy of the document subject to undisputed enforcement.

(4) If the judge finds that the application is unfounded or the amount of penalty indicated in the application is disproportionate to the principal debt, or the document to be enforced contains unfair contractual provisions breaching consumer rights, he or she shall take a decision on dismissal thereof. The judge shall send the applicant a true copy of the decision together with the submitted documents.

[5 February 2009]

Section 406. Procedures for Disputing Undisputed Enforcement

(1) If a debtor is of the opinion that the claim of the creditor is, on the merits, unfounded he or she may, within six months from the date when the true copy of the decision is sent, bring an action against the creditor to dispute the claim. The claim shall be brought before a court in accordance with the general procedures for bringing an action before a court laid down in this Law.

(2) If a debtor is of the opinion that the creditor's claim is, on the merits, unfounded he or she may, within six months from the date when the true copy of the notarial deed of enforcement issued by a sworn notary is sent, bring an action against the creditor to dispute the claim.

(3) In bringing action, the debtor may request a stay of the undisputed enforcement or enforcement of the notarial deed of enforcement issued by a sworn notary, but if the creditor has already received satisfaction through such process - may request to secure the action.

(3¹) When bringing an action against a creditor in order to dispute the claim which is justified with a court ruling on the undisputed enforcement of obligations, an administrator of insolvency proceedings may request the court to impose a provisional remedy - removal of voting rights.

(4) When taking a decision on an application for the undisputed enforcement or staying of enforcement of a notarial deed of enforcement, a court or judge shall take into account prima facie formal legal grounds of the claim.

(4¹) When deciding on an application of the administrator of insolvency proceedings regarding the provisional remedy - removal of voting rights, a court shall take into account prima facie formal legal grounds of the claim. A court decision shall not be subject to appeal.

(5) A decision on an application for the undisputed enforcement or staying of enforcement of a notarial deed of enforcement, by which the application of the debtor is satisfied, may not be appealed and be executed immediately after taking thereof. A debtor has the right to submit an ancillary complaint regarding the decision by which an application is dismissed.

(6) According to a reasoned application of a creditor, the court, which has stayed enforcement or in the court proceedings of which is the case which is to be examined on the merits, may repeal the staying of enforcement. A decision to repeal suspension of enforcement may not be appealed and be executed immediately after taking thereof. A creditor has the right to submit an ancillary complaint regarding the decision by which an application is dismissed.

[29 November 2012; 23 May 2013; 30 October 2014; 12 February 2015]

Chapter 50.¹ Enforcement of Obligations according to warning procedures

[31 October 2002]

Section 406.¹ Obligations, on the Basis of which Enforcement according to warning procedures is Permitted

(1) Enforcement of obligations according to warning procedures is permitted in payment obligations, which are justified by a document and for which the term for enforcement is due, as well as payment obligations regarding the payment of such compensation, which is in the entered into contract regarding supply of goods, purchase of goods or provision of services if such obligations are justified by a document and for which a time period for enforcement has not been specified.

(2) Enforcement of obligations according to warning procedures is not permitted:

- 1) for payments related to unperformed correlative performance;
- 2) if the declared place of residence or place of residence of the debtor is not known;
- 3) if the declared place of residence, place of residence or legal address of the debtor is not in the Republic of Latvia;
- 4) if the requested penalty exceeds the amount of the principal debt;
- 5) if the requested interest exceeds the amount of the principal debt;
- 6) for payment obligations if the amount of the debt exceeds EUR 15 000.

[7 September 2006; 5 February 2009; 8 September 2011; 29 November 2012; 19 December 2013]

Section 406.² Jurisdiction

(1) Enforcement of obligations according to warning procedures shall be initiated according to an application of a creditor.

(2) An application for the enforcement of obligations according to warning procedures shall be submitted to the district (city) court based on the declared place of residence of the debtor, but if none, the place of residence or legal address.

[4 August 2011; 29 November 2012; 25 October 2018 / Amendment to Paragraph two regarding replacement of the words "Land Registry Office of a district (city) court" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 406.³ Contents of an Application

(1) An application shall be formalised in conformity with the sample approved by the Cabinet.

(2) There shall be set out in the application:

1) name of the court to which the application has been submitted;

2) the given name, surname, personal identity number, declared place of residence of the applicant, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the applicant agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well;

3) the given name, surname, personal identity number, declared place of residence and the additional address indicated in the declaration of the debtor, but, if none, the place of residence; for a legal person - the name, registration number and legal address thereof. The personal identity number or registration number of the defendant shall be indicated if known;

4) the given name, surname, personal identity number and address for correspondence with the court of the representative of the applicant (if the application is submitted by a representative); for a legal person - the name, registration number and legal address thereof. If the representative of the applicant whose declared place of residence or indicated address for correspondence with the court is in Latvia agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has been registered in the online system for correspondence with the court, an indication of registration shall be included as well. If the declared place of residence or indicated address of the representative of the applicant is outside Latvia, in addition the electronic mail address shall be indicated or registration of participation in the online system shall be notified. If the representative of the applicant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

5) payment obligation in relation to which the application is submitted, indicating the information identifying the documents justifying the obligation and the time period for the performance of obligation, as well as the name of credit institution and account number to which the payment is to be made, if any;

6) the amount requested and calculation thereof, specifying the principal debt, penalties and interest - as agreed to, as well as those set out in law, and court expenses;

7) certificate by an applicant that the claim is not dependent on correlative performance or that correlative performance has been carried out;

8) a request to the court to issue a warning to the debtor;

9) a request to decide on the enforcement of payment obligation and recovery of court expenses;

10) a certification that true information has been provided to the court regarding the facts and that the applicant or representative, if the application is submitted by the representative, is informed that liability regarding provision of false application is stipulated in the Criminal Law.

(2¹) The applicant may include in the application an indication for a court to issue a warning to a debtor by intermediation of the bailiff.

(3) Documents certifying payment of the State duty and expenses related to the issuance of a warning shall be attached to the application.

[5 February 2009; 29 November 2012; 19 December 2013; 23 April 2015; 23 November 2016; 1 June 2017; 1 March 2018]

Section 406.⁴ Reasons for Non-Acceptance of Application

(1) The judge shall refuse to accept an application if it does not meet the requirements of Sections 406.¹, 406.² and 406.³ of this Law.

(2) A judge shall take a reasoned decision on refusal to accept an application. A true copy of the decision shall be sent to the applicant.

(3) The decision on refusal to accept an application may not be appealed.

(4) Refusal of a judge to accept an application shall not constitute a bar for the submission of the same application to the court after deficiencies have been eliminated or bringing of an action in accordance with the procedures for court proceedings by way of action. In such cases the State duty paid and expenses related to the issue of a warning shall be included, if the same application is submitted to the court after elimination of deficiencies or action is brought in accordance with the procedures for court proceedings by way of action.

[5 February 2009; 8 September 2011 / Amendments to Paragraph two and new wording of Paragraph four shall come into force on 1 October 2011. See Paragraph 52 of Transitional Provisions]

Section 406.⁵ Contents of a Warning

(1) A warning shall be formalised in conformity with the sample approved by the Cabinet.

(2) The following shall be set out in the warning:

1) the number of the warning and the name of the court which issues the warning;

2) the applicant, the payment obligation, the information identifying the documents justifying the obligation, the time period for performance of the obligation, the name of credit institution and account number to which payment is to be made, if any;

3) the debtor;

4) the fact that the court has not verified the validity of the claim;

5) a proposal to the debtor to pay the amount specified in the application within 14 days from the day of issuance of the warning, notifying the court thereof, or to submit objections to the court;

6) the fact that the obligation specified in the warning will be transferred for enforcement if within the specified 14 days objections or evidence on payment is not submitted.

(3) The warning shall be signed by the judge. If the warning is prepared electronically, it shall be binding without a signature.

[5 February 2009]

Section 406.⁶ Issuance of a Warning to a Debtor

(1) The warning and an answer form formalised in conformity with the sample approved by the Cabinet shall be issued to the debtor for which he or she shall sign. The document with a signature regarding receipt and a notation regarding the date of issue of the warning shall be submitted to the court.

(1¹) If the indication is included in the application regarding the issuance of the warning to a debtor by intermediation of the bailiff, the warning and the answer form referred to in Paragraph one of this Section shall be issued to an applicant for delivery to the debtor. In such case the certification of the issuance of the warning shall be the deed of delivery of the warning or the deed of refusal to receive the warning submitted to the court by the bailiff or his or her assistant. The bailiff shall carry out the delivery of the warning at the expense of the applicant, and the expenses related to delivery shall not be recovered from the debtor.

(2) If the issuance of a warning to a debtor is not possible, or in the case referred to in Paragraph 1.¹ of this Section - within one month from the day when the warning is sent to the applicant for delivery to the debtor and the bailiff or his or her assistant fails to submit to the court the deed of delivery of the warning or deed of refusal to receive the warning - the judge shall take the decision to leave the application without examination. A true copy of the decision shall be sent to the applicant.

(3) Leaving an application without examination shall not constitute a bar for the repeated submission of the application for the enforcement of obligations according to warning procedures or bringing of action in accordance with the procedures for court proceedings by way of action. In such cases the State duty paid shall be transferred.

[5 February 2009; 8 September 2011; 1 March 2018]

Section 406.⁷ Answer of a Debtor

(1) An answer of a debtor shall be drawn up in conformity with the sample approved by the Cabinet.

(2) Debtor's objections submitted within the prescribed time period against the validity of the payment obligation or the payment of the debt shall be the basis for termination of court proceedings regarding enforcement of obligations according to warning procedures.

(3) If the debtor admits the application in any part thereof, the answer of the debtor shall be notified to the applicant and the time period shall be determined in which he or she notifies the court of the transfer of the obligation for enforcement in the part admitted.

(4) If the applicant does not agree with the enforcement of obligations in the part admitted or has not provided an answer within the time period specified in the notification, the court proceedings shall be terminated.

(5) If the applicant agrees to enforcement of obligations in the part admitted, the judge shall take a decision in conformity with the requirements of Section 406.⁹ of this Law.

(6) Answer by a debtor submitted after the time period specified, but until the decision in the case is taken, shall be deemed to have been submitted within the time period.

(7) If certification is not included in the answer by a debtor that information provided to the court is true, and a debtor or representative, if the answer is submitted by the representative, is informed that the Criminal Law provides liability for provision of false answer, the answer of the debtor shall be regarded as not submitted and be sent back to the submitter.

[19 June 2003; 5 February 2009; 23 April 2015]

Section 406.⁸ Termination of Court Proceedings

(1) The judge shall take a decision to terminate the court proceedings for enforcement of obligations according to warning procedures. The decision to terminate the court proceedings may not be appealed.

(2) A true copy of the decision together with the answer by a debtor shall be sent to the applicant.

(3) The decision to terminate the court proceedings for the enforcement of obligations in accordance with warning procedures based on the objections of the debtor shall not constitute a bar for the bringing of an action in accordance with the procedures for court proceedings by way of action. In such cases the State duty paid shall be transferred.

[19 June 2003; 5 February 2009; 8 September 2011 / New wording of Paragraph two and amendments to Paragraph three shall come into force on 1 October 2011. See Paragraph 52 of Transitional Provisions]

Section 406.⁹ Decision by a Judge on Enforcement of Obligations

(1) If the debtor has failed to submit objections within the time period specified in the warning, the judge shall, within seven days from the date of expiry of the time period for objections, take a decision on the enforcement of the payment obligation specified in the application and recovery of court expenses. A true copy of the decision shall be sent to the applicant and to the debtor within three days.

(2) The decision of the judge shall come into effect without delay, it shall have the effect of an enforcement document and it shall be enforced in accordance with provisions regarding enforcement of court judgments.

Section 406.¹⁰ Procedures for Disputing Enforcement of Obligations

(1) If a debtor is of the opinion that the claim of the applicant is unfounded on the merits he or she may, within three months from the date when the true copy of the decision is sent, bring an action against the creditor to dispute the claim. The claim shall be brought before a court in accordance with the general procedures for bringing an action before a court laid down in this Law.

(2) In bringing the action, the debtor may request a stay of the enforcement of obligations, but if the creditor has already received satisfaction through such process - may request to secure the action.

(3) When taking a decision on an application for the suspension of the enforcement of an obligation according to the warning procedures, a court or judge shall take into account prima facie formal legal grounds of the claim.

A decision by which the application is satisfied may not be appealed and be executed immediately after taking thereof. A debtor has the right to submit an ancillary complaint regarding the decision by which an application is dismissed.

(5) According to a reasoned application of a creditor, the court, which has stayed enforcement or in the court proceedings of which is the case which is to be examined on the merits, may repeal suspension of enforcement. A decision to repeal suspension of enforcement may not be appealed and be executed immediately after taking thereof. A creditor has the right to submit an ancillary complaint regarding the decision by which an application is dismissed.

(6) When bringing an action against a creditor in order to dispute the claim which is justified with a court ruling on the enforcement of obligations in accordance with the warning procedures, an administrator of insolvency proceedings may request the court to impose a provisional remedy - removal of voting rights.

(7) When deciding on an application of the administrator of insolvency proceedings regarding the provisional remedy - removal of voting rights, a court shall take into account prima facie formal legal grounds of the claim. A court decision shall not be subject to appeal.

[29 November 2012; 23 May 2013; 30 October 2014; 12 February 2015]

Chapter 51

Submitting the Subject-matter of an Obligation for Safekeeping in the Court

[28 October 2010]

Section 407. Justification for the Safekeeping of the Subject-matter of an Obligation

[28 October 2010]

Section 408. Subject-matter of an Obligation

[28 October 2010]

Section 409. Contents of an Application

[28 October 2010]

Section 410. Actions of a Judge after Receipt of an Application

[28 October 2010]

Section 411. Right of the Applicant to Receive Back the Submitted Article

[28 October 2010]

Section 412. Issue of the Subject-matter of an Obligation to a Creditor

[28 October 2010]

Part C

Appeal of Court Judgments and Decisions

Division Eight

Appeal Proceedings

Chapter 52

Submission of a Notice of Appeal

Section 413. Right to Submit a Notice of Appeal or an Appeal Protest

(1) Participants in a case may submit a notice of appeal for a judgment (supplementary judgment) of a court of first instance, but a public prosecutor may submit an appeal protest in accordance with the procedures provided for in this Chapter, except for judgments the appeal of which according to the appellate procedure is not provided for in law. A representative shall submit a complaint in accordance with the requirements of Section 86 of this Law.

(2) An appeal protest shall be submitted and examined in accordance with the same procedures as a notice of appeal provided unless otherwise provided for in this Division.

Section 414. Procedures for Submitting a Notice of Appeal

(1) A district (city) court judgment, which has not enter into lawful effect, may be appealed in accordance with appeal procedure to the applicable regional court.

(2) [30 October 2014].

(3) A notice of appeal addressed to an appellate court shall be submitted to the court, which gave the judgment.

(4) If within the time period required, a notice of appeal is submitted directly to an appellate court, it shall be deemed that the time period is complied with.

[30 October 2014]

Section 415. Time Periods for Submitting Notices of Appeal

(1) A notice of appeal for a judgment of a court of first instance may be submitted within 20 days from the day of declaration of the judgment.

(2) If a judgment has been drawn up after the date determined by the court (Section 199), the time period for the appeal thereof shall be counted from the date of actual drawing up of the judgment.

(2¹) [22 May 2008]

(2²) In the cases provided for in Paragraphs one and two of this Section a participant in the case to whom a judgment has been sent in accordance with Section 56.² of this Law may submit a notice of appeal within 20 days from the day when a true copy of the judgment was served.

(3) The notice of appeal submitted after expiration of the time period shall not be accepted and shall be returned to the applicant.

[31 October 2002; 1 November 2007; 22 May 2008; 5 February 2009; 8 September 2011; 14 December 2017 / The new wording of Paragraph two shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 416. Contents of a Notice of Appeal

(1) The following shall be indicated in a notice of appeal:

1) the name of the court to which the complaint is addressed;

2) the given name, surname, personal identity number and declared place of residence of the submitter of the complaint, but if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the submitter of the complaint agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the submitter of the complaint may also indicate another address for correspondence with the court;

2¹) an electronic mail address of the representative and, if he or she has registered in the online system for correspondence with the court, also include an indication of registration if the claim is submitted by the representative whose declared place of residence or indicated address for correspondence with the court is in Latvia, and he or she agrees to electronic correspondence with the court. If the declared place of residence or indicated address of the representative is outside Latvia, in addition an electronic mail address shall be indicated or registration of his or her participation in the online system shall be notified. If the representative is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

3) the judgment regarding which the complaint has been submitted and the court which has given the judgment;

4) the extent to which the judgment is appealed;

5) the nature of the wrongfulness of the judgment, by motivating why the submitter of the complaint considers the facts to be found incorrectly or the evidence to be assessed incorrectly in the case, false legal assessment of circumstances of the case is provided or a norm of substantive law has been applied incorrectly, a norm of procedural law has been breached;

6) whether the allowing of new evidence is being applied for, what evidence, regarding what circumstances and why this evidence had not been submitted to the first instance court;

7) the request of the submitter;

8) a list of documents accompanying the complaint.

(2) A notice of appeal shall be signed by the applicant or his or her authorised representative. Appeal protests shall

be signed by such officials of the Office of the Prosecutor as is laid down in law.

(3) [23 April 2015].

(4) The notice of appeal which is not signed shall be regarded as not submitted and be sent back to the applicant.

(5) A judge shall take a decision on the refusal to accept a notice of appeal, if a power of attorney or other document is not attached thereto which certifies authorisation of the representative to appeal a court judgment.

[31 October 2002; 29 November 2012; 23 April 2015; 28 May 2015; 23 November 2016; 1 June 2017]

Section 417. True Copies of a Notice of Appeal

(1) A notice of appeal shall be accompanied by true copies thereof and true copies of the documents accompanying the complaint, in such number as corresponds to the number of participants in the case.

(2) This provision does not apply to documents, originals or true copies of which are already in the possession of participants in the case.

(3) In the cases provided for in the Law a translation certified in accordance with the specified procedures shall be attached to a notice of appeal and true copies of the documents attached thereto, if the documents are intended for service to a person in accordance with Section 56.² of this Law. The translation need not be attached by a person who is released from the payment of court expenses.

[5 February 2009]

Section 418. Limits Regarding Notices of Appeal

(1) In a notice of appeal, the subject-matter or basis of an action may not be amended to include new claims as were not brought before the court of first instance.

(2) The following shall not be regarded as new claims:

1) making a claim more precise;

2) correction of manifest errors in a claim;

3) addition of interest and increments to a claim;

4) a claim for compensation for the value of property related to alienation or loss of the property claimed or a change in what it consists of;

5) amendment of component parts of the total amount of a claim within the limits of this amount;

6) amendment of a claim, in which there is a request that rights be recognised, to a claim that infringed rights be restored, as a result of a change in circumstances in the course of the case;

7) increase in the amount of a claim as a result of increase in market prices in the course of the case.

Section 419. Joining in a Notice of Appeal

(1) Co-participants and third persons participating in the proceedings on the side of the applicant who has submitted a notice of appeal, may join in the submitted notice of appeal.

(2) An appellate court shall be notified, in writing, of the joining in a complaint not later than 10 days prior to examination of a case at appellate court.

(3) The State duty shall not be charged regarding a submission to join in a notice of appeal.

Section 420. Leaving a Notice of Appeal not Proceeded With

(1) A judge of a court of first instance shall take a decision to leave a notice of appeal not proceeded with and set a time period for the applicant to eliminate deficiencies, if:

1) the notice of appeal submitted does not conform to the requirements of Section 416, Paragraph one of this Law;

2) the notice of appeal is not accompanied by all required true copies or, in the cases provided for in the law, the translation of the notice of appeal or true copies of documents attached thereto certified in accordance with the specified procedures have not been attached thereto;

3) such notice of appeal is submitted for which the State duty has not been paid;

4) authorisation does not arise from the power of attorney or other document attached to the notice of appeal to appeal the court judgment by a representative.

(2) If the deficiencies are eliminated within the time period set, the notice of appeal shall be deemed to have been submitted on the date when it was first submitted. Otherwise, the complaint shall be deemed not to have been submitted and shall be returned to the applicant.

[5 February 2009; 23 April 2015]

Section 421. Appeal of a Judgment by a Judge

An ancillary complaint may be submitted regarding a decision of a judge to refuse to accept a notice of appeal, except for the case referred to in Section 416, Paragraph five of this Law.

[23 April 2015]

Section 422. Action of a Court of First Instance after Receipt of a Notice of Appeal

(1) A judge of a first instance court, after he or she has satisfied himself or herself that a notice of appeal complies with the requirements in Sections 416 and 417 of this Law, shall without delay notify the other participants in the case of such complaint and send them a true copy of the complaint and documents accompanying it, indicating the time period for submission of a written explanation.

(2) After the time period for submission of a notice of appeal has expired, the judge shall without delay send the case with the complaint and documents accompanying it to the appellate court.

Section 423. Written Explanation by a Participant in a Case

(1) A participant in a case may submit, in regard to the submitted notice of appeal, a written explanation, together with true copies thereof in the number corresponding to the number of participants in the case, to an appellate court within 30 days from the day a true copy of the notice of appeal was sent to the participant, and in cases concerning a child, within 15 days from the day a true copy of the notice of appeal was sent to the participant.

(2) The court shall send true copies of the explanation to the other participants in the case.

(3) *[22 May 2008]*

(4) If a true copy of a notice of appeal is sent to a participant in the case in accordance with Section 56.² of this Law, the time period for submitting a written explanation shall be counted from the day when the true copy of the notice of appeal was served to the participant in the case.

[1 November 2007; 22 May 2008; 5 February 2009; 29 October 2015]

Section 424. Appellate Cross Complaint

(1) After service of a true copy of a notice of appeal, a party has the right to submit an appellate cross complaint.

(2) An appellate cross complaint shall conform to the requirements of Sections 413, 416, 417 and 418 of this Law.

(3) An appellate cross complaint shall be submitted to an appellate court within the time period provided for in Section 423 of this Law.

(4) After receipt of an appellate cross complaint, an appellate court shall without delay send true copies of the complaint to the other participants in the case.

[5 February 2009]

Chapter 53 Examining Cases at Appellate Court

Section 425. Initiation of Appeal Proceedings

(1) Having satisfied himself or herself that the procedures regarding submission of notices of appeal have been observed, a judge, after receipt of an explanation or after expiration of the time period prescribed for its submission, shall take a decision on the initiation of appeal proceedings and shall set down the case for it to be examined at an appellate court hearing.

(1¹) In cases regarding the reinstatement of an employee in work and cases regarding the annulment of an employer's notice of termination the date of the court hearing shall be determined not later than 15 days after receipt of

explanations or the end of the time period for the submission thereof.

(1²) In cases regarding claims in favour of insolvent debtors in the cases specified in Chapter XVII of the Insolvency Law and regarding the recovery of losses from members of administrative bodies of a legal person and participants (shareholders) of a capital company on the basis of their obligation to be liable for the damages caused, as well as from members of a partnership personally liable on the basis of their obligation to be liable for the obligations of a partnership, the court hearing shall be determined not later than within three months after receipt of the explanation or the end of the time period for the submission thereof.

(2) Having found that a notice of appeal has been sent to an appellate court in breach of procedures provided for in this Law by which notices of appeal should be submitted, a judge shall take one of the following decisions:

1) to refuse to initiate appeal proceedings, if there is failure to conform to a time period set for the submission of the notice of appeal, or the notice of appeal has been submitted by a person who is not authorised to appeal a court judgment; in such case, the complaint together with the case shall be sent to the court of first instance which shall return the complaint to the applicant;

2) to send the case to the court of first instance for the carrying out of the actions laid down in law if, when submitting the notice of appeal, the deficiencies set out in Section 416, Paragraph one of this Law have been allowed to occur or the State duty has not been paid.

(3) If an appellate court finds that the circumstances set out in Paragraph two, Clause 1 of this Section exist, the court shall take a decision to leave the notice of appeal without examination.

[31 October 2002; 7 April 2004; 1 November 2007; 22 May 2008; 30 September 2010]

Section 426. Limits Regarding Examination of a Case at an Appellate Court

(1) An appellate court shall examine a case on the merits in connection with a notice of appeal and an appellate cross complaint to the extent as is requested for in such complaint.

(2) An appellate court shall examine only those claims, which have been examined by a court of first instance. Amendment of the subject-matter or the basis of an action shall not be permitted.

(3) An appellate court shall examine a case on the merits without sending it for re-examination to a court of first instance, except for the cases specified in Section 427 of this Law.

Section 427. Cases where a Judgment of a First Instance Court shall be Revoked and the Case shall be Sent to be Re-examined in a First Instance Court

(1) Irrespective of the grounds for the notice of appeal, an appellate court shall by its decision revoke a judgment of a court of first instance and send the case for it to be re-examined in a court of first instance, if the appellate court finds that:

1) a court has examined a case in an unlawful composition;

2) the court examined the proceeding in breach of procedural law which prescribes an obligation to notify participants in the case of the time and place of the court hearing;

3) norms of procedural law regarding the language of the court proceedings have been breached;

4) the court judgment confers rights or imposes obligations upon a person who has not been summoned to the case as a participant in the case;

5) there are no minutes of the court hearing or there is no court judgment in the case.

(2) An appellate court, finding a notice of appeal for a court judgment for the part in which court proceedings have been terminated in the case or an action left without examination as valid, shall revoke the judgment of a court of first instance in this part and send the case for it to be examined at a court of first instance.

[31 May 2018]

Section 428. Appellate Court Trial Procedures

(1) Participants in a case shall be summoned and other persons summonsed to a court in accordance with the provisions of Chapter 6 of this Law.

(2) A hearing of an appellate court shall take place in accordance with the provisions of Chapter 21 of this Law, in conformity with the specific requirements of this Chapter.

Section 429. Submitting Explanations in an Appellate Court

(1) Explanations in an appellate court hearing shall first be submitted by the submitter of the notice of appeal, but if both parties have submitted a complaint, by the plaintiff.

(2) If a public prosecutor has submitted an appeal protest, he shall provide explanations prior to the explanations of the other participants in the case.

Section 430. Examination of Evidence in an Appellate Court

(1) An appellate court itself shall decide which evidence is to be examined at a court hearing.

(2) In examining and assessing evidence, an appellate court shall observe the provisions of the Division Three of this Law.

(3) Facts that have been established by a court of first instance are not required to be examined by an appellate court if these have not been contested in the notice of appeal.

(4) If in an appellate court a participant in a case submits or requests examination of evidence which the participant was able to submit during examination of the case in the court of first instance and if the appellate court does not find justifying reasons for not submitting the evidence to the court of first instance, the appellate court shall not accept the evidence.

[29 November 2012]

Section 431. Termination of Appeal Proceedings

(1) The submitter of a notice of appeal (an appellate cross complaint) is entitled to withdraw it so long as examination of the case on the merits has not been concluded.

(2) If a notice of appeal is withdrawn, the appellate court shall take a decision to terminate the appeal proceedings, except for the cases where the notice of appeal (an appellate cross complaint) has been submitted by other participants in the case or an appeal protest has been submitted.

(3) If the submitter of a notice of appeal, without justified cause, has twice failed to attend a court hearing and has not requested that the case be examined in his or her absence, the court may terminate the appeal proceedings.

(4) If the appeal proceedings are terminated, the State duty shall not be refunded.

Chapter 54

Judgments and Decisions of Appellate Courts

Section 432. Judgment of an Appellate Court

(1) A ruling of an appellate court, by which a case is tried on the merits, shall be given by the court in the form of a judgment.

(2) An appellate court shall give a judgment in accordance with the procedures laid down in Sections 189-198 of this Law, unless it is otherwise provided for in this Section.

(3) In the introductory part of a judgment, in addition to the items referred to in Section 193, Paragraph three of this Law, a court shall set out the applicant of the notice of appeal and the court judgment regarding which the notice is submitted.

(4) In the descriptive part of a judgment a court shall include a short outline of the reasoned part and operative part of the judgment of the court of first instance, as well as a short description of the content of the notice of appeal (appellate cross complaint) and objections.

(5) In the reasoned part of the judgment the conditions referred to in Section 193, Paragraph five of this Law shall be indicated, as well as a court shall set out the reasons for its opinion with respect to the judgment of the first instance court. If the court, in examining a case, recognises that the justification included in the judgment of the lower instance court is correct and fully sufficient, it may indicate in the reasoned part of the judgment that it agrees with the argumentation of the judgment of the lower instance court. In such case the considerations specified in Section 193, Paragraph five of this Law need not be indicated in the reasoned part of the judgment.

[8 September 2011; 28 May 2015; 9 June 2016]

Section 433. Declaration of a Judgment of an Appellate Court

(1) An appellate court shall declare a judgment in accordance with the procedures laid down in Section 199 of this Law.

(2) A true copy of the judgment shall be sent to participants in the case in the cases and in accordance the procedures provided for in Section 208 of this Law.

Section 434. Entering into Lawful Effect of a Judgment of an Appellate Court

(1) A judgment of an appellate court shall enter into lawful effect when the time period for appeal in accordance with cassation procedures has expired and a cassation complaint has not been submitted.

(2) If a cassation complaint has been submitted, a judgment of an appellate court shall enter into lawful effect concurrently with:

1) a decision of the Supreme Court assignments hearing, if the initiation of the cassation proceedings has been refused (Section 464, Paragraph three and Section 464.¹);

2) a judgment of an appellate court, if a judgment of an appellate court has not been revoked or a judgment or part thereof has been revoked and the application has been left without examination or the court proceeding has been terminated (Section 474).

(3) The provisions of Section 203, Paragraphs two, three, four and five of this Law shall be applicable to the lawful effect of a judgment of an appellate court.

(3¹) If in respect of different participants in the case the time period for submitting a cassation complaint regarding a judgment of an appellate court is determined in accordance with both Section 454, Paragraphs one and two, and Section 454, Paragraph 2.², of this Law, or in respect of all participants the time period for a notice of appeal regarding a judgement of a court of first instance is determined in accordance with Section 454, Paragraph 2.² of this Law, the judgment of an appellate court shall enter into lawful effect after expiration of the time period for appeal thereof, counting the time period from the latest day of service of a true copy of the judgment, unless a notice of appeal is submitted.

(3²) If in the cases referred to in Paragraph 3.¹ of this Section the relevant confirmation regarding service of a true copy of the judgment (Section 56.²) has not been received, the judgment shall enter into lawful effect six months after declaration thereof.

(4) An appellate instance court judgment shall be enforced in accordance with the provisions of Sections 204, 204.¹ and Section 205, Paragraph one of this Law. Immediate enforcement of a judgment in the case provided for in Section 205, Paragraph one, Clause 7 of this Law shall be permitted only by requiring adequate security from the creditor for the case if the court of cassation instance would take the judgment referred to in Section 474, Clause 2, 3 or 4 of this Law.

[22 May 2008; 5 February 2009; 30 October 2014]

Section 435. Correction of Clerical and of Mathematical Calculation Errors in a Judgment of an Appellate Court

(1) An appellate court is entitled, upon its own initiative or an application of a participant in the case, to correct clerical or mathematical calculation errors in a judgment.

(2) An issue of correction of errors shall be decided in the written procedure upon prior notice to the participants in the case. If the application is submitted by a participant in the case, concurrently with sending of the notification to the participants in the case the court shall send an application for the correction of clerical and mathematical calculation errors in the judgment.

(3) An ancillary complaint regarding a court decision to correct errors in a judgment may be submitted by a participant in the case.

[8 September 2011]

Section 436. Supplementary Judgment of an Appellate Court

(1) An appellate court may, upon its own initiative or an application of a participant in the case, give a supplementary judgment if:

1) a judgment not has been given in regard to any of the claims, which have been the subject-matter of examination by the appellate court;

2) the court has not determined the extent of the amount adjudged, the property to be delivered, or the actions to be performed;

3) the judgment does not contain a decision on reimbursement of court expenses.

(2) The giving of a supplementary judgment may be initiated within the time period laid down in the law for the appeal of the judgment.

(3) A supplementary judgment shall be given by a court after the case is examined at a court hearing, upon prior notice to the participants in the case. Failure of such persons to attend shall not constitute a bar for the giving of a supplementary judgment or the dismissal of an application.

(4) [5 February 2009]

(5) An ancillary complaint may be submitted regarding a decision of the court by which the giving of a supplementary judgment is refused.

[5 February 2009]

Section 437. Explanation of the Judgment of an Appellate Court

(1) Upon an application of a participant in the case an appellate court may, by its decision, explain a judgment without varying its contents.

(2) A judgment may be explained if it has not yet been enforced and the time period for the enforcement of the judgment has not expired.

(3) The issue regarding explanation of a judgment shall be examined in the written procedure, upon a prior notice to the participants in the case. Concurrently with the notification the court shall send an application to participants in the case regarding explanation of the judgment.

(4) An ancillary complaint may be submitted regarding a court judgment on the issue of explanation of a judgment.

[29 October 2015]

Section 438. Postponement or Division into Time Periods of Enforcement of a Judgement of an Appellate Court, and Varying of the Forms and Procedures for its Enforcement

(1) Upon an application of a participant in the case and taking into account the financial state of the parties or other significant circumstances, an appellate court is entitled to postpone the enforcement of a judgment or divide it into time periods, and to vary the form and procedures for its enforcement. A decision to postpone enforcement of a judgment, division into time periods or varying of the form and procedures for its enforcement shall be implemented immediately.

(2) An application shall be examined in the written procedure by previously notifying the participants in the case thereof. Concurrently with the notification the court shall, by determining the time period for submission of the explanation, send an application to participants in the case for the postponement of the enforcement, division in time periods, variation of the form or procedures for the enforcement of a judgment.

(3) An ancillary complaint may be submitted regarding a court decision as postpones enforcement of a judgment or divides it into time periods, or varies the form and procedures for its enforcement. Submission of an ancillary complaint shall not stay the enforcement of the decision.

[8 September 2011; 29 October 2015]

Section 439. Actions of an Appellate Court, if a Judgment is not Appealed in Accordance with Cassation Procedures

If a cassation complaint has not been submitted after the time period provided for the submission of a cassation complaint has expired, an appellate court shall send the case to the court of first instance.

Section 439.¹ Actions of an Appellate Court after Performance of Actions by a Cassation Court

After an appellate court has received a case following the performance of actions by a cassation court specified in Section 477.¹ of this Law, it shall issue a writ of execution. After issue of the writ of execution an appellate court shall send the case to the court of first instance.

[22 May 2008 / See Transitional Provisions]

Section 440. Stay of Proceedings, Leaving Claims without Examination and Termination of Proceedings by an Appellate Court

Appellate courts shall stay court proceedings, leave a claim without examination or terminate proceedings in the cases and in accordance with the procedures laid down in Chapters 24, 25 and 26 of this Law.

Chapter 54.¹

Specifics of Examination for Separate Categories of Cases in an Appellate Court

[20 March 2014; 12 February 2015]

Section 440.¹ Procedure for Examination of Cases at an Appellate Court

Notices of appeal in cases of simplified procedure and in cases regarding the rights in respect of which a dispute has been examined in the Board of Appeal for Industrial Property, regarding the judgments which reject an application for legal protection proceeding,s or an application for insolvency proceedings of a legal person or natural person in the cases in respect of disputes regarding rights in cases of insolvency proceedings shall be examined at the appellate court in accordance with the procedures laid down in Chapters 52-54 of this Law, in conformity with the exceptions provided for in this Chapter.

[12 February 2015; 10 December 2015; 14 December 2017; 31 May 2018]

Section 440.² Right to Submit a Notice of Appeal or an Appeal Protest

Judgments referred to in Section 440.¹ of this Law may be appealed in accordance with the appeal procedure, if:

- 1) a court of first instance has incorrectly applied or interpreted the provision of substantive law and it has led to wrongful trial of the case;
- 2) a court of first instance has breached the norm of procedural law and it has led to wrongful trial of the case;
- 3) a court of first instance has incorrectly found the facts or incorrectly assessed the evidence or provided incorrect legal assessment of the circumstances of a case and it has led to wrongful trial of the case.

[12 February 2015]

Section 440.³ Time Period for Submitting a Notice of Appeal

If the judgment is given in the written procedure, the time period for appeal shall be calculated from the day of drawing up the judgment in addition to that laid down in Section 415 of this Law.

[12 February 2015]

Section 440.⁴ Contents of a Notice of Appeal

The following shall be indicated in a notice of appeal in respect of wrongfulness of the judgment in addition to that laid down in Section 416 of this Law:

- 1) which provision of substantive law has the court of first instance applied or interpreted incorrectly, which provision of procedural law has it breached and how has it affected trial of the case;
- 2) which facts has the court of first instance found incorrectly, which evidence has it assessed incorrectly, how does the wrongfulness of the legal assessment of the circumstances of a case express itself and how has it affected trial of the case.

Section 440.⁵ Leaving a Notice of Appeal not Proceeded With

(1) A judge of a court of first instance shall take a decision to leave a notice of appeal not proceeded with and set a time period for the applicant to eliminate deficiencies, if:

- 1) the notice of appeal submitted does not conform to the requirements of Section 416, Paragraph one and Section 440.⁴ of this Law;
- 2) the notice of appeal is not accompanied by all required true copies or, in the cases provided for in the law, the translation of the notice of appeal or true copies of documents attached thereto certified in accordance with the specified procedures have not been attached thereto.

(2) If the deficiencies are eliminated within the laid down time period, the notice of appeal shall be deemed to have been submitted on the date when it was submitted for the first time. Otherwise, the complaint shall be deemed not to have been submitted and shall be returned back to the applicant.

Section 440.⁶ Non-acceptance of a Notice of Appeal

(1) A notice of appeal, which is not signed or which is submitted by a person who is not authorised to appeal a court judgment, or regarding which the State duty is not paid, shall not be accepted and returned back to the applicant.

(2) The decision to refuse to accept a notice of appeal may not be appealed.

Section 440.⁷ Action of a Court of First Instance after Receipt of a Notice of Appeal

(1) A judge of a court of first instance, after he or she has satisfied himself or herself that the notice of appeal complies with the requirements laid down in Sections 416, 417, 440.² and 440.⁴ of this Law, shall without delay notify the other participants in the case of such notice and send them a true copy of the notice and documents accompanying it.

(2) A judge of a court of first instance, when sending true copies of the notice of appeal and documents attached thereto to other participants in the case, shall inform them that written explanations are to be submitted after the appellate court has sent a notification to the participants in the case regarding initiation of appeal proceedings.

(3) After the time period for submission of a notice of appeal has expired, the judge of the court of first instance shall, without delay, send the case with the notice of appeal and documents accompanying it to the appellate court.

[12 February 2015; 19 October 2017]

Section 440.⁸ Initiation of Appeal Proceedings in an Appellate Court

(1) Having ascertained that the procedures for submission of a notice of appeal have been complied with, a judge or in the case laid down in Paragraph five of this Section three judges shall collegially decide on the initiation of appeal proceedings within 30 days.

(2) Having found that a notice of appeal has been sent to an appellate court in breach of procedures provided for in this Law by which notices of appeal should be submitted, a judge shall take one of the following decisions:

1) a decision to refuse to initiate appeal proceedings, if the term laid down for the submission of a notice of appeal has been exceeded, a notice of appeal has been submitted by a person who is not authorised to appeal a court judgment, or if the State duty has not been paid;

2) a decision to send the case to the court of first instance for the carrying out of the actions laid down in law, if the deficiencies indicated in Section 416, Paragraph one or Section 440.⁴ of this Law have been allowed to occur when the notice of appeal has been submitted.

(3) In the case laid down in Paragraph two, Clause 1 of this Section the notice together with the case shall be sent to the court of first instance which returns the notice back to the applicant.

(4) If at least one of the grounds for initiation of appeal proceedings referred to in Section 440.² of this Law exists, a judge shall take a decision to initiate appeal proceedings and immediately notify participants in the case thereof, by indicating a time limit for the submission of written explanations.

(5) If a judge, to whom the notice of appeal has been transferred for deciding, recognises that initiation of appeal proceedings is to be refused, the decision on the initiation of appeal proceedings shall be taken by three judges collegially.

(6) If at least one of the three judges considers, that at least one of the grounds for initiation of appeal proceedings referred to in Section 440.² of this Law exists, the judges shall take a decision to initiate appeal proceedings and immediately notify participants in the case thereof.

(7) If judges unanimously recognise that none of the grounds for initiation of appeal proceedings referred to in Section 440.² of this Law exists, they shall take a decision to refuse to initiate appeal proceedings and immediately notify participants in the case thereof.

(8) A decision referred to in Paragraph seven of this Section shall be drawn up in the form of resolution and it may not be appealed.

(9) A decision to refuse to initiate appeal proceedings shall be returned back to the applicant of the notice of appeal together with the submitted notice of appeal.

Section 440.⁹ Written Explanation by a Participant in a Case

A participant in a case may submit a written explanation regarding the submitted notice of appeal together with true copies thereof in the number corresponding to the number of participants in the case, to an appellate court within 20

days from the day when the appellate court has sent a notification regarding initiation of an appeal proceeding to the participants in the case.

Section 440.¹⁰ Appellate Cross Complaint

(1) After having sent a notification regarding initiation of appeal proceedings, the party is entitled to submit an appellate cross complaint within 20 days.

(2) An appellate cross complaint shall conform to the requirements of Sections 250.²⁷, 416, 417, 418 and 440.⁴ of this Law.

(3) After receipt of an appellate cross complaint, an appellate court shall without delay send true copies of the complaint to the other participants in the case.

Section 440.¹¹ Examination of Cases in the Written Procedure, Drawing up a Judgment and Sending a True Copy

(1) A court shall examine the cases referred to in this Chapter in the written procedure, by notifying the parties in a timely manner of the date when a true copy of the judgment may be received in the Court Registry, inform them regarding the composition of the court, which will examine the case, and explain the right to apply for removal of a judge. The date when a true copy of the judgment is available in the Court Registry shall be regarded as the day of drawing up a judgment.

(1¹) Examination of a case in the written procedure in respect of disputes regarding rights in cases of insolvency proceedings shall be commenced not later than within 30 days after receipt of an explanation or expiry of the time period for submission thereof.

(2) Upon a written request by a party a true copy of the judgment shall be immediately sent by post or, if possible, in another way in accordance with the procedures for delivery and issuance of court documents laid down in this Law.

(3) If a court considers it as necessary, a case may be tried in a court hearing. In the cases in respect of disputes regarding rights in cases of insolvency proceedings the court shall determine the day of a court hearing not later than within 30 days after receipt of an explanation or expiry of the time period for submission thereof.

[12 February 2015; 31 May 2018]

Section 440.¹² Entering into Lawful Effect of a Judgment of an Appellate Court

A judgement of an appellate court shall not be appealed in a cassation court and shall enter into effect on the day of declaration or, if the case has been examined in the written procedure, on the day of drawing up thereof.

Division Nine

Appeal of Decisions of a Court of First Instance and of Appellate Court

Chapter 55

Submitting and Examining Ancillary Complaints

Section 441. Basis for Appeal or Protest of a Decision of a Court of First Instance or of Appellate Court

(1) The decisions of a court of first instance or of an appellate court may be appealed separately from a court judgment by participants in the case, by submitting an ancillary complaint, or by a public prosecutor, by submitting an ancillary protest:

- 1) in the cases provided for by this Law;
- 2) if the court decision hinders the case being proceeded with.

(2) An ancillary complaint may not be submitted regarding other decisions of a court of first instance court or of an appellate court; objections to such decisions, however, may be expressed in a notice of appeal or a cassation complaint.

(3) An ancillary protest shall be submitted and examined in accordance with the same procedures as pertain to ancillary complaints.

Section 442. Time Period for Submitting an Ancillary Complaint

(1) An ancillary complaint may be submitted within 10 days from the day when the decision is declared, unless

otherwise provided for in this Law. The time period, until which an ancillary complaint about a decision taken in the written procedure or about procedural activities outside a court hearing shall be submitted, shall be counted from the day when the decision is issued.

(1¹) A participant in a case to whom a true copy of the court decision has been sent in accordance with Section 56.² of this Law may submit an ancillary complaint within 15 days from the day of issuing the true copy of the decision.

(2) An ancillary complaint submitted after expiry of the abovementioned time period shall not be accepted and shall be returned to the submitter, refunding the security deposit.

[5 February 2009; 29 November 2012; 29 October 2015; 14 December 2017; 31 May 2018]

Section 443. Procedures for Submitting an Ancillary Complaint

(1) An ancillary complaint shall be submitted to the court, which has taken the decision, and it shall be addressed:

- 1) in regard to a decision of a first instance court, to the relevant appellate instance court;
- 2) in regard to a decision of an appellate court, to the cassation court;
- 3) [30 October 2014].

(2) [5 February 2009]

[5 February 2009; 30 October 2014; 25 October 2018 / Amendment regarding deletion of the words "and a judge of Land Registry Office of a district (city) court" in Paragraph one, Clause 1 shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 443.¹ Contents of an Ancillary Complaint

The following shall be indicated in an ancillary complaint:

- 1) the name of the court to which the complaint is addressed;
- 2) the given name, surname, personal identity number and declared place of residence of the submitter of the complaint, but if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the submitter of the complaint agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the submitter of the complaint may also indicate another address for correspondence with the court;
- 3) if the complaint is submitted by a representative whose declared place of residence or indicated address for correspondence with the court is in Latvia, and he or she agrees to electronic correspondence with the court - an electronic mail address of the representative and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. If the declared place of residence or indicated address of the representative is outside Latvia, in addition an electronic mail address shall be indicated or registration of his or her participation in the online system shall be notified. If the representative is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;
- 4) a decision regarding which the complaint is submitted and the court which has taken this decision;
- 5) the nature of inaccuracy of the decision and its justification;
- 6) evidence which confirms objections of the submitter of the complaint;
- 7) request of the submitter of the complaint and the extent to which the decision is appealed;
- 8) a list of documents accompanying the complaint.

[14 December 2017 / Section shall come into force from 1 March 2018. See Paragraph 139 of Transitional Provisions]

Section 444. True Copies of an Ancillary Complaint

(1) Attached to an ancillary complaint shall be true copies thereof and true copies of the documents accompanying the claim, in number corresponding to the number of participants in the case.

(2) In the cases provided for in the law a translation certified in accordance with the specified procedures shall be attached to an ancillary complaint and true copies of the documents attached thereto, if the documents are intended

for service to a person in accordance with Section 56.² of this Law. The translation need not be attached by a person who is released from the payment of court expenses.

[5 February 2009]

Section 444.¹ Security Deposit for Ancillary Complaint

(1) When submitting an ancillary complaint, except for an ancillary complaint regarding a decision by which the release from the payment of the court expenses in the State income is refused, a State duty in the amount of EUR 70 shall be paid.

(2) If the court, in full or in part, revokes or amends an appealed court decision, the security deposit shall be refunded. If the ancillary complaint is rejected or submitted regarding a decision which is not subject to appeal, the security deposit shall not be refunded, except for the case when it is incorrectly indicated in the appealed decision that it is subject to appeal.

(2¹) If an ancillary complaint is withdrawn, the security deposit shall not be refunded.

(3) A security deposit need not be paid by persons who in accordance with law are exempted from State duty. A court or a judge, by taking into account the material status of a person, may completely or partly release the person from payment of the security deposit.

[14 December 2017; 31 May 2018]

Section 445. Grounds for Non-acceptance of an Ancillary Complaint and Leaving it not Proceeded with

(1) An ancillary complaint which is not signed shall be regarded as not submitted and be sent back to the submitter, by refunding a security deposit.

(2) A judge shall take a decision on refusal to accept an ancillary complaint, if the security deposit has not been paid in accordance with the procedures and amount laid down in the law or a power of attorney or other document is not attached to the ancillary complaint which certifies authorisation of the representative to appeal a court decision.

(3) A decision of the judge to refuse to accept an ancillary complaint may not be appealed. The security deposit paid shall be refunded in the cases referred to in Paragraph two of this Section.

(4) If an ancillary complaint which does not conform to the requirements of Section 443.¹ of this Law is submitted or all of the required true copies are not attached to an ancillary complaint, or a translation of the ancillary complaint and true copies of documents attached thereto certified in accordance with the laid down procedures is not attached in the cases provided for in the law, or authorisation does not arise from the power of attorney or other document attached to the ancillary complaint to appeal the court judgment by a representative, a judge shall take a decision to leave the ancillary complaint not proceeded with and set a time limit for the elimination of deficiencies.

(5) If the submitter eliminates the deficiencies indicated in the decision to leave an ancillary complaint not proceeded with within the time limit set, the appellate claim shall be deemed to have been submitted on the date when it was first submitted. Otherwise, the ancillary complaint shall be deemed not to have been submitted and shall be returned to the submitter without refunding the security deposit.

[23 April 2015; 14 December 2017; 31 May 2018]

Section 446. Court Action after Receipt of an Ancillary Complaint

(1) After receipt of an ancillary complaint, a judge shall without delay send true copies of the claim and true copies of documents accompanying it to the participants in the case.

(2) After expiration of the time period for appeal, the judge shall without delay transfer the case with the ancillary complaint to that instance of court to which the complaint is addressed.

Section 447. Procedures for Examining an Ancillary Complaint

(1) An ancillary complaint shall be examined by written procedure. The court shall notify participants in the case of the day of examination of the ancillary complaint. A true copy of the decision shall be sent to the participants in the case within three days.

(2) If an ancillary complaint is examined in a court hearing, then examination thereof shall take place in accordance with the procedures laid down in this Law for examining of cases in an appellate court.

(3) An ancillary complaint regarding the decisions referred to in Sections 640 and 651.⁵ of this Law shall be examined at a court hearing.

(4) An ancillary complaint in respect of disputes regarding rights in cases of insolvency proceedings (Chapter 30.⁷) shall be examined by a court within 15 days from the day of receipt of the complaint.

[4 August 2011; 29 November 2012; 23 April 2015; 31 May 2018]

Section 447.¹ Decision Taken on Ancillary Complaint

(1) In a decision on ancillary complaint in addition to that referred to in Section 230 of this Law the court shall indicate the submitter of the ancillary complaint, include the outline of the ancillary complaint and appealed decision, as well as justify its attitude towards the appealed decision.

(2) If the court, in examining an ancillary complaint, recognises that the grounds included in the appealed decision are correct and sufficient, it may indicate in the decision that it agrees to the grounds of the appealed decision. In such case the reasoned part laid down in Section 230 of this Law shall not be included.

[4 August 2011; 29 October 2015]

Section 448. Competence of a Regional Court and Supreme Court

(1) A regional court and the Supreme Court in examining an ancillary complaint have the right to:

- 1) leave the decision unamended, but to reject the complaint;
- 2) to revoke the decision in full or in part and refer the case for re-examination to the court which made the decision;
- 3) to revoke the decision in full or in part and upon its own decision decide the issue on the merits;
- 4) to amend the decision.

(2) A regional court, when examining an ancillary complaint regarding a decision by which an application for the renewal of court proceedings and examination of the case anew has been dismissed in a case where a default judgment has been given, has the right:

- 1) leave the decision unamended, but to reject the complaint;
- 2) to revoke the decision, to renew the court proceedings and refer the case for examination anew to the first instance court.

[31 October 2002; 30 October 2014]

Section 449. Lawful Effect of a Decision Taken on an Ancillary Complaint

(1) A decision taken on an ancillary complaint may not be appealed and shall enter into lawful effect at the time when it is made, except for the cases provided for in this Section and Section 641 of this Law.

(2) A decision of a regional court on an ancillary complaint, except for the cases in respect of disputes regarding rights in cases of insolvency proceedings (Chapter 30.⁷) may be appealed to the Supreme Court within 10 days from the day of issuance of the decision, if by this decision:

- 1) an ancillary complaint has been dismissed regarding a decision to refuse to accept a claim, on the basis of Section 132, Paragraph one, Clauses 1 and 2 of this Law;
- 2) an ancillary complaint has been dismissed regarding termination of court proceedings, on the basis of Section 223, Clauses 1 and 2 of this Law;

3) in deciding the issue on the merits in accordance with Section 448, Clause 3 of this Law, a decision to refuse to accept a claim, on the basis of Section 132, Paragraph one, Clauses 1 and 2 of this Law or a decision to terminate court proceedings, on the basis of Section 223, Clauses 1 and 2 of this Law has been taken.

(3) A decision of a regional court on an ancillary complaint regarding the decision of the district (city) court in Land Register matters, except for a decision on an ancillary complaint regarding application for the corroboration of the immovable property in the name of the acquirer, may be appealed to the Supreme Court in conformity with the time limits specified in Section 442 of this Law.

(3¹) The time periods referred to in Paragraphs two and three of this Section in respect of a participant in a case to whom a decision has been sent in accordance with Section 56.² of this Law, shall be counted from the day of service of a true copy of the decision.

(4) Upon appealing the decisions provided for in Paragraphs two and three of this Section to the Supreme Court, as

well as Section 641, Paragraph one of this Law, a security deposit shall be paid in. The amount of the security deposit and the procedures for refunding thereof shall be determined in conformity with the requirements of this Chapter.

[31 October 2002; 7 April 2004; 14 March 2006; 25 May 2006; 5 February 2009; 12 September 2013; 30 October 2014; 29 October 2015; 14 December 2017; 31 May 2018; 25 October 2018 / Amendment regarding replacement of the words "a decision of a judge of the Land Registry Office" in Paragraph three shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Part 10 Cassation Procedure

Chapter 56 Submission of Cassation Complaints

Section 450. Right to Submit a Cassation Complaint or a Cassation Protest

(1) A judgment of a court of first instance that has been given by applying the provisions of Chapter 30.⁴ of this Law and a judgment (supplementary judgment) of an appellate court may be appealed by participants in the case in accordance with cassation procedures, and a public prosecutor may submit a cassation protest.

(2) A cassation protest shall be submitted and examined in accordance with the same procedures as cassation complaints provided that it is not otherwise provided for by this Division.

(3) A judgment of a court of first instance that has been given by applying the provisions of Chapter 30.⁴ of this Law and a judgment of an appellate court may be appealed in accordance with cassation procedures if the court has incorrectly applied the norm of substantive law, has breached the norm of procedural law or, in examining a case, has acted outside its competence.

[22 May 2008; 8 September 2011; 18 April 2013; 20 March 2014; 9 June 2016]

Section 451. Incorrect Application of Norms of Substantive Law

(1) A court has applied the norm of substantive law incorrectly, if it has been incorrectly referenced to the circumstances found by the court or if a norm of substantive law has been construed incorrectly.

(2) Incorrect application of the norms of substantive law may serve as the basis for an appeal of a judgment according to cassation procedures, if such violation has led or may have led to an erroneous examination of the case.

[22 May 2008; 9 June 2016]

Section 452. Breach of Norms of Procedural Law

(1) A court has allowed breach of a norm of procedural law if it has failed to ensure procedural procedures appropriate to the law or compliance with the procedural rights of persons during the court proceedings by not applying or construing incorrectly the relevant legal provision.

(2) Violation of a norm of procedural law may serve as the basis for an appeal according to cassation procedures, if it has led or may have led to an erroneous examination of the case.

(3) The following shall in any event be regarded as a breach of a norm of procedural law as may have led to an wrongful trial of a case:

- 1) a court has examined a case in an unlawful composition;
- 2) the court has examined the case in breach of norms of procedural law which stipulate an obligation to notify participants in the case of the time and place of the court hearing;
- 3) norms of procedural law regarding the language of the court proceedings have been breached;
- 4) a court judgment confers rights or imposes obligations upon a person who has not been summoned to the case as a participant in the procedure;
- 5) there are no minutes of the court hearing or there is no court judgment in the case.

[22 May 2008; 9 June 2016; 14 December 2017 / Amendment to Clause 5 of Paragraph three regarding deletion of the word "full" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 453. Contents of a Cassation Complaint

(1) The following shall be indicated in a cassation complaint:

1) the name of the court to which the complaint is addressed (the Civil Cases Department of the Supreme Court);

2) the given name, surname, personal identity number and declared place of residence of the submitter of the complaint, but if none, the place of residence; for a legal person - the name, registration number and legal address thereof. If the submitter of the complaint agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well. In addition the submitter of the complaint may also indicate another address for correspondence with the court;

2¹) an electronic mail address of a sworn advocate if the submitter of the complaint is represented by a sworn advocate;

3) the judgment regarding which the complaint has been submitted and the court which has given the judgment;

4) the extent to which the judgment is appealed;

5) which provision of substantive law has been applied incorrectly, which norm of procedural law has been breached by the court and how it has affected the trial of the case, or in what way the court has exceeded the scope of its competence;

6) [9 June 2016].

7) a request expressed to the Supreme Court.

(1¹) If a submitter of a cassation complaint considers that the examination of the cassation complaint in accordance with cassation proceedings has significant meaning for ensuring a unified case-law or further formation of law, he or she shall justifiably indicate it in the cassation complaint.

(2) A cassation complaint shall be signed by a submitter - natural person, an official indicated in Section 82, Paragraph seven of this Law or an advocate. If the cassation complaint is signed by the official of the legal person, a document certifying the right of the official to represent the submitter shall be attached to the complaint. If the cassation complaint is signed by the advocate, a power of attorney and an order shall be attached to the complaint. The cassation protest shall be signed by an official of the Office of the Prosecutor laid down in law.

(3) [23 April 2015].

(4) A document confirming the payment of a security deposit shall be attached to a cassation complaint.

(5) A cassation complaint which is not signed shall be regarded as not submitted and be sent back to the submitter, by refunding a security deposit.

(6) The judge shall take a decision to refuse to accept the cassation complaint, if:

1) a document confirming the payment of a security deposit is not attached to a cassation complaint;

2) a document certifying the right of the official of the legal person to appeal a court judgment in accordance with the cassation procedures is not attached to a cassation complaint or submitted in the case, or a power of attorney and order issued to the advocate is not attached or submitted in the case.

(7) A security deposit shall be refunded in the case referred to in Paragraph six, Clause 2 of this Section.

[31 October 2002; 27 June 2003; 12 February 2004; 22 May 2008; 29 November 2012; 30 October 2014, 23 April 2015; 9 June 2016]

Section 454. Time Periods for Submission of a Cassation Complaint

(1) A cassation complaint may be submitted within 30 days from the day a judgment is declared.

(2) If a judgment has been drawn up after the date determined by the court (Section 199), the time period for appeal thereof shall be counted from the date of actual drawing up of the judgment. If a judgment is given in the written procedure, the time period for appeal shall be counted from the day when the judgement has been drawn up.

(2¹) A participant in a case to whom a true copy of the judgment has been sent in accordance with Section 56.² of this Law may submit a cassation complaint within 30 days from the day of service of the true copy of the judgment.

(3) A complaint submitted after the elapse of such time period shall not be accepted and shall be returned to the submitter, refunding the security deposit.

[31 October 2002; 22 May 2008; 5 February 2009; 29 October 2015; 14 December 2017 / Amendment to Paragraph two regarding deletion of the first sentence, as well as the new wording of the second sentence of Paragraph two shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 455. Appeal of a Judgment by a Judge

An ancillary complaint may be submitted regarding a decision of a judge to refuse to accept a cassation complaint, except for the cases referred to in Section 453, Paragraph six of this Law.

[23 April 2015]

Section 456. Procedures for Submission of a Cassation Complaint

(1) A cassation complaint shall be submitted to the court, which gave the judgment.

(2) If a cassation complaint is directly submitted to a cassation court within the time period pertaining to cassation complaints, it shall not be considered that the time period has not been met.

Section 457. True Copies of a Cassation Complaint

(1) A cassation complaint shall be submitted together with true copies thereof in number corresponding to the number of participants in the case.

(2) In the cases provided for by the law a translation certified in accordance with the specified procedures shall be attached to a cassation complaint and true copies thereof, if the documents are intended to be serviced to a person in accordance with Section 56.² of this Law. The translation need not be attached by a person who is released from the payment of court expenses.

[5 February 2009]

Section 458. Bail

(1) When a cassation complaint is submitted, a security deposit shall be paid in the amount of EUR 300 in the deposit account of the Supreme Court.

(2) If the Supreme Court, in full or in part, revokes or amends an appealed court judgment, the security deposit shall be refunded. If a cassation complaint is dismissed, the security deposit shall not be refunded.

(3) If a cassation complaint is withdrawn prior to the Supreme Court assignments hearing, the security deposit shall be refunded to the submitter.

(4) A security deposit need not be paid by persons who in accordance with law are exempted from State duty. A court or a judge, by taking into account the material status of a person, may completely or partly release the person from payment of the security deposit.

[22 May 2008; 20 December 2010; 12 September 2013; 30 October 2014; 9 June 2016]

Section 459. Leaving a Cassation Complaint not Proceeded With

(1) If all of the required true copies are not attached to a cassation complaint or a translation of the cassation complaint and true copies of documents attached thereto certified in accordance with the laid down procedures are not attached in the cases provided for by the law, a judge shall take a decision to leave the cassation complaint not proceeded with and set a time limit for the elimination of deficiencies.

(2) If the submitter, within the time period set, eliminated the deficiencies indicated in the decision, the cassation complaint shall be deemed to have been submitted on the day when it was first submitted.

(3) If the submitter has not eliminated the deficiencies indicated in the decision within the specified time period, the cassation complaint shall be deemed not to have been submitted and shall be returned to the submitter without refunding the security deposit.

(4) An ancillary complaint may be submitted regarding a decision of a judge according to which a cassation complaint has been returned to the submitter.

(5) If the deficiencies indicated in Paragraph one of this Section, Section 453, Paragraphs five and six of this Law are established in the Supreme Court, a cassation complaint shall be transferred to the appellate court, but in the case referred to in Section 450, Paragraph one of this Law - to the court of first instance, for performance of the activities laid down in Paragraphs two, three, four of this Section, Section 453, Paragraphs five and six of this Law.

[19 June 2003; 5 February 2009; 30 October 2014; 23 April 2015; 9 June 2016; 31 May 2018]

Section 460. Court Action after Receipt of a Cassation Complaint

(1) A judge of an appellate court or in the case referred to in Section 450, Paragraph one of this Law - a judge of a court of first instance shall send true copies of a cassation complaint to other participants in the case and notify them that they have the right to submit explanations to the Supreme Court in relation to the cassation complaint within 30 days from the day the true copies are sent.

(1¹) If a true copy of a cassation complaint has been sent to a participant in the case in accordance with Section 56.² of this Law, the time period for the submission of an explanation shall be counted from the day of service of the true copy of the cassation complaint to the participant in the case.

(2) Upon expiration of the time period for appeal of a judgment, a court shall without delay transfer the civil case together with the cassation complaint to the Supreme Court.

[5 February 2009; 30 October 2014; 9 June 2016]

Section 461. Joining in a Cassation Complaint

(1) Co-participants and third persons, which participate in the procedure on the side of a person, who has submitted a cassation complaint, may join in the submitted complaint within 30 days from the day of sending of a true copy of the cassation complaint, by submitting a relevant application to the Supreme Court.

(2) A security deposit is not required to be paid when submitting an application to join in a cassation complain.

[31 October 2002; 9 June 2016]

Section 462. Withdrawal of a Cassation Complaint

(1) A person who has submitted a cassation complaint is entitled to withdraw it until the cassation instance court hearing.

(2) If a cassation complaint is withdrawn until the assignments of the Supreme Court, cassation proceedings shall not be initiated, if after assignments hearing of the Supreme Court - cassation proceedings shall be terminated in the case.

[9 June 2016]

Section 463. Submitting a Cross Complaint

(1) A participant in a case may submit his or her cross complaint to the Supreme Court within 30 days from the day the true copy of the cassation complaint is forwarded. The participant in the case to whom the true copy of a cassation complaint has been sent in accordance with 56.² of this Law may submit his or her cross complaint to the Supreme Court within 30 days from the day of service of the true copy of the cassation complaint.

(2) In submitting a cross complaint, the provisions of Sections 450, 451, 452, 453, 457 and 458 of this Law shall be observed.

(3) The Supreme Court shall send a true copy of the cross complaint to other participants to the proceedings and notify that they have the right to submit explanations to the Supreme Court in relation to the cross complaint within 30 days after sending a true copy.

(4) If a cassation complaint is withdrawn, the cross complaint shall be examined independently.

[22 May 2008; 5 February 2009; 30 October 2014]

Chapter 57

Initiation of Cassation Proceedings and Examination of Cases at Cassation Courts

[22 May 2008]

Section 464. The Supreme Court Assignments Hearing

(1) In order to decide on an issue regarding the initiation of cassation proceedings, cassation complaints, cross complaints and protests after expiry of the time period for submitting the explanations provided for in Section 460, Paragraph one and Section 463, Paragraph three of this Law shall be examined at the Supreme Court assignments hearing by a judicial collegium established in accordance with the procedures laid down by the Chairperson of the Department in the composition of three judges.

(2) If at least one of the judges considers that the case should be examined at a cassation court, the judicial collegium shall take a decision on the initiation of cassation proceedings. It shall be established in the decision that the case should be examined by the written procedure or examined in a court hearing.

(3) If the judicial collegium unanimously finds that the initiation of cassation proceedings is to be refused, it shall refuse by an assignments hearing decision to initiate cassation proceedings.

(4) By a unanimous decision of the judicial collegium, the case may be referred for examination, in accordance with the cassation procedures, to the Supreme Court in expanded composition.

(4¹) The decision referred to in Paragraphs two, three, four and seven of this Section may be drawn up in the form of a resolution in conformity with that laid down in Section 229, Paragraph two of this Law.

(5) If cassation proceedings are initiated, the judicial collegium, upon a request of a party, may take a decision to stay the enforcement of the judgment until examination of the case in accordance with the cassation procedures.

(6) In a Supreme Court assignments hearing the judicial collegium may also decide on an issue regarding refusal to accept the submitted ancillary complaint and other procedural issues, for the deciding of which a court hearing is not necessary, and also take a decision to make a request to the Court of Justice of the European Union for the giving of a preliminary ruling or to submit an application to the Constitutional Court regarding compliance of legal provisions with the Constitution or principles of international law (legislation).

(7) If the judicial collegium has no clear evidence to deem that upon examining an ancillary complaint the appealed decision will be revoked or amended completely or in any part thereof, it may refuse to accept the ancillary complaint by an unanimous decision in the assignment hearing of the Supreme Court. In such case the security deposit paid for the ancillary complaint shall not be refunded.

[22 May 2008; 8 September 2011; 15 March 2012; 30 October 2014; 12 February 2015; 9 June 2016; 14 December 2017 / Amendment to Paragraph seven regarding replacement of the words "State duty" with the words "security deposit" shall come into force on 1 March 2018. See Paragraphs 139 and 140 of Transitional Provisions]

Section 464.¹ Grounds for the Refusal to Initiate Cassation Proceedings

(1) A judicial collegium of the Senate shall refuse to initiate cassation proceedings, if a cassation complaint fails to conform to the requirements of Sections 450-454 of this Law.

(2) If a cassation complaint formally complies with the requirements referred to in Paragraph one of this Section and if the court, which has given the appealed judgment, has not allowed breach of the provisions of Section 452, Paragraph three of this Law, the judicial collegium may refuse to initiate cassation proceedings also in the following cases:

1) jurisdiction of the Supreme Court has established in the issues of application of legal norms indicated in the cassation complaint, and the appealed judgment does not comply with it;

2) upon having assessed the arguments referred to in the cassation complaint, there is no clear evidence to deem that outcome of the case included in the appealed judgment is incorrect and that the case to be examined has a significant meaning for ensuring a unified case-law or further formation of law.

(3) If a cassation complaint formally complies with the requirements referred to in Paragraph one of this Section and if the court has not breached the provisions of Section 452, Paragraph three of this Law and the case to be examined has no significant meaning for ensuring a unified case-law or further formation of law, the judicial collegium may refuse to initiate cassation proceedings also in disputes of a financial nature, if the part thereof, in which the judgment is appealed, is less than EUR 2000.

[22 May 2008; 30 October 2014; 12 February 2015; 9 June 2016]

Section 464.² Determination of Examination of a Case

Examination of a case shall be determined by the written procedure, if a ruling can be given in accordance with the materials of the case. If additional explanations of participants in the case are necessary or according to the opinion of the Supreme Court the relevant case may have a special significance in the interpretation of legal norms, examination of the case in a court hearing may be determined.

[15 March 2012; 30 October 2014; 9 June 2016]

Section 464.³ Examination of a Case in the Written Procedure, Drawing-up and Declaration of a Judgment

(1) A case shall be examined in the written procedure according to the materials of the case in conformity with the

competence of the cassation court.

(2) The persons who have submitted a complaint or a protest, as well as the persons whose interests are affected by the complaint or protest shall be notified that the case will be examined in the written procedure, they will be explained their procedural rights, informed regarding the composition of the court examining the case, explained the right to apply for removal of a judge and informed regarding the date when a true copy of the judgment may be received in the Court Registry. This date shall be deemed as the date when the judgment has been declared.

(2¹) If during drawing up a judgment the court finds that due to the complexity of the case a longer time period is necessary for the drawing up of a judgment, it may extend the abovementioned time period, however it should not exceed two months. The court shall, without delay, inform the participants in the case referred to in Paragraph two of this Section regarding a new date when the judgment may be received in the Court Registry.

(3) The parties are entitled to exercise the civil procedural rights referred to in this Law, which are related to the preparation of the case for trial, not later than within seven days prior to date, when the true copy of the judgment may be received in the Court Registry.

(4) If necessary, a court shall request the submission of the views of the public prosecutor within 10 days.

(5) [14 December 2017 / See Paragraph 137 of Transitional Provisions]

(6) Upon a written request of a party a true copy of the judgment may be sent by post or, if possible, by the use of other means in accordance with the procedures for delivery and issuance of court documents laid down in this Law. A true copy of the judgment shall be sent to the parties without delay after the date when the judgment has been declared.

(7) A decision to transfer a case for examination in a court hearing may also be taken in the written procedure.

[15 March 2012; 9 June 2016; 14 December 2017 / The new wording of the last sentence of Paragraph two, amendment to Paragraph 2.¹ regarding deletion of the words "drawing up of a full judgment", amendment regarding deletion of Paragraph five, as well as amendment to Paragraph six regarding deletion of the word "full" and replacement of the word "drawing up" with the word "declared" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 465. Listing a Case for Examination at a Supreme Court Hearing

(1) The time, composition of the court and referent for the examination of a case shall be determined by the Chairperson of the Department of the Supreme Court. The participants in the case shall be notified of the time and place of examination.

(2) The case shall be examined at a cassation court by three judges, but in the cases provided for by this Law, by a judicial collegium composed of not less than seven judges.

[30 October 2014; 12 February 2015]

Section 466. Commencement of Examination of a Case

(1) The chairperson of the hearing shall open the court hearing and inform as to what proceeding is being examined by the Supreme Court.

(2) The chairperson of the hearing shall ascertain which participants in the case have arrived, their identity and the authorisation of representatives.

[31 October 2002; 12 February 2004; 30 October 2014]

Section 467. Explanation of Rights and Obligations to the Participants in a Case

(1) The chairperson of the hearing shall announce the court panel and the name of the public prosecutor and the interpreter, if they participate in the court hearing, and shall explain to the participants in the case their right to apply for a removal, as well as other procedural rights and obligations.

(2) The grounds for removal and procedures for taking decisions on removal are as prescribed by Sections 19-21 of this Law.

[31 October 2002; 12 February 2004]

Section 468. Consequences Resulting from a Failure to Attend by Participants in a Case

Failure of the participants in a case who have duly been notified of the time and place of a hearing of a cassation court shall not constitute a bar for the examination of the case.

Section 469. Deciding on an Application

Applications of participants in a case relating to the examination of the case shall be decided after hearing the opinions of the other participants in the case.

[31 October 2002; 12 February 2004]

Section 470. Report on a Case

Examination of a case shall commence with a report on the case by the referent judge.

[12 February 2015]

Section 471. Explanations of Participants in a Case and Opinion of the Public Prosecutor

(1) Following the report of the judge, a court shall give a hearing to explanations by the parties or the representatives thereof. The court may previously set a time for providing of explanations; however, both sides shall be allotted equal time.

(2) The participant who submitted the cassation complaint, or a public prosecutor, if he or she has submitted a protest, shall speak first. If a judgment has been appealed by both parties, the plaintiff shall speak first.

(3) Judges may ask questions of the participants in the case.

(4) Each party has the right to one reply.

(5) If a public prosecutor participates in a proceeding for which a cassation protest has not been submitted, he or she shall deliver an opinion following the explanations and replies of the parties.

[31 October 2002; 12 February 2004; 12 February 2015]

Section 472. Giving a Judgment

(1) Subsequent to explanations of the participants in the case and the opinion of the public prosecutor, a court shall retire to deliberation to give a judgment.

(2) If, when examining the case in the composition of three judges, a court does not reach an unanimous opinion, or all the judges consider that the case should be examined in expanded composition, the court shall take a decision to refer the case to the Supreme Court for it to be examined in expanded composition.

(3) When examining the case in expanded composition, judgment shall be given by a majority vote and signed by all the judges.

(4) Subsequent to deliberation by the judges, a court shall return to the courtroom, and the chairperson of the hearing shall declare the judgment, by reading its operative part, and shall notify when the participants may become acquainted with the judgment.

(5) A judge who, during examination of the case in the expanded composition of the Supreme Court, has a different opinion regarding translation of the law or application of the law, within 15 days after drawing up of the judgment, is entitled to express his or her certain thoughts in writing which are to be attached to the case.

(6) If the judges acknowledge that a judgment cannot be given in this court hearing, the Supreme Court shall determine the next court hearing in which shall take place within the nearest 14 days and in which it shall declare the judgment.

[19 June 2003; 5 February 2009; 30 October 2014; 12 February 2015; 9 June 2016; 14 December 2017 / Amendment to Paragraph one regarding replacement of the words "to the deliberation room" with the words "to deliberation", amendment to Paragraph four regarding replacement of the words "full text of the judgment" with the words "the judgment", as well as amendment to Paragraph five regarding replacement of the words "full text of the judgment" with the words "the judgment" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Section 472.¹ Suspension of Court Proceeding in a Cassation Court

If the cassation court takes a decision to make a request to the Court of Justice of the European Union for the giving of a preliminary ruling, it shall stay the court proceedings until the ruling of the Court of Justice of the European Union comes into legal effect.

[7 April 2004; 8 September 2011]

Chapter 58

Judgment of a Cassation Court

Section 473. Limits Regarding Examination of Cases

(1) In examining a case in accordance with the cassation procedure, a court shall examine the validity of the existing judgment for the appealed part of the case regarding persons who have appealed the judgment or who have joined in the cassation complaint and regarding arguments which have been mentioned in the cassation complaint.

(2) A court may revoke the entire judgment, even though only a part of it has been appealed, if it finds that such breach of law exist which has led to a wrongful trial of the entire case.

Section 474. Rights of a Cassation Court

A court, following its examination of the case, may give one of the following judgments:

1) to leave the judgment unamended and to dismiss the complaint;

2) to revoke the whole judgment or a part thereof, and transfer the case for re-examination to an appellate court or court of first instance;

3) to revoke the whole judgment or a part thereof, and leave the application without examination, or to terminate the court proceeding, if the court of second instance has not complied with the provisions of Section 219 or 223 of this Law;

4) amend the judgment in regard to the part thereof pertaining to the extent of the claim, if, as a result of erroneous application of a substantive legal norm, it has been determined incorrectly.

[31 October 2002]

Section 475. Contents of a Judgment of a Cassation Court

(1) A judgment of a cassation court shall consist of an introduction, a descriptive part, a reasoned part and an operative part.

(2) In the introductory part the court shall set out:

1) the name and composition of the court;

2) the time when the judgment is given;

3) the participants in the case and the subject-matter of the dispute;

4) the persons who have submitted the cassation complaint (cross-complaint) or have joined in it.

(3) In the descriptive part the court shall set out:

1) a brief description of the circumstances of the case;

2) the nature of the appellate court judgment;

3) the arguments of the cassation complaint;

4) the arguments of the cross complaint or the nature of the explanations.

(4) In the reasoned part the court shall set out:

1) when dismissing a cassation complaint - arguments due to which the complaint has been dismissed;

2) when satisfying a cassation complaint - arguments regarding the breach of norms of law allowed by the court and the erroneous application thereof or the exceeding of the scope of its competence.

(5) In the operative part the court shall set out the ruling in accordance with the relevant Clause of Section 474 of this Law.

(6) If the court, in examining the case, recognises, that the justification in the issue of application of legal norms included in the appealed judgment is correct, it may indicate in the reasoned part that it recognises the relevant argumentation as correct. In such case the arguments laid down in Paragraph four, Clause 1 of this Section need not be indicated in the reasoned part of the judgment.

(7) If the court, in examining the case, recognises that the appealed judgment fails to comply with the jurisdiction of

the Supreme court which has established in other similar cases and it is not indicated by arguments in the appealed judgment why such deviation from the jurisdiction has occurred, the court may give a judgment in the reasoned part of which it indicates the jurisdiction which has not been complied with or non-compliance with which has not been justified. In such case the descriptive part need not be included in the judgment and the arguments laid down in Paragraph four, Clause 2 of this Section need not be indicated in the reasoned part of the judgment.

[9 June 2016]

Section 476. Compulsory Nature of an Instruction of a Cassation Court

(1) The interpretation of law expressed in a judgment of a cassation court shall be mandatory for the court which re-examines the case.

(2) In its judgment a cassation court shall not set out what judgment shall be given when the re-examined.

Section 477. Lawful Effect of a Judgment of a Cassation Court

A judgment of a cassation court may not be appealed and enters into effect at the time it is declared.

Section 477.¹ Action of a Cassation Court after Examination of a Cassation Complaint and Cassation Protest

A cassation court shall, after giving (accepting) of the ruling referred to in Section 462, Paragraph two, Section 464, Paragraph three, Section 464.³, Paragraph two, and Section 474, Clauses 1 and 4 of this Law, immediately send the case to the appellate court for issue of a writ of execution.

[22 May 2008; 15 March 2012; 14 December 2017 / Amendment to Section regarding deletion of the word "full" shall come into force on 1 March 2018. See Paragraph 137 of Transitional Provisions]

Division Eleven

Re-examination of a Case in which a Judgment or a Decision has Entered into Lawful Effect

Chapter 59

Re-examination of a Case in Connection with Newly-Discovered Circumstances

Section 478. Submission of an Application

(1) A new examination of the case in connection with newly-discovered circumstances shall be initiated according to application by a participant in the case. The application shall be submitted to the same court by a judgment or decision of which examination of the case on the merits is completed.

(2) The application may be submitted within three months from the day when the circumstances forming the basis for re-examination of the case have been established.

(3) The application may not be submitted if more than 10 years have elapsed since the judgment or the decision has come into effect. This condition shall not apply to cases when the newly-discovered circumstances are a ruling of the European Human Rights Court or another international or transnational court (Clause 6 of Section 479).

(3¹) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter, by refunding a security deposit.

(4) The judge shall take a decision to refuse to accept the application, if:

1) a power of attorney or other document which certifies authorisation of the representative to apply to the court with the application is not attached to the application;

2) a security deposit is not paid in accordance with the procedures and amount laid down in the law;

3) the time limit laid down in Paragraph two or three of this Section is delayed;

4) the circumstances that in accordance with Section 479 of this Law may be recognised as newly-discovered circumstances have not been indicated in the application;

5) the application is submitted repeatedly and it is not arising from it that actual or legal circumstances have significantly changed for deciding the issue.

(5) A decision of the judge to refuse to accept an application in accordance with Paragraph four, Clauses 1 and 2 of this Section shall not be appealed. An ancillary complaint may be submitted regarding a decision of the judge to refuse to accept an application in accordance with Paragraph four, Clauses 3, 4 and 5 of this Section.

(6) If an authorisation does not arise from the power of attorney or other document attached to the application for a representative to apply to the court with such application, the judge shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall set in.

(7) Upon an application being submitted, a security deposit shall be paid in the amount of EUR 300. If the court fully or partially withdraws the contested court ruling, or if the application is revoked until examination thereof, the security deposit shall be refunded.

(8) If the court refuses to accept the application on the basis of Paragraph four, Clauses 1 and 2 of this Section, the security deposit paid shall be refunded. If the court refuses to accept the application on the basis of Paragraph four, Clauses 3, 4 and 5 of this Section, the security deposit paid shall not be refunded.

[5 February 2009; 30 October 2014; 9 June 2016; 19 October 2017]

Section 479. Newly-Discovered Circumstances

The following shall be recognised as newly-discovered circumstances:

1) essential circumstances of a case which existed at the time of examination of the case but were not and could not have been known to the applicant;

2) the finding, according to a court judgment on a criminal case which has entered into lawful effect, that a false testimony of witnesses, expert opinion or translations were intentionally provided, or there were fraudulent written or material evidence upon which the giving of a judgment was based;

3) the finding, according to a court judgment in a criminal case that has entered into lawful effect, of criminal acts due to which an unlawful or unfounded judgment has been given or a decision taken;

4) the revocation of such court judgment or such decision by another institution as was a basis for the giving of the judgment or taking of the decision in this case;

5) the acknowledgement of a norm of law applied in the trial of the case as not in conformity with a higher norm of law in lawful effect;

6) a ruling of the European Court of Human Rights or other international or trans-national court in such case, out of which it arises that court proceedings should be commenced anew. In such case the court, when giving a ruling in the resumed case, must base on the facts established in the ruling of the European Court of Human Rights or other international or trans-national court and their judicial assessment.

[20 June 2001; 22 May 2008]

Section 480. Calculation of the Time Period for Submission of an Application

The time period for submission of an application shall be calculated:

1) regarding the facts set out in Section 479, Clause 1 of this Law, from the day such circumstances become disclosed;

2) in the cases set out in Section 479, Clauses 2 and 3 of this Law, from the day the judgment in the criminal case has entered into lawful effect;

3) in the cases set out in Section 479, Clause 4 of this Law, from the day of entering into lawful effect of a court ruling by which a judgment in a civil case or a criminal case has been revoked or from the day of revocation of a decision of another institution, on which the judgment or decision being requested to be revoked due to newly-discovered circumstances is based;

4) in the case set out in Section 479, Clause 5 of this Law, from the day of entering into lawful effect of a judgment or other decision in relation to which the norm of law applied loses effect as not in conformity with a higher norm of law in lawful effect.

[20 June 2001]

Section 481. Examination of an Application

(1) An application in connection with newly-discovered circumstances shall be examined in the written procedure.

(2) In examining an application, the provisions of the Law regarding non-permissibility of the judge to participate in repeated examination of the case shall not be applied.

[5 February 2009; 9 June 2016]

Section 482. Court Decision

(1) After examining the application, a court shall examine whether the circumstances indicated by the applicant are to be found to be newly-discovered circumstances in accordance with Section 479 of this Law.

(2) If a court finds that there are newly-discovered circumstances, it shall revoke the appealed judgment or decision in full or as to part thereof and refer the case for it to be re-examined in the court of the same or lower instance.

(3) If a court finds that the circumstances indicated in an application are not to be found to be newly-discovered, it shall dismiss the application.

(4) An ancillary complaint may be submitted regarding a court decision by which the application for the examination of the case anew due to newly-discovered circumstances is refused.

[9 June 2016]

Chapter 60

Examination of Cases in Connection with Breach of Significant Substantive or Procedural Norms of Law

Section 483. Submitting a Protest

A protest regarding a court ruling that has entered into effect may be submitted to the Supreme Court by the Prosecutor General or the senior prosecutor of the Department for the Protection of the Rights of Individuals and State of the Office of the Prosecutor General, provided that not more than 10 years have elapsed since the ruling entered into effect.

[29 November 2012; 30 October 2014 / Section shall be recognised as non-conforming to the first sentence of Section 92 of the Constitution of the Republic of Latvia by the Judgment of the Constitutional Court of 14 May 2013 in the part regarding the right of the Chairperson of the Civil Cases Department of the Senate of the Supreme Court to submit a protest (in the wording which was in force until 1 January 2013)]

Section 484. Grounds for Submitting a Protest

The grounds for submitting a protest regarding a court ruling is the violation of substantive or procedural norms of law that has been found in cases which have only been examined in a court of first instance, if the court ruling has not been appealed in accordance with the procedures laid down in law due to reasons independent of the participants in the case, or the infringement, according to a court ruling, of the rights of State or local government institutions or of such persons as were not participants in the case.

Section 485. Procedures for Examining Protests

A protest shall be examined by the Supreme Court in accordance with the procedures laid down in Sections 464-477 of this Law.

[30 October 2014]

Chapter 60.¹

Re-examining Cases in Connection with Review of a Ruling in Cases Provided for in Legal Norms of the European Union

[8 September 2011]

Section 485.¹ Submission of an Application

(1) Re-examination of a case in connection with review of a ruling may be initiated by a defendant on the basis of Article 19 of the Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims (hereinafter - Regulation No 805/2004 of the European Parliament and of the Council), Article 18 of the Regulation No 861/2007 of the European Parliament and of the Council, Article 20 of Regulation No 1896/2006 of the European Parliament and Council or Article 19 of Council Regulation (EC) No 4/2009 of 18 December 2008 on jurisdiction, applicable law, recognition and enforcement of

decisions and cooperation in matters relating to maintenance obligations (hereinafter - Council Regulation No 4/2009), by submitting an application:

- 1) regarding the review of a judgment or a decision of a district (city) court - to the regional court concerned;
- 2) regarding the review of a judgment or a decision of a regional court - to the Supreme Court;
- 3) regarding the review of a judgment or a decision of the Chamber of the Court - to the Civil Cases Department of the Supreme Court.

(2) The application may be submitted within 45 days, but in accordance with Regulation No 861/2007 of the European Parliament and of the Council from the day when the circumstances of review provided for in the legal norms of the European Union referred to in Paragraph one of this Section have been ascertained.

(3) The application cannot be submitted if limitation period for the submission of an enforcement document regarding the relevant ruling has set in.

(4) An application, in which the circumstances that in accordance with the legal norms of the European Union referred to in Paragraph one of this Section may be recognised as circumstances of review of a ruling have not been indicated, shall not be accepted and returned to the applicant. A judge shall refuse to accept for examination an application for the examination of a case anew due to review of a ruling, even if the application has been submitted repeatedly and it does not arise from it that the circumstances for review of the ruling for deciding the issue have changed. An ancillary complaint may be submitted regarding such decision of the judge.

[30 October 2014; 29 October 2015; 1 June 2017 / Amendment to Paragraph two in relation to Regulation No 861/2007 of the European Parliament and of the Council shall come into force on 14 July 2017. See Paragraph 126 of Transitional Provisions]

Section 485.² Examination of an Application

An application for the review of a ruling shall be examined in the written procedure.

Section 485.³ Court Decisions

(1) After examining an application, the court shall examine whether the circumstances indicated by the applicant are to be found as circumstances for review of the ruling in accordance with the legal norms of the European Union referred to in Section 485.¹, Paragraph one of this Law.

(2) If the court finds that there are circumstances for review of a ruling, it shall fully revoke the appealed ruling and refer the case for re-examination in a court of first instance.

(3) If the court finds that the circumstances indicated in the application are not to be considered as circumstances for review of the ruling, it shall dismiss the application.

(4) An ancillary complaint may be submitted regarding a decision of a court.

Part D Arbitration Court

Division Twelve Procedures for Execution of a Judgment of a Permanent Arbitration Court

[11 September 2014 / The new wording of the Division shall come into force on 1 January 2015. See Paragraph 83 of Transitional Provisions]

Chapter 61 General Provisions

[11 September 2014 / See Paragraph 83 of Transitional Provisions]

Section 486. Establishment of an Arbitration Court

[11 September 2014]

Section 486.¹ Rules of Procedure of Arbitration Court

[11 September 2014]

Section 487. Disputes Resolvable by Arbitration Courts

[11 September 2014]

Section 488. Procedural Norms Applicable to Resolution of Disputes

[11 September 2014]

Section 489. Norms of Substantive Law Applicable to Resolution of Disputes

[11 September 2014]

Chapter 62 Arbitration Agreement

[11 September 2014 / See Paragraph 83 of Transitional Provisions]

Section 490. Concept of an Arbitration Agreement

[11 September 2014]

Section 491. Parties to an Arbitration Agreement

[11 September 2014]

Section 492. Form of an Arbitration Court Agreement

[11 September 2014]

Section 493. Validity of an Arbitration Agreement

[11 September 2014]

Section 494. Law Applicable to an Arbitration Court Agreement

[11 September 2014]

Chapter 63 Preparation of Arbitration Proceedings

[11 September 2014 / See Paragraph 83 of Transitional Provisions]

Section 495. Determination of the Allocation of a Dispute

[11 September 2014]

Section 496. Securing a Claim before the Claim is Raised in Disputes which are Subject to Resolution by an Arbitration Court

[11 September 2014]

Section 497. Arbitrator

[11 September 2014]

Section 498. Number of Arbitrators

[11 September 2014]

Section 499. Appointing of Arbitrators

[11 September 2014]

Section 500. Dismissal of Arbitrators

[11 September 2014]

Section 501. Grounds for Removal of an Arbitrator

[11 September 2014]

Section 502. Procedures for Removing an Arbitrator

[11 September 2014]

Section 503. Termination of the Term of Office of an Arbitrator

[11 September 2014]

Section 504. Appointing of a New Arbitrator

[11 September 2014]

Chapter 64

Resolution of a Dispute by an Arbitration Court

[11 September 2014 / See Paragraph 83 of Transitional Provisions]

Section 505. Equality of the Parties and Adversary Proceedings

[11 September 2014]

Section 506. Determining the Procedures for Arbitration Proceedings

[11 September 2014]

Section 507. Time Periods

[11 September 2014]

Section 508. Place for Resolving a Dispute

[11 September 2014]

Section 509. Language of the Arbitration Court

[11 September 2014]

Section 510. Representation of Parties

[11 September 2014]

Section 511. Costs of an Arbitration Proceedings

[11 September 2014]

Section 512. Confidentiality of Arbitration Proceedings

[11 September 2014]

Section 513. Initiation of an Arbitration Proceedings

[11 September 2014]

Section 514. Submitting an Application for a Claim

[11 September 2014]

Section 515. Response to a Claim

[11 September 2014]

Section 516. Counterclaim

[11 September 2014]

Section 517. Amendment and Supplementation of a Claim

[11 September 2014]

Section 518. Resolution of a Dispute by an Arbitration Court

[11 September 2014]

Section 519. Correspondence

[11 September 2014]

Section 520. Consequences, if Parties do not Participate in the Arbitration Procedure

[11 September 2014]

Section 521. Evidence

[11 September 2014]

Section 522. Expert-examination

[11 September 2014]

Section 523. Securing a Claim

[11 September 2014]

Section 524. Procedural Consequences of Withdrawal of a Party

[11 September 2014]

Section 525. Rights to Object

[11 September 2014]

Section 526. Minutes

[11 September 2014]

Section 527. Storage of Procedure Documents after Completion of the Arbitration Court Procedure

[11 September 2014]

Chapter 65 Awards of an Arbitration Court

[11 September 2014 / See Paragraph 83 of Transitional Provisions]

Section 528. Making of Awards by an Arbitration Court

[11 September 2014]

Section 529. Settlement

[11 September 2014]

Section 530. Judgement of an Arbitration Court

[11 September 2014]

Section 531. Procedures for Certifying Signatures of Arbitrators on an Award

[11 September 2014]

Section 532. Completion of Arbitration Proceedings

[11 September 2014]

Chapter 66 Enforcement of Arbitration Court Awards

Section 533. Procedures for Enforcement of Arbitration Court Awards

Section 534. Submission of an Application for Issue of a Writ of Execution for Enforcement of a Judgment of a Permanent Arbitration Court

(1) If a judgment of a permanent arbitration court is to be enforced in Latvia and is not being enforced voluntarily, the interested party is entitled to submit an application for the issue of a writ of execution for the enforcement of a judgment of a permanent arbitration court to the district (city) court based on the declared place of residence, but if none, according to the place of residence of a debtor or his or her legal address, or according to the place of enforcement of the judgment of the arbitration court.

(2) The following shall be attached to an application for issue of a writ of execution for enforcement of a judgment of a permanent arbitration court:

- 1) a true copy of the judgment of the permanent arbitration court;
- 2) an arbitration court agreement which confirms the agreement in writing by the parties to refer a civil legal dispute for examination to an arbitration court, or a true copy thereof;
- 3) true copies of the application in conformity with the number of the remaining participants in the case;
- 4) documents which approve payment of the State duty and costs related to application for the issue of a writ of execution for enforcement of a judgment of a permanent arbitration court.

(3) The documents referred to in Paragraph two, Clause 4 of this Section need not be attached, if the information regarding payment of the State duty and costs related to application for the issue of a writ of execution for enforcement of a judgment of a permanent arbitration court carried out is included in the application, by indicating payer's identification data - given name, surname, personal identification number or firm name and registration number, if they differ from the applicant's data, and also the date and number of the payment order. When carrying out a payment, information regarding a debtor shall be indicated in the purpose of the order for payment - his or her given name, surname, personal identity number or firm name and registration number. In such case a district (city) court shall recognise the abovementioned payments to be received into the State budget, by using budget electronic settlement system.

(4) An arbitration court agreement, which confirms the agreement in writing by the parties to refer a dispute for examination to an arbitration court, may be issued back by replacing it with a certified true copy thereof.

[11 September 2014 / The new wording of Section shall come into force on 1 January 2015. See Paragraph 83 of Transitional Provisions]

Section 534.¹ Sending an Application for Issue of a Writ of Execution for Enforcement of a Judgment of a Permanent Arbitration Court to Participants in the Case

(1) When a district (city) court has received an application for the issue of a writ of execution for the enforcement of a judgment of a permanent arbitration court, it shall, without delay, be sent to the remaining participants in the case by registered mail, determining a time period for the submission of a written explanation, which is not less than 2 days from the day of the sending of the application.

(2) In the explanation the participants in the case shall indicate:

- 1) whether he or she admits the application in full or a part thereof;
- 2) his or her objections to the application and the justification thereof;
- 3) evidence, which certify his or her objections and the justification thereof, as well as the law upon which they are based;
- 4) requests for the acceptance or request thereof of evidence;
- 5) other circumstances, which he or she considers to be important in the examination of the application.

(3) The participant in the case shall attach to the explanation true copies thereof in conformity with the number of the remaining participants in the case.

(4) After receipt of the explanation, the judge shall send the true copies thereof to the remaining participants in the case.

(5) The non-submission of an explanation shall not constitute a bar for the examination of the issuing of a writ of execution.

[17 February 2005; 11 September 2014 / The new wording of the title and Paragraph one of Section shall come into force on 1 January 2015. See Paragraph 83 of Transitional Provisions]

Section 535. Deciding on an Application for Issue of a Writ of Execution for Enforcement of a Judgment of a Permanent Arbitration Court

(1) A decision to issue a writ of execution for enforcement of a judgment of a permanent arbitration court or a decision to refuse to issue a writ of execution for enforcement of a judgment of a permanent arbitration court shall be taken by a judge on the basis of the submitted documents, without inviting participants in the case, within 20 days from the day explanations are sent to other participants in the case, or within 20 days from the day when a time period for the submission of explanations is expired. When taking a decision to issue a writ of execution for enforcement of a judgment of a permanent arbitration court, a judge shall also decide an issue whether the State duty is to be compensated for the issue of such writ of execution and whether the expenditure related to examination of the case is to be compensated. A true copy of the decision shall be sent within three days. A decision to refuse to issue a writ of execution for enforcement of a judgment of a permanent arbitration court shall be sent to an permanent arbitration court to the electronic mail address indicated in the website thereof.

(2) A court may request a case from a permanent arbitration court or other information, if it is necessary for taking the decision referred to in Paragraph one of this Section.

The decision to issue of a writ of execution for enforcement of a judgment of a permanent arbitration court may not be appealed.

(4) An ancillary complaint may be submitted regarding a decision to issue a writ of execution for enforcement of a judgment of a permanent arbitration court within 10 days from the day of receipt of a true copy of the decision.

(5) A decision to refuse to issue a writ of execution for enforcement of a judgment of a permanent arbitration court shall come into force after the time limit for the submission of an ancillary complaint is expired and the ancillary complaint has not been submitted.

[11 September 2014 / The new wording of Section shall come into force on 1 January 2015. See Paragraph 83 of Transitional Provisions]

Section 536. Basis for Refusal to Issue a Writ of Execution for Enforcement of a Judgment of a Permanent Arbitration Court

(1) A judge may refuse to issue a writ of execution for enforcement of a judgment of a permanent arbitration court, if:

- 1) the particular civil legal dispute may be resolved only by a court;
- 2) the arbitration court agreement has been entered into by a natural person, who has restricted capacity to act, or by a minor;
- 3) the arbitration court agreement, in accordance with the law applying thereto, has been revoked or declared null and void;
- 4) the party was not notified of the arbitration court proceedings in the appropriate manner, or due to other reasons was unable to submit his or her explanations, and this significantly has or could have affected the arbitration court proceedings;
- 5) the party was not notified of the appointing of an arbitrator in the appropriate manner, and this significantly has or could have affected the arbitration court proceedings;
- 6) the arbitration judge does not conform to the requirements of Arbitration Law, the arbitration court was not established or the arbitration court proceedings did not take place in accordance with the provisions of the arbitration court agreement or of Arbitration Law;
- 7) the judgment of the arbitration court was given on a civil legal dispute which was not provided for in the arbitration court agreement or does not conform to the provisions of the arbitration court agreement, or also issues are decided in it as not within the scope of the arbitration court agreement.

(2) If it is not possible to issue a writ of execution for enforcement of a judgment of a permanent arbitration court due to the reasons referred to in Paragraph one of this Section for some part of the judgment of a permanent arbitration court, it may be issued for the remaining part of the judgment of the arbitration court.

[11 September 2014 / The new wording of Section shall come into force on 1 January 2015. See Paragraph 83 of Transitional Provisions]

Section 537. Consequences of Refusal to Issue a Writ of Execution for Enforcement of a Judgment of a Permanent Arbitration Court

After a decision to refuse to issue a writ of execution for enforcement of a judgment of a permanent arbitration court has entered into effect:

1) the civil legal dispute may be resolved in a court according to the general procedures, if issue of the writ of execution for enforcement of a judgment of a permanent arbitration court has been refused on the basis of Section 536, Paragraph one, Clauses 1, 2, 3 and 7 of this Law;

2) the civil legal dispute may be repeatedly referred for resolution to an arbitration court, if the issue of the writ of execution for enforcement of a judgment of a permanent arbitration court has been refused on the basis of Section 536, Paragraph one, Clauses 4, 5 and 6 of this Law.

[11 September 2014 / The new wording of Section shall come into force on 1 January 2015. See Paragraph 83 of Transitional Provisions]

Part E

Enforcement of Court Judgments

Division Thirteen

General Provisions Regarding Enforcement of Court Judgments

Chapter 67

Enforcement Documents

Section 538. Enforcement of Court Judgments and Decisions

Court judgments and decisions shall be enforced after they enter into lawful effect, except for the cases where according to law or a court judgment they are to be enforced without delay. The indication that the judgment and decision shall be enforced without delay must be contained in the writ of execution itself.

[31 October 2002]

Section 539. Rulings of Courts and Other Institutions, which must be Enforced

(1) In accordance with the procedures laid down in this Law for the enforcement of court judgments, the following court rulings decisions of judges or rulings of other institutions shall be enforced:

- 1) court judgments and decisions by a court or a judge in civil cases and in cases which arise out of administrative legal relations;
- 2) court rulings and decisions or injunctions of the public prosecutor in criminal cases in the part regarding financial recovery;
- 3) in such part of decisions by a judge or a court in cases regarding administrative violations as pertains to financial recovery;
- 4) court decisions on approval of settlements;
- 5) awards by a permanent arbitration court;
- 6) rulings of foreign courts or competent authorities and foreign arbitration courts in cases provided for in law;
- 7) court decisions on application of procedural sanctions - imposition of fines;
- 8) decisions by labour disputes commissions;
- 9) decisions of the institution regulating State public utilities (hereinafter - the regulator) on examination of a dispute or difference of opinions.

(2) The following shall also be enforced in accordance with the procedures laid down for the enforcement of court judgments unless otherwise provided for in law:

- 1) decisions by institutions and officials in cases of administrative violations and breaches of law in cases provided for in law;
- 2) administrative acts directed to the payment of money issued by institutions and officials endowed with State authority;

3) rulings of persons belonging to the judicial system (notaries, advocates, bailiffs) on remuneration for work, remuneration for the provided legal aid and expenses related to services provided, and the State duty;

4) the statements of the Council of Europe, Commission or European Central Bank adopted in accordance with Article 299 of the Treaty on the Functioning of the European Union.

5) the notarial deeds drawn up in accordance with Division D¹ of the Notariate Law.

(3) [4 February 2016 / See Paragraph 113 of Transitional Provisions]

[31 October 2002; 12 February 2004; 7 April 2004; 17 February 2005; 7 September 2006; 26 October 2006; 5 February 2009; 8 September 2011; 23 May 2013; 4 February 2016; 22 June 2017]

Section 540. Enforcement Documents

Enforcement documents are:

1) writs of execution which are issued on the basis of court judgments and decisions of a court or a judge in civil cases, as well as in cases arising from legal administrative relations and criminal cases, court decisions on approval of settlements, permanent arbitration court rulings, decisions by a labour disputes commission, decisions by a regulator on examination of a dispute or difference of opinions, rulings of foreign courts and foreign arbitration courts, in accordance with the statements of the Council of Europe, Commission or European Central Bank adopted in accordance with Article 299 of the Treaty on the Functioning of the European Union;

2) decisions by institutions and officials in cases of administrative violations and breaches of law;

2¹) rulings of the court or judge in administrative violations cases;

2²) extract from a decision or injunction of a public prosecutor in criminal cases in the part regarding financial recovery;

3) enforcement orders issued the basis of administrative acts (Section 539, Paragraph two, Clause 2 of this Law);

4) decisions of a judge on carrying out of undisputed enforcement of obligations, enforcement of obligations according to warning procedures or the voluntary sale at auction of immovable property through the court;

5) court decisions on application of procedural sanctions - imposition of a fine;

6) invoices issued by notaries, advocates and bailiffs;

7) European Enforcement Order issued by a foreign court or competent authority in accordance with Regulation No 805/2004 of the European Parliament and of the Council;

7¹) certificates issued by foreign courts or competent authorities in accordance with Article 41(1) of Council Regulation No 2201/2003;

8) certificates issued by foreign courts or competent authorities in accordance with Article 42(1) of Council Regulation No 2201/2003;

9) [4 February 2016 / See Paragraph 113 of Transitional Provisions];

10) a certificate issued by a court, also a foreign court, in accordance with Article 20(2) of Regulation No 861/2007 of the European Parliament and of the Council;

11) a European order for payment issued by a court, also a foreign court, in accordance with Article 18 of Regulation No 1896/2006 of the European Parliament and of the Council;

12) a court decision on permission for a secured creditor to sell the pledged property of the debtor in the legal protection proceedings (Section 37, Paragraph two of the Insolvency Law);

13) an extract from the ruling issued by the court or competent authority of the foreign country in accordance with Article 20(1)(b) of Council Regulation No 4/2009;

14) an extract from the authentic instrument issued by the competent authority of the foreign country in accordance with Article 48 of Council Regulation No 4/2009;

15) the uniform instrument permitting enforcement in the requested Member State and laid down in Annex II to Commission Implementing Regulation (EU) No 1189/2011 of 18 November 2011;

16) the notarial deeds of enforcement issued in accordance with Division D¹ of the Notariate Law;

17) a certificate issue of a foreign court or competent institution in accordance with Article 53 or 60 of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (hereinafter - Regulation No 1215/2012 of the European Parliament and of the Council);

18) a true copy of the decision of a competent institution of the European Union Member State or European Economic Area State on imposition of an administrative fine related to infringements in the field of the posting of workers and received in the Internal Market Information System (IMI);

19) part A of a European Account Preservation Order issued by a court, also a foreign court, in accordance with Article 19(1)(a) of Regulation No 655/2014 of the European Parliament and of the Council.

[31 October 2002; 19 June 2003; 12 February 2004; 7 April 2004; 17 February 2005; 7 September 2006; 26 October 2006; 5 February 2009; 30 September 2010; 9 June 2011; 8 September 2011; 15 March 2012; 23 May 2013; 30 October 2014; 29 October 2015; 4 February 2016; 8 December 2016; 22 June 2017]

Section 541. Issuing of Writs of Execution

(1) A writ of execution shall be drawn up by a court of first instance or an appellate court after a judgment or a decision has entered into lawful effect, but in cases where the judgment or the decision is to be enforced without delay, immediately after the judgment is declared or the decision taken.

(2) If the enforcement of the court judgment specifies a time period for voluntary enforcement and the judgment has not been enforced, a court shall issue the writ of execution after the termination of the time period for voluntary enforcement.

(3) A writ of execution shall be issued to a creditor at his or her written request by the court in which the case is then found.

(3¹) In the case referred to in Section 539, Paragraph two, Clause 4 of this Law a writ of execution shall be issued to a creditor upon his or her written request by the Vidzeme Suburb Court of Riga City.

(3²) In the case referred to in Sections 544.¹ and 544.² of this Law a writ of execution shall be issued to a creditor upon his or her written request by the district (city) court based on the place of enforcement of the ruling or based on the declared place of residence, but if none, the place of residence of a debtor - natural person or based on the legal address of a legal person.

(4) If in accordance with a court judgment an amount of money is to be collected as State revenues, after the termination of the time period for voluntary enforcement a court shall send a writ of execution to a bailiff based on the declared place of residence, but if none, the place of residence of a debtor, if a natural person, or the legal address, if a legal person.

[31 October 2002; 17 February 2005; 5 February 2009; 8 September 2011; 29 November 2012; 30 October 2014]

Section 541.¹ European Union Enforcement Documents and Service of Documents Associated with Enforcement

(1) A court shall draw up a European Enforcement Order based upon European Parliament and Council Regulation No 805/2004 on the basis of request from a creditor when the judgment or decision has entered into lawful effect, but in cases where the judgment or decision has to be enforced without delay - immediately after declaration of the judgment or the taking of the decision.

(2) A court shall draw up the certificate referred to in Article 41(1) or Article 42(1) of Council Regulation No 2201/2003, based upon the provisions of the regulation, on its own initiative or the request of a participant in the case when the judgment or decision has entered into lawful effect, but in cases where the judgment or decision has to be enforced without delay - immediately after the declaration of the judgment or the taking of the decision.

(3) A court shall draw up the certificate referred to in Articles 54 and 58 of Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial cases of 30 October 2007 and certificates referred to in Article 39 of Council Regulation No 2201/2003 upon request of a participant in the case.

(4) A court shall draw up the form referred to in Article 6(2) and (3) of Regulation No 805/2004 of the European Parliament and of the Council upon request of a participant in the case.

(4¹) A court shall draw up the certificate referred to in Article 20(2) of Regulation No 861/2007 of the European Parliament and of the Council upon request of a participant in the case. Upon request of a participant of the case the court shall issue the certificate referred to in this Paragraph in any other language in accordance with Article 20(2) of Regulation No 861/2007 of the European Parliament and of the Council.

(4²) A court shall draw up a European order for payment in accordance with Article 18 of Regulation No 1896/2006 of the European Parliament and of the Council.

(4³) The court shall issue the extract from the ruling referred to in Article 20(1)(b) of the Council Regulation No 4/2009 upon a request of a participant in the case, when the judgment or decision has entered into lawful effect, but in the cases when the judgment or decision is to be enforced without delay - immediately after declaration of the judgment or taking of the decision.

(4⁴) The court shall draw up the certificate referred to in Articles 53 and 60 of Council Regulation No 1215/2012 upon a request of a participant in the case, when the judgment or decision has entered into lawful effect, but in the cases when the judgment or decision is to be enforced without delay - immediately after declaration of the judgment or taking of the decision.

(4⁵) The court shall draw up the certificate referred to in Article 5 of the Regulation (EU) No 606/2013 of the European Parliament and of the Council of 12 June 2013 on mutual recognition of protection measures in civil matters (hereinafter - Regulation No 606/2013 of the European Parliament and of the Council) upon a request of a plaintiff when a decision is taken. The court shall notify the plaintiff of the service of the certificate abovementioned in this Paragraph in accordance with Article 8 of Regulation No 606/2013 of the European Parliament and of the Council. The court shall, upon request of the plaintiff, carry out transliteration and translation of the certificate abovementioned in this Paragraph, on the basis of Article 5(3) of Regulation No 606/2013 of the European Parliament and of the Council.

(4⁶) A court shall draw up the certificate referred to in Article 14 of Regulation No 606/2013 of the European Parliament and of the Council upon request of a participant in the case.

(5) The court, in which the case is located at that time, shall serve the documents referred to in Paragraphs one, two, three, four, 4.¹, 4.³, 4.⁴, 4.⁵ and 4.⁶ of this Section.

(6) A court shall take a reasoned decision to refuse to serve the documents referred to in Paragraphs one, two and 4.⁵ of this Section.

(7) An ancillary complaint may be submitted in respect of refusal by a court to serve the documents referred to in Paragraphs one, two and 4.⁵ of this Section.

[7 September 2006; 5 February 2009; 9 June 2011; 8 September 2011; 29 November 2012; 30 October 2014; 1 June 2017 / Amendment to Paragraph 4.¹ in relation to Regulation No 861/2007 of the European Parliament and of the Council shall come into force on 14 July 2017. See Paragraph 126 of Transitional Provisions]

Section 542. Issuing Several Writs of Execution for One Judgment

(1) One writ of execution shall be issued for each judgment.

(2) If the enforcement of a judgment is to be carried out in several places, a judgment in a part thereof is to be enforced without delay or a judgment has been given for the benefit of several plaintiffs or is directed against several defendants, a court shall, upon a request of the creditor, issue several writs of execution. Where several writs of execution are issued, there shall accurately be set out in each of them the place of enforcement or that part of the judgment under which such writ of execution is to be enforced, but in cases of joint collection, also the defendant against whom recovery is directed under such writ of execution.

[31 October 2002]

Section 543. Contents of a Writ of Execution

(1) There shall be set out in a writ of execution:

- 1) the name of the court which has issued the writ of execution;
- 2) the case in which the writ of execution has been issued;
- 3) the time when the ruling was given;
- 4) the operative part of the ruling;
- 5) the time when the ruling enters into lawful effect, or an indication that the ruling shall be enforced without a delay;
- 6) when the writ of execution was issued;

7) information concerning the creditor and the debtor: for natural persons - the given name, surname, personal identity number, declared place of residence, the additional address (addresses) indicated in the declaration and place of residence, if different, but for legal persons - the name, legal address and registration number;

8) information regarding the child - given name, surname, personal identity number and location - in cases when a decision on return of a child to the state, which is his or her place of residence, or ruling in the case arising from custody or access rights is to be enforced;

9) information on the access person in the presence of which the access rights are to be exercised (for natural persons - given name, surname, personal identity number and address, for legal persons - name, legal address and registration number), if in the ruling in the case arising from the access rights the access person is determined in the presence of which the access is to be exercised, and the abovementioned person is not a representative of the Orphan's and Custody Court or a person authorised by the Orphan's and Custody Court;

10) information on the place where the access rights are to be exercised, if the place for exercising the access rights, other than premises of the Orphan's and Custody Court, is determined in the ruling in the case arising from the access rights;

11) information regarding opening of premises by force - the address and time period when the premises shall be opened - if the court has determined that the premises shall be opened by force (Section 244.¹³, Paragraph eleven of this Law) in the ruling on the review of the time and place for exercising the access rights).

(2) A writ of execution shall be signed by a judge and shall be confirmed with the seal of the court.

(3) The contents of other enforcement documents shall be as prescribed by applicable laws.

[31 October 2002; 4 August 2011; 29 November 2012; 29 October 2015]

Section 543.¹ Correction of Errors in European Union Enforcement Documents

(1) A court, which has given a judgment or taken a decision, on the basis of a request by a participant in the case may rectify errors in a European Enforcement Order, based on Article 10 of Regulation No 805/2004 of the European Parliament and of the Council, in the certificate referred to in Article 41(1) or Article 42(1) of Council Regulation No 2201/2003, based on Council Regulation No 2201/2003, or in the certificate referred to in Article 5 of Regulation No 606/2013 of the European parliament and of the Council, on the basis of Article 9(1) (a) of Council Regulation No 606/2013. A court may correct mistakes in the certificate referred to in Article 5 of Regulation No 606/2013 of the European Parliament and of the Council also upon its own initiative.

(2) In submitting an application for the rectifying of a European Enforcement Order, the form referred to in Article 10(3) of Regulation No 805/2004 of the European Parliament and of the Council shall be used.

(3) The issue of correction of errors shall be examined in a court hearing, previously notifying the participants in the case thereof. Failure of such persons to attend shall not constitute a bar for the examination of the issue.

(4) Errors in the enforcement document referred to in Paragraph one of this Section shall be rectified by a court decision.

(5) An ancillary complaint may be submitted in respect of a decision of a court to the correction of errors made in enforcement documents.

[7 September 2006; 30 October 2014 / Amendment to Section in relation to Regulation No 606/2013 of the European Parliament and of the Council shall come into force on 11 January 2015. See Paragraph 98 of Transitional Provisions]

Section 544. Issuing a Duplicate Copy of a Writ of Execution

(1) If a writ of execution has been lost, stolen or destroyed the court which has made the ruling may, upon an application of the creditor or, if this has occurred during the process of enforcement of the judgment, upon an application of the bailiff, issue a duplicate copy of the writ of execution. There shall be set out in the application the circumstances in which the document was lost, stolen or destroyed.

(2) An application for the issue of a duplicate copy shall be examined in a court hearing, upon prior notice to the creditor and the debtor thereof. Failure of such persons to attend shall not constitute a bar for the examination of the application for the issuing of the duplicate copy of the writ of execution.

(3) In making a decision to issue a duplicate copy of a writ of execution, a court shall at the same time declare the lost, stolen or destroyed writ of execution to have ceased to be in effect, and exempt the creditor from the payment of office fees if it is not found that the creditor is at fault for the loss, destruction or theft of the writ of execution.

(4) An ancillary complaint may be submitted regarding a decision of a court.

(5) The duplicate copy of the writ of execution shall be issued to the creditor after the decision has come into effect and office fees have been paid, unless the creditor has been exempted therefrom.

[31 October 2002]

Section 544.¹ Enforcement of Decisions by Labour Disputes Commissions

(1) A decision of a labour disputes commission shall be attached to an application submitted to the court for the issuing of a writ of execution.

(2) A decision to issue a writ of execution or a reasoned refusal to issue such shall be taken by a judge sitting alone on the basis of the submitted application and the decision of the labour disputes commission attached thereto within three days from the day the application was submitted, without summoning the parties.

(3) The decision to issue a writ of execution shall come into effect without delay.

(4) An ancillary complaint may be submitted regarding a decision to refuse issuing of a writ of execution within 10 days from the day when a true copy of the decision has been issued to the plaintiff.

(5) The court shall refuse issuing of a writ of execution if it finds that in accordance with law the specific dispute may only be resolved at court.

[31 October 2002; 5 February 2009]

Section 544.² Enforcement of a Decision by the Regulator on Examination of Dispute or Difference of Opinions

(1) A decision of the regulator on examination of a dispute or difference of opinions shall be attached to an application submitted to the court for the issuing of a writ of execution.

(2) A decision to issue a writ of execution or a reasoned refusal to issue it shall be taken by a judge sitting alone on the basis of the submitted application and the decision of the regulator on examination of a dispute or difference of opinions attached thereto within three days from the day when the application was submitted, without summoning the parties.

(3) The decision to issue a writ of execution shall come into effect without delay.

(4) An ancillary complaint may be submitted regarding a decision to refuse issuing of a writ of execution within 10 days from the day when a true copy of the decision has been issued to the plaintiff.

(5) The court shall refuse issuing of a writ of execution if it finds that in accordance with law the specific dispute or difference of opinions may only be resolved at court.

[8 September 2011; 22 June 2017]

Section 545. Liability for Storage of an Enforcement Document

A court may impose a fine of up to EUR 150 on an official who has failed to ensure the storage of an enforcement document deposited with him or her. An ancillary complaint may be submitted regarding the decision of the court.

[12 September 2013; 9 June 2016]

Section 545.¹ Withdrawal of a European Enforcement Order and Certificate Referred to in Article 5 of Regulation No 606/2013 of the European Parliament and of the Council

(1) A court, which has given a judgment or taken a decision after receipt of an application from a participant in the case, using the form referred to in Article 10(3) of Regulation No 805/2004 of the European Parliament and of the Council, may withdraw a European Enforcement Order, based upon Article 10 of Regulation No 805/2004 of the European Parliament and of the Council.

(¹) A court, which has taken a decision after receipt of an application from a participant in the case or upon its own initiative, using the certificate referred to in Article 14 of Regulation No 606/2013 of the European Parliament and of the Council, may withdraw the certificate referred to in Article 5 of Regulation No 606/2013 of the European Parliament and of the Council on the basis of Article 9 (1) (b) of Council Regulation No 606/2013.

(2) An application for withdrawal of a European Enforcement Order or withdrawal of the certificate referred to in Article 5 of Regulation No 606/2013 of the European Parliament and of the Council shall be examined in a court hearing by notifying the participants in the case thereof in advance. Failure of such persons to attend shall not constitute a bar for the examination of the issue.

(3) An ancillary complaint may be submitted regarding a decision of a court.

[7 September 2006; 30 October 2014 / Amendments in relation to Regulation No 606/2013 of the European

Parliament and of the Council shall come into force on 11 January 2015. See Paragraph 98 of Transitional Provisions]

Section 546. Time Periods for Submission of Enforcement Documents for their Enforcement

(1) Enforcement documents may be submitted for forced enforcement within 10 years from the day when a ruling of a court or a judge comes into effect, provided that other limitation periods are not provided for in law.

(2) Where periodic payments are recovered as a result of a court judgment, the enforcement document shall remain in effect for the whole period during which the periodic payments have been adjudged, but the running of the time period provided for by Paragraph one of this Section shall begin from the final day for each payment.

(3) Time periods within which other enforcement documents specified in Section 540 of this Law shall be submitted for enforcement shall be prescribed by applicable laws.

[31 October 2002]

Section 547. Suspension of Limitation Periods for Submission of Enforcement Documents

(1) A limitation period shall be stayed upon an enforcement document being submitted for enforcement. The limitation period shall also be stayed by partial voluntary enforcement of a ruling.

(2) After suspension, the running of the limitation period shall begin anew, excluding the time period elapsed. If complete recovery has not been made according to the enforcement document and the document has been returned to the creditor, a new time period for submission of the document shall be calculated from the day when it has been provided to the creditor.

[31 October 2002]

Section 547.¹ Time Periods within which Requests for Assistance of Recovery shall be Enforced

If an enforcement document is issued for enforcement of a foreign tax claim, enforcement shall be carried out within a time period indicated in the request of a foreign institution for assistance of recovery, but in case of changes therein within a time period indicated by the foreign institution in the notification submitted to the State Revenue Service.

[15 March 2012]

Chapter 68 Status of a Bailiff

Section 548. Bailiff

(1) Court rulings and other rulings set out in Section 539 of this Law shall be enforced by a bailiff.

(2) Supervision of bailiffs' activities shall be performed in accordance with the procedures laid down by this Law and the Law on Bailiffs.

[31 October 2002]

Section 549. General Provisions Regarding the Activities of Bailiffs

(1) A bailiff shall, according to an application in writing by a creditor and in the cases specified in law upon initiative of the Latvian Council of Sworn Bailiffs, competent authorities, or a court, commence enforcement activities on the basis of an enforcement document.

(2) A bailiff must accept for enforcement the enforcement document if the place of residence of the debtor (for legal persons - legal address), location of his or her property or workplace is located within the specified borders (district) of the official appointment location of the bailiff, as well as in the case referred to in Paragraph 2.¹ of this Section. A bailiff may also accept other enforcement documents, which are to be enforced within the operational territory of the regional court to which the bailiff is attached.

(2¹) A bailiff shall accept for enforcement a decision by an institution on forced enforcement of sanctions specified by international organisations, and the amount of the official remuneration rates and the performance of enforcement activities necessary expenses shall be covered from State budget funds according to the procedures stipulated by the Cabinet.

(2²) A bailiff shall accept for enforcement an enforcement document regarding return of a child to the state, which is his or her place of residence, an enforcement document in the case arising from custody or access rights, or the enforcement document indicated in Section 540, Clause 7.¹ or 8 of this Law, if location of the child is within the

specified boundaries (district) of the official appointment location of the bailiff.

(2³) If the place of residence of the debtor (for legal persons - legal address), location of his or her property or workplace is not in Latvia, the bailiff must accept for enforcement the enforcement document referred to in Section 540, Clause 19 of this Law, irrespective of the place of residence of the debtor (for legal persons - legal address), location of his or her property or workplace.

(3) A bailiff shall perform enforcement of judgments outside the boundaries of his or her district, as well as in relation to debtors whose place of residence (for legal persons - legal address) is another district in communication with the bailiff of the relevant district in accordance with the procedures, which are determined by the Cabinet.

(4) The enforcement of a judgment on Sundays and holidays is permitted only in cases of emergency.

(5) Enforcement of a judgment between 24:00 and 6:00 o'clock is not permitted.

(6) Creditors and debtors have the right to be present during enforcement activities, inviting not more than two witnesses, and to obtain information concerning the enforcement of the judgment.

(7) The bailiff upon his or her own initiative or upon request of the interested party, by taking a relevant decision, may correct clerical errors in the procedural documents drawn up in the enforcement cases within his or her management. Prior to correction of errors he or she shall request a reference from the persons who participated in the drawing up of the statement. Obvious errors may be corrected without requesting a comment. The decision of the bailiff in accordance with which errors are corrected shall have no consequences in respect of persons whose rights or obligations arise from the procedural document.

[31 October 2002; 19 June 2003; 7 September 2006; 26 October 2006; 4 August 2011; 29 October 2015; 8 December 2016 / Paragraph 2.³ regarding the European Account Preservation Order shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 550. Withdrawal or Removal of a Bailiff

(1) A bailiff is prohibited from performing enforcement activities in cases, where one of the parties is the bailiff himself or herself, his or her spouse, including former spouse, his or her or his or her spouse's kin in a direct line of all degrees, in collateral line - to the fourth degree and in affinity relations - to the third degree, persons under guardianship and trusteeship of the bailiff or his or her spouse or adopters or adoptees of the bailiff or his or her spouse, as well as in case there are other circumstances under the influence of which the bailiff cannot retain objectivity and neutrality due to justified reasons.

(2) Removal of a bailiff, by submitting a written application to him or her, may be applied for by a creditor or a debtor if there are circumstances, which cause well-founded doubt regarding the objectivity of the bailiff. The bailiff shall decide on the application without delay. A decision by which the application has been left without satisfaction may be appealed to the district (city) court according to the official appointment location of the bailiff. Submission of a complaint shall not stay enforcement activities.

(3) An ancillary complaint may be submitted regarding a court decision to refuse removal of a bailiff.

(4) If a bailiff has withdrawn himself or herself or has been removed, he or she shall transfer enforcement document for enforcement to another bailiff in accordance with the procedures laid down in the Latvian Council of Sworn Bailiffs.

[31 October 2002; 5 February 2009]

Section 551. Mandatory Nature of a Bailiff's Requirements or Orders

(1) Requirements and orders of a bailiff, when executing court judgments and other rulings, are mandatory for all natural or legal persons throughout the territory of the State. Information necessary to ensure enforcement of judgments and other rulings shall be provided free of charge to a sworn bailiff of a State institution.

(2) If a bailiff's requirements or orders are not enforced, the bailiff shall draw up a statement and submit it to a court to decide the issue regarding liability. The court may impose a fine on persons at fault - for a natural person up to EUR 360, but for an official up to EUR 750. An ancillary complaint may be submitted regarding the decision of the court.

(3) A court may impose a fine of up to EUR 150 on a person (employer) who pursuant to a court ruling was required to deduct child or parent support and who within the time period laid down in law has not notified the bailiff and the receiver of support, of the dismissal from employment of the payer of support and of his or her new place of work or residence, if such person had knowledge thereof. An ancillary complaint may be submitted regarding the decision of the court.

(4) If, when a judgment is being enforced, resistance is shown, a bailiff shall, in the presence of invited persons, but if it is not possible to invite persons - singly, draw up a statement thereon, and in order to eliminate hindrances apply for assistance to the police. The statement shall be submitted to the court for it to decide the issue regarding the

liability of those persons who have resisted the enforcement of the judgment.

(5) If the creditor or the debtor refuses to sign the statement drawn up by the bailiff, a notation in respect of that shall be made in the drawn up statement, specifying the reasons for the refusal. Refusal to sign the statement drawn up by the bailiff shall not affect the effect of the statement.

[31 October 2002; 19 June 2003; 9 June 2011; 23 May 2013; 12 September 2013; 9 June 2016]

Section 552. Obligations of Debtors and Consequences for Failing to Fulfil Them

(1) A debtor, according to a summons, shall attend before a bailiff and provide explanations regarding his or her financial situation and place of work by concurrently providing information on the sums exempt from the bringing of recovery proceedings (Section 596).

(2) A debtor shall notify a bailiff of a change of place of work or declared place of residence, the additional address indicated in the declaration or place of residence during enforcement of the ruling, as well as of additional sources of income.

(3) If a debtor does not appear before a bailiff according to a summons, refuses to furnish explanations or does not provide the information specified in law, the bailiff may apply to a court for it to decide on the issue of the liability of such person. The court may take a decision on the forced conveyance of the debtor, and impose on a natural person a fine of up to EUR 80, but on an official - of up to EUR 360. An ancillary complaint may be submitted regarding the decision of the court.

(4) If the information provided by the debtor is found to be false, a bailiff shall send an application to a public prosecutor.

[31 October 2002; 19 June 2003; 8 September 2011; 29 November 2012; 12 September 2013; 29 October 2015, 9 June 2016]

Chapter 69 General Provisions for Enforcement Proceedings

Section 552.¹ Implementation of an Enforcement Case

(1) A bailiff shall initiate a separate enforcement case for each enforcement document received.

(2) If an enforcement document has not been drawn up in accordance with the procedures laid down in the law or the documents required in accordance with the international agreements binding upon the Republic of Latvia or legal norms of the European Union have not been attached thereto, the State duty or other enforcement of judgment expenses have not been paid, a bailiff shall determine a time period for the elimination of deficiencies which may not be shorter than 10 days.

(3) If deficiencies are eliminated within the time period specified, an enforcement case shall be initiated and the enforcement document shall be deemed to have been submitted on the date when it was first submitted to the bailiff.

(4) If the creditor fails to eliminate deficiencies within the time period specified, the enforcement document shall be deemed not to have been submitted and it shall be returned to the creditor.

(5) Returning of the enforcement document to the creditor shall not constitute a bar for the repeated submission thereof to the bailiff in conformity with the procedures for submission of enforcement documents laid down in law.

(6) If a bailiff finds that insolvency procedures of a debtor have been declared, an enforcement case shall not be initiated and enforcement document shall be returned to the applicant, except for the cases when the enforcement document is issued in claims the enforcement of which is not related to the bringing of recovery proceedings against the property or money resources of the debtor. The enforcement case shall also not be initiated regarding voluntary sale of the immovable property at an auction or transfer of movable property.

[31 October 2002; 30 September 2010; 18 April 2013; 30 October 2014]

Section 553. Explanation of a Court Ruling to be Enforced

If the court ruling to be enforced is not clear, a bailiff is entitled to request the court which has made the decision, to explain it. Explanation of the ruling shall take place in accordance with the procedure specified in Section 202 or 437 of this Law.

[31 October 2002]

Section 554. Postponement, Division into Time Periods, Varying the Form and Procedure of Enforcement

of a Judgment

(1) If there are circumstances which make the enforcement of a court judgment difficult or impossible, a bailiff is entitled to submit a proposal for the postponement, division into time periods, varying the form and procedure of enforcement of the judgment to the court which gave the judgment in the case.

(2) An application by the bailiff for the postponement, division into time periods, varying the form and procedure of enforcement of the judgment shall be examined by the court in accordance with the procedures laid down in Section 206 or 438 of this Law.

[31 October 2002]

Section 555. Notification of an Obligation to Enforce the Ruling

(1) A bailiff, when about to commence enforcement, shall notify the debtor by sending or issuing a notification regarding an obligation to enforce the ruling within 10 days. If the ruling is to be enforced without a delay, the time period for voluntary enforcement of not less than three days shall be set. In the cases regarding the recovery of remuneration for work, reinstatement to employment (position), compensation for mutilation or other injury to health, execution of confiscation of property, as well as regarding the recovery of the maintenance as a result of the death of a person who had an obligation to support someone, a notification on the obligation to enforce the judgment shall not be sent.

(1¹) Commencing enforcement of the enforcement document referred to in Section 540, Clause 17 of this Law (except when the enforcement document provides for the enforcement of the securing of a claim or provisional remedy), a bailiff shall, together with a notification, send or issue a copy of the enforcement documents to a debtor. If it cannot be seen from the documents submitted to the bailiff, that the court ruling, an authentic instrument or settlement to be enforced has been issued to a debtor, a copy of the court ruling, the authentic instrument or settlement to be enforced shall also be attached to a copy of the enforcement document.

(2) If the debtor is a natural person, the bailiff shall send the notification to the debtor by registered mail to his or her last known place of residence or issue it to the debtor in person for which the debtor shall sign. If the bailiff does not meet the debtor at their place of residence, the bailiff shall give the notification to an adult family member residing with the debtor.

(3) If the place of residence of the debtor - a natural person - is not known, the notification of an obligation to enforce the ruling shall be published in the official gazette *Latvijas Vēstnesis*.

(4) If the debtor is a legal person, the bailiff shall send the notification by registered mail to the legal address or issue it in person to a representative of the executive body of the debtor for which he or she shall sign.

(5) If the debtor or a representative of the executive body of the debtor refuses to accept or sign the notification, the bailiff or the server of the proposal shall draw up a statement in respect of that in the presence of two invited persons. Refusal to accept or sign the notification shall not constitute a bar for the enforcement of the ruling.

(6) If a notification (in the case referred to in Paragraph 1.¹ of this Section - also specified copies of the documents) has been delivered in accordance with the procedures laid down in this Section, it shall be regarded that a debtor has been notified regarding the ruling and time period for enforcement thereof.

(7) In any stage of enforcement procedure the bailiff may:

1) request that the debtor declare his or her financial situation and changes therein during the last year, warning the debtor regarding criminal liability;

2) seize debtor's property, including the seizing of funds and deposits in a credit institution or with other payment service providers, funds due from other persons or property which is located by other persons;

3) submit to the district (city) court a request for corroboration regarding making of a recovery notation in the Land Register or send an order to another public register for the entering of an alienation or prohibition of other activities.

[31 October 2002; 19 June 2003; 5 February 2009; 8 September 2011; 4 August 2011; 29 November 2012; 30 October 2014; 29 October 2015; 23 November 2016; 22 June 2017; 25 October 2018 / Amendment to Paragraph seven, Clause 3 regarding replacement of the words "Land Registry Office" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 556. Enforcement of a Court Judgment

[8 September 2011]

Section 557. Enforcement Measures

Enforcement measures are:

- 1) bringing of recovery proceedings against the movable property of a debtor, including the property in the possession of other persons and intangible property, by sale thereof;
- 2) bringing of recovery proceedings against money due to the debtor from other persons (remuneration for work, payments equivalent thereto, other income of the debtor, deposits in credit institutions or with other payment service providers);
- 3) bringing of recovery proceedings against the immovable property of the debtor, by sale thereof;
- 3¹) bringing of recovery proceedings against the right of superficies of the debtor by sale thereof;
- 4) transfer of the property adjudged by the court to the creditor and performance of activities imposed by a court judgment;
- 5) eviction of persons and removing of property specified in the judgment from premises;
- 6) placing in possession;
- 6¹) return of a child to the state, which is his or her place of residence;
- 7) other measures as set out in a judgment.

[31 October 2002; 4 August 2011; 23 November 2016; 1 March 2018]

Section 558. Inspection of Premises of a Debtor

- (1) A bailiff is entitled, where it is necessary to carry out enforcement, to carry out inspection of the premises or storage-places of a debtor. If the debtor does not participate in the inspection of such premises or storage-places, it shall be carried out in the presence of invited persons.
- (2) If a debtor refuses to allow a bailiff entry into premises the debtor is in occupation of or the place where property is located, or refuses to open a storage-place, the bailiff shall invite a police representative, in the presence of whom the premises or the storage-places shall be opened and the inspection thereof conducted.
- (3) If the manager of immovable property owned by the debtor during enforcement of a ruling avoids or refuses to allow a bailiff entry into the immovable property and the manager has been notified of the time of inspection of the immovable property in writing at least five days in advance, the bailiff may conduct inspection of the immovable property in the presence of a police representative without participation of the manager.

[31 October 2002; 19 June 2003]

Section 559. Postponement of Enforcement Activities

- (1) A bailiff shall postpone enforcement activities on the basis of an application by a creditor or of a decision by a court or a judge for the postponement of enforcement activities or stay of sale of property taken in accordance with Section 138, Paragraph one, Clause 7 of this Law or a court decision on the postponement of the enforcement of the judgment or the dividing thereof into time periods, which has been taken in accordance with Section 206, 438, 644.¹, 620.¹⁶, 620.²² or 620.²⁹ of this Law.
- (2) A bailiff may postpone an enforcement activity on the basis of a court decision on the enforcement replacement of a foreign court or a ruling of the competent authority with the measures provided for in Section 138 of this Law to ensure the enforcement of such decision (Section 644.²).
- (2¹) A bailiff shall postpone the bringing of recovery proceedings against the property upon which an attachment has been imposed in accordance with the procedures of criminal proceedings and for the marketing of which the person directing proceedings has not provided the consent until revocation of attachment of property in the criminal proceedings or receipt of consent from the person directing proceedings.
- (3) A bailiff shall notify a creditor and a debtor of the postponement of enforcement activities if it is not possible to be performed due to technical or other reasons independent of the bailiff.
- (4) If within 30 days after the day of sending of the documents referred to in Section 555, Paragraph 1.¹ of this Law a bailiff receives a request of a debtor to send a translation of the court adjudication, authentic instrument or settlement to be enforced, a bailiff, having established the circumstances referred to in Article 43(2) of Regulation No 1215/2012 of the European Parliament and of the Council, shall suspend enforcement activity until sending the translation to the debtor.

Section 560. Obligation of a Bailiff to Stay Enforcement Proceedings

(1) A bailiff shall stay enforcement proceedings if:

1) a natural person who is a debtor or a creditor has died or the legal person who is a debtor or creditor has ceased to exist, and the legal relations established by the court allow for the assumption of rights;

2) the capacity to act of the debtor has been restricted by a court judgment to the extent in which enforcement proceedings are taking place;

3) the Supreme Court in the assignments hearing has taken a decision to stay enforcement of the judgment;

4) enforcement of a decision of an institution or an official shall be stayed in accordance with the law or a court ruling;

5) a court or a judge has taken a decision to stay enforcement of obligations (Sections 406 and 406.¹⁰);

6) a court has taken a decision to stay the enforcement of a ruling of a foreign court or competent authority (Section 644.²);

7) legal protection proceedings have been initiated for a debtor or a ruling on the implementation of legal protection proceedings has been given in the case of extrajudicial legal protection proceedings;

8) insolvency proceedings of a natural person have been declared for the debtor;

9) in a case regarding return of a child to the state, which is his or her place of residence, or in a case arising from custody rights, the Orphan's and Custody Court cannot ascertain the daily regimen of the child or it is not possible to meet the child;

10) an act on evasion from enforcement of the ruling in a case arising from access rights is sent to the Orphan's and Custody Court.

(2) If a decision has been taken in accordance with the procedures laid down in law to privatise an undertaking or company, enforcement proceedings, upon request of the institution carrying out the privatisation, shall be stayed, except for the enforcement proceedings regarding compensation for losses in the event of an occupational accident or disease.

(2¹) If a debtor whose debt is being recovered on the basis of the uniform instrument permitting the enforcement in the receiving Member State, has contested or appealed a claim in the receiving Member State or has submitted a complaint regarding the enforcement activities carried out in the receiving Member State and the procedure for the examination of the complaint has been initiated in the institution of the Member State, enforcement proceedings upon a request of the State Revenue Service shall be stayed in relation to the disputed or appealed part of the claim and according to the request of the institution of such Member State which has requested mutual assistance for the recovery of claims.

(2²) If a debtor, whose debt is being recovered, on the basis of the decision of a competent institution of the European Union Member State or European Economic Area State regarding imposition of an administrative fine related to infringements in the field of the posting of workers, has contested or appealed a decision in the receiving Member State, enforcement proceedings upon request of the State Labour Inspectorate shall be stayed in relation to the disputed or appealed part of the decision and in accordance with a notification of the receiving Member State.

(3) In the case referred to in Paragraph one, Clause 7 of this Section a bailiff shall deduct the enforcement of judgment expenses from the sum recovered and satisfy the claim of the creditor in accordance with the procedures laid down in this Law. If the plan for measures of legal protection proceedings has been approved, the bailiff shall deduct the enforcement of judgment expenses from the sum recovered and satisfy the claim of the creditor in the amount and in accordance with the procedures laid down in the plan for measure of legal protection proceedings.

(4) In the case referred to in Paragraph one, Clause 8 of this Section a bailiff shall complete the commenced sale of the property, if any has been already announced or the property has been transferred to a commercial undertaking for sale, except for the case when in the plan for sale of the property of a natural person it is intended to postpone the sale of the dwelling in accordance with Section 148 of the Insolvency Law. From the money received from the sale the bailiff shall deduct the enforcement of judgment expenses and transfer the remaining money to the administrator for covering of creditors' claims in accordance with the procedures laid down in the Insolvency Law, taking into account the rights of the secured creditor.

(5) Provisions of Paragraph one, Clause 8 of this Section shall not apply to enforcement cases regarding claims the

enforcement of which is not related to the bringing of recovery proceedings against the property or funds of a debtor. A bailiff shall also stay the enforcement legal proceedings, if the enforcement document has been issued in claims the enforcement of which is related to voluntary sale at auction of immovable property or transfer of movable property.

[31 October 2002; 7 September 2006; 5 February 2009; 11 June 2009; 30 September 2010; 4 August 2011; 15 March 2012; 29 November 2012; 18 April 2013; 30 October 2014; 29 October 2015; 4 February 2016 / Paragraph 2.² shall come into force on 18 June 2016. See Paragraph 115 of Transitional Provisions]

Section 561. Right of a Bailiff to Stay Enforcement Proceedings

A bailiff may stay enforcement proceedings if:

1) the debtor is placed in a medical treatment institution and this impedes the carrying out of enforcement activities;

2) a complaint is submitted regarding the actions of the bailiff;

3) [31 October 2012];

4) [14 December 2006].

[31 October 2002; 19 June 2003; 14 December 2006]

Section 562. Duration of Stay of Enforcement Proceedings

(1) Enforcement proceedings shall be stayed:

1) in cases provided for in Section 560, Paragraph one, Clause 1 of this Law, until the determination of the successor in interest of the debtor or creditor;

2) in cases provided for in Section 560, Paragraph one, Clause 2 of this Law, until the appointing of a trustee;

3) in cases provided for in Section 560, Paragraph one, Clauses 3, 5 and 6 of this Law, until the time set out in the court decision, or until such decision is revoked;

4) [19 June 2003];

5) in cases provided for in Section 560, Paragraph one, Clause 4 of this Law - until the time when in accordance with law the stay terminates or the time specified in the court ruling or until such ruling is revoked;

6) in cases provided for in Section 560, Paragraph two of this Law, until the determination of the successor in interest of the debtor and transfer of the undertaking to such successor, or the making of amendments to the basic documents of the company in the Enterprise Register;

7) in the case provided for in Section 561, Clause 1 of this Law, until the time when the circumstances mentioned in this Clause have ceased;

8) in cases provided for in Section 561, Clause 2 of this Law, until the time when the court judgment or decision in connection with the complaint enters into lawful effect;

9) [19 June 2003];

10) in the cases provided for in Section 560, Paragraph one, Clause 7 of this Law - until the time when one of the following conditions has set in:

a) legal protection proceedings against the debtor have been terminated,

b) the implementation of legal protection proceedings has been declared in respect of the debtor and it has not been indicated in the judgment regarding the implementation of legal protection proceedings that the debtor's (pledged) property serving as the security has been included in the plan for measures of legal protection proceedings and restrictions are applicable thereto, in accordance with which the secured creditors may not implement their rights to such property,

c) the court provides a permit to sell the pledged property of the debtor in the case referred to in Section 341.⁵, Paragraph two, Clause 2 of this Law;

11) in the case provided for in Section 560, Paragraph one, Clause 8 of this Law - until the ruling on the termination of the bankruptcy procedure or until the ruling on the termination of the procedure for extinguishing of obligations. Enforcement proceedings shall be resumed in the amount of the remaining debt;

12) in the case provided for in Section 560, Paragraph one, Clause 9 of this Law - until ascertaining the location of a

child;

13) in the case provided for in Section 560, Paragraph 2.¹ of this Law - until the time when a notification of the State Revenue Service has been received that the ruling given in the procedure for the examination of a complaint on the disputing or enforcement of a claim, according to the information provided by the institution of such Member State which has requested mutual assistance for the recovery of claims has become enforceable;

14) in the case referred to in Section 560, Paragraph one, Clause 10 of this Law - until the time when the decision of the Orphan's and Custody Court has come into effect or evaluation of the Orphan's and Custody Court has been received;

15) in the case provided for in Section 560, Paragraph 2.² of this Law - until the time when a notification of the State Labour Inspectorate has been received that the ruling given in the procedure of examination of a complaint regarding disputing or appeal of a decision in accordance with the information provided by the receiving Member State has become enforceable.

(2) During the time when the enforcement proceedings are stayed the bailiff shall not perform enforcement activities.

(2¹) In the cases referred to in Section 560, Clauses 7 and 8 of this Law the bailiff shall stay the operation of the issued orders for the time period of suspension of enforcement proceedings, retaining the enforcement activities. The bailiff shall notify the storer of the property of the obligation to transfer to the administrator the property the sale of which has not been commenced. The enforcement measures applied shall be cancelled if:

1) a plan for measures of legal protection proceedings where the action with the property owned by the debtors thereof is provided for in and whereto the bailiff has applied enforcement measures;

2) an application of the administrator for the necessity of the property has been submitted within the framework of the bankruptcy procedure.

(3) Enforcement proceedings shall be resumed according to the application of a creditor or upon the initiative of the bailiff.

(4) In the cases referred to in Paragraph one, Clause 10, Sub-clauses "b" and "c" of this Section the bailiff shall sell only the pledged property in the resumed enforcement proceedings.

[31 October 2002; 19 June 2003; 7 September 2006; 14 December 2006; 11 June 2009; 30 September 2010; 4 August 2011; 15 March 2012; 29 November 2012; 29 October 2015; 4 February 2016 / Paragraph one, Clause 15 shall come into force on 18 June 2016. See Paragraph 115 of Transitional Provisions]

Section 563. Termination of Enforcement Proceedings

(1) Enforcement proceedings, upon request of an interested party, shall be terminated if:

1) the creditor has waived recovery and the court has taken an appropriate decision on it;

2) a settlement between the creditor and the debtor confirmed by the court has been submitted;

3) the claim or obligation is not capable of passing to a successor in interests after the death of such natural person or the cessation of such legal person as was a creditor or a debtor;

4) the limitation period laid down in law for this form of recovery has expired;

5) the court ruling or the decision of the relevant institution or official, on the basis of which the enforcement document has been issued, is revoked;

6) the time period for submission of a notice of appeal, cassation or ancillary complaint regarding a court ruling, on the basis of which the enforcement document has been issued, is renewed;

7) the enforcement of a ruling of a foreign court or a competent authority has been refused (Section 644.³);

8) a foreign court or competent authority withdraws the issued European Enforcement Order in accordance with Regulation No 805/2004 of the European Parliament and of the Council;

9) the court ruling on the termination of legal protection proceedings due to the fulfilment of the plan for measures of legal protection proceedings has been given;

9¹) enforcement of the decision on return of a child to the state, which is his or her place of residence, or the enforcement document issued by a foreign court or institution and indicated in Section 540, Clause 8 of this Law has been refused;

9²) enforcement of the ruling of a foreign court in the case arising from the access rights or the custody rights or of the enforcement document indicated in Section 540, Paragraph 7.¹ of this Law has been refused;

10) a court ruling is given on the termination of procedure for extinguishing of obligations, by releasing a natural person from the debt obligations thereof, or a court ruling on the termination of bankruptcy procedure is given, if creditors' claims are not submitted in accordance with the procedures laid down in the Insolvency Law, by concurrently terminating insolvency proceedings of a natural person;

11) a foreign institution withdraws a request of assistance for the recovery of tax, fee, expenses related to recovery or other mandatory payments;

12) a notification of the State Labour Inspectorate has been received, that in accordance with the information provided by the receiving Member State the decision of a competent institution of the European Union Member State or European Economic Area State regarding imposition of an administrative fine related to infringements in the field of the posting of workers has been repealed;

13) a court or a foreign court withdraws the issued European Account Preservation Order or refuses enforcement thereof in accordance with Regulation No 655/2014 of the European Parliament and of the Council.

(2) Enforcement proceedings regarding recovery from legal persons, partnerships, individual merchants, persons registered abroad that perform permanent economic activities in Latvia, and agricultural producers of the monetary amount adjudged shall be terminated according to the application of an administrator, if the debtor in accordance with the procedures laid down in law is declared insolvent. In such case the bailiff shall complete the commenced sale of property if such has already been announced or if the property has been transferred to a trading undertaking for sale unless the administrator has requested to cancel the announced auctions in order to ensure the sale of the property in the composition of aggregations of property. From the money received from the sale the bailiff shall deduct the enforcement of judgment expenses and transfer the remaining money to the administrator for covering of creditors' claims in accordance with the procedures laid down in the Insolvency Law, taking into account the rights of the secured creditor. The bailiff shall notify the storer of the property of the obligation to transfer to the administrator the property the sale of which has not been commenced.

(3) In the cases provided for in Paragraph one, Clauses 3 and 4 of this Section, a bailiff may also terminate enforcement proceedings upon his or her own initiative.

(3¹) In the cases provided for in Paragraph one, Clause 10 of this Section enforcement proceedings regarding the recovery of maintenance, enforcement proceedings regarding claims from wrongful act, enforcement proceedings regarding claims regarding punishments stipulated in the Latvian Administrative Violations Code and Criminal Law, and also enforcement proceedings regarding claims in respect of compensation for damages related to criminal offence, are not terminated.

(3²) If a legal person who is a debtor in the enforcement case is liquidated in the case referred to in Paragraph one, Clause 3 of this Section, the bailiff shall continue the enforcement proceedings in the part regarding the bringing of recovery proceedings against the property of the debtor. The amounts recovered which have remained after the covering of claims of the creditor shall be transferred into the State budget.

(4) If enforcement proceedings are terminated, subsequent to covering of enforcement of judgment expenses all enforcement measures taken by the bailiff shall be cancelled.

(5) Terminated enforcement proceedings may not be recommenced.

(6) If a foreign court or competent authority rectifies a European Enforcement Order, which is issued based upon the Regulation No 805/2004 of the European Parliament and of the Council, the withdrawn part of enforcement of the ruling shall be terminated and enforcement continued in conformity with the rectified European Enforcement Order.

(7) If a court, a foreign court or a competent authority amends a European Account Preservation Order on the basis of the Regulation No 655/2014 of the European Parliament and of the Council, the withdrawn part of enforcement of the ruling shall be terminated and enforcement continued in conformity with the amended European Account Preservation Order.

[31 October 2002; 7 September 2006; 5 February 2009; 30 September 2010; 4 August 2011; 15 March 2012; 29 November 2012; 12 February 2015; 29 October 2015; 4 February 2016; 8 December 2016; 28 February 2019]

Section 564. Procedures for Staying Enforcement Proceedings, Staying Enforcement Record-keeping, Resuming or Terminating Enforcement Proceedings

(1) The bailiff in whose record-keeping the enforcement document is located shall decide as to stay of enforcement proceedings, suspension of enforcement record-keeping, resumption or termination of enforcement proceedings.

(2) A bailiff shall take the decision up to the activity to be stayed or enforced, but not later than within three days

from the day of receipt of the submission.

(3) A bailiff shall notify the decision to the creditor, debtor and the relevant third person who has submitted the request within three days after taking of the decision.

[19 June 2003]

Section 565. Returning of an Enforcement Document to a Creditor

(1) An enforcement document according to which recovery has not been carried out or has been incompletely carried out shall be returned to the creditor:

- 1) according to an application of the creditor;
- 2) if the debtor does not have any property or income against which recovery may be directed;
- 3) if the creditor has refused to receive the articles removed from the debtor which are set out in the court judgment;
- 4) if the debtor does not live or work at the address indicated by the creditor or property of the debtor is not located there;
- 5) if a creditor who is not exempted from payment of the enforcement of judgment expenses, has not paid such costs;
- 6) if through application of the enforcement measure indicated by the creditor it is not possible to enforce the judgment and within 10 days after service of an invitation the creditor has failed to notify regarding application of another enforcement measure;
- 7) if in a case regarding return of a child to the state, which is his or her place of residence, or in a case arising from custody or access rights, a bailiff finds that the location of the child is outside the operational territory of the regional court to which the bailiff is attached, or in a foreign country;
- 8) if in a case regarding return of a child to the state, which is his or her place of residence, a creditor upon invitation of a bailiff, the Ministry of Justice or the Orphan's and Custody Court has not provided for two times the time and place when and where the child is to be taken to, or the time and place (as near as possible to the location of the child) when and where he or she will meet with the child, in order to renew the connection between the creditor and the child;
- 9) if in the enforcement case arising from custody rights and access rights, a creditor fails to repeatedly arrive in time laid down by the bailiff in order to receive or meet the child;
- 10) if in relation to evasion from enforcement of the ruling in a case arising from custody or access rights, the custody rights of the debtor have been suspended;

11) if in accordance with Section 620.²⁷ of this Law the bailiff finds that enforcement of the ruling is not possible.

(2) In cases referred to in Paragraph one, Clauses 2, 3 and 4 of this Section, a bailiff shall draw up an appropriate statement.

(2¹) If in the enforcement case regarding periodical recovery of payments the debt and enforcement of judgment expenses are covered completely, an enforcement document shall be issued to the creditor.

(2²) If in the enforcement case arising from the access rights, the bailiff has found that the ruling is being enforced, and also enforcement of judgment expenses are covered, an enforcement document shall be issued to the creditor.

(3) An enforcement document shall be issued to the creditor, if enforcement of judgment expenses have been covered, except for the case when enforcement of judgment expenses shall be covered by the creditor in accordance with the provisions of this Law. When issuing the enforcement document to the creditor, the bailiff shall cancel all enforcement measures taken.

(4) The return of an enforcement document to a creditor shall not constitute a bar for a new submission of such document for enforcement within the time period provided for in law.

(5) The bailiff shall issue the enforcement document according to which enforcement in State revenue is to be performed to the State Revenue Service.

(6) *[5 February 2009]*

[31 October 2002; 19 June 2003; 17 June 2004; 5 February 2009; 4 August 2011; 29 October 2015]

Section 566. Enforcement of Judgment Expenses

(1) Enforcement of judgment expenses shall include the State duty and expenses related to the enforcement of court judgments (Section 39): remuneration for the bailiff according to the tariff and expenses required for the performance of enforcement activities. They shall be as follows:

- 1) expenses associated with the delivery and issue of summonses and other documents;
- 2) expenses relating to the receipt of necessary information in a case for enforcement;
- 3) expenses relating to bank and other institution services;
- 4) expenses relating to the storage, transport or destruction of the property of the debtor;
- 5) travel expenses to the place of enforcement of the judgment;
- 6) expert fees;
- 7) payment for the publication of advertisements regarding auction of property, invitations and other necessary advertising during the course of enforcement;
- 7¹) expenses relating to examination of the case, which have arisen in relation to the submitting of the application for the corroboration of immovable property in the name of the acquirer;
- 8) other necessary expenses for the performance of enforcement activities.

(2) [31 October 2002]

(3) In determining the expenses related to securing of a claim, the provisions regarding enforcement of judgment expenses shall be applied insofar as such activities have been performed by the bailiff.

[20 June 2001; 31 October 2002; 20 December 2010; 4 August 2011 / Paragraph three shall come into force on 1 January 2012. See Paragraphs 12 and 56 of Transitional Provisions]

Section 567. Procedures for Paying Enforcement of Judgment Expenses during Enforcement Process

(1) A creditor, when submitting an enforcement document for enforcement, shall indicate an enforcement measure in conformity with provisions of Sections 570 and 572 of this Law, pay the State duty and cover other enforcement of judgment expenses to the extent required for commencement of the enforcement in the manner indicated by the creditor. During enforcement of the judgment the creditor according to bailiff's instructions shall pay the additionally required enforcement of judgment expenses. In the cases specified in law during enforcement of the judgment the enforcement of judgment expenses for separate procedural actions shall be paid by the debtor.

(1¹) A creditor - natural person - is released from the obligation to indicate an enforcement measure in a claim regarding recovery of compensation for harm in a criminal case. The applicable enforcement measure, in conformity with the provisions of Section 570 of this Law, shall be determined by a bailiff.

(2) Creditors shall be exempt from payment of enforcement of judgment expenses to the bailiff:

1) in regard to claims regarding the recovery of remuneration for work and other claims of employees and persons in service arising from legal employment or service relations or being related to such;

2) in regard to claims arising from personal injuries that result in mutilation or other damage to health, or the death of a person;

2¹) in cases when the recovery must be carried out for the benefit of a victim - natural person - in relation to a satisfied application for compensation of harm in a criminal case;

3) in claims regarding the recovery of child maintenance or parent support;

4) in cases where enforcement in State revenue is to be performed;

5) in cases where the person is released from the payment of court expenses by a court decision - fully or partially in conformity with the court decision;

6) in cases where the recovery must be carried out according to the uniform instrument permitting enforcement in the receiving Member State, except for the cases when the State Revenue Service has reached an agreement with the institution of the Member State which has requested mutual assistance for the recovery of claims, regarding special procedures for the reimbursement of enforcement costs.

(3) In cases where a creditor is exempted from payment of enforcement of judgment expenses, a compensation shall be disbursed to a sworn bailiff from the funds of the State budget for covering of the expenses related to the

performance of enforcement activities.

(4) The amount of the expenses necessary for the performance of enforcement activities and procedures for payment thereof, and also the procedures for determination of the amount of compensation and disbursement thereof, when a creditor is exempted from payment of enforcement of judgment expenses, shall be determined by the Cabinet.

(4¹) If, upon recovering compensation for harm in the case referred to in Paragraph two, Clause 2.¹ of this Section, it is not enough with the amount recovered from the debtor in order to cover expenses for enforcement of judgment, remuneration for work according to the tariff and expenses necessary for the performance of enforcement activities in the non-covered part are covered for the bailiff from the funds from the State budget in accordance with the procedures stipulated by the Cabinet.

(5) [4 February 2016 / See Paragraph 113 of Transitional Provisions]

(6) A bailiff may submit to the State Revenue Service a request of enforcement of judgment expenses necessary for the enforcement to be carried out and request that they reach an agreement with the institution of the relevant Member State, which has requested mutual assistance for the recovery of claims, regarding special procedures for reimbursement of enforcement costs, if at least one of the following cases is found:

1) the enforcement of judgment expenses for tax recovery claim concern a very large amount;

2) recovery is directed towards property of a participant of an organised group, which has been confiscated by a judgment in a criminal case (Article 20 of Council Directive 2010/24/EU).

[31 October 2002; 19 June 2003; 26 October 2006; 5 February 2009; 9 June 2011; 15 March 2012; 19 December 2013; 4 February 2016; 22 June 2017 / Paragraph 1.¹ regarding releasing a creditor from the obligation to indicate an enforcement measure, Clause 2.¹ of Paragraph two regarding releasing a victim from the tasks of enforcing the judgment, and Paragraph 4.¹ regarding covering expenses for enforcement of judgment shall come into force on 1 January 2019. See Paragraph 128 of Transitional Provisions]

Section 568. Deduction of Enforcement of Judgment Expenses

(1) Enforcement of a judgment shall be performed at the expense of the debtor. When the enforcement document has been submitted for enforcement, voluntary enforcement of a judgment or enforcement of a judgment directly to the creditor shall not exempt the debtor from reimbursement of the enforcement of judgment expenses.

(1¹) If an enforcement document is issued to a creditor (also in the cases referred to in Section 567, Paragraph two, Clauses 1, 2, 3 and 5 of this Law) in accordance with Section 565, Paragraph one, Clause 1 of this Law or after introduction of the enforcement case the bailiff finds that a debtor has fulfilled his or her obligations prior to submitting the enforcement document, the enforcement of judgment expenses shall be covered by the creditor.

(2) A bailiff shall make a calculation regarding the enforcement of judgment expenses and send it to the debtor and creditor. The calculation may be appealed in accordance with the procedures laid down in Section 632 of this Law.

(3) The calculation shall specify the extent to which the enforcement of judgment expenses shall be reimbursed to the bailiff (remuneration for work), creditor (his or her paid State duty and other judgment enforcement expenses) or transferred to State revenue.

(4) If it is not possible to deduct enforcement of judgment expenses from the debtor or creditor, the bailiff shall issue an invoice on the basis of the calculation drawn up and transfer it for enforcement.

(5) The invoice shall be transferred for enforcement when the time period for appeal of the enforcement of judgment expenses calculation drawn up by the bailiff has expired, but if it has been appealed - after entering into lawful effect of the court ruling.

(6) Costs related to the decision of the court to secure a claim, to impose a provisional remedy or to enforce a European Account Preservation Order shall be covered by the plaintiff.

(7) If enforcement record-keeping is terminated in accordance with Section 563, Paragraph one, Clause 11 of this Law and the reason for revocation of a request for assistance is revocation of the claim to be recovered or the document issued for enforcement thereof, a bailiff shall submit a cost estimate of enforcement expenses to the State Revenue Service and request that it reaches an agreement with the institution of the Member State, which has requested mutual assistance for the recovery of requests, regarding reimbursement of enforcement costs.

[31 October 2002; 5 February 2009; 15 March 2012; 8 December 2016 / Paragraph six regarding the European Account Preservation Order shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 569. Search for a Debtor or Child

(1) If the location of a debtor is not known, a judge shall, upon a request of an interested party, take a decision to search for the debtor with the aid of the police in the following cases:

- 1) regarding the recovery of child maintenance or parent support;
- 2) regarding claims arising due to personal injury resulting in mutilation or other injury to health, or in the death of a person;
- 3) regarding the recovery of revenues for the State.

(1¹) If the location of a child or a debtor and a child is not known, a judge shall, upon a request of a bailiff, take a decision to search for the abovementioned persons with the aid of the police in the following cases:

- 1) in cases regarding return of the child to the state, which is his or her place of residence;
- 2) when the enforcement document referred to in Section 540, Clause 8 of this Law has been received;
- 3) in cases arising from custody rights.

(2) According to an application of the police authorities, a court shall take a decision on the recovery of costs relating to a search for a debtor.

[9 June 2011; 4 August 2011; 29 October 2015]

Division Fourteen

Application of Enforcement Measures

[31 October 2002]

Chapter 70

General Provisions for Enforcement

Section 570. Bringing of Recovery Proceedings against Property of Natural Persons

(1) Enforcement shall be applied against the property of a natural person and against the share of such person in joint property and in joint spousal property and in cases provided for in law, against aggregate spousal property.

(2) Enforcement shall not be applied against property of a debtor, if the debtor works or receives a pension or a scholarship and the amount to be recovered does not exceed that part of a monthly income to which the enforced might be applied in accordance with the law.

(3) Bringing of recovery proceedings against immovable property of a debtor is permissible, if, the claim of the creditor cannot be satisfied within a reasonable time period by applying other enforcement measures. Such procedures shall not apply to enforcement against the debts, which are secured by pledging the relevant immovable property.

[22 May 2014]

Section 571. Property Exempt from the Enforcement

When executing judgments, enforcement recovery may not be applied to the property referred to in Annex 1 to this Law, except for enforcement against debts, which are secured by pledging the relevant items.

[31 October 2002]

Section 572. Enforcement made against Legal Persons

(1) According to enforcement documents a bailiff shall first make the enforcement against monetary funds of a legal person which are deposited in credit institutions or with other payment service providers.

(2) If by applying the enforcement against monetary funds of a legal person in credit institutions or with other payment service providers the claim of the creditor is not satisfied, the bailiff shall apply enforcement against the property of the legal person.

[31 October 2002; 23 November 2016 / Amendments to the Section shall come into force on 1 July 2017. See Paragraph 120 of Transitional Provisions]

Section 572.¹ Application of the Enforcement for the Benefit of the Administration of Maintenance

Guarantee Fund

(1) If a creditor has made the relevant request, as well as the request to apply all enforcement measures referred to in Section 557, Clauses 1, 2 and 3, and if the debtor has failed to transfer the sum indicated in the notification to the bailiffs deposit account regarding obligation to enforce ruling within the time period specified in the notification, the bailiff shall give notice to the Administration of Maintenance Guarantee Fund that the ruling on the recovery of child maintenance or the notarial deed, which contains an agreement on periodical maintenance payments and is to be enforced in accordance with the procedures for the enforcement of court judgments, is not being enforced.

(2) If the Administration of Maintenance Guarantee Fund, based upon the Maintenance Guarantee Fund Law, has taken the place of the creditor in the case regarding the recovery of maintenance in the part regarding the recovery of such maintenance from the debtor which is disbursed from the Maintenance Guarantee Fund, it shall have all rights and obligations of the creditor laid down in this Law.

(3) An enforcement order of the Administration of Maintenance Guarantee Fund regarding the recovery of the amount of maintenance disbursed without justification from the applicant shall not be returned to the creditor. If the bailiff, upon a request of a creditor, has provided the information referred to in Paragraph one of this Section to the Administration of Maintenance Guarantee Fund, an enforcement document shall be issued to the creditor only after the certification regarding non-existence of the claim is received from the Administration of Maintenance Guarantee Fund.

[5 February 2009; 12 June 2009; 19 December 2013; 8 December 2016 / The new wording of Paragraphs one and three regarding application of the enforcement for the benefit of the Administration of Maintenance Guarantee Fund shall come into force on 1 February 2017 and refer to enforcement cases commenced starting from 1 February 2017. See Paragraph 123 of Transitional Provisions]

Section 572.² Rights and Obligations of the State Revenue Service in Enforcement Cases Regarding Enforcement of Confiscation of Property

The State Revenue Service has all the rights and obligations of a creditor specified in this Law in enforcement cases regarding enforcement of confiscation of property.

[22 June 2017]

Chapter 71 Bringing of Recovery Proceedings Against Movable Property

Section 573. Seizing of the Movable Property of a Debtor

(1) Seizing of the movable property of a debtor shall be inventorying, photo-fixating and guarding of such property, insofar as other procedures for seizing have been laid down in this Chapter for certain items.

(2) *[5 February 2009]*

(3) A bailiff shall not seize movable properties, if it would be impossible to sell them and the enforcement of judgment expenses could exceed the amount of money to be obtained from the sale thereof.

[31 October 2002; 7 September 2006; 5 February 2009; 1 March 2018]

Section 574. General Provisions for Seizing of Movable Property of a Debtor

(1) A bailiff shall seize movable property of a debtor in such amount which is necessary in order to extinguish the sum to be recovered and cover the enforcement of judgment expenses. The bailiff shall not seize ancillary items of the main item separately from the main item.

(2) The bailiff may seize movable property of a debtor the value of which does not exceed the amount adjudged for the creditor and enforcement of judgment expenses, if the no other property of the debtor is subject to seizing or the value of such properties does not cover the amount to be recovered and enforcement of judgment expenses.

(3) After seizing of the movable property a bailiff shall request information from movable property registers on the belonging of such items to the debtor, and also ascertain in the Commercial Pledge Register, whether the movable items owned by the debtor are pledged. If the bailiff finds that the seized property belongs to third parties, he or she shall immediately release it from seizure. If in the Commercial Pledge Register a commercial pledge is registered in respect of the movable property of the debtor in the benefit of third parties, the bailiff shall request that the debtor and commercial pledgee notify the amount of the remaining debt.

(4) In respect of movable items which are pledged as a commercial pledge or possessory pledge for security of claims of third parties, a bailiff is entitled to direct recovery upon consent of the relevant pledgee, and also direct recovery in respect of surplus of money in case of sale of the pledge. If the pledgee does not agree to the sale and

hesitate to sale the pledged item by himself or herself without any justifying reason, the bailiff shall explain the creditor that he or she may request the court to determine time period for the sale of pledged items in order to direct recovery in respect of surplus of money, and also explain the right to establish a commercial pledge.

(5) If a bailiff finds that a movable property is already seized for other recovery, he or she shall compare the property with the property inventory statement drawn up in the previous seizing and seize only those articles which are not entered in the previous inventory statement, but if he or she has already carried out seizing - shall immediately release from seizure the items seized for the second time.

(6) If a debtor is absent or avoids the enforcement of the ruling, the movable property shall be seized by a bailiff in the presence of a representative of the local government or police.

(7) The debtor and the creditor have the right to invite not more than two witnesses to the seizing of the movable property of the debtor. Failure of witnesses to attend shall not stay the seizing of property.

(8) When the movable property is being seized, a debtor is entitled to notify a bailiff against which articles the enforcement should be applied at first. The bailiff shall satisfy such application, if it is not in contradiction with the norms of this Law and does not prevent enforcement of the ruling.

(9) [5 February 2009]

(10) [1 March 2018]

(11) [1 March 2018]

[31 October 2002; 7 September 2006; 5 February 2009; 1 March 2018]

Section 575. Seizing of the Movable Property of a Debtor if the Property is Located at Other Person

(1) If there is evidence that the property of a debtor is located at other person, a bailiff shall seize such property in accordance with the general procedures. If a person refuses to allow access for a bailiff at the place of location of the movable property, the bailiff shall invite a representative of the police for ensuring public order at the presence of whom the room or storage facility shall be opened and seizing shall be carried out. Locked premises or storage facilities in respect of which there is evidence that the property of the debtor is located therein, and which no person is opening, may be opened by force in the presence of the representative of the police, or the bailiff, having assessed the particular circumstances, shall take the decision to postpone the seizure.

(2) If after the premises or other storage facilities have been opened no person of legal age is in there, after opening the premises by force the bailiff shall take care regarding safe closing and sealing of such premises. The bailiff shall leave a notification near the relevant premises or storage facility inviting to appear at the bailiff's place of practice in order to collect the keys from the premises.

(3) The items present in the premises or storage facilities opened in accordance with the procedures laid down in this Section which the bailiff does not seize shall not be indicated in the property inventory statement.

(4) If location of the property of a debtor at other person is determined by a mutually entered into agreement, the bailiff shall seize such property, but the issue of retaining the rights of other person arising from the agreement shall be settled by the court in accordance with procedures for court proceedings by way of action.

[1 March 2018]

Section 576. Inventorying Tangible Properties

(1) In inventorying the tangible properties, their individual characteristics and quantity shall be indicated, and the properties shall also be photo-fixated.

(2) In inventorying the tangible properties, new articles shall be distinguished from used ones.

(3) In inventorying precious metals, official hallmarks (assay marks) shall be indicated, if such are known. When items decked with jewels are inventoried, the number and colour of stones along with size and name shall be indicated, if known.

(4) In inventorying goods, including products and materials kept in goods packaging, the numbers or marks on their packaging and the names and description of the goods to be kept in such packaging shall be indicated.

(5) The bailiff may pack articles of one kind in packages by specifying the single name of the packed articles in the property inventory statement. Separate articles can be packed in packages by specifying the names of inventoried articles on the packing.

[1 March 2018]

Section 577. Property Inventory Statement

(1) There following shall be indicated in a property inventory statement:

1) the time and place of drawing up of the statement;

2) the official appointment location of the bailiff and location of his or her practice, and the given name and surname of the bailiff;

3) the ruling of the court, other institution or official, which is being enforced;

4) the given name and surname of the creditor and the debtor or of their authorised representatives present at the inventorying of the property;

5) the given name, surname and declared place of residence, the additional address indicated in the declaration, but if none, place of residence of witnesses and the given name, surname and official position of officials;

6) the name of each article inventoried and its individual features (Section 576), the appraisal of each individual article and the value of the entire property;

7) [31 October 2002].

8) the given name, surname, personal identity number, the declared place of residence and additional address indicated in the declaration, but if none, the place of residence of the natural person to which the seized property is transferred for storage, or the name, registration number, legal address of the legal person and the given name, surname, personal identity number and declared place of residence and additional address indicated in the declaration, but if none, the place of residence of the representative of such legal person to which the seized property has been transferred for storage;

8¹) the place of storage of items;

9) confirmation that the procedures and time periods regarding appeal of the actions of the bailiff have been explained to the creditor and the debtor;

10) confirmation that the procedures regarding storage of the inventoried property and civil and criminal liability, if the property transferred for storage is embezzled, alienated, concealed or substituted, has been explained to the person who stores the property;

11) the remarks and objections made by the creditor or debtor, or other persons present at the inventorying of the property.

(1¹) Photos (Section 576, Paragraph one) shall be stored electronically in the materials of an enforcement case and appended to the property inventory statement as annex thereto only upon the request of the creditor or debtor.

(2) A property inventory statement shall be signed by a bailiff, creditor, debtor, storer of the property and by other persons, who have taken part in the inventorying of the property. If the creditor, debtor or their representatives do not sign the property inventory statement, the bailiff shall make an appropriate notation thereon in the statement.

(3) A creditor or debtor who has signed the inventory statement without making any notes does not have the right to subsequently submit a complaint regarding errors in the inventory statement.

(4) A property inventory statement shall be issued to a creditor, debtor, and storer of the property. If the creditor or debtor has not taken a part in the inventorying of the property, the property inventory statement shall be sent to him or her within three days after completing the inventory.

[31 October 2002; 29 November 2012; 1 March 2018]

Section 578. Appraisal of Inventoried Tangible Properties

(1) Inventoried tangible properties by considering the degree of wear and tear thereof shall be appraised by the bailiff by determining the forced sale value of the properties according to the existing local prices. If special knowledge in science or art is required for the performance of the appraisal due to the property or features thereof, or jewels, precious metals and products thereof are to be appraised, the bailiff shall invite an expert for the determination of the forced sale value of the properties. The bailiff may invite the expert also in other cases for the determination of the forced sale value of the properties. If it is not possible to invite an expert on the day of inventorying the property, the bailiff shall indicate the value of the property determined by himself or herself in the property inventory statement which is replaced by an expert appraisal afterwards.

(2) A creditor or debtor may ask a bailiff to invite an expert for a re-appraisal of properties within 10 days after the inventorying of the property has been completed or a written property inventory statement has been sent, but if the

expert is initially invited for the determination of the value - after the bailiff's notification of appraisal is sent. Prior to inviting an expert the bailiff shall notify the person who requested inviting of an expert of the amount of appraisal costs in writing. Expenses for the appraisal shall be covered by a person who has asked to invite the expert by paying the necessary amount of money to the account of the bailiff within the time period laid down by the bailiff which is at least five days. If the amount of money required for appraisal has not been paid, the bailiff shall dismiss the request to invite an expert.

[1 March 2018]

Section 579. Guarding of Property

(1) In order to ensure guarding of seized property the bailiff shall appoint a storer of property. The seized property shall be transferred for storage to the debtor or family member of the debtor unless there are circumstances which cause justified doubts about the ability of the storer of the property to ensure the performance of his or her obligations or that while under guarding the property transferred for storage could be embezzled, alienated, concealed, substituted or its value significantly reduced otherwise. The inventoried property of the debtor shall be delivered by the bailiff for storage to a natural person in return for a signature. In the cases specified in this Law the properties may be transferred for storage also to a legal person in return for a signature of the representative thereof. If the storer of the property cannot ensure guarding of the property in the address where it has been inventoried, the bailiff shall remove the property and transfer it to the storer of the property by indicating the address in the property inventory statement where the storer of the property has undertaken to store the property. The bailiff is entitled to take the decision to replace the storer of the property at any stage of enforcement of the ruling if the storer is not able to continue the performance of his or her obligations, does not ensure appropriate storage of the properties or fails to fulfil the order of the bailiff.

(2) The debtor or members of his or her family may use the property left with him or her for storage if, due to the characteristics of such property, the use thereof does not destroy the property or decrease its value significantly.

(3) If the storer is not the debtor or a member of the debtor's family, the storer shall receive remuneration for storage.

(4) When seizing movable property, signature shall be obtained from the debtor or the storer attesting that they will not alienate, pledge or use the property for any other function or purpose and that they may be held criminally liable for its embezzlement, alienation, concealment or substitution.

(5) The storer of the property may change the place of storing of the seized items upon a prior co-ordination thereof with the bailiff. Upon the request of the bailiff, the storer of the property shall present the property transferred for storage to him or her, where necessary, delivering it to the place laid down by the bailiff.

(6) By revoking the seizure or replacing the storer, the bailiff shall give an order for the storer to transfer the property transferred for storage to the person indicated in the order in the time and at the place laid down by the bailiff. The bailiff shall draw up the deed on transfer of the property. If the storer of the property does not transfer the property or has not ensured appropriate storage thereof, the bailiff shall draw up the deed thereon and send it to the public prosecutor for it to decide in the issue on liability of the storer of the property.

[31 October 2002; 1 March 2018]

Section 580. Storage of Money and Valuables Removed from the Debtor

(1) The bailiff shall remove the inventoried gold and silver products and other valuables and, if storage thereof cannot be ensured, transfer them for storage to a credit institution.

(2) Money found in the possession of a debtor shall, in such amount as is required for the discharge of the debt to be recovered and of the enforcement expenses, be removed by the bailiff and paid into the bailiff's deposit account.

[31 October 2002; 1 March 2018]

Section 580.¹ Seizing and Sale of Tangible Properties Subject to Registration

(1) A bailiff shall issue an order to the institution within the obligations of which is conducting the registration of the properties subject to the registration to register or, where it is technically possible, to register himself or herself the prohibition on alienation or other actions in respect of the vehicle of the debtor or other tangible properties subject to the registration.

(2) Concurrently with posting a notice of auction on the website of electronic auctions or taking the decision on the sale of the seized property without an auction, the bailiff shall notify the persons in the favour of which a pledge right or pledge notation has been entered of the auction or sale of the property without an auction. If a seized vehicle is being sold, after the acquirer has paid all the amount due to be paid by him or her, the bailiff shall, within five days, notify the State Revenue Service of the date of alienation of the vehicle and the acquirer, as well as make a notation thereon in the State Register of Vehicles and Their Drivers.

[1 March 2018]

Section 580.² Seizing and Sale of a Ship and Floating Structure

(1) Ships and floating structures registered in the Latvian Ship Register of the State stock company Maritime Administration of Latvia (hereinafter - the Ship Register) shall be seized in accordance with the procedures laid down in this Chapter insofar as it is not otherwise laid down in this Section. Floating craft which is registered with the State stock company Road Traffic Safety Directorate shall be seized and sold in accordance with the procedures laid down in Section 580.¹ of this Law.

(2) Seizure of the ship or floating structure registered in the Ship Register shall apply not only to the hull of the ship or floating structure, but also to all accessories of the ship or floating structure, including those which ensure navigation. The ship under a joint property or floating structure registered in the Ship Register shall be seized in its entirety without separating the right of the debtor to his or her share. Seizing the ship or floating structure registered in the Ship Register shall be notified to the Ship Register. An expert shall be invited for the appraisal of the ship or floating structure registered in the Ship Register. Also a legal person may be appointed as the storer of the ship or floating structure registered in the Ship Register.

(3) The ship or floating structure registered in the Ship Register shall be sold in auction in accordance with such procedures which are laid down in this Law for the sale of the immovable property. The notification of the auction of the ship or floating structure registered in the Ship Register shall also be sent to the persons laid down in Section 55 of the Maritime Code.

[1 March 2018]

Section 580.³ Procedures for Seizure and Selling Intangible Assets

(1) A bailiff shall seize intangible properties (rights) by taking a decision in which the seized right, legal basis for arising and appraisal thereof are indicated. The bailiff shall, within three days, send the decision to a person who in accordance with the seized right has a duty to provide performance to a debtor (related person) by indicating that from the day of receipt of the decision the performance shall be given to the bailiff rather than the debtor in accordance with the obligation. After sending the decision to the related person, the bailiff shall send the decision to seize the rights to the creditor and debtor.

(2) After the day of receipt of the decision of the bailiff, the debtor is prohibited to request or receive performance in accordance with the seized right. The debtor and the related person has a duty to provide all the requested information which applies to the seized right upon the request of the bailiff.

(3) Purely personal rights or the rights the alienation of which is prohibited by the law or court ruling shall not be seized.

(4) Intangible properties shall be appraised by the bailiff by determining the forced sale value thereof according to prices existing in this region. Where necessary, on his or her own initiative, the bailiff may invite an expert for determining the forced sale value.

(5) When sending the decision referred to in Paragraph one of this Section to the creditor and debtor, the bailiff shall explain their rights to request the bailiff to invite an expert for re-appraisal of properties within 10 days after the day of sending the decision. The person who has requested re-appraisal shall cover appraisal expenses within the time period laid down by the bailiff which is not shorter than five days by paying the required sum of money into the bailiff's account. If the amount of money required for appraisal has not been paid, the bailiff shall dismiss the request to invite an expert.

(6) The bailiff shall sell the seized intangible properties in auction or in accordance with the procedures laid down in Section 583.¹ without auction.

[1 March 2018]

Section 580.⁴ Procedures for Seizing and Sale of Shares or Stocks of Equity of a Capital Company and Debentures of a Cooperative Society

(1) The bailiff shall take the decision to seize the share or stocks of equity of a capital company or debentures of a cooperative society in which he or she shall indicate the seized items and their appraisal.

(2) The forced sale value of shares or stocks of equity, or debentures shall be determined by the bailiff, however not lower than denomination of the share or stock of equity, or debenture. Where necessary, on his or her own initiative, the bailiff may invite an expert for determining the forced sale value.

(3) The bailiff shall, within three days, send the decision referred to in Paragraph one of this Section to the creditor

and debtor by concurrently explaining their rights to request the bailiff to invite an expert for re-appraisal of items within 10 days from the day of sending the decision. The person who has requested re-appraisal shall cover appraisal expenses within the time period laid down by the bailiff which is not shorter than five days by paying the required sum of money into the bailiff's account. If the amount of money required for appraisal has not been paid, the bailiff shall dismiss the request to invite an expert.

(4) A debtor is prohibited to alienate the seized shares or stocks of equity, or debentures, encumber them with other property or obligation rights, to change their denomination, and also to carry out other actions which reduce the value of shares or stocks of equity, or debentures from the day of receipt of the decision referred to in Paragraph one of this Section.

(5) Concurrently with taking the decision to seize the shares of equity, the bailiff shall issue an order to the board of directors of the limited liability company and Commercial Register institution to comply with the prohibition to alienate or pledge the shares of equity owned by the debtor, encumber them with other property or obligation rights and, where necessary for ensuring the sale of the seized shares of equity - also the prohibition to change the denomination of the shares of equity and carry out other actions which reduce the value of the shares of equity owned by debtor.

(6) Concurrently with taking the decision to seize stocks or debentures, the bailiff shall issue an order to the board of directors of the stock company or cooperative society accordingly to comply with the prohibition to alienate or pledge the stocks or debentures owned by the debtor, encumber them with other property or obligation rights and, where necessary for ensuring the sale of the seized stocks or debentures - also the prohibition to change the denomination thereof and carry out other actions which reduce the value of the stocks or debentures owned by debtor.

(7) Concurrently with taking the decision referred to in Paragraph one of this Section, the bailiff may issue an order to the board of directors of the capital company or cooperative society to transfer all the funds which are due to the debtor into the deposit account of the bailiff.

(8) A bailiff shall sell the shares or stocks of equity or debentures in an auction, but if it has failed and none has applied to hold the shares or stocks of equity or debentures after an auction that had not taken place in accordance with the procedures laid down in this Chapter, they may be sold also without an auction by complying with the procedures for the determination of the forced sale value laid down in Paragraph two of this Section. After the alienation of shares or stocks of equity or debentures, the bailiff shall notify the board of directors of the capital company or the cooperative society and the commercial register of the revocation of the seizure.

(9) Concurrently with posting the notice of auction of the shares of equity in the site of electronic auctions, the bailiff shall notify the board of directors of the limited liability company of the auction.

[1 March 2018]

Section 580.⁵ Procedures for Exercising the Right of First Refusal of Shares of Equity of a Limited Liability Company

(1) A bailiff shall immediately notify the board of directors of a limited liability company that other shareholders of the company may exercise the right of first refusal of the seized shares of equity provided that:

1) the auction of the shares of equity has been recognised as not having taken place due to the reasons provided for in Section 589, Paragraph one, Clause 1 or 2 and the creditor has paid in the deposit account of the bailiff the necessary amount for holding the shares of equity himself or herself in accordance with the procedures laid down in Section 590 of this Law;

2) the highest bidder or the last bidder outbid has transferred all the amount due from him or her in the deposit account of the bailiff;

3) the bailiff sells the seized shares of equity without an auction in accordance with the procedures laid down in Section 583.¹ of this Law, and the buyer has transferred the purchase price in the deposit account of the bailiff.

(2) In a notification to the board of directors of the limited liability company a bailiff shall indicate the amount which within the time period laid down by the bailiff that may not be shorter than 10 days from the day of sending the notification is to be transferred in the deposit account of the bailiff, and also that if the board of director organises a closed auction among shareholders in accordance with Section 189, Paragraph nine of the Commercial Law, the board of directors has the obligation to transfer the part of the purchase payment acquired additionally in auction which exceeds the transferred amount indicated in the notification the bailiff to the deposit account of the bailiff within 10 days from the day of payment of the purchase payment bidden in the closed auction.

(3) If the indicated amount is not transferred to the deposit account of the bailiff within the time period laid down in the notification, the bailiff shall notify the buyer, highest bidder, creditor or last bidder outbid accordingly that the shareholders of the company have not used their right of first refusal.

(4) If the entire indicated amount is transferred to the deposit account of the bailiff within the time period laid down

in the notification, the bailiff shall draw up the deed on the transfer of the seized shares of equity to the limited liability company and send it to the board of directors of the company. After sending the deed, the bailiff shall notify the creditor, debtor and person who has bidden or expressed his or her wish to keep the shares of equity or has been the last bidder outbid of exercising the right of first refusal by immediately repaying the amount to the person which he or she has transmitted.

[1 March 2018]

Section 580.⁶ Procedures for Seizing and Sale of Financial Instruments

(1) If a debtor owns financial instruments, the bailiff shall issue an order to the credit institution or investment brokerage company in which the financial instrument account of the debtor is opened and which acts on behalf of the debtor with his or her instruments by which is prohibited to alienate, pledge or otherwise encumber with property or obligation right the financial instruments owned by the debtor. If the pledged financial instruments are located in the initial register of the central securities depository (within the meaning of the Financial Instrument market Law), such order shall be issued to the central securities depository.

(2) Only securities of paper form shall be inventoried in accordance with the procedures laid down in Section 576 of this Law. When inventorying securities, their quantity, class, number and denomination shall be indicated, if known. If the denomination is not known, a bailiff shall appraise the securities of paper form in accordance with the procedures laid down in Section 578, Paragraph one of this Law. A creditor or debtor may request the bailiff to invite an expert for re-appraisal of securities in accordance with the procedures laid down in Section 578, Paragraph two of this Law. The bailiff shall remove the inventoried securities and, if storage thereof cannot be ensured, transfer them for storage to a credit institution.

(3) For the sale of financial instruments the bailiff shall issue an order to the credit institution or investment brokerage company in which the financial instrument account of the debtor is opened and which acts on behalf of the debtor with his or her financial instruments, within the time period which does not exceed one month, to sell the seized financial instruments on the regulated market for the market price of such financial instruments and transfer the obtained funds to the deposit account of the bailiff. If selling all of the financial instruments of the debtor or part thereof within the time period laid down by the bailiff has failed, the bailiff may extend the time period for sale by issuing a new order.

(4) If a debtor owns such financial instruments which are held in the financial instrument account of the debtor, but which may not be sold in accordance with the procedures laid down in Paragraph three of this Section because they are not admitted on the regulated market, the bailiff shall issue an order to the credit institution or investment brokerage company to sell such financial instruments in conformity with the procedures which have been laid down for the determination of value and sale of the financial instruments in the relevant market.

(5) A bailiff shall sell the securities of paper form in an auction of movable property. In such case as the initial price shall be determined the denomination of securities of paper form or forced sale value laid down by the bailiff or expert if the bailiff has invited an expert for the determination thereof. If two expert appraisals have been carried out, the initial price shall be the highest appraisal by the expert.

(6) A bailiff shall sell the right to financial instruments which are in the initial register of the central securities depository in the auction of movable property. In such case the average market price in the previous month before announcement of an auction shall be determined as the initial price of financial instruments. If the debtor owns financial instruments of several types and categories, the sale thereof by parts is permitted provided that one type and one category financial instruments are sold in one transaction. After the highest bidder has paid the purchase price in full amount in the deposit account of the bailiff and informed the bailiff of his or her financial instruments account in the credit institution or investment brokerage company, the bailiff shall draw up the deed thereon and issue an order to the central securities depository to carry out de-registration of the financial instruments on the beneficiary's financial instruments account.

[1 March 2018]

Section 580.⁷ Procedures for Seizing and Sale of Items the Circulation of which is Restricted

(1) Items the circulation of which is restricted may be transferred for storage only to such natural or legal person to which a special permit (licence) has been issued which is necessary for the performance of activities with the items of relevant type.

(2) A bailiff shall sell the items the circulation of which is restricted in an auction or in accordance with the procedures laid down in Section 583.¹ of this Law without an auction. A person who wants to purchase the item the circulation of which is restricted shall present the documents to the bailiff attesting his or her right to obtain such items in the ownership.

[1 March 2018]

Section 581. Sale of Seized Property

(1) A bailiff has the right to sell the property of the debtor if a request of inviting an expert for the re-appraisal of items has not been submitted within the time period laid down in this Law, but if the request of inviting an expert is submitted - after the re-appraisal of the property or refusal of the request.

(2) If as a result of particular circumstances a delay in the enforcement of a ruling may cause significant losses to a creditor or debtor, or the recovery itself may become impossible, the property shall be removed and sold without delay in accordance with the procedures laid down in Section 583.¹ of this Law. In such cases the creditor or debtor may not request re-appraisal of items and appeal of the decision of the bailiff to sell the property without auction shall not suspend the sale of the property except for the case referred to in Section 632, Paragraph three of this Law. If the debtor is a registered payer of the value added tax, the bailiff shall impose the value added tax on the sales price.

(3) The bailiff may sell the seized items as one article, if identical items or main item and ancillary items thereof have been seized or it is not useful to sell the seized items individually.

(4) If the debtor is a registered payer of value added tax, before the sale of the seized property, except for the case referred to in Paragraph two of this Section, the bailiff shall send an invitation in a registered postal item to the debtor to provide information on whether upon selling his or her seized property the sales or auction price is subject to the value added tax in accordance with the laws and regulations governing the value added tax and what is the taxable value of this price.

[1 March 2018]

Section 582. Procedures for Selling of Seized Property

(1) A bailiff shall sell the seized property in auction, but in the cases and in accordance with the procedures laid down in this Law the seized property may be sold also without auction.

(2) The bailiff may remove the seized movable property:

1) prior to selling at an auction, if necessary;

2) in order to transfer it, in the cases specified in this Law, to the buyer, the highest bidder of the movable property, creditor, or debtor.

(3) If the debtor has completely paid his or her debt and enforcement expenses of the judgment before the sale of the seized property, but if the property is sold in an auction - not later than seven days before the final date of the auction indicated in the notice of the auction, the sale shall be cancelled, the auction already commenced shall be terminated and the seized property shall be returned to the debtor by drawing the deed thereon.

(4) After sale of the seized property or transfer thereof to the creditor the bailiff shall take a decision to release the sold property from seizure, and also send a notification to the relevant holder of a movable property register or another public register of revoking of the prohibition and release of the property from seizure.

[1 March 2018]

Section 583. Sale of Seized Property on Commission

[8 March 2018]

Section 583.¹ Sale of Seized Property without an Auction

(1) A bailiff shall sell the seized property to a particular person (buyer) without an auction in the cases especially indicated in this Law, and also if the seized property could be impossible to be sold in an auction or it has not been managed to be sold in an auction. The bailiff shall decide on the sale of the seized property without an auction by specifying the circumstances which admit the sale of the property without an auction. The decision shall be sent to a debtor and creditor in a registered postal item. The decision may be appealed in accordance with the procedures laid down in Section 632 of this Law.

(2) In respect of a buyer of the seized property the restrictions laid down in Section 586 of this Law shall be applied to the persons who have no rights to take part in bidding.

(3) When the time limit set for appeal of the decision drawn up by the bailiff is expired, but if the decision of the bailiff has been appealed - when the court ruling by which the complaint was declined has come into effect, the bailiff shall notify the buyer of the time limit that may not exceed one month and within which the purchase price has to be paid to the deposit account of the bailiff.

(4) The price for which it is allowed to sell the seized property (the purchase price) may not be less than that indicated in the property inventory statement, but if an expert is invited - than the forced sale value determined by the

expert. If two expert appraisals have been carried out, the purchase price may not be less than the highest forced sale value determined by the expert. After the purchase price has been received in full amount in the deposit account of the bailiff, the bailiff shall transfer the seized property to the buyer by drawing up the deed thereon, and inform the State Revenue Service regarding the fact of the property sale and the price for which the property has been sold.

(5) If a buyer of the seized property is a creditor, he or she is permitted to include in the purchase price his or her claim which is justified with the enforcement document. If the purchase price is not sufficient to satisfy all recoveries and claims of commercial pledgees, the creditor may include his or her claims in the purchase price only to the extent of the amount which according to calculation is due to the creditor after the claims having priority as compared to the creditor's claims have been covered.

(6) If several persons have expressed a wish to buy the seized property, an auction shall be organized.

(7) If a buyer fails to transfer the purchase price in the deposit account of the bailiff within the time period laid down in Paragraph three of this Section, the bailiff may sell the seized property in an auction or in accordance with the procedures laid down in this Section without an auction.

[1 March 2018]

Section 583.² Sale of Movable Property in Auction

The procedures for carrying out activities in the site of electronic auctions and for inclusion data of a person in the Register of Participants of Auctions, updating and deleting thereof shall be applied for the sale of movable property and organising the auction thereof (Sections 605.¹ and 605.²).

[1 March 2018]

Section 584. Announcement of an Auction of Movable Property

(1) A bailiff shall post a notice of an auction of movable property on the site of electronic auctions and, where he or she considers it as necessary, post also at his or her place of practice. An interested person, at their own expense, may place a notice of an auction in newspapers and other mass media, as well as post the notice in public places in accordance with the procedures stipulated by the relevant local government.

(2) The following shall be indicated in a notice regarding an auction of movable property:

1) the given name, surname, official appointment location and location of practice of the bailiff;

2) the given name and surname of the debtor; for a legal person - its name and legal address;

3) the item to be sold and appraisal thereof;

4) which auction, in order, it is;

5) the initial auction price and the bid increment;

6) the start date and final date and time of the auction;

7) whether the auction price is taxable with value added tax and what is the applicable value of such price;

8) the amount of security as is to be paid into the bailiff's deposit account;

9) the date until which a person who wishes to participate in an auction may ask the bailiff to authorise him or her for the participation in the auction, pays in the amount of security;

10) the indication to a website where the information of procedures and provisions for registration of persons for participation in the auction and participation in bidding is available.

(3) Concurrently with posting a notice of auction on the website of electronic auctions the bailiff shall notify the creditor and debtor in a registered postal item of the auction.

(4) An auction of movable property shall be commenced upon an appraisal made by the bailiff but if one or two expert appraisals have been made - upon the highest appraisal made by the expert.

(5) The bailiff shall determine the bid increment which is not less than one per cent and not more than 10 per cent of the initial price of the auction of the movable property.

(6) During the time period from the day of the announcement of auction until the day which is determined for the submission of the request of authorisation for the participation in the auction, the persons who wish to participate in the auction have the right to inspect the item to be sold. The bailiff shall notify the time and place of the inspection to the storer of the property. If the wish to inspect the item to be sold has been expressed by several persons, the bailiff shall

ensure that the inspection of the property, where possible, is organised at the same time.

[1 March 2018]

Section 584.¹ Security of Purchase of the Movable Property and Authorisation of Participants of the Auction

(1) A person who wishes to participate in an auction of the movable property by using the site of electronic auctions shall, within 10 days from the start date of the auction indicated in the notice of auction of the movable property, send a request to the bailiff to authorise him or her for the participation in the auction and transfer a security in the amount of 10 per cent of the appraisal of the item to be sold to the deposit account of the bailiff indicated in the notice of auction.

(2) If the appraisal of the item to be sold is EUR 10 000 or more, the time period within which a person shall send a request to the bailiff in accordance with the procedures laid down in Paragraph one of this Section to authorise him or her for the participation in the auction and transfer a security in the deposit account of the bailiff shall be 20 days from the start date of the auction indicated in the notice of auction of the movable property.

(3) A bailiff shall authorise a person for the participation in the auction within three working days, but in the case referred to in Paragraph two of this Section - within five working days after the day of receipt of the security and request of the person unless the restrictions referred to in Section 586 of this Law exist. If the security or request for the authorisation is not received within the time period indicated in Paragraph one or two of this Section or a person has no right to participate in the auction in accordance with Section 586 of this Law, the bailiff shall refuse the authorisation of the person for the participation in the auction.

(4) The security paid by the person who has bidden the item to be sold shall be included in the purchase price. Immediately after the auction closing day, the security paid by other participants of the auction, except for the last bidder outbid, shall be returned. The security paid by the last bidder outbid shall be returned to him or her within two working days after the full bidden amount is paid by the highest bidder. If the last bidder outbid keeps the property for himself or herself after an auction that has not taken place, the security paid by him or her shall be included in the purchase price.

[1 March 2018]

Section 585. Announcement of an Auction of a Ship

[8 March 2018]

Section 586. Persons Having no Right to Participate in Bidding

A debtor, his or her guardian or trustee, a person who has performed the appraisal referred to in Section 578 of this Law, and also the bailiff, who organises an auction, have no right to participate in bidding. A creditor has the right to participate in the bidding in accordance with the general procedure. Compliance with restrictions for the purchase of the item to be sold laid down in other laws and regulations shall be under the responsibility of the auction participants themselves.

[1 March 2018]

Section 587. Procedures for the Auctioning of Movable Property

(1) A participant in an auction may electronically make bids from the time when he or she is authorised for participation in the auction in accordance with the procedures laid down in Section 584.¹ of this Law until the time when the auction is ended.

(2) Bidding shall take place in accordance with the procedures laid down in Section 608, Paragraphs two and three of this Law.

(3) An auction shall end on the twentieth day at 13.00 o'clock from the start date of the auction indicated in the notice of the auction of the movable property, but if the twentieth day is on a non-working day or official holiday - on the next working day at 13.00 o'clock. If the appraisal of the article to be sold is EUR 10 000 or more, an auction shall end on the thirtieth day at 13.00 o'clock from the start date of the auction indicated in the notice of the auction of the movable property, but if the thirtieth day is on a non-working day or official holiday - on the next working day at 13.00 o'clock.

(4) If during the last five minutes before the time laid down for ending of the auction a bid is registered, the duration of the auction shall be automatically extended for five minutes. If during the last hour before the end of the auction significant technical disorders are found which may affect the result of the auction and they are not related to the system security infringements, the duration of the auction shall be automatically extended until 13.00 o'clock on the next working day. After the end of the auction bids shall not be registered and the end date and time of the auction and the last bid made shall be indicated in the site of electronic auctions.

(5) The bailiff may terminate the auction of the movable property in the cases specified in this Law. A notice regarding suspension of the auction shall be published in the site of electronic auctions.

(6) A creditor, when submitting a notification to the bailiff, may ask to suspend an auction or issue an enforcement document according to which recovery has not been carried out or has been incompletely carried out, if such request of the creditor is received not later than seven days before the final date of auction indicated in the notice of the auction.

(7) After the end of the auction, the notification shall be sent to the highest bidder electronically to the user account of the site of electronic auctions registered in the Register of Participants of Auctions that he or she has bidden higher price than other and the obligation to pay all the amount due from him or her has set in.

[1 March 2018]

Section 588. Statement of Auction

(1) A bailiff shall set out in a statement of auction:

- 1) the start date and final date and time of the auction;
- 2) the given name, surname, official appointment location and location of practice of the bailiff;
- 3) the ruling which is being enforced;
- 4) the name of the item to be sold;
- 5) the initial price of the item to be sold;

6) the persons who are authorised for the participation in the auction by indicating their given name, surname, personal identity number or date of birth (for the person who has not been granted a personal identity number), the contact address indicated in the Register of Participants of Auctions; for a legal person - its name, registration number and legal address;

7) prices bid at the auction and the given name and surname of the bidder or firm (name);

8) the highest price bid, the given name and surname or name, personal identity number or registration number and address of the highest bidder.

(2) A statement of auction drawn up in the site of electronic auctions shall be valid without a signature of the bailiff.

[1 March 2018]

Section 588.¹ Consequences of an Auction

(1) The person who has bid the highest price for an item to be sold shall pay the full amount bid and the value added tax, if the auction price is taxable with the value added tax, not later than within two working days after the end of the auction. If the amount bid exceeds EUR 1420, the bailiff, upon a request of the highest bidder, may postpone the payment of the full price of the purchase and the value added tax for a period up to seven days. If the amount bid exceeds EUR 142,280, the bailiff, upon a request of the highest bidder, may postpone the payment of the full price of the purchase and the value added tax for a period up to 14 days. When the amount bid and value added tax is paid in full amount, the bailiff shall draw up the deed by indicating to whom and for what price the auctioned items have been sold, and also inform the State Revenue Service regarding the fact and price of the sale of the property. The statement and items purchased shall be transferred to the highest bidder.

(2) When the time period for appeal of the calculation drawn up by the bailiff has expired and such calculation has not been appealed, or, if such calculation has been appealed - when the court ruling on the calculation drawn up has come into effect, the bailiff shall pay into the State budget the value added tax paid by the highest bidder and notify the debtor and the State Revenue Service thereof.

[1 March 2018]

Section 588.² Inclusions in Purchase Price

(1) The highest bidder is permitted to include his or her claim in the purchase price which is justified by an enforcement document.

(2) If the amount received from the sale is not sufficient to satisfy all the recoveries and claims of commercial pledgees, the highest bidder may include his or her claims in the purchase price only to the extent of the amount which, according to the calculation, is due to him or her after the claims having priority as compared to his or her claims have been covered.

[1 March 2018]

Section 589. Auction not Having Taken Place

(1) A bailiff shall recognise an auction as not having taken place if:

1) no participant is authorised for the auction;

2) no person of those who have been authorised for the auction bids more than the initial price;

3) the highest bidder does not pay the whole amount due from him or her (Section 588.¹, Paragraph one) within the laid down time period;

4) a notification from the security manager of a site of electronic auctions regarding significant technical failures which may influence the result of the auction, or regarding an infringement of system security has been received during the course of the auction, except for the case referred to in Section 587, Paragraph four of this Law, or within 24 hours after the end of the auction.

(2) A bailiff shall draw up the statement and shall give notice to the creditor and debtor that the auction is recognised as not having taken place in the case referred to in Paragraph one, Clause 1 or 2 of this Section. The notification shall be sent to participants, who have been authorised for the participation in the auction, by using a site of electronic auction.

(3) The bailiff shall draw up the statement and give notice to the highest bidder, debtor and creditor that the auction has been recognised as not having taken place in accordance with Clause 3 of Paragraph one of this Section.

(4) If the notice referred to in Paragraph one, Clause 4 of this Section is received during the auction, the bailiff shall terminate the auction and post the notification thereon in the site of electronic auctions.

(5) The bailiff shall draw up the statement and give notice to the creditor and debtor that the auction has been recognised as not having taken place in the case referred to in Paragraph one, Clause 4 of this Section. The notification shall be sent to participants, who have been authorised for the participation in the auction, by using a site of electronic auction.

(6) In the case referred to in Paragraph one, Clause 3 of this Section, the paid security shall not be returned, instead, it shall be added to the total amount received for the property. The paid security shall be added to the total sum also in case when it is detected that the highest bidder did not have the right to participate in the auction (Section 586, third sentence) and if the last bidder outbid has not notified of keeping the property for himself or herself for the highest price offered by him or her or has refused to keep it (Section 590, Paragraphs four and eight).

[1 March 2018]

Section 590. Consequences Resulting from an Auction not Having Taken Place and the Second Auction

(1) If an auction is recognised as not having taken place for the reasons provided for in Section 589, Paragraph one, Clause 1 or 2 of this Law, a bailiff shall immediately notify the creditor thereof by inviting him or her to retain the seized property for himself or herself at the initial price of the auction. The creditor has the right to notify the bailiff of retaining of the seized property for himself or herself within two weeks from the day of sending the invitation of the bailiff.

(2) If several creditors wish to retain the seized property at the initial auction price, a repeated first auction shall be organised with the participation of the creditors who wish to retain the seized property for themselves at the initial price, and the bidding shall commence from the initial price of the first auction. The bailiff shall notify creditors of the time and place of the auction in writing seven days in advance. The failure of a creditor to attend the auction shall be considered as his or her waiver of the right to retain the property for himself or herself. If only one creditor attends the auction, he or she may retain the seized property for himself or herself without bidding. If none of the creditors attend the auction, the bailiff shall, without delay, announce a second auction.

(3) If none has applied to retain the seized property for himself or herself, the bailiff shall immediately organise the second auction. The second auction shall be announced by complying with the rules of the first auction, but bidding the movable property in the second auction shall be started from the amount which is equal to 75 per cent of the initial price of the first auction.

(4) If the auction has been recognised as not having taken place for the reason provided for in Section 589, Paragraph one, Clause 3 of this Law, the bailiff shall immediately notify the last bidder outbid thereof by inviting him or her to retain the seized property at the highest price he or she has bid. The last bidder outbid has the right to notify the bailiff in writing of retaining the seized property for himself or herself within two weeks from the day of sending the invitation of the bailiff. If the last bidder outbid has failed to notify of retaining the seized property for himself or herself or has refused to retain it for himself or herself within the time limit laid down in the Law, the bailiff shall immediately announce a repeated first auction.

(5) If the auction has been recognised as not having taken place due to the reason provided for in Section 589, Paragraph one, Clause 4 of this Law, the bailiff shall immediately announce a repeated first auction.

(6) In the cases provided for in Paragraphs one, two and four of this Section the person who retains the seized property for himself or herself, and also the person who has bidden the article to be sold in the second auction shall make payment and receive the seized property in accordance with the procedures laid down in Section 588.¹ of this Law.

(7) If the second auction has been recognised as not having taken place due to the reason provided for in Section 589, Paragraph one, Clause 1 or 2 of this Law and none has notified of the wish to retain the seized property for himself or herself for the initial price of the second auction in accordance with the procedures laid down in Paragraph one of this Section, the property may be returned to the debtor by releasing it from seizure, or the bailiff may decide on the sale of the property in another way provided for in this Chapter. The bailiff shall draw up the deed on returning the property to the debtor.

(8) If the second auction has been recognised as not having taken place due to the reason provided for in Section 589, Paragraph one, Clause 3 of this Law and the last bidder outbid has failed to notify of the wish to retain the seized property for himself or herself for the highest price bidden by him or her in accordance with the procedures laid down in Paragraph four of this Section or if the second auction has been recognised as not having taken place due to the reason provided for in Section 589, Paragraph one, Clause 4 of this Law, the bailiff shall immediately announce a repeated second auction.

[1 March 2018]

Section 591. Declaration of an Auction as Invalid

(1) A court shall declare an auction to be invalid, if:

1) any person has unjustifiably not been allowed to participate in the auction, or a higher bid has wrongly been refused;

2) the property was bought by a person such as was not entitled to participate in the auction;

3) [1 March 2018];

4) the bailiff, creditor or buyer has demonstrated bad faith.

(1¹) The interested parties may submit a complaint on the bailiffs, creditor's or buyer's actions which provide the basis to request that an auction is recognised to be invalid to the district (city) court according to the official appointment location of the bailiff within 10 days from the day of the end of the auction.

(2) An ancillary complaint may be submitted regarding a decision of a court.

(3) If an auction has been recognised to be invalid, a repeated auction shall be organised according to the provisions of the auction which was recognised to be invalid.

[1 March 2018]

Section 591.¹ Procedures for the Enforcement of the Confiscation of Movable Property

(1) A bailiff shall seize the confiscated movable property and sell in accordance with the procedures laid down in this Chapter, insofar as it has not been otherwise provided for in this Section.

(2) Having received a writ of execution and an extract attached thereto from the minutes or decision to impose an arrest on property, the bailiff shall, without delay, check the existence of the property indicated therein. If the storer of the property presents all the property transferred for storage and its value has not substantially changed, the bailiff shall not seize the property repeatedly. If it is not possible to perform enforcement of confiscation of property because the confiscated property has not been detected, the bailiff shall terminate the enforcement case without enforcement and notify thereof the court of first instance which has taken the decision to be enforced, and the public prosecutor's office for it to decide in the issue on liability of the storer of the property.

(3) If it would be impossible to sell the confiscated items and enforcement of judgment expenses might exceed the amount of money to be acquired as a result of selling, the bailiff shall transfer them to the State Revenue Service.

(4) A person confiscation of whose property is enforced, does not have the rights of a debtor specified in this Law.

(5) If an auction has been declared as not having taken place or the property which has been transferred for sale to the commission is not sold, the creditor has the right to keep the property in accordance with the procedures laid down in this Chapter in other enforcement cases regarding recovery from a person confiscation of whose property is being enforced. If the second auction has not taken place and no one has expressed a wish to keep the confiscated property

to himself or herself, the bailiff shall transfer the property to the State Revenue Service.

[22 June 2017]

Chapter 72

Bringing of Recovery Proceedings against Remuneration for Work, Payments Equivalent thereto and other Amounts of Money

[31 October 2002; 7 September 2006]

Section 592. Bringing of Recovery Proceedings against Remuneration for Work

(1) Recovery shall be directed against remuneration for work of a debtor, also against payment received by the debtor for fulfilling a position in the civil service or military service if:

- 1) the ruling on the recovery of periodic payments is being enforced;
- 2) the amount to be recovered does not exceed such part of the monthly payments for work or payments equivalent thereto against which recovery may be directed in accordance with law;
- 3) a creditor has requested to direct recovery against remuneration for work or payments equivalent thereto.

(2) Recovery shall also be directed against remuneration for work of a debtor in instances where the debtor does not have property or it does not suffice for the recovery of debt.

[31 October 2002]

Section 593. Information Concerning Debtor's Remuneration for Work and Payments Equivalent thereto

An employer, upon request of a bailiff and within his or her specified time period, shall provide information as to whether a debtor works for him or her and what the remuneration for work and payments equivalent thereto of the debtor within the time period specified by the bailiff are.

[31 October 2002]

Section 594. Amount of Deductions from Remuneration for Work and Equivalent Payments of a Debtor

(1) Until the debt to be recovered is discharged, deductions shall be made, in accordance with the enforcement documents, from remuneration for work and payments equivalent thereto paid to a debtor:

1) in cases regarding the recovery of maintenance for the support of minor children or for the benefit of the Administration of Maintenance Guarantee Fund - in preserving the remuneration for work of the debtor and payments equivalent thereto in the amount of 50 per cent of the minimum monthly wage and preserving the funds for each dependent minor child in the amount of the State social insurance benefit;

2) when recovering maintenance, losses or compensation for losses arising from personal injuries which have resulted in mutilation or other injury to health or in the death of a person, or compensation for damage which has been occasioned through commission of a criminal offence, and also in enforcing rulings taken in administrative violations cases - 50 per cent, preserving the remuneration for work of the debtor and payments equivalent thereto in the amount of 50 per cent of the minimum monthly wage and preserving the funds for each dependent minor child in the amount of the State social insurance benefit;

3) in other types of recovery, unless it is otherwise provided for in law - 30 per cent, preserving the remuneration for work of the debtor and payments equivalent thereto in the amount of the minimum monthly wage and preserving the funds for each dependent minor child in the amount of the State social insurance benefit.

(2) If recovery is directed against remuneration for work according to several enforcement documents, the employee shall in any event retain 50 per cent of the remuneration for work and payments equivalent thereto, however, not less than in the amount of the minimum monthly wage, and funds for each dependent minor child in the amount of the State social insurance benefit, except for the case specified in Paragraph one, Clauses 1 and 2 of this Section.

(2¹) If within the scope of one enforcement case recovery is concurrently directed to both remuneration for work and payments considered as equivalent thereto and to deposits in a credit institution, the bailiff shall, upon request of the debtor, give an order to the credit institution to keep the monetary amounts in the amount specified in Paragraph one or two of this Section in the account to which the debtor received remuneration for work and payments considered as equivalent thereto.

(3) *[31 October 2002]*

(4) The amount to be deducted from remuneration for work and payments equivalent thereto shall be calculated from the amount to be received by a debtor after payment of taxes.

(5) Funds in the amount of the State social insurance benefit for each minor child dependent on the debtor shall be retained, if a child is dependent on the debtor at the time, when deductions from the debtor's remuneration for work or payments equivalent thereto are made. The amount of funds to be retained shall be calculated by the employer or relevant legal person, by taking into account the number of persons dependent on the debtor at the time, when deductions are made.

[31 October 2002; 17 June 2004; 23 May 2013; 19 December 2013; 28 May 2015; 22 June 2017]

Section 595. Bringing of Recovery Proceedings against Income of a Debtor other than Remuneration for Work

(1) The conditions and procedures laid down in this Chapter which shall be observed when directing recovery against remuneration for work also apply in instances where a debtor receives:

- 1) a scholarship to an educational institution;
- 2) amounts as compensation for losses arising from personal injuries which have resulted in mutilation or other injury to health, or in the death of a person;
- 3) [17 December 2009].

(2) In bringing recovery proceedings against the State pensions, State social insurance benefits and compensations, provisions for the bringing of recovery proceedings against remuneration for work shall be applied, unless other laws do not provide for other restrictions for deductions.

[31 October 2002; 17 December 2009; 19 December 2013]

Section 596. Amounts against which Recovery may not be Directed

Recovery may not be directed against:

- 1) severance pay, funeral benefit, lump sum benefit to the surviving spouse, State social benefits, State support to a child having celiac disease, survivor's pension and allowance for the loss of provider;
- 2) compensation for wear and tear of tools belonging to an employee and other compensation in accordance with laws and regulations governing lawful employment relations;
- 3) amounts to be paid to an employee in connection with official travel, transfer, and assignment to work in another populated area;
- 4) social assistance benefits;
- 5) child maintenance in the amount of minimum child maintenance stipulated by the Cabinet which on the basis of a court ruling or a decision taken by the Administration of Maintenance Guarantee Fund shall be paid by one of the parents, as well as child maintenance to be disbursed by the Maintenance Guarantee Fund.

[31 October 2002; 17 December 2009; 12 February 2015; 8 December 2016 / Amendment to Clause 5 regarding not bringing of recovery proceedings against the child maintenance in the minimum amount stipulated by the Cabinet which on the basis of a decision taken by the Administration of Maintenance Guarantee Fund is paid by one of the parents shall come into force on 1 April 2017. See Paragraph 122 of Transitional Provisions]

Section 597. Procedures for the Bringing of Recovery Proceedings against Remuneration for Work, Payments Equivalent thereto and Other Income of a Debtor

(1) A bailiff shall send an order to an employer or to the relevant legal person with instructions to make deductions from remuneration for work or other remuneration, a pension, a scholarship or benefits of a debtor and, at the expense of the debtor, transfer the amounts deducted to deposit account of the bailiff.

(2) When terminating employment relations with the debtor, the employer shall inform the bailiff thereof, as well as indicate the new place of work of the debtor, if such is known. These provisions shall also apply to legal persons who have made deductions from a pension, a scholarship or benefits paid to a debtor, if the making of such payments is terminated.

[31 October 2002; 19 June 2003; 5 February 2009]

Section 598. Control of the Correctness of Deductions

A bailiff, upon a written request of a creditor, shall examine whether an employer (the relevant legal person) has

correctly and duly made deductions from the remuneration for work and other income of a debtor and whether the amounts deducted have been transferred to deposit account of the bailiff.

[31 October 2002; 5 February 2009]

Section 599. Bringing of Recovery Proceedings against Monetary Funds, which are Due from Other Persons

(1) If recovery is directed against monetary funds, which are due from other persons, including from another bailiff, a bailiff shall forward a request to such persons to inform whether they have an obligation to pay any amounts to a debtor, on what basis and within what time period.

(2) Simultaneously with the request, the bailiff shall give notice that such monetary funds shall be seized in the amount to be recovered and the amount of enforcement of judgment expenses, and that until the amount to be recovered and the amount of enforcement of the judgment expenses is fully discharged, these persons shall pay in the monetary funds into the bailiffs deposit account.

(3) *[23 November 2016]*

[7 September 2006; 5 February 2009; 23 November 2016 / Amendment regarding deletion of Paragraph three shall come into force on 1 July 2017. See Paragraph 120 of Transitional Provisions]

Section 599.¹ Bringing of Recovery Proceedings against Monetary Funds in Credit Institutions or with Other Payment Service Providers

(1) By bringing recovery proceedings against monetary funds of a debtor in a credit institution or with other payment service provider, the bailiff shall prepare and send to the credit institution or other payment service provider an order for seizing of monetary funds in the amount indicated in the order. The order shall, in accordance with the information from the account register regarding opened accounts of the debtor, be sent to the relevant credit institution or payment service provider.

(2) The bailiff shall indicate the restriction referred to in Paragraph 3 of Annex 1 to this Law regarding the debtor - natural person - to one of the credit institutions or payment service providers in the order referred to in Paragraph one of this Section.

(3) A credit institution or other payment service provider shall, within three working days upon the receipt of the order, send a notification to the person issuing the order in the Enforcement Case Register regarding amount of the seized sum by using the State information system integrator managed by the State Regional Development Agency.

(4) A credit institution or other payment service provider does not have the right to pay out the monetary funds seized for recovery to another person or allow the debtor to manage them.

(5) The bailiff shall, within four working days upon the receipt of the notification provided by the credit institution or other payment service provider, consider the information provided in the notification and send the following order to the credit institution or other payment service provider:

1) for the transfer of monetary funds to the bailiffs deposit account in the amount indicated in the order until the amount to be recovered and enforcement of judgement expenses are discharged;

2) for the transfer of monetary funds to the bailiffs deposit account in the amount indicated in the order by preserving monetary funds of the debtor - a natural person - in the amount specified in Paragraph 3 of Annex 1 to this Law until the amount to be recovered and enforcement of judgement expenses are discharged;

3) for adjusting of the action or amount of monetary funds, or revocation of the order.

(6) A debtor - a natural person - has the right to inform the bailiff of an account to which the monetary funds not seized shall be preserved in the amount specified in Paragraph 3 of Annex 1 to this Law.

(7) The order referred to in Paragraph five, Clause 3 of this Section for adjusting of the order given by the bailiff previously may be drawn up and sent to a credit institution or other payment service provider through the system of the Enforcement Case Register by taking into account the remaining amount to be recovered in the enforcement case and the amount of the enforcement of judgment expenses.

(8) If a debtor has only one account or an order for seizing of monetary funds is already being enforced in another enforcement case, which is in the record-keeping of the same bailiff, the bailiff may immediately give the order referred to in Paragraph five of this Section to the credit institution or other payment service provider.

(9) The bailiff shall ensure that the total amount of the monetary funds received from credit institutions or other payment service providers in the deposit account does not exceed the amount of debt and the amount necessary for covering of the enforcement of judgment expenses. If the total amount of the received monetary funds exceeds the

amount of the debt to be recovered and the amount necessary for covering of the enforcement of judgment expenses, the bailiff shall immediately, but not later than within seven days from the day they are transferred to the bailiffs deposit account, repay the debtor the overpaid monetary funds. If it is impossible to observe this time period due to objective circumstances, the bailiff shall, upon prevention or termination of the objective circumstances, immediately repay the debtor the monetary funds in the amount of the overpaid sum.

(10) The bailiff shall send the orders referred to in this Section to a credit institution or other payment service provider and receive notifications from a credit institution or other payment service provider electronically by using the State information system integrator managed by the State Regional Development Agency.

(11) When receiving several orders for seizing of monetary funds of a debtor or the orders referred to in Paragraph eight of this Section, a credit institution or other payment service provider shall enforce them in such order as they were posted in the State information system integrator managed by the State Regional Development Agency.

[23 November 2016 / Section shall come into force from 1 July 2017. See Paragraphs 118, 119 and 120 of Transitional Provisions]

Section 599.² Procedures for the Enforcement of the Confiscation of Financial Resources

If any financial resources are confiscated, the bailiff shall give an order to a State or local government authority in the account of which such financial resources are placed to transfer them to his or her deposit account. If the confiscated financial resources are in the account of another person, the bailiff shall give the order to credit institution on transferring thereof to the deposit account of the bailiff. The order of the bailiff shall be enforced without delay.

[22 June 2017]

Chapter 73

Bringing of Recovery Proceedings against Immovable Property

Section 600. Notice of the Bringing of Recovery Proceedings against Immovable Property

(1) If a creditor requests that recovery be directed against immovable property, a bailiff shall forward a notice by registered mail to a debtor and invite the debtor to settle the debt, and also to provide the information on whether the debtor is registered as a payer of the value added tax and whether upon selling by auction his or her immovable property the auction price shall be taxable with value added tax and what is the taxable value of such price.

(2) The bailiff shall submit to the district (city) court a request for corroboration regarding making of a recovery notation. The consequences of such notation are laid down in Section 1077, Paragraph one; Sections 1082 and 1305 of The Civil Law, as well as in Section 46 of the Land Register Law.

(3) The bailiff shall, in conformity with a true copy of the relevant Land Registry subdivision, send a notice in a registered postal item to the owner of the immovable property, persons entitled to construction, to joint owners of the immovable property, except for the joint owners of such multi-residential house which is not divided in apartment properties, and also to all mortgage creditors, including persons in the favour of whom a pledge right or pledge notation is registered, indicating:

1) the person whose claim the recovery against the immovable property are being directed to satisfy;

2) what the amount of the debt is and whether the debt has been secured by a mortgage on the relevant immovable property.

(4) In the notice referred to in Paragraph three of this Section the bailiff shall request that the mortgage creditors in a time period specified by the bailiff that is not less than 10 days submit information regarding the amount of the remaining mortgage debt.

(5) The bailiff shall request from a local government information on the tax arrears of the immovable property and invite the local government to submit a decision on the recovery of tax arrears if such exist.

(6) If the debtor not later than seven days before the final date of auction indicated in the advertisement regarding auction has fully paid a debt and the enforcement of the judgment expenses to the bailiff, sale of the immovable property shall be cancelled, but the auction already commenced - terminated.

[31 October 2002; 19 June 2003; 5 February 2009; 20 December 2010; 8 September 2011; 23 May 2013; 11 September 2014; 28 May 2015; 1 March 2018; 25 October 2018 / Amendment to Paragraph two regarding replacement of the words "Land Registry Office" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 601. Obligations of a Debtor

(1) From the date of receipt of a notice by a bailiff, a debtor is prohibited from:

- 1) alienating such immovable property or placing a lien thereon;
- 2) felling trees thereon, except for as necessary to maintain the household;
- 3) alienating or damaging accessories of the immovable property;
- 4) transfer such immovable property in the possession to other person, including entering into rental, hiring and other agreements encumbering immovable property.

(2) Agreements which a debtor of immovable property has entered into after a recovery notation has been made in the Land Register have no effect as against the creditor and a buyer of the immovable property at auction.

(3) The effect of those agreements which the debtor has entered into regarding the immovable property before a recovery notation has been made in the Land Register shall be determined both as against the parties which participated in such agreements and as against the buyer of the immovable property at auction in accordance with The Civil Law.

(4) A debtor has an obligation to notify a bailiff within the specified time period regarding the actual possessor and manager of the immovable property, if any, as well as regarding all rental, hiring and other agreements encumbering immovable property entered into in respect of this immovable property, submitting copies of the abovementioned agreements and concurrently presenting originals thereof.

(5) A debtor has an obligation to notify a bailiff whether he or she is registered as a payer of the value added tax and whether upon selling by auction his or her immovable property the auction price shall be taxable with value added tax and what is the taxable value of such price. If the auction price in accordance with the laws and regulations governing value added tax is taxable with value added tax, the debtor shall indicate the taxable value of such price in the abovementioned information.

[31 October 2002; 5 February 2009; 20 December 2010; 8 September 2011; 23 May 2013]

Section 602. Rights of Creditors and Other Creditors

(1) A creditor irrespective of the bringing of recovery proceedings against immovable property shall have the right to request that a mortgage be corroborated on his or her behalf in the Land Register to the extent of the amount to be recovered.

(2) A mortgage creditor has the right to participate in the inventorying of immovable property, to receive an inventory statement and to publish advertisements for an auction using his or her own resources, notifying the bailiff thereof.

(3) A mortgage creditor and a creditor have the right to participate in bidding, paying in the security specified in Section 607, Paragraph one of this Law.

(4) A creditor, when submitting a notification to the bailiff, may ask to suspend an auction or issue an enforcement document according to which recovery has not been carried out or has been incompletely carried out, if such request of the creditor is received not later than seven days before the final date of auction indicated in the notice of the auction.

[31 October 2002; 5 February 2009; 4 February 2016]

Section 603. Inventorying of Immovable Property

(1) A bailiff shall inventorise immovable property upon a request of a creditor. The bailiff shall notify the debtor by sending a notice provided for in Section 600 of this Law and the creditor of the time of inventorying of immovable property. The debtor and the creditor has the right to invite up to two witnesses to inventorying of immovable property. Failure of the debtor, creditor or witnesses to attend does not stay the inventorying.

(2) The following shall be indicated in an inventory statement:

- 1) the given name, surname, official appointment location and location of practice of the bailiff;
- 2) the ruling of a court or another institution which is being enforced;
- 3) the given name and surname of the creditor and debtor or their authorised representatives if such participate in the inventorying;
- 4) the given name, surname, declared place of residence and additional address indicated in the declaration, but if none, place of residence of the witnesses if such participate in the inventorying;
- 5) the place where the immovable property is situated;

6) the component parts of the immovable property;

7) on the basis of entries in the Land Register:

a) the value of the immovable property to be inventoried, if such is specified, its owner, encumbrances with debt and their amount, as well as restrictions and encumbrances imposed on the immovable property,

b) information regarding the state of the immovable property and agreements entered into regarding such property, if the bailiff has knowledge thereof, as well as information regarding movable property which is an accessory of the immovable property;

8) the actual possessor or manager of the immovable property, if such are known.

(3) In inventorying a technologically mutually linked set of installations and buildings, the buildings in which they are situated, the size and composition of the buildings occupied, the number of workrooms, machine tool benches and other equipment shall be indicated.

(4) In inventorying immovable property, provisions of Sections 576 and 577 shall also be applied.

(5) The debtor shall submit documents and plans by which the area of the immovable property to be inventoried and the rights of the debtor to such property have been established, as well as notify the bailiff of the actual possessor and manager of the immovable property.

(6) A bailiff, upon a request of the interested parties and at their expense, may request from the district (city) court the true copies of such documents as pertain to the immovable property to be inventoried.

(7) Non-receipt of the documents mentioned in Paragraphs five and six of this Section does not stay the inventorying.

(8) If the debtor or the creditor has not participated in the inventorying of the immovable property, the bailiff shall send them the inventory statement within three days after the inventorying.

[31 October 2002; 29 November 2012; 25 October 2018 / Amendment to Paragraph six regarding replacement of the words "Land Registry Office" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 604. Appraisal of Immovable Property

(1) The appraisal of immovable property shall be made upon request of a bailiff using the resources of a debtor by a certified immovable property appraiser, determining the value of forced sale of the immovable property.

(2) A bailiff shall notify the debtor, creditor and mortgage creditor regarding appraisal by a registered mail, concurrently explaining their rights to request re-appraisal of the immovable property within 10 days from the day of sending the notification.

(3) A person who has requested re-appraisal shall cover appraisal expenses within the time period specified by the bailiff by paying the required sum of money into the bailiff's account. If the sum of money required for appraisal is not paid in within such time period, the bailiff shall dismiss the request regarding re-appraisal of immovable property.

[5 February 2009]

Section 605. Administration of Immovable Property

(1) Inventoried immovable property shall, until the transfer to the new owner, remain in the administration of the former possessor or manager.

(2) The possessor or manager of property shall preserve the inventoried immovable property in the condition in which it was at the moment of inventorying and together with the same movable property.

(3) If the possessor or manager of immovable property is not known, the bailiff may at his or her discretion appoint a manager of the immovable property. The manager of immovable property appointed by the bailiff shall have the same liability as the storer of movable property provided for by this Law.

(4) The possessor and manager of immovable property shall provide an accounting to a bailiff regarding the period of administration of the inventoried property. Income received from the immovable property shall be delivered to the bailiff and added to the amount received from the sale of such property.

[31 October 2002]

Section 605.¹ Site of Electronic Auctions

(1) A site of electronic auctions is a module of the Register of Enforcement Cases which ensures posting of notices regarding auctions, registration of participants of the auction, accumulation of information regarding registered participants of the auction, authorisation of the registered participants of the auction for participation in the announced auction, and also a set of technological tools for making and registering bids.

(2) A bailiff, in performing his or her office obligations, shall post notices regarding auctions in the site of electronic auctions, register participants of auctions, authorise them for participation in the announced auction, and also carry out other actions related to organising of the auction.

(3) The procedures for carrying out activities in the site of electronic auctions shall be determined by the Cabinet.

[28 May 2015 / See Paragraph 106 of Transitional Provisions]

Section 605.² Register of Participants of Auctions

(1) The Register of Participants of Auction shall contain information regarding persons who have agreed to the provisions for use of the site of electronic auctions and are registered as participants of auctions. The persons included in the Register of Participants of Auctions have an obligation to notify regarding changes in their data. The information included in the Register of Participant of Auctions shall be restricted access information.

(2) The Cabinet shall determine the procedures for inclusion of data of a person in the Register of Participants of Auctions, the amount of data to be included, and also procedures for updating and deleting of such data.

[28 May 2015 / See Paragraph 106 of Transitional Provisions]

Section 606. Announcement of an Auction of Immovable Property

(1) A bailiff shall announce an auction of immovable property, if no request regarding re-appraisal of immovable property has been submitted within the time period specified in Section 604 of this Law or it has been dismissed.

(2) A notice of an auction of immovable property shall be sent for publication by a bailiff in the official gazette *Latvijas Vēstnesis*, and posted in the site of electronic auctions.

(3) There shall be set out in a notice regarding an auction of immovable property:

1) the given name and surname of the owner and of the creditor of the immovable property, and for legal persons, their name and legal address;

2) the given name, surname, official appointment location and location of practice of the bailiff;

3) a short description, location and cadastre number of the immovable property;

3¹) the date, subject matter and time limit of the contract of the right of superficies if the right of superficies is auctioned;

4) an appraisal of the immovable property;

5) which auction, in order, it is;

6) the initial auction price and the bid increment;

7) the start date and final date and time of the auction;

8) whether the auction price is taxable with value added tax and what is the applicable value of such price;

9) the amount of security as is to be paid into the bailiff's deposit account;

10) the date until which a person, who wishes to participate in the auction, may pay the amount of security and ask the bailiff to authorise it for participation in the account;

11) indication to a website, where information regarding procedures and provisions for registration of persons for participation in the auction and participating in bidding are available.

(4) The start date of the auction indicated in the notice may not be later than 10 working days counting from the date on which the notice is sent for publication in the official gazette *Latvijas Vēstnesis*.

(5) Concurrently with sending a notice of an auction of immovable property for publication in the official gazette *Latvijas Vēstnesis*, the bailiff shall notify the debtor and creditor, the owner of the immovable property, the joint owner, except for joint owners of such multi-residential house which is not divided in apartment properties, the mortgage creditor, and a person in the favour of whom a notice of pledge rights or pledge notation is registered, if any, regarding the auction by a registered postal consignment. It shall also be indicated in the notice whether the auction price is

taxable with value added tax and what is the taxable value of such price.

(6) The bailiff shall determine the bid increment, which is not less than one per cent and not more than 10 per cent of the initial price of the auction of the immovable property.

(7) All documents relating to a sale of the immovable property at auction shall be available to all persons who wish to familiarise themselves with such, from the day of notification of the auction.

(8) Participants authorised for an auction may make bids during the course of the entire auction.

[28 May 2015; 1 March 2018]

Section 607. Security of Purchase of the Immovable Property and Authorisation of Participants of the Auction

(1) A person who wishes to participate in an auction of the immovable property shall pay a security in the amount of 10 per cent of the assessment of the immovable property in the deposit account of the bailiff indicated in the notice of the auction within 20 days from the initial date of the auction indicated in the notice of the auction of the immovable property, and shall send a request to the bailiff, by using a site of electronic auction, to authorise him or her for participation in the auction.

(2) A bailiff shall authorise a person for participation in the auction within five working days after the day of receipt of the security and request of the person, if restrictions referred to in Paragraph three of this Section do not exist. If the security or request for authorisation is not received within a time period indicated in Paragraph one of this Section or a person has no right to participate in the auction in accordance with Paragraph three of this Section, the bailiff shall refuse authorisation of the person for the auction.

(3) A debtor, his or her guardian or trustee, a person who has performed the assessment referred to in Section 604 of this Law, and also the bailiff, who organises an auction, have no right to participate in an auction. The participants themselves are responsible for the observing of restrictions specified in other laws and regulations in respect of purchase of immovable properties.

(4) Security which has been paid by a person who has bought immovable property at auction shall be included in the purchase price. When the auction is ended, security paid in by other participants in the auction shall be returned, without delay, thereto. The security paid by the last bidder outbid shall be returned to him or her within two working days after the full bidden amount is paid by the highest bidder. If the last bidder outbid keeps the immovable property for himself or herself after an auction that has not taken place, the security paid by him or her shall be included in the purchase price.

[28 May 2015; 4 February 2016; 25 October 2018]

Section 607.¹ Initial Auction Price

An auction shall commence from the forced sale value indicated in the appraisal of immovable property. If there have been two appraisals, the auction shall start from the highest amount of appraisal of immovable property.

[5 February 2009]

Section 608. Procedures for an Auction of Immovable Property

(1) A participant in an auction may electronically perform bids from the time when he or she is authorised for participation in the auction in accordance with the procedures laid down in Section 607 of this Law until the time when the auction is ended.

(2) Bidding shall start from the initial auction price. A bidder may not register a bid which is less than the initial auction price or equal thereto, differ from the bid increment laid down in a notice of an auction or is less than previously registered bids or equal thereto. Registered bids may not be revoked or changed.

(3) Bids on a site of electronic auctions shall be registered in a chronological order, by recording the amount bid and the time of the bid registration. During the course of the auction this information shall be available for the bailiff and participants in the auction. During the course of the auction and after the end of the auction the information regarding the highest price bid shall be publicly available in the site of electronic auctions.

(4) An auction shall end on the thirtieth day at 13.00 o'clock from the start date of the auction indicated in the notice of the auction of the immovable property, but if the thirtieth day is on a non-working day or official holiday - on the next working day until 13.00 o'clock. If during the last five minutes before the time laid down for ending of the auction a bid is registered, the duration of the auction shall be automatically extended for five minutes. If during the last hour before the time laid down for ending of the auction significant technical disorders are found, which may affect the result of the auction, and they are not related to system security infringements, the duration of the auction shall be automatically extended until 13.00 o'clock on the next working day. After the end of the auction bids shall not be

registered and the end date and time of the auction and the last bid made shall be indicated in the site of electronic auctions.

(5) The bailiff may terminate the auction of the immovable property in the cases specified in this Law. A notice regarding suspension of the auction shall be published in the site of electronic auctions.

(6) After the end of the auction, the notification shall be sent to the highest bidder electronically to the user account of the site of electronic auctions registered in the Register of Participants of Auctions that he or she has bidden a higher price than others and the obligation to pay all the amount due from him or her has set in (Section 611, Paragraph two).

[28 May 2015; 4 February 2016; 1 March 2018]

Section 609. Double Auction

(1) A double auction may be requested by a mortgage creditor if, after a mortgage has been corroborated, such encumbrance of immovable property has been entered in the Land Register, without the consent of the mortgage creditor, as may affect the amount realisable by the mortgage creditor, and the auction takes place directly regarding the recovery of the claim of such mortgage creditor or of the claim of a mortgage creditor entered in the Land Register in priority to such mortgage creditor.

(2) The immovable property may be sold at auction with the condition that the mentioned encumbrance is to remain or with the condition that the mentioned encumbrance is to be discharged.

(3) If no person wishes to acquire the immovable property with the encumbrance remaining thereon, it shall go to the highest bidder therefor with the condition that the encumbrance is to be discharged.

(4) If there are bidders wishing to purchase the immovable property with the encumbrance and others wishing to purchase it with the encumbrance discharged, the immovable property shall go to the highest bidder provided the encumbrance is discharged only if the price bid exceeds not only the highest price which has been bid on condition the encumbrance is to remain but also the amount of claims which have priority as compared to the claims of the mortgage creditor who has requested that there be a double auction.

[31 October 2002]

Section 610. Statement of Auction

(1) A bailiff shall set out in a statement of auction:

1) the start and final date and time of the auction;

2) the given name, surname, official appointment location and location of practice of the bailiff;

3) the ruling which is being enforced;

4) what immovable property is sold by auction and the initial auction price;

5) the persons who are authorised for the participation in the auction by indicating their given name, surname, personal identity number or date of birth (for the person who has not been granted a personal identity number), the contact address indicated in the Register of Participants of Auctions; for a legal person - its name, registration number and legal address;

6) prices bid at the auction and the given name and surname of the bidder or firm (name);

7) the highest price bid, the given name and surname or name, personal identity number or registration number and address of the highest bidder;

8) encumbrances if the immovable property is sold with a condition that they are to remain.

(2) A statement of auction drawn up in the site of electronic auctions shall be valid without a signature of the bailiff.

[31 October 2002; 5 February 2009; 28 May 2015; 1 March 2018]

Section 611. Consequences of an Auction

(1) Immovable property shall go to that person who has bid a price higher than others.

(2) The highest bidder shall, within one month, after the final date of the auction, pay:

1) all amount he or she has bid;

2) value added tax, if the auction price is taxable with value added tax;

3) the State duty laid down in Section 34, Paragraph one, Clause 15 of this Law for the application for the corroboration of the immovable property in the name of the acquirer;

4) the State duty and office fee specified in laws and regulations for the corroboration of ownership rights in the Land Register.

(2¹) A bank request guarantee letter submitted to a bailiff where the subject of the guarantee, sum and time period that cannot be less than three months counting from the day of approval of the statement of auction shall also be considered as payment of the whole sum, if the creditor and mortgage creditor have agreed on the use of such request guarantee letter.

(3) After the highest bidder of immovable property has paid the whole amount due from him or her, the bailiff shall electronically submit the application for the corroboration of the immovable property in the name of the acquirer to the district (city) court through the Judicial Informative System, and request to corroborate the property rights in the Land Register in the name of the acquirer.

(3¹) After the bailiff has submitted a copy of the court decision to the bank regarding approval of the statement of auction, the bank shall, within three days, transmit the sum indicated in the bank request guarantee letter to the deposit account of the bailiff.

(3²) After the time period for appeal of the calculation drawn up by the bailiff has expired and such calculation has not been appealed, or, if such calculation has been appealed - when the court ruling on the calculation drawn up has come into effect, the bailiff shall pay into the State budget the value added tax paid by the highest bidder and notify the debtor and the State Revenue Service thereof.

(4) If the highest bidder does not pay the whole amount due from him or her within the specified time period, the security paid in shall be included in the total amount received for the property and divided according to the same procedures as such amount. The paid security shall be added to the total sum also in case when it is detected that the highest bidder did not have the right to participate in the auction (Section 607, Paragraph three) and also if the last bidder outbid has not notified of retaining the immovable property for himself or herself for the highest price offered by him or her or has refused to retain it (Section 615, Paragraph two).

[31 October 2002; 5 February 2009; 17 December 2009; 20 December 2010; 12 September 2013; 11 September 2014; 28 May 2015; 1 June 2017; 1 March 2018; 25 October 2018 / Amendment to Paragraph three regarding replacement of the words "Land Registry Office of a district (city) court" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 612. Inclusions in Purchase Price

(1) The highest bidder shall be allowed to have included in the purchase price the highest bidder's mortgage claim which is justified by an enforcement document, as well as other mortgage debts if the mortgage creditors agree to leave them on the immovable property, transferring such debts to the highest bidder.

(2) If the amount received from the sale does not suffice to satisfy all the recovery and mortgage debts, the claims of the highest bidder may be included in the purchase price only to the extent of the amount which, according to the calculation, is due to the highest bidder after the claims having priority as compared to the highest bidder's claims, have been covered.

[5 February 2009]

Section 613. Approval of a Statement of Auction of Immovable Property

(1) A court shall examine a case regarding corroboration of immovable property in the name of the acquirer (a person who has taken over the immovable property or the highest bidder) in the written procedure within 30 days from submitting the application of the bailiff to the court. The court shall notify the bailiff, and also creditor, debtor, acquirer of the immovable property, owner of the immovable property, mortgage creditor and the person who has submitted the complaint referred to in Section 617, Paragraph two of this Law, if such complaint has been submitted, regarding examination of the case.

(2) The bailiff shall include the information in the application for the enforcement activities carried out in the case which are related to bringing of recovery proceedings against the immovable property, and attest payment of court expenses laid down in Section 611, Paragraph two, Clauses 3 and 4 of this Law regarding submission of the referred to application to the court.

(3) When examining the case, the court shall verify in the register of Enforcement Cases. The court is entitled to require from the participants in the case written explanations and evidence in order to clarify circumstances of the case and evidence.

(4) Concurrently with an application for the corroboration of the immovable property in the name of the acquirer the

court may also examine a complaint regarding bailiffs' actions, if the submitter of the complaint requests to announce an auction as invalid (Section 617, Paragraph two).

(5) In satisfying an application the court may take a decision:

1) to approve the statement of auction and corroboration of the sold immovable property in the name of the acquirer;

2) regardless of the consent of the creditor - to discharge all debt obligations entered in the Land Register against such property, regarding which the acquirer has not given a direct notice that the acquirer has assumed them;

3) regardless of the consent of the creditor - to discharge such encumbrances, which have been accepted as a condition in acquiring the property (Section 609);

4) to discharge pledge notations entered in the Land Register against such property;

5) to refusal declaration of auction as invalid, if such claim has been submitted.

(6) By refusing an application, the court shall declare an auction as invalid.

(7) Upon request of the acquirer the court shall decide on his or her being placed in possession of the acquired immovable property.

(8) Upon request of the bank whose issued request guarantee letter has been used for the payment of the purchase sum, the court shall decide on establishment of the pledge right for the immovable property sold.

(9) A decision by which a statement of auction is approved or an application for the corroboration of the immovable property in the name of the highest bidder, joint owner, or creditor (Paragraph five of Section 615) is satisfied, as well a decision to place the acquirer in possession of the immovable property shall be drawn up by the court in the form of a resolution, except for when a complaint has been submitted in the case regarding the declaration of an auction as invalid.

(10) An ancillary complaint regarding the decision of the court may be submitted to the regional court.

(11) After the court decision by which the application for the corroboration of the immovable property in the name of the acquirer is satisfied has entered into force, the bailiff shall pay the State duty and office fee referred to in Section 611, Paragraph two, Clause 4 or Section 615, Paragraph four, Clause 2 of this Law, which is specified in the laws and regulations for the corroboration of property rights in the Land Register, into the State budget and notify the acquirer and the relevant district (city) court thereof.

(12) In accordance with the procedures laid down in this Section, insofar as it relates to deciding on the approval of the statement of auction, the district (city) court shall also approve a statement of auction of a ship.

[11 September 2014; 1 June 2017; 25 October 2018 / Amendment to Paragraphs eleven and twelve regarding replacement of the words "Land Registry Office of a district (city) court" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 614. Auction not Having Taken Place

(1) A bailiff shall declare an auction as not to have taken place, if:

1) no participant is authorised for the auction;

2) no person of those who have been authorised for the auction bids more than the initial price;

3) the highest bidder does not pay the whole amount due from him or her (Section 611, Paragraph two) within the time period set;

4) a notification from the security manager of a site of electronic auctions regarding significant technical failures which may influence the result of the auction has been received during the course of the auction, except for the case referred to in Section 608, Paragraph four of this Law, or within 24 hours after the end of the auction.

(2) A bailiff shall draw up the statement and shall give notice to the debtor and owner of the immovable property, that the auction shall be deemed as not to have taken place in the cases referred to in Paragraph one, Clause 1 or 2 of this Section. The notification shall be sent to participants, who have been authorised for the participation in the auction, by using a site of electronic auction.

(3) A bailiff shall draw up the statement and shall give notice to the bidder, debtor and owner of the immovable property, that the auction shall be deemed as not to have taken place in the case referred to in Paragraph one, Clause 3 of this Section.

(4) Upon receipt of the notification referred to in Paragraph one, Clause 4 of this Section, a bailiff shall terminate

auction and post a notification thereon in the site electronic auctions during the course of the auction.

(5) A bailiff shall draw up the statement and shall give notice to the creditor, debtor and owner of the immovable property, that the auction shall be deemed as not to have taken place in the case referred to in Paragraph one, Clause 4 of this Section. The notification shall be sent to participants, who have been authorised for the participation in the auction, by using a site of electronic auction.

[28 May 2015; 4 February 2016]

Section 615. Consequences of an Auction not Having Taken Place

(1) If an auction has been recognised as not having taken place for the reasons provided for in Section 614, Paragraph one, Clause 1 or 2 of this Law, a bailiff shall immediately notify all creditors and joint owners of the debtor thereof, and also the persons with the right of superficies by inviting them to retain the immovable property for themselves at the initial price of the auction not having taken place. Every creditor and joint owner of the debtor, and also the person with the right of superficies have the right to notify the bailiff of retaining the immovable property for themselves within two weeks from the day when an invitation of the bailiff was sent.

(2) If the auction has been declared as not having taken place for the reasons provided for in Section 614, Paragraph one, Clause 3 of this Law, the bailiff shall immediately notify the last bidder outbid thereof by inviting him or her to retain the immovable property at the highest price he or she has bid. The last bidder outbid has the right to notify the bailiff regarding retaining of the immovable property for him or herself within two weeks. If the last bidder outbid has failed to notify of retaining the immovable property for himself or herself within the time limit laid down in the Law or has refused to retain the immovable property for himself or herself, the bailiff shall immediately announce a repeated auction.

(2¹) If the auction is recognised as not occurred due to the reason provided for in Section 614, Paragraph one, Clause 4 of this Law, the bailiff shall immediately announce a repeated auction.

(3) If several persons wish to retain the immovable property for themselves, an auction shall be organised where these persons shall participate, moreover, the bidding shall start from the price of the auction not having taken place. The bailiff shall notify the persons wishing to retain the immovable property for themselves of the time and place of the auction in writing seven days in advance. The failure of a person to attend the auction shall be considered as his or her waiver of the right to participate in bidding. If one person attends the auction, such person may retain the immovable property at the initial price of the auction organised. If nobody attends the auction, the bailiff shall, without delay, announce a second auction.

(4) A person, who retains immovable property for himself or herself, shall, within one month, pay into the deposit account of the bailiff:

1) the State duty laid down in Section 34, Paragraph one, Clause 15 of this Law for the application for corroboration of the immovable property in the name of the acquirer;

2) the State and office fees laid down in the law or regulation for corroboration of the ownership rights in the Land Register;

3) the amount indicated in Paragraph one, two or three of this Section;

4) the value added tax, if the auction price is taxable with value added tax, in conformity with the calculation drawn up by the bailiff (Section 631, Paragraph three) and the provisions of Section 612 of this Law being taken into account.

(5) After payment of the amount referred to in Paragraph four of this Section, the bailiff shall electronically submit an application for the corroboration of the immovable property in the name of the highest bidder, joint owner, person with the right of superficies or creditor and extinguishing the debts entered in the Land Register (Section 613) to the district (city) court through the Judicial Informative System and request to corroborate the ownership rights in the Land Register.

(6) If no one has applied for the retaining of immovable property for himself or herself, a second auction shall be organised.

[5 February 2009; 17 December 2009; 20 December 2010; 8 September 2011; 12 September 2013; 11 September 2014; 28 May 2015; 1 June 2017; 1 March 2018; 25 October 2018 / Amendment to Paragraph five regarding replacement of the words "Land Registry Office of a district (city) court" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 616. Second Auction

(1) A second auction shall be announced and organised, observing the provisions regarding a first auction. However, bidding for immovable property shall start from the amount which corresponds to 75 per cent of the initial price at the first auction.

(2) [17 December 2009]

(3) If the second auction has not taken place for the reason provided for in Section 614, Paragraph one, Clauses 1 and 2 of this Law and no one has wished to keep the immovable property for himself or herself, the immovable property shall remain in the ownership of the previous owner and the recovery notation shall be deleted from the Land Register. If the second auction has not taken place for the reason provided for in Section 614, Paragraph one, Clause 3 of this Law and the last bidder outbid has failed to notify of keeping the immovable property for himself or herself in accordance with the procedures laid down in Section 615, Paragraph two of this Law or has refused to keep the immovable property for himself or herself, or if the second auction has been recognised as not having taken place for the reason provided for in Section 614, Paragraph one, Clause 4 of this Law, the bailiff shall immediately announce a repeated second auction.

[31 October 2002; 17 December 2009; 25 October 2018]

Section 617. Invalid Auction

(1) A court shall declare an auction to be invalid, if:

1) any person has unjustifiably not been allowed to participate in the auction, or a higher bid has wrongly been refused;

2) the immovable property was bought by a person who was not entitled to participate in the auction;

3) [28 May 2015];

4) [5 February 2009];

5) the creditor or the bidder has acted in bad faith;

6) by enforcing recovery towards immovable property, the bailiff has allowed important procedural breaches or other important circumstances have been found, which preclude corroboration of the immovable property in the name of the purchaser.

(2) The interested parties may submit to the district (city) court a complaint regarding bailiff's actions which provide basis for requesting an auction to be declared as invalid within 10 days from the day of the end of the auction.

(3) An ancillary complaint may be submitted regarding a decision of a court.

(4) If an auction of immovable property is declared invalid, a repeated auction shall be organised according to the provisions of the auction which was declared invalid.

(5) [5 February 2009]

*[31 October 2002; 5 February 2009; 11 September 2014; 28 May 2015; 1 June 2017; 25 October 2018
/ Amendment to Paragraph two regarding replacement of the words "Land Registry Office of a district (city) court" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]*

Section 618. Sale of Immovable Property Held Jointly

(1) When directing recovery against one or several owners of undivided joint property, such property shall be inventoried in its entirety but only the right of a debtor to his or her part, without prior separation thereof, shall be sold at the auction.

(2) Immovable property held jointly may also be sold in its entirety, if the joint owners wish and creditors do not raise objections thereto. The money received from the sale shall be divided between the owners of the immovable property but the amount due to the debtor shall be used for the discharge of the debt.

Section 618.¹ Procedures for the Enforcement of Confiscation of Immovable Property

(1) A bailiff shall sell the confiscated immovable property indicated in the writ of execution and the extract from the minutes or decision attached thereto regarding imposing arrest on property, in accordance with the procedures laid down in this Chapter.

(2) The person confiscation of whose immovable property is enforced does not have the rights of a debtor specified in this Law.

(3) If an auction has been announced as not having taken place, the last bidder outbid, joint owner of the debtor and creditor have the right to keep the immovable property in accordance with the procedures laid down in this Chapter in an enforcement case regarding recovery from a person whose immovable property is being confiscated. If the second auction has not taken place and no one has wished to keep the immovable property for himself or herself, the bailiff

shall send a notification to the State Revenue Service according to which the immovable property is transferred at its disposal.

[22 June 2017]

Chapter 73.¹ **Bringing the Recovery Proceedings against the Right of Superficies**

[1 March 2018]

Section 618.² Notice of Bringing the Recovery Proceedings against the Right of Superficies

(1) If a creditor has requested that recovery be directed against the right of superficies, a bailiff shall send a notice in a registered postal item to a debtor and invite the debtor to settle the debt, and also to provide the information on whether the debtor is registered as a payer of the value added tax and whether upon selling by auction his or her right of superficies the auction price shall be taxable with value added tax and what is the taxable value of such price. When enforcing such rulings which provide for voluntary sale of the right of superficies in an auction through the court proceedings or sale of the right of superficies in a forced auction, the request to the debtor to settle the debt shall not be indicated in the notification.

(2) The bailiff shall submit to the district (city) court a request for corroboration regarding making of a recovery notation. The consequences of such notation are indicated in Section 1077, Paragraph one; Sections 1081 and 1305 of The Civil Law, as well as in Section 46 of the Land Register Law. The recovery notation shall also be entered when enforcing such rulings which provide for voluntary sale of the right of superficies in an auction through the court proceedings or the sale of the right of superficies in a forced auction.

(3) A bailiff shall, in conformity with the true copy of the relevant division of the Land Register, send a notification in a registered postal item to the owner of the land parcel, the persons with the right of superficies who own the undivided part of the right of superficies, and also to all mortgage creditors, including the persons in favour of which the pledge right or pledge notation has been entered as regards the right of superficies by indicating:

1) the person for the satisfaction of the claim of which the recovery against the right of superficies is brought;

2) what the amount of the debt is and whether the debt has been secured by a mortgage on the relevant right of superficies.

(4) In the notice referred to in Paragraph three of this Section the bailiff shall request that the mortgage creditors in a time period specified by the bailiff that is not less than 10 days submit information regarding the amount of the remaining mortgage debt.

(5) The bailiff shall request from a local government information on the tax arrears of the immovable property and invite the local government to submit a decision on the recovery of tax arrears if such exist.

(6) The bailiff shall request a copy of the construction contract and other documents confirming the corroboration, if any, from the relevant division of the Land Register.

(7) If the necessary information for the appraisal of the right of superficies of the construction process commenced based on the right of superficies cannot be obtained from the databases of the State Information Systems, the bailiff shall request them from the building authority or authority which performs the functions of the building authority by precisely indicating the necessary documents, unless the necessary information or original of the document is available in other State or local government institution. A certified immovable property appraiser is entitled to become acquainted on behalf of the bailiff with the information at the disposal of the State and local government institutions for the appraisal of the right of superficies.

(8) If the debtor not later than seven days before the final date of auction indicated in the notice of auction has fully paid a debt and the enforcement of the judgment expenses to the bailiff, sale of the right of superficies shall be cancelled, but the auction already commenced - terminated. The abovementioned shall not be applied when enforcing such rulings which provide for the sale of the right of superficies in a forced auction.

[1 March 2018; 25 October 2018 / Amendment to Paragraph two regarding replacement of the words "Land Registry Office" with the words "district (city) court" shall come into force on 1 June 2019. See Paragraph 151 of Transitional Provisions]

Section 618.³ Obligations of a Debtor

(1) From the date of receipt of a notice by a bailiff, a debtor is prohibited from:

1) alienating the right of superficies or placing a lien thereon;

2) alienating or damaging the non-residential building (engineering structure) built on the basis of the right of superficies or accessories thereof;

3) entering into lease and other agreements which reduce or may reduce the value of the right of superficies or non-residential building (engineering structure) built on the basis of it.

(2) Agreements which a debtor has entered into after a recovery notation has been made in the Land Register in contradiction to the prohibitions laid down in Paragraph one of this Section have no effect as against the creditor and a buyer of the right of superficies at auction.

(3) A debtor has an obligation to notify of the actual possessor or manager of the non-residential building (engineering structure) built on the basis of the right of superficies, if any, and also of all lease and other agreements entered into which apply to the right of superficies or the non-residential building (engineering structure) built on the basis of it, submit the copies of such agreements and present originals thereof within the time limit laid down by the bailiff.

(4) A debtor has an obligation to notify a bailiff whether he or she is registered as a payer of the value added tax and whether upon selling by auction his or her right of superficies the auction price shall be taxable with value added tax. If the auction price in accordance with the laws and regulations governing value added tax is taxable with value added tax, the debtor shall indicate the taxable value of such price in the abovementioned information.

[1 March 2018]

Section 618.⁴ Inventorying and Management of the Non-residential Building (Engineering Structure) Built on the Basis of the Right of Superficies

The bailiff shall inventory the non-residential building (engineering structure) built on the basis of the right of superficies upon the request of the creditor in accordance with the procedures laid down in Section 603 of this Law. The management of the inventoried non-residential building (engineering structure) shall be ensured in accordance with Section 605 of this Law.

[1 March 2018]

Section 618.⁵ Appraisal of the Right of Superficies

The appraisal of the right of superficies shall be made upon request of a bailiff using the resources of a debtor by a certified immovable property appraiser determining the forced sale value of the right of superficies. The appraisal shall be notified, and also the right to request re-appraisal and procedures for the performance of re-appraisal shall be determined according to the provisions of Section 604 of this Law.

[1 March 2018]

Section 618.⁶ Sale of the Right of Superficies

(1) An auction of the right of superficies, approval of the statement of auction and corroboration of the right of superficies on the name of the acquirer shall be carried out according to the provisions provided for the auction of the immovable property. The bailiff shall send the notice of an auction also to the owner of the land parcel in a registered postal item.

(2) In the case of auction not having taken place the owner of the land parcel, as well as the persons referred to in Section 615 of this Law, unless they are debtors, have the right to keep the right of superficies.

[1 March 2018]

Chapter 74

Compulsory Delivery of Property Adjudged by a Court; Enforcement of Actions Imposed by a Court Judgment

Section 619. Delivery of Articles Set Out in a Court Judgment to the Creditor

(1) If specific articles set out in a court judgment are adjudged to a creditor, a bailiff in accordance with the procedures laid down in Section 555 of this Law shall notify the debtor of an obligation to enforce the judgment. The bailiff shall also set out in the notification the date when enforcement of the court judgment shall be performed if it is not enforced voluntarily. If the court judgment is to be enforced without delay, the bailiff shall not provide the debtor with a time period for voluntary enforcement of the court judgment but notify in writing the date and time when enforcement of the court judgment shall be performed, for which notice the recipient shall sign or it shall be sent by registered mail.

(2) Upon a request of the bailiff during the time set by the bailiff for enforcement of the judgment the debtor has an obligation to present the articles specified in the writ of execution which are to be handed over to the creditor. The debtor and the creditor have the right to invite not more than two witnesses to handing over of articles. The failure of witnesses to attend shall not stay enforcement of the judgment.

(3) If during enforcement of a court judgment the debtor fails to present the articles specified in the judgment which are to be handed over to the creditor, refuses to disclose the location thereof and subsequent to inspection of the premises the articles are not found, the bailiff shall draw up a statement to this effect which shall be signed by the bailiff, the creditor and the witnesses if such have participated. When a statement regarding non-existence of the property to be handed over to the creditor has been drawn up the bailiff in conformity with provisions of this Law shall carry out enforcement activities to recover the amount specified in the court judgment (Section 196).

[31 October 2002; 8 September 2011]

Section 620. Consequences Resulting from a Failure to Enforce a Judgment Imposing on a Debtor an obligation to Perform Certain Actions

(1) If there is a failure to enforce a judgment which imposes on a debtor an obligation to perform stipulated actions which are not connected with the providing of property or of an amount of money, a bailiff shall draw up a statement regarding failure to enforce the judgment.

(2) If there are set out in the judgment the consequences of failure to enforce the judgment provided for in Section 197, Paragraph two of this Law, the statement drawn up shall be sent to the district (city) court based on the place of enforcement in order that it take a decision on the application of the consequences set out in the judgment in connection with the fact that the debtor does not perform the stipulated actions.

(3) If the consequences of a failure to enforce the judgment are not set out therein, the statement drawn up shall be sent to the court which gave the judgment in the case, and that court shall decide as to the issue regarding procedures for enforcement of the judgment in accordance with the provisions of Sections 206 and 438 of this Law.

(4) If a judgment which imposes an obligation on a debtor to perform actions that may only be performed by the debtor himself or herself (Section 197, Paragraph one) is not enforced within the time period specified by the court, the statement drawn up shall be sent by a bailiff to the court according to the official appointment location of the bailiff. The issue regarding failure to enforce the judgment shall be decided at a court hearing. A creditor and a debtor shall be notified of the time and place of the hearing. Failure of such persons to attend shall not constitute a bar for examination of the issue regarding failure to enforce the judgment. If a debtor fails to enforce a judgment which imposes an obligation on the debtor to perform actions that may only be performed by the debtor himself or herself, within the time period specified by the court, the court may impose a fine not exceeding EUR 750, stipulating a new time period for the enforcement of the judgment. The fine is recoverable from the debtor for payment into State revenues. Payment of the fine shall not release the debtor from the obligation to fulfil actions provided for by the court judgment.

(5) If a debtor continues not to enforce the judgment after imposition of the fine, a bailiff shall send an application to the public prosecutor for the commencement of criminal proceedings.

(6) If an employer does not enforce a court judgment on the reinstatement of a dismissed or transferred employee, the court, upon a request of the employee, shall take a decision on remuneration for work for the entire period from the day the judgment is given until the day it is enforced.

(7) An ancillary complaint may be submitted regarding a decision of a court.

[12 September 2013; 9 June 2016; 31 May 2018 / Amendments to Paragraph four regarding increasing of the amount of the fine and Paragraph five regarding submission of an application for the commencement of criminal proceedings if a debtor continues not to enforce the judgement after imposition of the fine shall come into force on 1 July 2019. See Paragraph 146 of Transitional Provisions]

Chapter 74.¹

Eviction of Persons and Removal of Property from Premises

[31 October 2002]

Section 620.¹ Notification of an Obligation to Enforce the Ruling

(1) A bailiff shall issue a notification regarding an obligation to enforce a court judgment and vacate premises in accordance with the procedures laid down in Section 555 of this Law to each person of legal age who according to the court judgment is to be evicted.

(2) In the notification the bailiff shall also set out the date on which enforcement of the judgment shall take place if the debtor fails to enforce it.

[8 September 2011]

Section 620.² Eviction in the Presence of the Debtor

(1) A creditor and a debtor have the right to invite to compulsory eviction not more than two witnesses each. The bailiff shall verify the identity of witnesses and specify these persons in the statement. The failure of witnesses to attend shall not stay enforcement.

(2) The bailiff shall invite the debtor to clear the premises specified in the court judgment from property and to vacate such premises together with minor members of the family.

(3) If the debtor fails to fulfil the invitation of the bailiff, the bailiff shall inventorise and make appraisal of the property in conformity with the provisions of Sections 577 and 578 of this Law, as well as appoint a storer of the property, remove the property, and transfer it for storage to the storer of the property according to the statement.

(4) The bailiff shall issue one copy of the statement to the debtor.

(5) Subsequent to enforcement of the judgment the premises shall be transferred to the creditor.

(6) If things which are subject to rapid deterioration have been inventorised, the bailiff shall sell such in accordance with the provisions of Section 581, Paragraph two of this Law. The received money shall be transferred for covering of enforcement of judgment expenses but the probable money surplus shall be paid to the debtor.

[31 May 2018]

Section 620.³ Eviction in the Absence of the Debtor

(1) If the debtor fails to appear at the time specified for eviction and there is no information regarding the reason for his or her absence or he or she has not appeared due to a justified reason, the bailiff shall postpone the eviction.

(2) If the debtor has repeatedly failed to appear for eviction at the time specified and has not notified the reason for his or her absence or has not appeared due to a reason which is not recognised as justified by the bailiff, the premises shall be opened by force, in the presence of a police representative. The bailiff shall make a notation in the statement regarding opening of premises by force.

(3) Eviction shall be carried out in accordance with the procedures laid down in Section 620.² of this Law.

(4) The debtor is entitled to receive one copy of the property inventory statement.

Section 620.⁴ Actions with Debtor's Property

(1) Debtor has the right to receive the property transferred for storage within a month by paying the enforcement of judgment expenses.

(2) If the debtor refuses to pay the enforcement of judgment expenses, the bailiff shall detain debtor's property in the value required for covering the enforcement of judgment expenses but transfer the remaining property to the debtor.

(3) The bailiff shall sell the detained property in accordance with the provisions of Chapter 71 of this Law.

(4) The money received by sale of the property shall be transferred for covering the enforcement of judgment expenses, but probable surplus of money shall be disbursed to the debtor. A bailiff shall notify the debtor regarding sale of the property if he or she has information regarding the place of residence of the debtor.

(5) If within a month the debtor fails to receive the property transferred for storage, a bailiff shall sell it in accordance with the provisions of Chapter 71 of this Law.

(6) Property that has no market value or that cannot be sold and that the debtor has not arrived to receive within a time period and in accordance with the procedures laid down in Paragraph one of this Section, a bailiff shall destroy in the presence of witnesses by drawing up a statement thereon.

[5 February 2009]

Chapter 74.² Placing in Possession of Immovable Property

[31 October 2002]

Section 620.⁵ Notification of an Obligation to Enforce the Ruling

(1) A bailiff shall issue a notification regarding an obligation to vacate immovable property and to transfer it to the acquirer in accordance with the procedures laid down in Section 555 of this Law to a person from whose possession immovable property is to be removed (debtor).

(2) In the notification the bailiff shall also set out the date on which placing of the acquirer in possession of immovable property will take place if the debtor fails to enforce the obligation.

(3) Placing in possession shall also take place if the acquirer has not yet corroborated the ownership rights in the Land Register.

[8 September 2011]

Section 620.⁶ Placing in Possession of Immovable Property in the Presence of the Debtor

(1) A bailiff shall carry out placing in possession of immovable property in the presence of the acquirer of the immovable property and the debtor or his or her family member of legal age. These persons have the right to invite not more than two witnesses each. The bailiff shall verify the identity of witnesses and specify these persons in the statement. The failure of witnesses to attend shall not stay enforcement.

(2) The bailiff shall invite the debtor to clear the immovable property from the property owned by him or her and to vacate the immovable property together with the family members and other persons living together with his or her family.

(3) If the invitation of the bailiff is not fulfilled, the bailiff shall inventorise and make appraisal of the property in accordance with the provisions of Sections 577 and 578 of this Law, as well as appoint a storer of the property, remove the property, and transfer it for storage to the storer of the property according to the inventory statement. Movable property belonging to the immovable property shall not be included in this inventory statement and shall not be removed.

(4) The bailiff shall issue one copy of the statement to the debtor or his or her family member of legal age in the presence of which placing of the immovable property in possession of the acquirer was carried out.

(5) The bailiff shall draw up a separate statement regarding the immovable property to be transferred to the acquirer which shall specify the state of the immovable property and movable property belonging thereto, which shall be transferred to the acquirer.

(6) If things which are subject to rapid deterioration have been inventorised and removed, the bailiff shall sell such in accordance with the provisions of Section 581, Paragraph two of this Law. The received money shall be transferred for covering of enforcement of judgment expenses but the probable money surplus shall be paid to the debtor.

[8 September 2011; 31 May 2018]

Section 620.⁷ Placing in Possession of Immovable Property in the Absence of the Debtor

(1) If neither debtor nor any of his or her family members of legal age appears at the time specified for placing in possession of immovable property and there is no information regarding the reason for his or her absence or he or she has not appeared due to a justified reason, the bailiff shall postpone placing in possession.

(2) If neither debtor nor any of his or her family members of legal age has repeatedly appeared at the time specified for placing in possession of immovable property and has not notified the reason for his or her absence or has not appeared due to a reason which is not recognised as justified by the bailiff, the premises shall be opened by force, in the presence of a police representative and two witnesses. The bailiff shall make a notation in the statement regarding opening of the premises by force.

(3) Placing in possession of immovable property shall be carried out in accordance with the provisions of Section 620.⁶ of this Law.

(4) The debtor is entitled to receive one copy of the property inventory statement.

[8 September 2011]

Section 620.⁸ Disputes and Complaints in Connection with Placing in Possession of Immovable Property

(1) Objections of the possessor whose immovable property has been transferred to the acquirer, as well as objections of third persons against the transfer of the immovable property acquired at auction shall not stay placing in possession. The former possessor and third persons may prove their rights only by bringing an action at court.

(2) A complaint, which is submitted to a court by a third person who is in possession of the immovable property to

be transferred, shall stay placing in possession until examination of the complaint. Satisfaction of the complaint does not impede the acquirer of the immovable property to bring an action according to general procedure against the possessor of the immovable property.

Section 620.⁹ Action with Property Transferred for Storage

- (1) Debtor has the right to receive the property transferred for storage within a month by paying the enforcement of judgment expenses.
- (2) If the debtor refuses to pay the enforcement of judgment expenses, the bailiff shall detain debtor's property in the value required for covering the enforcement of judgment expenses but transfer the remaining property to the debtor.
- (3) The bailiff shall sell the detained property in accordance with the provisions of Chapter 71 of this Law.
- (4) The money received by sale of the property shall be transferred for covering the enforcement of judgment expenses, but probable surplus of money shall be disbursed to the debtor. A bailiff shall notify the debtor regarding sale of the property if he or she has information regarding the place of residence of the debtor.
- (5) If within a month the debtor fails to receive the property transferred for storage, a bailiff shall sell it in accordance with the provisions of Chapter 71 of this Law.
- (6) Property that has no market value or that cannot be sold and that the debtor has not arrived to receive within a time period and in accordance with the procedures laid down in Paragraph one of this Section, a bailiff shall destroy in the presence of witnesses by drawing up a statement thereon.

[8 September 2011]

Chapter 74.³ **Return of a Child to the State, which is his or her Place of Residence**

[4 August 2011]

Section 620.¹⁰ Ruling Enforcement Expenses and Procedures for Payment Thereof

- (1) A creditor shall, by submitting an enforcement document for enforcement, pay the State duty and cover the ruling enforcement expenses in accordance with Section 567, Paragraph one of this Law.
- (2) A creditor who does not participate in enforcement of the ruling shall, upon a request of a bailiff, in addition to the ruling enforcement expenses referred to Paragraph one of this Section, pay in the sum for covering of the expenses related to the conveyance of the child to a state, which is his or her place of residence (also for covering of the expenses related to the stay of the child in a crises centre or other safe conditions, travel expenses, expenses for the services of an interpreter and psychologist and other expenses). The amount of such expenses and procedures for the payment thereof shall be determined by the Cabinet.
- (3) After transfer of the child to a representative of the Orphan's and Custody Court a bailiff shall immediately transmit the expenses referred to in Paragraph two of this Section to the account specified by the Orphan's and Custody Court.
- (4) When issuing an enforcement document to the creditor (Section 565, Paragraph one, Clauses 7 and 8, and Section 620.¹³, Paragraph three), a bailiff or the Orphan's and Custody Court shall repay the expenses referred to in Paragraph two of this Section, which have not been spent for enforcement of the ruling, to the creditor.
- (5) A bailiff shall recover the ruling enforcement expenses from the debtor.

[29 October 2015]

Section 620.¹¹ Notification of an Obligation to Enforce the Ruling

- (1) A bailiff, when about to commence enforcement, shall notify the debtor in accordance with the procedures laid down in Section 555 of this Section regarding an obligation to enforce the ruling within 10 days. If the creditor submits an enforcement document for enforcement repeatedly after the bailiff has issued it to him or her in accordance with Section 620.¹³, Paragraph three of this Law, a notification shall not be sent.
- (2) Upon receipt of the enforcement document indicated in Section 540, Clause 8 of this Law in which the time period for voluntary enforcement of ruling has not been determined for enforcement, a bailiff shall, in accordance with the procedures laid down in Section 555 of this Law, send a notification to the debtor regarding obligation to enforce the ruling within 30 days. In the notification the bailiff shall warn the debtor regarding consequences provided for in this

Section that will set in if the ruling is not enforced.

[29 October 2015]

Section 620.¹² Consequences that Arise if Debtor Fails to Voluntarily Enforce a Ruling

(1) A bailiff shall send the information that a debtor has failed to voluntarily enforce a ruling to:

1) the district (city) court that has taken the decision on return of the child to the state, which is his or her place of residence - upon receipt of the abovementioned decision for enforcement; or

2) the district (city) court, in the territory of which the enforcement document referred to in Section 540, Clause 8 of this Law is to be enforced - after the time period for voluntary enforcement of the ruling specified in the enforcement document or in accordance with Section 620.¹¹ of this Law has expired.

(2) The court shall, after receipt of the information referred to in Paragraph one of this Section, shall impose a fine on the debtor in the amount of EUR 750.

(3) The issue regarding imposition of a fine shall be examined in the written procedure.

(4) A true copy of the court decision on imposition of a fine shall be sent to the debtor.

(5) An ancillary complaint may be submitted regarding a court decision on imposition of fine.

(6) The fine shall be recovered from the debtor into income of the State.

(7) Payment of the fine shall not release the debtor from the obligation to enforce the ruling.

[12 September 2013; 9 June 2016]

Section 620.¹³ Ascertaining of Daily Regimen of a Child

(1) Concurrently with sending of the information referred to in Section 620.¹², Paragraph one of this Law, a bailiff shall, where it is necessary for the enforcement of the ruling, issue an order to the Orphan's and Custody Court based on the location of the child to ascertain the daily regimen of the child and inform the bailiff thereof immediately.

(2) The Orphan's and Custody Court shall immediately inform the bailiff about the information which applies to the child and the location of the child and which it has obtained by executing the order specified in Paragraph one of this Section. If it is not possible to obtain the abovementioned information, the Orphan's and Custody Court shall inform the bailiff thereon. The bailiff shall, upon receipt of the information that the location of the child is not known, in accordance with Section 569 of this Law, ask a judge to take a decision on search for the child or the child and debtor with the assistance of the police and stay enforcement proceedings.

(3) The bailiff shall, upon receipt of the information on the location of the child from the Orphan's and Custody Court or police, which is in the operational territory of the regional court to which the bailiff is not attached, make a notation thereon in the enforcement document, by providing information on the location of the child, and shall, without delay, issue the enforcement document to the creditor by explaining his right to submit the enforcement document for the enforcement in conformity with the provisions of Section 549 of this Law.

(4) *[29 October 2015]*.

[29 October 2015]

Section 620.¹⁴ Transfer of a Child to a Creditor or Representative of the Orphan's and Custody Court

(1) Upon receipt of the information referred to in Section 620.¹³, Paragraph one of this Law, a bailiff shall determine the times and places when and where a child will be transferred to a creditor or representative of the Orphan's and Custody Court, if the creditor does not participate in the enforcement, and notify thereof:

1) the creditor by issuing a notification to him or her against a signature or by sending a notification by registered mail or forwarding it through the Ministry of Justice and informing him or her regarding the rights of the creditor to be present at the enforcement activities;

2) the Orphan's and Custody Court and the police based on the location of the child by issuing an order for their representatives to participate in enforcement. The Orphan's and Custody Court may, at its own discretion, invite a psychologist to participate in the enforcement of the ruling.

(2) The bailiff shall not inform the debtor about the times and places when and where the child will be transferred to a creditor or representative of the Orphan's and Custody Court, if the creditor does not participate in the enforcement.

(3) Transfer of the child to the creditor or representative of the Orphan's and Custody Court shall be made as soon as possible.

(4) The bailiff, representatives of the Orphan's and Custody Court, as well as a psychologist, if the Orphan's and Custody Court has invited him or her, shall participate in the transfer of the child. In the time and at the place specified in the order by the bailiff the representative of the Orphan's and Custody Court shall, in co-operation with a psychologist if any has been invited, negotiate with a creditor or other persons with whom the child is located in order to convince to return the child to the creditor or representative of the Orphan's and Custody Court, if the creditor does not participate in the enforcement, as well as to prepare the child for conveyance back to the state, which is his or her place of residence. The representatives of the police shall ensure public order and compliance with the order by the bailiff.

(5) If the bailiff is not allowed to enter the premises regarding which there is the information that a child is therein, they shall be opened by force in the presence of the representative of the police. If no person aged over seven years is met at the premises, after forced opening of the premises the bailiff shall, without inventorying the property present in the premises, take care regarding safe closing and sealing of such premises. A bailiff shall leave a notification near the relevant the immovable property or premises inviting to appear at the bailiff's office in order to collect the keys from the premises. The bailiff shall make a notation in the statement regarding activities related to forced opening of the premises.

(6) If a child is transferred to a creditor, the bailiff shall make a notation in the statement regarding transfer of the child, indicating that the ruling has been enforced.

(7) If the child is transferred to a representative of the Orphan's and Custody Court for the performance of further activities in order to convey the child back to the state, which is his or her place of residence, the bailiff shall make a notation in the statement on transfer of the child. A copy of the statement shall be issued to the representative of the Orphan's and Custody Court. After receipt of the notification from the Orphan's and Custody Court that the child has been conveyed back to the state, which is his or her place of residence, the bailiff shall draw up a statement on enforcement of the ruling.

[29 October 2015]

Section 620.¹⁵ Action of a Bailiff if it is not Possible to Transfer a Child to a Creditor or Representative of the Orphan's and Custody Court

If the Orphan's and Custody Court cannot acquire the information referred to in Section 620.¹³ of this Law or the conveyance of the child back to the state, which is his or her place of residence, is not possible because the child had not been met in the times and at the places specified by the bailiff, the bailiff shall draw up a statement thereon and send such statement to the Office of the Prosecutor in order for it to decide an issue regarding commencement of criminal proceedings against a debtor in relation to his or her malicious evasion from enforcement of the ruling, and stay the enforcement proceedings.

Section 620.¹⁶ Refusal or Suspension of Enforcement of a Ruling

(1) A debtor may submit to the district (city) court, which has taken a decision on the return of a child to the state, which is his or her place of residence, or in the territory of which the certificate referred to in Section 540, Clause 8 of this Law is to be enforced, a proposal regarding suspension of enforcement of a ruling or refusal to enforce a ruling if a change of important circumstances has occurred.

(2) The following shall be considered as a change of important conditions within the meaning of this Section:

1) the fact that the conveyance of the child back to the state, which is his or her place of residence, is not possible due to the condition of health or psychological condition of the child which is certified by a statement from the hospital or psychiatrist;

2) objections of the child against his or her conveyance back to the state, which is his or her place of residence, that is certified by an opinion of the psychologist appointed by the Orphan's and Custody Court;

3) the fact that a creditor does not demonstrate any interest regarding renewal of the connection with the child.

(3) The proposal referred to in Paragraph one of this Section may be submitted, if more than a year has passed since the decision on return of the child to the state, which is his or her place of residence (Section 644.²⁰), except in the case referred to in Paragraph two, Clause 1 of this Section.

(4) Such application shall be examined in a court hearing, previously notifying the parties and the Orphan's and Custody Court thereof. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(5) In a decision to stay enforcement of a ruling the court shall indicate the obligations of the debtor and creditor

during the time period while enforcement of the ruling is stayed, and, if necessary - also procedures by which a connection between the child and creditor is to be renewed.

(6) The decision shall be enforced without delay. An ancillary complaint may be submitted regarding the decision of the court. Submission of an ancillary complaint shall not stay the enforcement of the decision.

[29 October 2015]

Chapter 74.⁴ **Enforcement of Ruling in Cases Arising from Custody Rights**

[29 October 2015]

Section 620.¹⁷ Notification of an Obligation to Enforce the Ruling

A bailiff shall send a notification regarding an obligation to transfer the child to the creditor within 15 days or issue it to the debtor in accordance with the procedures laid down in Section 555 of this Law. In the notification the bailiff shall warn the debtor regarding consequences that will arise if the ruling is not enforced.

Section 620.¹⁸ Civil Procedural Consequences Arising if a Debtor Fails to Enforce a Ruling

(1) If a debtor has failed to enforce the ruling within a time period indicated in the notice by a bailiff, the bailiff shall send the information thereon to the district (city) court which has taken the ruling in the case arising from custody rights, or in the operational territory of which the foreign ruling is to be enforced.

(2) A judge shall, after receipt of the information referred to in Paragraph one of this Section, impose a fine on the debtor up to EUR 1500.

(3) The issue regarding imposition of a fine shall be examined in the written procedure.

(4) A true copy of the decision by the judge on imposition of a fine shall be sent to the debtor.

(5) An ancillary complaint may be submitted regarding a court decision on imposition of fine.

(6) The fine shall be recovered from the debtor into income of the State.

(7) Payment of the fine shall not release the debtor from the obligation to enforce the ruling.

[9 June 2016]

Section 620.¹⁹ Ascertaining of Daily Regimen of a Child

(1) If it is necessary for the enforcement of the ruling, a bailiff shall issue an order to the Orphan's and Custody Court based on the location of the child to ascertain the daily regimen of the child and inform the bailiff thereon.

(2) The Orphan's and Custody Court shall inform the bailiff on the information which applies to the child and his or her location, and which it has obtained by executing the order specified in Paragraph one of this Section. If it is not possible to obtain the abovementioned information, the Orphan's and Custody Court shall inform the bailiff thereon.

(3) The bailiff shall, upon receipt of the information that the location of the child is not known, in accordance with Section 569 of this Law, ask a judge to take a decision on search for the child or the child and debtor with the assistance of the police and stay enforcement proceedings.

(4) The bailiff shall, upon receipt of the information on the location of the child from the Orphan's and Custody Court or police, which is in the operational territory of the regional court to which the bailiff is not attached, make a notation thereon in the enforcement document, by providing information on the location of the child, and shall, without delay, issue the enforcement document to the creditor by explaining his right to submit the enforcement document for the enforcement in conformity with the provisions of Section 549 of this Law.

Section 620.²⁰ Transfer of the Child to a Creditor

(1) The bailiff shall, upon receipt of the information referred to in Section 620.¹⁹, Paragraph one of this Law, determine the place and time where and when the child will be transferred to the creditor, and notify thereof the creditor, the Orphan's and Custody Court and the police according to the location of the child, by giving the order to their representatives to participate in the enforcement. The Orphan's and Custody Court may, at its own discretion, invite a psychologist to participate in the enforcement of the ruling.

(2) The bailiff shall not inform the debtor regarding the place and time where and when the child will be transferred.

(3) The child shall be transferred to the creditor as soon as possible.

(4) If the creditor fails to arrive on time and place laid down by the bailiff, the bailiff shall postpone the transfer of the child. If the creditor repeatedly fails to arrive on laid down time and has not notified the reason of non-attendance or has failed to arrive due to such reason which the bailiff does not recognise as justifiable, the enforcement document shall be returned to the creditor without enforcement.

(5) The bailiff, representatives of the Orphan's and Custody Court, as well as a psychologist, if the Orphan's and Custody Court has invited him or her, shall participate in the transfer of the child. At the place and in the time laid down in the order of the bailiff the representative of the Orphan's and Custody Court shall, in co-operation with a psychologist if any has been invited, negotiate with a creditor or other persons with whom the child is located in order to convince them to return the child to the creditor, and also to prepare the child for transfer to the creditor. The representatives of the police shall ensure public order and compliance with the order by the bailiff.

(6) If the bailiff is not allowed to enter the premises regarding which there is the information that a child is therein, they shall be opened by force in the presence of the representative of the police. If no person aged over seven years is met at the premises, after forced opening of the premises the bailiff shall, without inventorying the property present in the premises, take care regarding safe closing and sealing of such premises. A bailiff shall leave a notification near the relevant the immovable property or premises inviting to appear at the bailiff's office in order to collect the keys from the premises. The bailiff shall make a notation in the statement regarding activities related to forced opening of the premises.

(7) The bailiff shall make a notation in the statement regarding transfer of the child to the creditor, indicating that the ruling has been enforced.

Section 620.²¹ Action of a Bailiff if it is not Possible to Transfer a Child to a Creditor

If it is not possible for the Orphan's and Custody Court to acquire the information referred to in Section 620.¹⁹ of this Law or the transfer of the child to the creditor does not take place, because the child had not been met in the time and at the place laid down by the bailiff, the bailiff shall draw up a statement thereon and send such statement to the Office of the Prosecutor in order for it to decide on an issue regarding commencement of criminal proceedings against a debtor in relation to his or her malicious evasion from enforcement of the ruling, and also send the statement to the Orphan's and Custody Court for evaluation of the action of the debtor and stay the enforcement proceedings.

Section 620.²² Refusal or Suspension of Enforcement of a Foreign Ruling

(1) A debtor may ask a district (city) court in the operational territory of which a foreign ruling is to be enforced in the case arising from custody rights to suspend enforcement of the ruling or refuse enforcement thereof, because a change of important circumstances has occurred.

(2) The following shall be considered as a change of important conditions within the meaning of this Section:

1) an opinion of the psychologist assigned by the Orphan's and Custody Court on the fact that the transfer of the child fails to comply with the interests of the child;

2) the fact that a creditor does not demonstrate any interest regarding renewal of the connection with the child.

(3) The request referred to in Paragraph one of this Section may be submitted if the ruling in the case arising from custody rights has been given more than 10 years ago.

(4) Such application shall be examined in a court hearing, previously notifying the parties and the Orphan's and Custody Court thereof. Failure of the parties to attend shall not constitute a bar for the examination of the application.

(5) In a decision to stay enforcement of a ruling the court shall indicate the obligations of the debtor and creditor during the time period while enforcement of the ruling is stayed, and, if necessary - also procedures by which a connection between the child and creditor is to be renewed.

(6) The decision shall be enforced without delay. An ancillary complaint may be submitted regarding the decision of the court. Submission of an ancillary complaint shall not stay the enforcement of the decision.

Chapter 74.⁵ Enforcement of Ruling in Cases Arising from Access Rights

[29 October 2015]

Section 620.²³ Notification of an Obligation to Enforce the Ruling

(1) If the procedures, time and place for enforcement of the access rights of the creditor are determined in a ruling (including in the enforcement document indicated in Section 540, Clause 7.¹ of this Law and the court ruling taken in accordance with the procedures laid down in Section 244.¹³ of this Law on the review of the time and place for exercising the access rights, if the court has not determined opening of the premises by force), the bailiff shall, in accordance with the procedures laid down in Section 555 of this Law, send a notification to the debtor regarding the obligation to enforce the ruling in accordance with the procedures, time and place laid down therein. If the time and place are not determined in the ruling, the bailiff shall determine the place and time for enforcement within a reasonable time period, however not later than after two weeks, unless the ruling provides otherwise. In the notification the bailiff shall warn the debtor regarding consequences provided for in this Chapter that will set in if the ruling is not enforced.

(2) If it is determined in the ruling that the access rights are to be enforced in a specific place or in the presence of the access person or representative of the Orphan's and Custody Court, or a person authorised by the Orphan's and Custody Court, or in a specific place and in the presence of the access person or representative of the Orphan's and Custody Court, or a person authorised by the Orphan's and Custody Court, the bailiff shall notify of the time and place of the enforcement of the ruling also the access person, the Orphan's and Custody Court and a user of the specified place premises, by giving an order to the access person or representative of the Orphan's and Custody Court, or a person authorised by the Orphan's and Custody Court to participate in the enforcement and an order to the user of the specified place premises to ensure entering in the specified place.

Section 620.²⁴ Statement on the Enforcement or Non-enforcement of a Ruling

(1) If a debtor ensures access for the creditor to the child on the time and at the place determined by the bailiff in conformity with the procedures for enforcement of the access rights laid down in the ruling, the bailiff shall draw up a statement that the ruling is being enforced. If the child cannot be accessed on the time and at the place indicated by the bailiff and the debtor has not notified a reason, why the child cannot be accessed, or has notified a reason which the bailiff does not recognise as justifiable, or the debtor refuses to enforce the ruling due to such reason which the bailiff does not recognise as justifiable, the bailiff shall draw up a statement regarding non-enforcement of the ruling.

If the child cannot be accessed on the time and at the place indicated by the bailiff but the debtor has notified a reason, why the child cannot be accessed, and the bailiff recognises such reason as justifiable, or the debtor refuses to enforce the ruling due to such reason which the bailiff recognises as justifiable, the bailiff shall draw up a statement regarding justifiable reasons for non-enforcement of the ruling and determine new time and place for enforcement of the ruling.

Section 620.²⁵ Civil Procedural Consequences Arising if a Debtor Fails to Enforce a Ruling

(1) A bailiff shall send a statement regarding non-enforcement of the ruling to the court which has given a ruling in the case arising from the access rights, or in the operational territory of which the foreign ruling or enforcement document indicated in Section 540, Clause 7.¹ of this Law is to be enforced.

(2) A judge shall, after receipt of the statement referred to in Paragraph one of this Section, impose a fine on the debtor up to EUR 1500.

(3) The issue regarding imposition of a fine shall be examined in the written procedure.

(4) A true copy of the decision by the judge on imposition of a fine shall be sent to the debtor.

(5) An ancillary complaint may be submitted regarding a court decision on imposition of fine.

(6) The fine shall be recovered from the debtor into income of the State.

(7) Payment of the fine shall not release the debtor from the obligation to enforce the ruling.

[9 June 2016]

Section 620.²⁶ Action of a Bailiff if it is not Possible to Transfer a Child to a Creditor

If after examination of the issue regarding imposing a fine (Section 620.²⁵), the debtor fails to enforce the order of the bailiff on the obligation to enforce the ruling issued repeatedly in accordance with the procedures laid down in Section 620.²³ of this Law and a statement on non-enforcement of the ruling has been repeatedly drawn up thereon in accordance with Section 620.²⁴, Paragraph one of this Law, the bailiff shall send the abovementioned statement to the Office of the Prosecutor in order for it to decide an issue regarding commencement of criminal proceedings against the debtor in relation to his or her malicious evasion from enforcement of the ruling, and also send the statement to the Orphan's and Custody Court for evaluation of the action of the debtor and stay the enforcement proceedings.

Section 620.²⁷ Issue of an Enforcement Document to a Creditor

If after renewal of the enforcement proceedings a debtor continues not to enforce the ruling or there are other

circumstances which hinder the enforcement of the ruling or make it impossible, a bailiff shall issue the enforcement document back to the creditor, by informing him or her regarding his or her rights in accordance with Section 244.¹³ of this Law to ask the court to review the procedures for exercising the access rights.

Section 620.²⁸ Procedures for Enforcement of a Ruling on the Review of the Time and Place for Exercising the Access Rights, if the Court has Established Opening of the Premises by Force

(1) A bailiff shall, upon commencement of enforcement of the court ruling on the review of the time and place for exercising the access rights given in accordance with the procedures laid down in Section 244.¹³ of this Law, by complying with the address and within the time period indicated in the ruling during which the premises may be opened by force, determine the time and place, when and where the child will be transferred to the creditor for exercising the access rights, and notify the following persons thereon:

1) the creditor by issuing a notification to him or her against a signature or by sending a notification by registered mail or forwarding it through the Ministry of Justice and informing him or her regarding the obligation of the creditor to be present at the enforcement activities;

2) the access person in the presence of which the access rights are to be exercised in accordance with that laid down in the ruling, by issuing an order for this person to participate in the enforcement;

3) the Orphan's and Custody Court based on the location of the child by issuing an order for its representative to participate in enforcement. The Orphan's and Custody Court may, at its own discretion, invite a psychologist to participate in the enforcement of the ruling;

4) the police based on the location of the child by issuing an order for its representative to participate in enforcement.

(2) The bailiff shall not inform the debtor regarding the place and time where and when the child will be transferred for exercising access.

(3) At the place and in the time laid down in the order by the bailiff the representative of the Orphan's and Custody Court shall, in co-operation with a psychologist if any has been invited, negotiate with a creditor or other persons with whom the child is located in order to convince to return the child to the creditor for exercising access. The representatives of the police shall ensure public order and compliance with the order by the bailiff.

(4) If a bailiff is not let in the premises indicated in the court ruling, they shall be opened by force. If no person aged over seven years is met at the premises, after forced opening of the premises the bailiff shall, without inventorying the property present in the premises, take care regarding safe closing and sealing of such premises. A bailiff shall leave a notification near the relevant the immovable property or premises inviting to appear at the bailiff's office in order to collect the keys from the premises. The bailiff shall make a notation in the statement regarding activities related to forced opening of the premises.

(5) If the child is transferred to the creditor, the bailiff shall draw up a statement regarding enforcement of the ruling.

(6) If access rights are to be implemented in a specific place or in the presence of the access person at another place other than the place of enforcement, the child shall be transferred to a representative of the Orphan's and Custody Court or access person in order for him or her together with the creditor to transfer the child for exercising access rights at the specified place. The bailiff shall draw up a statement regarding enforcement of the ruling by indicating a person to whom the child is transferred.

(7) If upon performance of the activities indicated in this Section it was not possible to transfer the child to the creditor, the bailiff shall complete the enforcement case without enforcement and inform the creditor regarding his or her rights in accordance with Section 244.¹³ of this Law to ask the court to review the procedures for exercising access rights.

Section 620.²⁹ Suspension or Refusal of Enforcement of a Foreign Ruling

(1) A debtor may request a district (city) court, in the operational territory of which a foreign ruling or enforcement document, which is issued by a foreign court or institution and indicated in Section 540, Clause 7.¹ of this Law, is to be enforced, to suspend the enforcement of the decision or refuse enforcement thereof, due to a change in important circumstances.

(2) Within the meaning of Paragraph one of this Section, an opinion of the psychologist assigned by the Orphan's and Custody Court, which attests that the child objects against his or her transfer to the creditor for implementation of access, shall be deemed as a change in important circumstances.

(3) The request referred to in Paragraph one of this Section may be submitted if the ruling in the case arising from access rights has been given more than a year ago.

(4) Such application shall be examined in a court hearing, previously notifying the parties and the Orphan's and Custody Court thereof. Failure of the parties to attend shall not constitute a bar for the examination of the application.

(5) In a decision to stay enforcement of a ruling the court shall indicate the obligations of the debtor and creditor during the time period while enforcement of the ruling is stayed, and, if necessary - also procedures by which a connection between the child and creditor is to be renewed.

(6) The decision shall be enforced without delay. An ancillary complaint may be submitted regarding the decision of the court. Submission of an ancillary complaint shall not stay the enforcement of the decision.

Chapter 75

Apportionment of Amounts Recovered between Creditors

Section 621. Issue of Recovered Amounts to Creditors

(1) Enforcement of judgment expenses shall firstly be covered from the amount recovered by a bailiff from a debtor; and thereafter from the remaining amount claims of creditors, which are justified by enforcement documents present in the record-keeping of the bailiff, shall be satisfied. The amount remaining after satisfaction of all of the claims shall be returned to the debtor.

(2) Amounts recovered from a debtor and to be provided to a creditor shall be paid into the bailiff's deposit account, and afterwards shall be issued or transferred in accordance with the prescribed procedures.

(3) A bailiff shall pay amounts, which are to be paid in to the State revenue, into a budget account of the State Treasury.

(4) Amounts recovered for the benefit of a person who is a foreign resident shall be transferred to the creditor in accordance with the prescribed procedures.

(5) Persons who have enforcement documents in other cases may join in the recovery by submitting the enforcement document to the bailiff who organises the auction not later than seven days before the end day of the auction indicated in the notice of the auction or until the day when the property is transferred to a trading undertaking for sale according to terms regarding commission.

[31 October 2002; 5 February 2009; 28 May 2015]

Section 622. Order of Satisfaction of Claims of Creditors

(1) If the amount recovered from a debtor does not suffice to satisfy all the claims according to the enforcement documents, such amount shall be apportioned between the creditors in the order specified in this Law unless a specific law specifies priority for certain creditors.

(2) Claims of every next order shall be satisfied after full satisfaction of claims of the previous order.

(3) If an amount collected does not suffice to fully satisfy all the claims of one order, such claims shall be satisfied in proportion to the amount, which is due to each creditor.

(4) If there are several enforcement cases in the record-keeping of the bailiff commenced regarding the claims referred to in Section 623, Paragraph one of this Law that also include an enforcement case in which the Administration of Maintenance Guarantee Fund has taken the place of the creditor in the part regarding recovery of maintenance from the debtor which is disbursed from the Maintenance Guarantee Fund, and it is not enough with the recovered amount to fully satisfy all claims, the recovered amount shall be divided in proportion to the amount of the debt calculated in enforcement cases or to the total amount of the debts if there are several creditors in the case.

[8 December 2016]

Section 623. First Order of Recovery

(1) The following shall be satisfied first of all:

1) claims regarding the recovery of child maintenance or parent support, or the claims of the Administration of Maintenance Guarantee Fund regarding the recovery of the debt of maintenance;

2) claims regarding the recovery of remuneration for work;

3) claims arising from personal injuries which have resulted in mutilation or other injury to health, or in the death of a person;

4) claims regarding an application for compensation of harm satisfied for the benefit of a natural person in a criminal

case.

(2) If support is paid in accordance with a decision of the Administration of Maintenance Guarantee Fund administration and the amount of support recovered:

1) does not ensure the minimal amount of support which, based upon Section 179, Paragraph five of The Civil Law, has been stipulated by the Cabinet, the recovered support shall be paid into the Maintenance Guarantee Fund;

2) ensures the minimal amount of support which, based upon Section 179, Paragraph five of The Civil Law, has been stipulated by the Cabinet, then support in such amount as based on Section 179, Paragraph five of The Civil Law has been stipulated by the Cabinet, shall be paid out to the applicant, but the surplus amount shall be paid into the Maintenance Guarantee Fund until the debt is fully discharged.

[17 June 2004; 9 June 2011; 8 December 2016; 22 June 2017]

Section 624. Second Order of Recovery

Claims for taxes and non-tax payments into the budget shall be satisfied in the second order.

Section 625. Third Order of Recovery

Claims of natural persons regarding compensation for the losses which have been caused to their property by a criminal offence, if reimbursement of losses is specified on the basis of a court judgment in a civil case, or administrative violation shall be satisfied in the third order.

[22 June 2017]

Section 626. Fourth Order of Recovery

All other claims shall be satisfied in the fourth order.

Section 627. Apportionment of Money Received for Sale of Movable Property Encumbered by a Pledge

From the money received for the sale of movable property encumbered by a pledge and thereafter, firstly, enforcement of judgment expenses shall be covered and thereafter claims shall be satisfied in the following order:

- 1) claims secured by a pledge;
- 2) other claims in accordance with the order laid down in this Law.

Section 628. Apportionment of Money Received for Sale of Immovable Property Encumbered by a Pledge

(1) From the money received for the sale of immovable property encumbered by a pledge, firstly, the enforcement of judgment expenses connected with the sale of immovable property shall be covered, and thereafter claims shall be satisfied in the following order:

- 1) those claims of employees regarding payment of salaries which are related to the maintenance of the immovable property and social insurance payments related to their salaries;
- 2) claims for tax payments which are payable regarding such immovable property;
- 3) real charges entered in the Land Register which have come due;
- 4) claims secured by a pledge on such immovable property according to the rights of priority thereof;
- 5) other claims in accordance with the procedures provided for by this Law.

(2) When satisfying mortgage claims according to the rights of priority thereof, the ancillary claims thereof - interest for the last three years up to the day of end of an auction, court expenses adjudged and expenses related to the conducting of the court procedure not exceeding the amount of mortgage entered in the Land Register - shall also be satisfied concurrently. The claim in the remaining part not secured by immovable property pledge (mortgage) shall be satisfied in accordance with the procedures laid down in Section 622 of this Law.

(2¹) If mortgage creditor has not joined in the recovery (Section 621, Paragraph five), the money shall be transferred into the deposit account of the bailiff who organised an auction in the amount of mortgage sum indicated in the Land Register or in the amount indicated in the notification of mortgage creditor, if any has been received (Section 600, Paragraph four), taking into account the right of priority of the relevant mortgage claim, and shall be kept until receipt of enforcement documents.

(3) If immovable property has been sold in an auction in respect of which a pledge rights notation has been made in

the Land Register, money in the amount of the claim in conformity with the claim priority shall be transferred to the bailiffs deposit account and stored until examination of the ensured claim at the court.

[31 October 2002; 5 February 2009; 28 May 2015]

Section 629. Apportionment of Money Received for Sale of a Ship

From the money received for the sale of a ship, the enforcement of judgment expenses and other claims shall be satisfied based on Section 56, Paragraph two of the Maritime Code.

[19 June 2003]

Section 630. Order of Recovery in Cases where Property of a Debtor is Confiscated According to a Judgment in a Criminal Case

(1) When executing a judgment regarding confiscation of property in a criminal case, a bailiff shall transfer the monetary funds which have been acquired upon enforcing a judgment on the confiscation of property into the account of the Treasury after satisfaction of all the claims submitted against the debtor which have arisen before the arrest of the property of the convicted person or seizure thereof by preliminary investigation agencies or court.

(2) Claims for support and claims arising from personal injuries which have resulted in mutilation or other injury to health, or in the death of a person, shall also be satisfied if they have arisen after arrest is imposed or a seizure placed on the property of the convicted person.

[31 October 2002; 22 June 2017]

Section 631. Calculation Drawn up by a Bailiff

(1) If a court has found that a creditor has the right to receive interest on the amount adjudged until the enforcement of the judgment (the day of end of an auction) or if the obligation to pay interest is specified in another law, a bailiff shall draw up a calculation of the total amount to be paid to the creditor.

(2) If there are several creditors and the amount recovered from a debtor does not suffice to fully satisfy all the claims, the bailiff shall make a calculation of the apportionment of the money between the creditors and issue it to the creditors and the debtor.

(3) If an auction of immovable property has been announced as not having taken place and a creditor, joint owner of the debtor or the last bidder outbid has expressed his or her wish to retain the immovable property for himself or herself, the bailiff shall draw up a calculation in order to determine the amount due from such person.

(4) A calculation drawn up by a bailiff may be appealed to the district (city) court according to the bailiff's official appointment location. An ancillary complaint may be submitted regarding the decision of the court.

[19 June 2003; 17 June 2004; 5 February 2009; 28 May 2015]

Chapter 76

Protection of Rights of Creditors, Debtors and Other Persons in Enforcement of a Court Judgment

Section 632. Appeal of Actions of a Bailiff

(1) A creditor or a debtor, by submitting a reasoned complaint, may appeal the actions of a bailiff upon executing a judgment or the bailiff's refusal to perform such actions, except for the case specified in Section 617 of this Law, to the district (city) court according to the official appointment location of the bailiff within 10 days from the day when the appealed actions are taken or the day when a complainant who has not been notified of the time and place of actions to be taken becomes informed of such actions.

(2) A complaint shall be examined at a court hearing within 15 days. A debtor and a creditor, as well as the bailiff, shall be notified of the court hearing. Failure of such persons to attend shall not constitute a bar for the examination of the issue.

(3) On the basis of a reasoned request from the submitter of a complaint, a judge in accordance with the procedures laid down in Section 140 of this Law, may take a decision on staying of enforcement activities, prohibition to transfer money to a bailiff or creditor or debtor or the suspension of the sale of property. The decision shall be implemented without delay after it has been taken.

(4) An ancillary complaint may be submitted regarding a decision of a court.

[31 October 2002; 19 June 2003; 5 February 2009]

Section 633. Protection of Rights of Other Persons in Enforcement of a Ruling

(1) A person who considers that he or she has any right to the inventoried movable property or immovable property against which the recovery is directed or a part thereof, shall bring an action before a court in accordance with general jurisdiction on cases.

(2) Claim for exclusion of property from an inventory statement, deletion of a recovery notation from the Land Register or another claim shall be submitted against the debtor and the creditor. If the property is inventoried on the basis of a judgment in a criminal case in the part regarding property confiscation, the convicted person and the financial institution shall be summoned as defendants.

(3) If the property has already been sold, a claim shall also be submitted against the persons to which the property was handed over. If the court satisfies a claim for immovable property, the entry in the Land Register regarding transfer of ownership rights to the acquirer thereof shall be declared invalid.

(4) If the claim for return of the already sold property in specie is satisfied, disputes among the acquirer of the property, the creditor and the debtor shall be examined by a court in accordance with the procedures for court proceedings by way of action.

[31 October 2002]

Section 634. Reversal of Enforcement of a Judgment

(1) If an enforced judgement is revoked and, upon re-examination of the case, a judgment is given dismissing the claim or a decision is taken to terminate court proceedings in the case or to leave the case without examination, everything which has been recovered from the defendant for the benefit of the plaintiff according to the judgment revoked (reversal of enforcement of a judgment) shall be returned to the defendant.

(2) If it is impossible to return the property in specie, the court judgment or decision shall provide for compensation for the value of such property.

Section 635. Decision on Issue Regarding Reversal of Enforcement of a Judgment

(1) A court to which a case has been referred for examination anew shall, upon its own initiative, examine the issue regarding the reversal of enforcement of the judgment and decide it in the new judgment or decision by which court proceedings in the case are terminated.

(2) If a court, which examines the case anew, has not decided the case regarding reversal of the enforcement of the judgment revoked, the defendant has the right to submit to such court an application for the reversal of enforcement of the judgment. Such application shall be examined at a court hearing upon prior notice to the participants in the case. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(3) A cassation court, if by its judgment it varies a judgment which has been appealed (protested), revokes it and terminates court proceedings in a case or leaves an application without examination, shall decide on the issue regarding reversal of enforcement of the judgment or transfer the deciding thereof to the court whose judgment has been appealed.

(4) If an appellate court dismisses a claim in a case in which a court of first instance has permitted immediate enforcement of a judgment in accordance with Section 205 of this Law, or court proceedings in such case are terminated or a claim is left without examination, it shall, concurrently decide on the issue regarding the reversal of enforcement of the judgment.

(5) If a judgment is revoked due to newly-discovered circumstances or due to the review of a ruling in the cases provided for in legal norms of the European Union, an issue regarding reversal of enforcement of the judgment shall be decided by the court which upon revocation of the judgment re-examines the case.

(6) Reversal of enforcement of a judgment shall be allowed in cases regarding the recovery of maintenance, recovery of remuneration for work, recovery of losses arising from personal injuries resulting in mutilation or other injury to health, or in the death of a person, if the judgment revoked was based on false information furnished by or forged documents submitted by the plaintiff.

(7) An ancillary complaint may be submitted in regard to a court judgment respecting an issue regarding reversal of enforcement of a judgment.

[8 September 2011 / Paragraph six, insofar it applies to reversal of enforcement of a judgment in cases regarding the recovery of remuneration for work, shall be repealed from 1 November 2015 by the Judgment of the Constitutional Court of 16 April 2015 which comes into force from 20 April 2015]

Part F

International Civil Procedure

[7 April 2004]

Division Fifteen International Civil Procedural Co-operation

Chapter 77 Recognition and Enforcement of a Ruling of a Foreign Court

Section 636. Ruling of a Foreign Court

(1) A ruling of a foreign court within the meaning of this Chapter is a judgment given by a foreign court, in which the issue of dispute between the parties has been tried on the merits, as well as an approved amicable settlement of a foreign court.

(2) A ruling of a foreign court within the meaning of this Chapter is also a ruling of a foreign competent authority, which is to be enforced in the state that made it if the recognition of the ruling and enforcement thereof arises from directly applicable legal norms of the European Union or international agreements binding upon the Republic of Latvia.

[7 September 2006]

Section 637. Recognition of a Ruling of Foreign Courts

(1) Recognition of a ruling of a foreign court shall take place in accordance with the general provisions of this Chapter.

(2) A ruling of a foreign court shall not be recognised only if one of the following grounds for non-recognition exists:

1) the foreign court, which gave the ruling, was not competent in accordance with the Latvian law to examine the dispute or such dispute is an exclusive jurisdiction of the Latvian courts;

2) the ruling of the foreign court has not entered into lawful effect;

3) the defendant was denied a possibility of defending his or her rights, especially if the defendant who has not participated in the examination of the case was not notified regarding appearance in court in a timely and proper manner, except if the defendant has not appealed such ruling even though he or she had the possibility to do so;

4) the ruling of the foreign court is not compatible with a court ruling already given earlier and entered into lawful effect in Latvia in the same dispute between the same parties or with already earlier commenced court proceedings between the same parties in a Latvian court;

5) the ruling of the foreign court is not compatible with such ruling of another foreign court, which has already been given earlier and has entered into lawful effect, in the same dispute between the same parties, which may be recognised or is already recognised in Latvia;

6) the recognition of the ruling of the foreign court is in conflict with the public structure of Latvia;

7) in giving the ruling of the foreign court, the law of such state was not applied as should have been applied in conformity with the rules on conflict of laws of the Latvian international private law.

(3) A ruling of the foreign court in cases, which arise from the custody, guardianship and access rights, shall not be recognised only if there exists at least one of the grounds for non-recognition referred to in Paragraph two, Clauses 1, 2, 3, 6 and 7 of this Section or one of the following grounds for non-recognition:

1) the ruling of the foreign court is not compatible with a court ruling that has been given later and has entered into lawful effect in Latvia in the same dispute between the same parties or with court proceedings between the same parties commenced later in a Latvian court;

2) the ruling of the foreign court is not compatible with a ruling of another foreign court that has been given later in the same dispute between the same parties and has entered into lawful effect, which may be recognised or is already recognised in Latvia.

(3¹) A ruling of a foreign court in the cases regarding the recovery of maintenance, by which the ruling on the recovery of maintenance given previously is amended on the basis of the fact that circumstances have changed, shall not be deemed as not compatible judgment within the meaning of Paragraph two, Clauses 4 and 5 of this Section.

(4) In deciding an issue on whether in conformity with the provisions of Paragraph two of this Section a court ruling is to be recognised, the judge or court shall be guided by the circumstances, which are established by the ruling of the foreign court.

(5) If with a ruling of the foreign court several claims merged in one claim are satisfied and such ruling cannot be fully recognised, the ruling of the foreign court may be recognised in relation to one or more of the satisfied claims.

[7 September 2006; 29 October 2015]

Section 638. Submission of an Application

(1) An application for the recognition or recognition and enforcement of a ruling of a foreign court shall be submitted for examination to a district (city) court based on the place of enforcement of the ruling or also based on the declared place of residence of the defendant, but if none, place of residence or legal address of the defendant.

(2) The following shall be indicated in an application:

1) the name of the court to which the application has been submitted;

¹) the given name, surname, personal identity number (if there is none, then other identification data) and address of the applicant for correspondence with the court; for a legal person - the name, registration number and legal address thereof. If the applicant agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well;

²) the given name, surname, personal identity number (if there is none, then other identification data) and declared place of residence and additional address indicated in the declaration of the defendant, but for a legal person - the name, registration number and legal address thereof;

2) [29 November 2012];

3) the subject-matter of the application and circumstances upon which the application is based;

4) the request of the applicant to recognise or recognise and enforce a ruling of a foreign court in full or any of its parts;

5) the authorised representative and his or her address if in Latvia a representative has been appointed for the conduct of the case. If the declared place of residence or indicated address of the representative of the applicant is outside Latvia, in addition the electronic mail address shall be indicated or registration of participation in the online system shall be notified. If the representative of the applicant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

6) the list of attached documents;

7) the date when the application was drawn up.

(²¹) The application in the case for the recognition of a ruling of a foreign court on the recovery of maintenance or declaration of enforcement may be submitted or sent through central institutions of Latvia designated for ensuring of co-operation in the cases provided for in the European Union and international agreements, by using the forms specified in the relevant legal acts.

(3) The following shall be attached to an application:

1) a ruling of a foreign court with a statement certifying that the ruling has entered into lawful effect, or a properly certified true copy of the ruling;

2) a document issued by a foreign court which certifies that the defendant, who has not participated in the examination of the case, was notified of the time and place of examination of the case in a timely and proper manner;

3) a document issued by a foreign court or a competent authority regarding the enforcement of the ruling if the ruling of the foreign court is already partially enforced;

4) a document issued by a foreign court, which certifies that a ruling of the foreign court is to be enforced in the state wherein it was given if the applicant requests the recognition and enforcement of the ruling of the foreign court;

5) a translation into the official language of the application and the documents certified according to specific procedures referred to in Clauses 1-3 of this Paragraph;

6) a document, which certifies the payment of the State duty according to the procedures and in the amount laid

down in law.

(4) The applicant or his or her representative shall sign the application. If the application has been signed by the representative, an authorisation or another document certifying the authorisation of the representative to apply to the court with an application shall be attached to the application.

(5) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

(6) A judge shall take a decision to refuse to accept an application, if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto. A decision shall not be subject to appeal.

[2 September 2004; 7 September 2006; 9 June 2011; 8 September 2011; 29 November 2012; 23 April 2015; 29 October 2015; 23 November 2016; 1 June 2017]

Section 639. Leaving an Application Not Proceeded With

If an application fails to comply with the requirements of Section 638, Paragraphs two and three of this Law or if an authorisation does not arise from the power of attorney or other document attached to the application for a representative to apply to the court with such application, the judge shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall set in.

[23 April 2015]

Section 640. Deciding on an Application

A decision to recognise and enforce a ruling of a foreign court or a decision to refuse the application shall be taken by a judge sitting alone on the basis of the submitted application and the documents attached thereto within 10 days after initiation of the case without inviting the parties.

[23 April 2015]

Section 641. Appeal of Entering into Effect of Decisions of a Court of First Instance and Appellate Court

(1) In respect of a decision of a court of first instance in the case regarding recognition of a ruling of a foreign court, an ancillary complaint may be submitted to the regional court, and a decision by the regional court on an ancillary complaint may be appealed to the Supreme Court by submitting an ancillary complaint.

(2) A participant in the case whose declared place of residence, but if none, place of residence or legal address is in Latvia, may submit the complaints referred to in Paragraph one of this Section within 30 days from the day of issue of the true copy of the decision, but a participant in the case whose declared place of residence, but if none, place of residence or legal address is not in Latvia - within 60 days from the day of receipt of the true copy of the decision.

(2¹) In the cases provided for in Council Regulation No 4/2009 a participant in the case whose place of residence or location is not in Latvia, may submit the ancillary complaint referred to in Paragraph one of this Section within 45 days from the day of issue of the true copy of the decision.

(3) A decision of a court of first instance and a decision of an appellate court shall enter into lawful effect when the time period for appeal thereof has elapsed, counting from the latest date of issue of the true copy of the decision, and an ancillary complaint has not been submitted.

(4) If the relevant confirmation regarding issue of the true copy of the decision has not been received in the case referred to in Paragraph three of this Section, the decision shall enter into lawful effect six months after declaration thereof.

[5 February 2009; 9 June 2011; 29 November 2012; 30 October 2014]

Section 642. Competence of the Regional Court

(1) The regional court, when examining an ancillary complaint, has the right to:

- 1) leave the decision unamended, but to reject the complaint;
- 2) revoke the decision in full or a part thereof and decide the issue of the recognition of the ruling of the foreign court;
- 3) amend the decision.

(2) The court may request explanations from the parties or additional information from the foreign court that had made the ruling.

(2¹) In applying Council Regulation No 4/2009, an ancillary complaint shall be examined within the time periods specified in Article 34 of Council Regulation No 4/2009.

(3) A court upon a request of the defendant may stay the court proceedings if the ruling of the foreign court has been appealed in accordance with the general procedure or also the time period for such appeal has not ended. In the second case, the court may specify a time period within which a notice of appeal for appealing the ruling of the foreign court in the relevant foreign state shall be submitted.

[9 June 2011; 30 October 2014; 23 April 2015]

Section 643. Ensuring Enforcement of a Ruling of a Foreign Court

(1) Upon an application of the applicant, a judge or a court in a decision recognising a ruling of a foreign court may specify the measures provided for in Section 138 or Chapter 77.³ of this Law to ensure the enforcement of the ruling of the foreign court.

(2) The submission of the ancillary complaints referred to in Section 641, Paragraph one of this Law shall not stop the enforcement of the decision of a judge or a court in the part regarding ensuring the enforcement of the ruling of the foreign court. The submission of ancillary complaint in respect of such a decision in a case regarding recognition of a ruling of a foreign court which revokes the securing of the enforcement of the ruling of the foreign court or the means of security is changed, shall stay the enforcement of the decision in this part.

[7 September 2006; 8 December 2016 / Amendments to the Section regarding the European Account Preservation Order shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644. Enforcement of a Ruling of a Foreign Court

(1) A ruling of a foreign court, which is to be enforced in the state wherein it was given, after its recognition shall be enforced in accordance with the procedures laid down in this Law.

(2) In respect of the procedures for declaration of enforcement of judgments provided for in the Lugano Convention of 30 October 2007 on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, Council Regulation No 2201/2003, Council Regulation No 4/2009 and Regulation (EU) No 650/2012 of the European Parliament and of the Council of 4 July 2012 on jurisdiction, applicable law, recognition and enforcement of decisions and acceptance and enforcement of authentic instruments in matters of succession and on the creation of a European Certificate of Succession (hereinafter - Regulation No 650/2012 of the European Parliament and of the Council), the provisions of Chapter 77 of this Law regarding recognition of a ruling of a foreign court shall be applied insofar as it is allowed by the provisions of the relevant convention and regulations.

(3) In the cases which are provided for in Council Regulation No 2201/2003, Regulation No 805/2004 of the European Parliament and of the Council, Regulation No 861/2007 of the European Parliament and of the Council, Regulation No 1896/2006 of the European Parliament and of the Council, Council Regulation No 4/2009, Regulation No 1215/2012 of the European Parliament and of the Council and Regulation No 655/2014 of the European Parliament and of the Council, rulings of foreign courts shall be enforced in accordance with the procedures laid down in this Law, without requesting recognition of the ruling of the foreign court, and also the declaration of the enforcement of the ruling of the foreign court.

(4) Expenses related to the enforcement of a ruling of a foreign court shall be covered in accordance with the general procedure.

[7 September 2006; 5 February 2009; 9 June 2011; 29 November 2012; 30 October 2014; 28 May 2015; 8 December 2016 / Amendment to the Paragraph three regarding the European Account Preservation Order shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.¹ Postponement, Division into Time Periods, and Varying of the Forms or Procedures of the Enforcement of a Ruling of a Foreign Court

(1) A court, which has taken a decision to recognise and enforce a ruling of a foreign court, on the basis of an application by a participant in the case may postpone the enforcement of the ruling of the foreign court, divide the enforcement into time periods, and vary the form or procedures of enforcement. A decision on postponement, division into time periods, varying of the form or procedures of the enforcement of a ruling of a foreign court shall be implemented immediately.

(2) An application shall be examined in the written procedure by previously notifying the participants in the case thereof. Concurrently with the notification the court shall, by determining the time period for submission of the explanation, send an application to participants in the case for the postponement of the enforcement, division in time periods, variation of the form or procedures for the enforcement of a judgment.

(3) An ancillary complaint may be submitted in respect of a decision of the court to postpone or divide into time

periods the enforcement of the ruling of the foreign court, as well as to vary the form or procedures of enforcement. Submission of an ancillary complaint shall not stay the enforcement of the decision.

[7 September 2006; 8 September 2011; 29 October 2015]

Section 644.² Issues of Enforcement associated with European Union Enforcement Documents

(1) A district (city) court, in the territory of which the relevant decision of the foreign court is to be enforced on the basis of Article 23 of Regulation No 805/2004 of the European Parliament and of the Council, Article 23 of Regulation No 861/2007 of the European Parliament and of the Council, Article 23 of Regulation No 1896/2006 of the European Parliament and of the Council, Article 21(3) of Council Regulation No 4/2009 or Article 44 of Regulation No 1215/2012 of the European Parliament and of the Council upon the receipt of an application from the debtor, is entitled to:

1) replace the enforcement of the ruling with the measures for ensuring the enforcement of such ruling provided for in Section 138 of this Law;

2) amend the way or procedures for the enforcement of the ruling;

3) stay the enforcement of the ruling.

(2) [23 April 2015].

(3) The application referred to in Paragraph one of this Section shall be examined at a court hearing upon prior notice to the participants in the case. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(4) An ancillary complaint may be submitted regarding a decision of a court.

[7 September 2006; 5 February 2009; 9 June 2011; 30 October 2014; 23 April 2015]

Section 644.³ Refusal of Enforcement of a Ruling of a Foreign Court

(1) A district (city) court in the territory of which the ruling of the foreign court, which has been approved as a European Enforcement Order, is to be enforced, upon receipt of an application from a debtor on the basis of Article 21 of the Regulation No 805/2004 of the European Parliament and of the Council, may refuse the enforcement of the ruling.

(2) A district (city) court in the territory of which the ruling of the foreign court is to be enforced, in respect of which the certificate referred to in Article 41(1) or Article 42(1) of the Council Regulation No 2201/2003 has been issued, upon receipt of an application from a participant in the case on the basis of Article 47 of the abovementioned Regulation, may refuse the enforcement of the ruling.

(3) A district (city) court in the territory of which the ruling of the foreign court is to be enforced, in respect of which the certificate referred to in Article 41(2) of the Regulation No 861/2007 of the European Parliament and of the Council has been issued, upon receipt of an application from a participant in the case on the basis of Article 22 of the abovementioned Regulation, may refuse the enforcement of the ruling.

(4) A district (city) court in the territory of which the European order for payment is to be enforced, upon receipt of an application from a debtor on the basis of Regulation No 1896/2006 of the European Parliament and of the Council, may refuse the enforcement of the decision.

(4¹) A district (city) court in the territory of which the ruling of the foreign court is to be enforced, in respect of which the extract referred to in Article 20(1)(b) of the Council Regulation No 4/2009 has been issued, upon receipt of an application from a debtor on the basis of Article 21(2) of the abovementioned Regulation, may refuse the enforcement of the ruling.

(4²) A district (city) court, in the territory of which the ruling of the foreign court is to be enforced, in respect of which the certificate referred to in Article 53 or 60 of the Regulation No 1215/2012 of the European Parliament and of the Council has been issued, upon receipt of an application from a debtor, on the basis of Article 46 of the abovementioned Regulation, may refuse the enforcement of the ruling.

(4³) A district (city) court, in the territory of which the control of enforcement of the protection measure determined by the ruling of the foreign court is to be performed, upon receipt of an application from a person, on the basis of Article 13 of the Council Regulation No 606/2013, may refuse the enforcement of the ruling.

(5) The application referred to in Paragraphs one, two, three, four, 4.¹, 4.² and 4.³ of this Section shall be examined in a court hearing, notifying the participants in the case thereon in advance. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(6) An ancillary complaint may be submitted regarding a decision of a court.

[5 February 2009; 9 June 2011; 30 October 2014 / Amendments in relation to Council Regulation No 44/2001 and Regulation No 1215/2012 of the European Parliament and of the Council shall come into force on 10 January 2015. Amendments in relation to Regulation No 606/2013 of the European Parliament and of the Council shall come into force on 11 January 2015. See Paragraphs 97 and 98 of Transitional Provisions]

Section 644.⁴ Submission of an Application for the Staying, Division into Time Periods, Amendment of the Way or Procedures of Enforcement, and Refusal of the Enforcement of a Ruling of a Foreign Court which is an European Union Enforcement Document

(1) The following shall be indicated in the applications referred to in Sections 644.¹, 644.² and 644.³ of this Law:

1) the name of the court to which the application has been submitted;

1¹) the given name, surname, personal identity number (if there is none, then other identification data) and address of the applicant for correspondence with the court; for a legal person - the name, registration number and legal address thereof. If the applicant agrees to electronic correspondence with the court or he or she is the subject referred to in Section 56, Paragraph 2.³ of this Law, an electronic mail address shall also be indicated and, if he or she has registered in the online system for correspondence with the court, an indication of registration shall be included as well;

1²) the given name, surname, personal identity number (if there is none, then other identification data) and declared place of residence and additional address indicated in the declaration of the defendant (creditor), but if none, place of residence, but for a legal person - the name, registration number and legal address thereof;

2) [29 November 2012];

3) the subject-matter of the application and circumstances upon which the application is based;

4) the request of the applicant;

5) the authorised representative and his or her address if in Latvia a representative has been appointed for the conduct of the case. If the declared place of residence or indicated address of the representative of the applicant is outside Latvia, in addition the electronic mail address shall be indicated or registration of participation in the online system shall be notified. If the representative of the applicant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally;

6) the list of attached documents;

7) the date when the application was drawn up.

(2) The following shall be attached to an application:

1) a properly certified true copy of the ruling of the foreign court;

2) in the relevant cases - a properly certified true copy of the European Enforcement Order, European order for payment issued by a foreign court, the certificate referred to in Article 41(1) of Council Regulation No 2201/2003, a certificate referred to in Article 20(2) of Regulation No 861/2007 of the European Parliament and of the Council or the extract referred to in Article 20(1)(b) of Council Regulation No 4/2009;

3) other documents upon which the applicant's application is based;

4) translation into the official language of the application and the documents certified according to special procedures referred to in Clauses 1, 2 and 3 of this Paragraph.

(3) The application shall be signed by the applicant or the representative thereof. If the application has been signed by the representative of the applicant, an authorisation or other document certifying the authorisation to apply to the court with such application shall be attached to the application.

(4) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

(5) A judge shall take a decision to refuse to accept an application, if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto. A decision shall not be subject to appeal.

[7 September 2006; 5 February 2009; 9 June 2011; 29 November 2012; 23 April 2015; 23 November 2016; 1 June 2017]

Section 644.⁵ Leaving a Submitted Application for the Staying, Division into Time Periods, Amendment

of the Way or Procedures of Enforcement, and Refusal of the Enforcement of a Ruling of a Foreign Court - European Union Enforcement Documents - Not Proceeded With

If an application submitted in accordance with Section 644.¹, 644.² or 644.³ of this Law fails to comply with the requirements of Section 644.⁴, Paragraphs one and two of this Law or if an authorisation does not arise from the power of attorney or other document attached to the application for a representative to apply to the court with such application, the judge shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall set in.

[23 April 2015]

Chapter 77.¹

Cases Regarding Provision of an Opinion to a Foreign Court on the Rule of Law of Movement of a Child across the Border to a Foreign Country or Detention in a Foreign Country

[7 September 2006] [14 December 2017 / See Paragraph 135 of Transitional Provisions]

Section 644.⁶ Procedures for Examining Cases

Cases regarding provision of an opinion to a foreign court on the rule of law of movement of a child whose place of residence is in Latvia to a foreign country or detention in a foreign country are examined in accordance with the provisions of this Chapter, in conformity with the general provisions of this Law.

[14 December 2017]

Section 644.⁷ Application for the Provision of an Opinion to a Foreign Court in a Case on the Rule of Law of Movement of a Child across the Border to a Foreign Country or Detention in a Foreign Country

(1) If a foreign court examines a case regarding return of a child wrongfully moved to such foreign country or detained therein to Latvia, upon a request of such court the person whose rights to implement guardianship or trusteeship have been infringed, as well as the Orphan's and Custody Court or a public prosecutor may submit an application to the court for the provision of an opinion to a foreign court on the rule of law of the movement of the child from Latvia across the border to a foreign country or detention in a foreign country. The application referred to in this Chapter may be submitted, if the relevant foreign country whose court is examining the case regarding return of a child wrongfully moved to such foreign country or detained therein to Latvia, is a contracting country to the Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction or the Hague Convention of 19 October 1996 on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children.

(¹) The person whose right to implement guardianship or trusteeship has been infringed, as well as the Orphan's and Custody Court or a public prosecutor have the right to submit the application referred to in Paragraph one of this Section to the court also if a request from a foreign court has not been received, but the abovementioned person, Orphan's and Custody Court, or public prosecutor are of the opinion that provision of such opinion to a foreign court would be useful.

(2) Cases regarding provision of an opinion to a foreign court on the wrongful removal of a child across the border to a foreign country or detention in a foreign country if the place of residence of the child is in Latvia shall be examined in the Vidzeme Suburb Court of Riga City.

(¹) *[30 October 2014]*

(3) The following shall be indicated in an application:

1) the name of the court to which the application has been submitted;

2) the given name, surname, personal identity number (if there is none, then other identification data), declared place of residence of the applicant, the additional address indicated in the declaration thereof, but if none, place of residence and address in Latvia for correspondence with the court for the receipt of judicial documents. If the applicant agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has been registered in the online system for correspondence with the court, an indication of registration shall be included as well;

3) the given name, surname, personal identity number (if such does not exist, then other identification data) of the wrongfully removed or detained child and other information regarding the child, as well as information regarding the possible whereabouts of the child and the identity of the person with whom the child may be found;

4) the given name, surname, personal identity number (if there is none, then other identification data), declared place of residence and the additional address indicated in the declaration, as well as the place of residence of the defendant, if it differs from the declared place of residence and the additional address indicated in the declaration, or information regarding his or her location;

5) the circumstances, which certify the custody or guardianship rights of the applicant;

6) the circumstances which certify the fact of the wrongful removal or detention of the child and civil law aspects;

7) the request of the applicant;

8) the list of attached documents;

9) the date when the application was drawn up.

(4) Documents which are the grounds for the application and a request of a foreign court, if any, shall be attached to the application.

(5) An application shall be signed by the applicant or the representative thereof. If the application has been submitted by the representative of the applicant, an authorisation or other document certifying authorisation to submit the application shall be attached to the application. If the declared place of residence or indicated address of the representative of the applicant is outside Latvia, in addition the electronic mail address shall be indicated or registration of participation in the online system shall be notified. If the representative of the applicant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally.

(6) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

(7) A judge shall take a decision to refuse to accept an application, if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto. A decision shall not be subject to appeal.

[4 August 2011; 29 November 2012; 30 October 2014; 23 April 2015; 23 November 2016; 1 June 2017; 14 December 2017]

Section 644.⁸ Leaving an Application Not Proceeded With

If an application fails to comply with the requirements of Section 644.⁷, Paragraphs three and four of this Law or if an authorisation does not arise from the power of attorney or other document attached to the application for a representative to apply to the court with such application, the court shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall set in.

[23 April 2015]

Section 644.⁹ Examination of an Application

(1) A court shall examine an application in a court hearing within 15 days after initiation of the case, with participation of the applicant and the representative of the relevant Orphan's and Custody Court. The Orphan's and Custody Court shall have the rights of a participant in the case specified in Section 88, Paragraph two of this Law.

(2) The defendant shall be notified of the court hearing if his or her address is known. The defendant shall be notified of the court hearing based on the address of his or her declared place of residence, but in cases when additional address has been indicated in the declaration - based on the additional address, as well as based on the address of the place of residence or location, if it differs from the address of the declared place of residence and additional address indicated in the declaration. Failure of such person to attend shall not constitute a bar for the examination of the application.

(3) The court shall take a decision by which an opinion is provided to the foreign court on the rule of law of movement of a child across the border of Latvia to a foreign country or detention in a foreign country.

(4) If the court finds that the child is located in Latvia, it shall take a decision on leaving the application without examination.

(5) When examining the application, the court shall, upon its own initiative, request evidence.

(6) *[14 December 2017]*

(7) The court decision shall enter into effect without delay and shall not be subject to appeal.

[4 August 2011; 29 November 2012; 14 December 2017]

Section 644.¹⁰ Competence of the Regional Court

[14 December 2017]

Section 644.¹¹ Actions after Taking of a Decision

(1) The court shall submit a true copy of the decision taken by which an opinion is provided to a foreign court on the rule of law of movement of a child from Latvia across the border to a foreign country or detention in a foreign country to the Ministry of Justice, if a request for the return of the child to Latvia has been submitted to the foreign country with the intermediation of the Ministry of Justice.

(2) [12 June 2009]

(3) A court, upon its own initiative, or the Ministry of Justice shall attach to the judicial documents information on the provisions of the Latvian laws and regulations.

[12 June 2009; 14 December 2017]

Section 644.¹² Consequences of a Ruling Made by a Foreign Court or Competent Authority on the Non-return of the Child

(1) In Latvia a decision by a foreign court or competent authority and other documents regarding the non-return of a child to Latvia taken on the basis of Article 13 of the Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction shall be submitted to the court with the intermediation of the Ministry of Justice in accordance with Article 11(6) of Council Regulation No 2201/2003.

(2) The Ministry of Justice, after receipt of the documents referred to in Paragraph one of this Section, shall send them to the Vidzeme Suburb Court of Riga City, informing the relevant Orphan's and Custody Court on the decision of the foreign court or competent authority.

(3) The court after receipt of the documents referred to in Paragraph one of this Section shall inform the interested persons and invite them to turn to the court in accordance with Article 11(7) of Council Regulation No 2201/2003 if it is applicable in the relevant case.

[4 August 2011; 29 November 2012; 30 October 2014; 14 December 2017]

Chapter 77.²

Cases Regarding the Wrongful Removal of Children across Borders to Latvia or Detention in Latvia

[7 September 2006]

Section 644.¹³ Procedures for Examining Cases

Cases regarding wrongful removal of a child across borders to Latvia or detention in Latvia if the place of residence of the child is in another state shall be examined in accordance with the provisions of this Chapter, taking into account the general provisions of this Law.

Section 644.¹⁴ Jurisdiction of Cases

(1) Cases regarding wrongful removal of a child across the border to Latvia or detention in Latvia if the place of residence of the child is in another country shall be examined in the Vidzeme Suburb Court of Riga City.

(2) [30 October 2014]

[29 November 2012; 30 October 2014; 14 December 2017]

Section 644.¹⁵ Application for the Return of a Child to the State, which is his or her Place of Residence

(1) In order to ensure the return to the state, which is his or her place of residence, of such a child who has been wrongfully removed to Latvia or detained in Latvia, the person whose right to implement custody or guardianship has been breached may submit an application to a court regarding the return of the child to the state, which is his or her place of residence, if the relevant state is a contracting state to the Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction or the Hague Convention of 19 October 1996 on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children.

(2) The application referred to in Paragraph one of this Section may be submitted to a court also by competent authorities in order to apply the Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction, the Hague Convention of 19 October 1996 on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children or Council Regulation No 2201/2003.

(3) The following shall be indicated in an application:

1) the name of the court to which the application has been submitted;

2) the given name, surname, personal identity number (if there is none, then other identification data), declared place of residence and the additional address indicated in the declaration, but if none, the place of residence of the applicant or information regarding his or her location, as well as a correspondence address in Latvia for the receipt of judicial documents. If the applicant agrees to electronic correspondence with the court, an electronic mail address shall also be indicated and, if he or she has been registered in the online system for correspondence with the court, an indication of registration shall be included as well;

3) the given name, surname, personal identity number (if such does not exist, then other identification data) of the wrongfully removed or detained child and other information regarding the child, as well as information regarding the possible location of the child and the identity of the person with whom the child may be found;

4) the given name, surname, personal identity number (if there is none, then other identification data), declared place of residence and the additional address indicated in the declaration, as well as the place of residence of the defendant, if it differs from the declared place of residence and the additional address indicated in the declaration, or information regarding his or her location;

5) the circumstances, which certify the custody or guardianship rights of the applicant to the child;

6) the circumstances which certify the fact of the wrongful removal or detention of the child and civil law aspects;

7) the request of the applicant;

7¹) whether the applicant or his or her representative will participate in the voluntary enforcement of the decision on return of the child to the state, which is his or her place of residence, in the territory of Latvia;

8) the list of attached documents;

9) the date when the application was drawn up.

(4) The following shall be attached to an application:

1) the documents upon which it is based;

2) certified information from the relevant competent authority regarding legal regulations in the state, which is the place of residence of the child;

3) a translation into the official language of the application and the documents certified according to specified procedures referred to in Clauses 1 and 2 of this Paragraph.

(5) The application shall be signed by the applicant or the representative thereof. If the application has been submitted by the representative of the applicant, an authorisation or other document certifying authorisation to submit the application shall be attached to the application. If the declared place of residence or indicated address of the representative of the applicant is outside Latvia, in addition the electronic mail address shall be indicated or registration of participation in the online system shall be notified. If the representative of the applicant is a sworn advocate, an electronic mail address of the sworn advocate shall be indicated additionally.

(6) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

(7) A judge shall take a decision to refuse to accept an application, if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto. A decision shall not be subject to appeal.

[4 August 2011; 29 November 2012; 23 April 2015; 23 November 2016; 1 June 2017]

Section 644.¹⁶ Leaving an Application Not Proceeded With

If an application fails to comply with the requirements of Section 644.¹⁵, Paragraphs one, two, three and four of this Law or if an authorisation does not arise from the power of attorney or other document attached to the application for a representative to apply to the court with such application, the court shall leave the application not proceeded with only in such case when the lack of the documents or necessary information significantly influences the possibility of

examination of the application.

(2) If a court in conformity with Paragraph one of this Section leaves the application not proceeded, the consequences provided for in Section 133 of this Law shall come into effect.

[23 April 2015]

Section 644.¹⁷ Search for the Defendant and Child

(1) If the place of residence or whereabouts of the defendant or the child wrongfully removed to Latvia or detained in Latvia is not known, but there is a basis for believing that the child is located in Latvia, a judge on the basis of receipt of the application referred to in Section 644.¹⁵ of this Law shall take a decision on search for the child or defendant with the assistance of the police.

(2) The court shall stay legal proceedings if a decision on the search for the defendant or the child with the assistance of the police has been taken.

(3) Legal proceedings shall be stayed until the defendant or the child is found.

[4 August 2011]

Section 644.¹⁸ Court Action after Initiation of a Case

(1) A court shall notify the Ministry of Justice regarding initiation of a case. The Ministry of Justice shall inform the competent authorities, which are in the place of residence of the child of this in order to apply the Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction, the Hague Convention of 19 October 1996 on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children or Council Regulation No 2201/2003.

(2) If the application is based upon a decision taken by the relevant competent authority of the foreign state regarding the return of the child, the court may in addition directly inform also the relevant foreign competent authority, which has taken the decision on the return of the child to the relevant state.

(3) Court documents and summons shall be delivered to the defendant based on the address of his or her declared place of residence, but in cases when additional address has been indicated in the declaration - based on additional address, as well as based on the address of the place of residence or location, if it differs from the declared place of residence and additional address indicated in the declaration.

[12 June 2009; 29 November 2012]

Section 644.¹⁹ Examination of an Application

(1) An application shall be examined in a court hearing within 15 days after initiation of the case with participation of the parties. A representative of the Orphan's and Custody Court shall be invited to the court hearing, as well as clarify the opinion of the child if he or she is able to formulate it considering his or her age and degree of maturity. The Orphan's and Custody Court shall have the rights of a participant in the case specified in Section 88, Paragraph two of this Law.

(2) If the defendant, without a justified cause, fails to attend according to a court summons, he or she may be brought to court by forced conveyance.

(3) If one of the parties lives far away or due to other reasons cannot attend according to a court summons, the court may admit a written explanation by this party or the participation of his or her representative as sufficient for examination of the case.

(4) In examining the application, the court shall, upon its own initiative, request evidence by using the most appropriate procedural possibilities, as well as the quickest way of acquiring evidence.

(5) If the court finds that the child is located in a foreign state, it shall take a decision on leaving the application without examination.

(6) If the court finds that the child has been wrongfully removed to Latvia or detained in Latvia, it shall take a decision to return the child to the state, which is his or her place of residence.

(7) The court shall take a decision on return or non-return of the child to the state, which is his or her place of residence, by applying the provisions of Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction or Council Regulation No 2201/2003.

(8) During examination of the case the court shall ascertain the opinion of the participants in the case regarding measures of voluntary enforcement of the possible decision on return of the child to the state, which is his or her place

of residence.

(9) In taking a decision on return of the child to the state, which is his or her place of residence, the court shall indicate the time period for voluntary enforcement of the decision and, if possible, the procedures for voluntary enforcement of the decision. The time period for voluntary enforcement of the decision shall be determined not longer than 30 days from the day of coming into effect of the decision. In the decision the court shall warn the defendant - if the decision is not enforced voluntarily, a fine will be applied and enforcement will be performed in accordance with the procedures laid down in this Law, as well as an issue regarding commencement of criminal proceedings may be decided.

(10) In the ruling the court shall impose an obligation on the defendant to notify the Ministry of Justice immediately, if until enforcement of the ruling he or she changes his or her place of residence or location, or the location of the child is changed.

[4 August 2011]

Section 644.²⁰ Entering into Effect of Decision and Appeal Thereof

(1) An ancillary complaint may be submitted regarding a decision of a court. If the decision has been taken without the presence of a participant in the case, the time period for submitting a complaint shall be counted from the day of issue of a true copy of the decision.

(2) A decision of the court of first instance shall enter into lawful effect when the time period for its appeal has expired.

[4 August 2011]

Section 644.²¹ Competence of the Regional Court

(1) The regional court shall examine an ancillary complaint within 15 days after initiation of the appeal proceedings. The regional court, when examining an ancillary complaint, has the right to:

- 1) leave the decision unamended, but to reject the complaint;
 - 2) withdraw the decision and decide the issue according on the merits.
- (2) The decision shall enter into effect and shall be enforced without delay.

[4 August 2011]

Section 644.²² Actions after Taking of a Decision

A true copy of the decision taken by a court regarding the non-return of the child to the state, which is his or her place of residence, and other materials of the case shall be submitted to the Ministry of Justice.

[12 June 2009]

Chapter 77.³ Cases regarding the European Account Preservation Order

[8 December 2016 / Chapter shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²³ Jurisdiction of the Case regarding European Account Preservation Order

(1) An application for the issuing of a European Account Preservation Order shall be submitted to the court wherein the action, regarding the claim sought to be secured, is to be brought, or to the court wherein the case for examination on the merits is in the record-keeping.

(2) If in the case referred to in Article 6(2) of Regulation No 655/2014 of the European Parliament and of the Council a case is in fact within the jurisdiction of a foreign court, an application for the issuing of a European Account Preservation Order shall be submitted to a district (city) court based on the declared place of residence or the place of residence of the defendant.

(3) In the case referred to in Article 6(4) of Regulation No 655/2014 of the European Parliament and of the Council the plaintiff may submit an application for the issuing of a European Account Preservation Order to any district (city) court of his or her choice which is in the operational territory of the regional court to which the sworn notary, who has drawn up the relevant notarial deed, is assigned.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²⁴ Application for the Issuing of a European Account Preservation Order

(1) A document that certifies the payment of a State duty in the amount and in accordance with the procedures laid down in the law shall be attached to the application referred to in Article 8 of Regulation No 655/2014 of the European Parliament and of the Council.

(2) An application shall be signed by the plaintiff or the representative thereof. If the application has been signed by the representative, an authorisation or another document certifying the authorisation of the representative to apply to the court with an application shall be attached to the application.

(3) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²⁵ Information on the Monetary Funds (Accounts) of the Defendant in a Credit Institution

(1) If the plaintiff, in accordance with Article 14(1) and (2) of Regulation No 655/2014 of the European Parliament and of the Council, requests the court to obtain information on the monetary funds (accounts) of the defendant in a credit institution, the plaintiff shall, in addition to that referred to in Paragraph 644.²⁴, Paragraph one of this Law, attach a document certifying the payment of expenses related to the obtaining of information.

(2) If the request of the plaintiff for the obtaining of the information on the monetary funds (accounts) of the defendant in a credit institution complies with the requirements referred to in Article 14(3) of Regulation No 655/2014 of the European Parliament and of the Council, the court shall satisfy the request of the plaintiff.

(3) In order to obtain the information referred to in Paragraph one of this Section, the court shall send a request as an electronic mail item signed with a secure electronic signature to credit institutions for provision of information on the monetary funds (accounts) of the defendant in a credit institution.

(4) A credit institution shall immediately, but not later than on the third day upon the day of receipt of the request from the court in an electronic mail item signed with a secure electronic signature, send the court the information on the monetary funds (accounts) of the defendant in the relevant credit institution.

(5) The request for provision of the information on the monetary funds (accounts) of the defendant in a credit institution abroad shall be sent by a court to a foreign information institution in accordance with the procedures laid down by Article 29 of Regulation No 655/2014 of the European Parliament and of the Council.

(6) If a court considers that the request of the plaintiff for obtaining of the information on the monetary funds (accounts) of the defendant in a credit institution is not justified, it shall reject the request. An ancillary complaint regarding a decision of a court or a judge may be submitted within the time period specified in Article 21(2) of Regulation No 655/2014 of the European Parliament and of the Council.

(7) If a foreign court wherein the application for the issuing of a European Account Preservation Order has been submitted requests the information on the monetary funds (accounts) of the defendant in a credit institution in accordance with Article 14(3) of Regulation No 655/2014 of the European Parliament and of the Council, the court shall obtain this information in accordance with the procedures laid down by Paragraphs one, three and four of this Section, as well as send it to the relevant foreign court in accordance with Article 14(6) of Regulation No 655/2014 of the European Parliament and of the Council.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²⁶ Reasons for Non-Acceptance of Application

(1) A court shall refuse to accept an application for the issuing of a European Account Preservation Order if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto.

(2) A court shall take a reasoned decision to refuse to accept an application. A decision, together with the submitted application, shall be issued to the possible plaintiff. A decision shall not be subject to appeal.

(3) Refusal by a judge to accept an application in the cases referred to in Paragraph one of this Section shall not constitute a bar for the submission of the same application to the court after the deficiencies thereof have been eliminated.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²⁷ Leaving an Application Not Proceeded With

(1) If the plaintiff has failed to submit all information required by Article 8 of Regulation No 655/2014 of the European Parliament and of the Council or to attach the documents certifying payment of the State duty and expenses related to the obtaining of information, or if the authorisation to apply to the court by a representative does not arise from the power of attorney or other document attached to the application, the court shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall come into effect.

(2) If the plaintiff fails to eliminate deficiencies within the specified time period and the application is returned to the plaintiff, a court shall concurrently take a decision to disburse the amount paid for securing compensation for losses from the account of the bailiff, if the plaintiff has provided the security for losses referred to in Section 644.²⁸, Paragraph one of this Law. The decision shall be enforced without delay.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²⁸ Securing of the Possible Losses of the Defendant

(1) Security for losses which the plaintiff provides in the cases referred to in Article 12 of Regulation No 655/2014 of the European Parliament and of the Council in order to secure losses, which the defendant might suffer because of the issuing of a European Account Preservation Order, shall be made by transferring the amount specified by a court or a judge to the bailiff's deposit account. The plaintiff shall indicate in his or her submission to the bailiff under which decision of a court on security of the possible losses of the defendant this amount is being transferred, as well as submit a copy of the relevant decision to the bailiff.

(2) A court shall take a decision to secure losses immediately upon the submission of the application referred to in Section 644.²⁴ of this Law but not later than within the time period specified in Article 18(4) of Regulation No 655/2014 of the European Parliament and of the Council. A decision shall not be subject to appeal. A court may take a decision to secure losses concurrently with the decision referred to in Section 644.²⁷ of this Law.

(3) A court shall take a decision on a European Account Preservation Order upon receipt of the notice by a bailiff regarding transfer of the amount specified for security of losses to the bailiff's deposit account, except for the cases referred to in Article 12(1)(2) and Article 12(2) of Regulation No 655/2014 of the European Parliament and of the Council. If the decision referred to in Paragraph two of this Section is taken concurrently with the decision referred to in Section 644.²⁷ of this Law, the decision on a European Account Preservation Order shall only be taken if the plaintiff has eliminated the deficiencies.

(4) In the case referred to in Article 14(7) of Regulation No 655/2014 of the European Parliament and of the Council a court shall immediately take a decision to disburse the amount paid for securing compensation for losses from the bailiff's deposit account. The decision shall be enforced without delay.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.²⁹ Compensation for Losses Caused by the Issuing of the European Account Preservation Order

(1) In addition to the cases referred to in Article 13(2) of Regulation No 655/2014 of the European Parliament and of the Council, a defendant is entitled to claim compensation for losses, which he or she has incurred in relation to the issuing of a European Account Preservation Order, also if the action brought against him or her was refused, left without examination or court proceedings were terminated in the cases specified in Section 223, Clauses 2 and 4 of this Law.

(2) An issue regarding disbursement of the amount paid for securing compensation for losses from the bailiff's deposit account to the defendant shall, upon a request of the defendant, be concurrently decided in the court judgment or decision by which the claim is left without examination or the case has been terminated. If the request and evidence regarding actual amount of losses has not been submitted to the court, the secured losses shall be reimbursed to the plaintiff.

(3) When rejecting or satisfying the claim in part, the court shall decide on the issue regarding full or partial disbursement of security for losses to the defendant upon a request of the defendant. If the request and evidence regarding actual amount of losses has not been submitted to the court, the secured losses shall be reimbursed to the plaintiff. If the action is brought in another country, the defendant shall additionally submit evidence that the claim has been rejected or satisfied in part.

(4) The defendant has the right to bring an action for compensation for non-recovered losses in accordance with Paragraph one of this Section.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³⁰ Decision to Issue the European Account Preservation Order

(1) A court shall take a decision to issue a European Account Preservation Order or a decision to fully or partly reject the application for the issuing of a European Account Preservation Order in accordance with the procedures laid down in Article 17 of Regulation No 655/2014 of the European Parliament and of the Council in the written procedure without prior notification to the defendant and other participants in the case.

(2) A court shall draw up a European Account Preservation Order in accordance with Article 19 of Regulation No 655/2014 of the European Parliament and of the Council. The court shall, upon request of the plaintiff, carry out transliteration or translation of the Order referred to in this Paragraph, on the basis of Article 23(4) of Regulation No 655/2014 of the European Parliament and of the Council.

(3) A decision of a court or a judge to fully or partly reject the application for the issuing of a European Account Preservation Order may be appealed in accordance with the procedures laid down in this Law and in accordance with the procedures and within the time period laid down in Article 21 of Regulation No 655/2014 of the European Parliament and of the Council.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³¹ Revocation of the European Account Preservation Order if no Action has been Brought

(1) If a plaintiff has submitted an application for the issuing of a European Account Preservation Order prior to the bringing of an action and has failed to bring an action within the time period specified in Article 10(1) of Regulation No 655/2014 of the European Parliament and of the Council, a court or a judge shall, upon its own initiative, take a decision to revoke the European Account Preservation Order by using the form referred to in Article 10(2) of Regulation No 655/2014 of the European Parliament and of the Council. The decision shall be enforced without delay.

(2) A court shall immediately, upon the taking of a decision, send it to the bailiff who has an enforcement case in his or her record-keeping, or if a decision is to be enforced abroad, in accordance with the procedures laid down in Article 29 of Regulation No 655/2014 of the European Parliament and of the Council - to the relevant foreign competent institution.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³² Enforcement of the Decision on the European Account Preservation Order

(1) A decision on a European Account Preservation Order shall be enforced immediately upon the taking thereof.

(2) A bailiff shall commence enforcement activities upon an application of a creditor together with part A of the European Account Preservation Order and a blank standard form for a declaration attached thereto in accordance with Article 25 of Regulation No 655/2014 of the European Parliament and of the Council.

(3) A bailiff shall, on the basis of part A of the European Account Preservation Order, give an order to a credit institution to seize monetary funds of the defendant in the amount specified in part A of the European Account Preservation Order by taking into account the restriction for the defendant referred to in Paragraph 3 of Annex 1 to this Law and the order for seizure of accounts of the defendant specified in Article 24(7) of Regulation No 655/2014 of the European Parliament and of the Council, and transfer them to the bailiff's deposit account.

(4) Upon the receipt of a notification from a credit institution of the results of enforcement of the Order referred to in Paragraph three of this Section, the bailiff shall, in accordance with the procedures laid down in Article 25(2) or, in the relevant case, paragraph 2 of Article 25(3) of Regulation No 655/2014 of the European Parliament and of the Council, send the court and the plaintiff a notification of the seizure of monetary funds of the defendant in a credit institution.

(5) A plaintiff shall submit a request for the release of over-preserved monetary funds to the bailiff in accordance with the procedures laid down in Article 27(2) of Regulation No 655/2014 of the European Parliament and of the Council.

(6) A bailiff shall, on the basis of the request of the plaintiff referred to in Paragraph five of this Section, repay the over-preserved monetary funds by transferring them to the account of the defendant from which monetary funds were received.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³³ Issuing of the European Account Preservation Order to the Defendant

(1) A European Account Preservation Order and other documents referred to in Article 28(1) of Regulation No 655/2014 of the European Parliament and of the Council shall be issued to a defendant by a court or in the case referred to in Paragraph four of this Section - by a bailiff.

(2) A court which has issued a European Account Preservation Order:

1) shall, upon the receipt of a notification of the seizing of monetary funds, submit the documents referred to in Paragraph one of this Section to a defendant within the time periods specified in Article 28 of Regulation No 655/2014 of the European Parliament and of the Council:

a) in accordance with the procedures laid down in this Law by registered mail if the place of residence or location of the defendant is in Latvia,

b) by forwarding documents to a competent institution of the foreign state in which the place of residence or location of the defendant is if the place of residence or location of the defendant is in another European Union Member State,

c) in accordance with the procedures laid down in Chapters 82 and 83 of this Law if the place of residence or location of the defendant is not a European Union Member State;

2) shall immediately, upon request of the plaintiff, send the documents referred to in Article 28(5) of Regulation No 655/2014 of the European Parliament and of the Council to an enforcement foreign competent institution in the case referred to in paragraph 2 of Article 28(3) of this Regulation.

(3) If a European Account Preservation Order has been issued by a foreign court and the declared place of residence, place of residence, location or legal address of a defendant is in Latvia, the documents referred to in Paragraph one of this Section shall, upon request of a foreign court or a participant in the case, be issued by the court in the territory of which the declared place of residence, place of residence, location or legal address of the defendant is located. A court shall inform a foreign court or a participant in the case of the issuing of the documents, depending on which has submitted the request referred to in this Paragraph.

(4) A bailiff who has an enforcement case in his or her record-keeping which has been commenced upon a European Account Preservation Order issued by a foreign court shall, in the case referred to in paragraph 2 of Article 28(3) of Regulation No 655/2014 of the European Parliament and of the Council upon a written request of a creditor, send the documents referred to in Paragraph one of this Section by registered mail to a defendant who has a declared place of residence, place of residence, location or legal address in Latvia. The bailiff shall inform the creditor of the sending of the documents. It shall be considered that the documents referred to in Paragraph one of this Section are served to the defendant on the seventh day from the day of the sending thereof.

(5) A court or a bailiff, depending on which has been responsible for serving of the documents in accordance with provisions of this Section, shall, upon a written request of the plaintiff, in accordance with the procedures laid down in paragraph 3 of Article 33(3) of Regulation No 655/2014 of the European Parliament and of the Council repeatedly send the documents referred to in Paragraph one of this Section to the defendant.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³⁴ Revocation, Amending, Refusal of Enforcement or Varying of Procedures of Enforcement of the European Account Preservation Order

(1) A court which has issued a European Account Preservation Order or a court wherein the case for examination on the merits is in the record keeping may revoke or amend a European Account Preservation Order:

1) upon an application of a defendant in accordance with Article 33 of Regulation No 655/2014 of the European Parliament and of the Council;

2) upon an application of a defendant or a plaintiff in accordance with Article 35(1) of Regulation No 655/2014 of the European Parliament and of the Council;

3) upon a common application of a defendant and a plaintiff in accordance with Article 35(3) of Regulation No 655/2014 of the European Parliament and of the Council.

(2) A court which has issued a European Account Preservation Order, or a court wherein the case for examination on the merits is in the record keeping may refuse to enforce a European Account Preservation Order or vary procedures of enforcement thereof:

1) upon an application of a defendant in accordance with points (a), (b)(i) and (b)(iii) of Article 34(1) of Regulation No

655/2014 of the European Parliament and of the Council;

2) upon an application of a plaintiff in accordance with Article 35(4) of Regulation No 655/2014 of the European Parliament and of the Council.

(3) Upon the receipt of the application of the defendant referred to in Paragraph one, Clause 1 of this Section, a court may repeatedly decide on the obligation imposed upon the defendant in accordance with Section 644.²⁸ of this Law.

(4) The application referred to in Paragraphs one and two of this Section and submitted by using the form referred to in Article 36 of Regulation No 655/2014 of the European Parliament and of the Council shall be examined in the written procedure upon prior notification to the participants in the case. Concurrently with the notification the court shall send an application to the participants in the case and determine a time period for the submission of the explanation, except for an application which the defendant has submitted in accordance with Article 34(1)(a) or Article 35(3) of Regulation No 655/2014 of the European Parliament and of the Council.

(5) If the application has been submitted in accordance with Article 33(1)(b) and (c) of Regulation No 655/2014 of the European Parliament and of the Council, the court shall notify the participants in the case thereof by determining a time period for the plaintiff to eliminate the deficiencies referred to in these points in accordance with the procedures laid down in Article 33(3) and (4) of this Regulation.

(6) If the plaintiff fails to eliminate the deficiencies referred to in Paragraph five of this Section, the application shall be examined in accordance with the procedures laid down in Paragraph four of this Section. If the plaintiff eliminates the deficiencies referred to in Paragraph five of this Section, a court shall reject the application.

(7) A court shall take the decision referred to in Paragraphs one and two of this Section within the time period referred to in Article 36(4) of Regulation No 655/2014 of the European Parliament and of the Council, and this decision shall be enforced immediately.

(8) An ancillary complaint regarding the decision of the court may be submitted by using the form referred to in Article 37 of Regulation No 655/2014 of the European Parliament and of the Council.

(9) If a European Account Preservation Order is to be enforced abroad, a court shall forward the decision referred to in Paragraphs one, two and three of this Section to a foreign competent institution in accordance with the procedures laid down in paragraph 2 of Article 36(5) of Regulation No 655/2014 of the European Parliament and of the Council.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³⁵ Refusal of Enforcement or Varying of Procedures of Enforcement of the European Account Preservation Order Issued by a Foreign Court

(1) A district (city) court in the territory of which a European Account Preservation Order is to be enforced is entitled:

1) upon an application of a defendant in the cases referred to in Article 34 of Regulation No 655/2014 of the European Parliament and of the Council or upon a common application of a plaintiff and a defendant in the case referred to in Article 35(3) of Regulation No 655/2014 of the European Parliament and of the Council, to refuse to enforce a European Account Preservation Order or vary procedures of enforcement thereof;

2) upon an application of a plaintiff in the case referred to in Article 35(4) of Regulation No 655/2014 of the European Parliament and of the Council, to vary procedures of enforcement thereof.

(2) The procedures laid down in Section 644.³⁴ of this Law shall be applied to the examination of the application referred to in Paragraph one of this Section.

(3) A court shall take the decision referred to in Paragraph one of this Section within the time period referred to in Article 36(4) of Regulation No 655/2014 of the European Parliament and of the Council, and this decision shall be enforced immediately.

(4) An ancillary complaint regarding the decision of the court may be submitted by using the form referred to in Article 37 of Regulation No 655/2014 of the European Parliament and of the Council.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Section 644.³⁶ Replacement of the European Account Preservation Order

(1) A court which has issued a European Account Preservation Order upon an application of a defendant, on the basis of point (a) of Article 38(1) of Regulation No 655/2014 of the European Parliament and of the Council, may

replace the European Account Preservation Order by the means for securing a claim provided for in Section 138 of this Law.

(2) A court in the operational territory of which the European Account Preservation Order issued by a foreign court is to be enforced may, upon an application of a defendant, on the basis of point (b) of Article 38(1) of Regulation No 655/2014 of the European Parliament and of the Council, replace the European Account Preservation Order by the means for securing a claim provided for in Section 138 of this Law.

(3) The application referred to in Paragraphs one and two of this Section shall be examined in the written procedure upon prior notification to the participants in the case. Concurrently with the notification the court shall send an application to participants in the case and determine a time period for submission of an explanation.

(4) An ancillary complaint may be submitted regarding a decision of a court.

(5) A decision to replace a European Account Preservation Order shall be enforced by the bailiff who has a case in his or her record-keeping regarding enforcement of the relevant European Account Preservation Order by first securing a claim with the replacing means for securing a claim and then revoking seizure of the monetary funds which was performed in accordance with the European Account Preservation Order. The sum that has been paid into the bailiff's deposit account in accordance with the European Account Preservation Order shall be repaid by the bailiff only on the basis of a court ruling.

[8 December 2016 / Section shall come into force on 18 January 2017. See Paragraph 121 of Transitional Provisions]

Chapter 78

Recognition and Enforcement of a Ruling of a Foreign Arbitration Court

Section 645. Ruling of a Foreign Arbitration Court

A ruling of a foreign arbitration court is a binding ruling made by a foreign arbitration court irrespective of its designation.

Section 646. Recognition of a Judgment of a Foreign Arbitration Court

Recognition of a judgment of a foreign arbitration court shall take place in accordance with this Law and international agreements binding upon the Republic of Latvia.

Section 647. Submission of an Application

(1) An application for the recognition and enforcement of a ruling of a foreign arbitration court shall be submitted for examination to a district (city) court on the basis of the place of enforcement of the ruling or also based on the declared place of residence of the defendant, but if none, the place of residence of the defendant or legal address.

(2) The information referred to in Section 638 of this Law shall be indicated in an application.

(3) The following shall be attached to an application:

1) the original of the ruling of a foreign arbitration court or a properly certified true copy thereof;

2) a document certifying the written agreement of the parties regarding the transfer of the dispute for examination to the arbitration court;

3) a translation into the official language of the application and of the documents certified according to specified procedures referred to in Clauses 1 and 2 of this Paragraph;

4) true copies of the application and the attached documents thereto for issuing to the parties;

5) a document that certifies the payment of State duty in the amount and in accordance with the procedures laid down in law.

(4) The applicant or his or her representative shall sign the application. If the application has been signed by the representative, an authorisation or another document certifying the authorisation of the representative to apply to the court with an application shall be attached to the application.

(5) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

(6) A judge shall take a decision to refuse to accept an application, if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto. A decision shall not be subject to appeal.

[29 November 2012; 23 April 2015]

Section 648. Leaving an Application Not Proceeded With

If an application fails to comply with the requirements of Section 647, Paragraphs two and three of this Law or if an authorisation does not arise from the power of attorney or other document attached to the application for a representative to apply to the court with such application, the judge shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall set in.

[23 April 2015]

Section 649. Examination of an Application

(1) An application for the recognition and enforcement of a ruling of a foreign arbitration court shall be examined at a court hearing, notifying the parties thereof beforehand. Failure of such persons to attend shall not constitute a bar for the examination of the application.

(2) A court may request explanations from parties or also additional information from the foreign arbitration court, which gave the ruling.

(3) Having examined an application for the recognition and enforcement of a ruling of a foreign arbitration court, a court shall take a decision to recognise and enforce the ruling or to reject the application.

(4) An application shall only be dismissed in the cases provided for in international treaties binding upon the Republic of Latvia.

(5) An ancillary complaint may be submitted regarding a decision of a court.

Section 650. Ensuring Enforcement of a Ruling of a Foreign Arbitration Court

(1) On the basis of an application from the applicant, the court decision upon which a ruling of the foreign arbitration court is recognised, may specify the measures provided for in Section 138 of this Law to ensure the enforcement of the ruling of the foreign arbitration court.

(2) Submission of the ancillary complaints referred to in Section 649, Paragraph five of this Law shall not stay the enforcement of the court decision in the part regarding ensuring the enforcement of the ruling of the foreign arbitration court.

[7 September 2006]

Section 651. Enforcement of a Ruling of a Foreign Arbitration Court

(1) A ruling of a foreign arbitration court after its recognition shall be enforced in accordance with the procedures laid down in this Law.

(2) Expenses related to the enforcement of a ruling of the foreign arbitration court shall be covered in accordance with general procedure unless otherwise provided in international agreements binding on the Republic of Latvia.

Chapter 78.¹

Adjustment of the Rights and Obligations Laid Down in a Ruling of a Foreign Court for Enforcement Thereof in Latvia

[23 April 2015]

Section 651.¹ Rights and Obligations Laid Down in a Ruling of a Foreign Court which are to be Adjusted for Enforcement Thereof in Latvia

Within the meaning of this Chapter a ruling of a foreign court is such ruling of a foreign court or foreign competent institution which in accordance with directly applicable legal norms of the European Union or international agreements binding upon the Republic of Latvia shall be recognised or declared as enforceable in Latvia, and also such ruling which is enforceable in accordance with the procedures laid down in this Law without asking for a recognition of the ruling of a foreign court and declaration of enforcement of the ruling of a foreign court.

Section 651.² Adjustment of the Rights and Obligations Laid Down in a Ruling of a Foreign Court for Enforcement Thereof in Latvia

(1) If a ruling of a foreign court, in full or as to part thereof, does not have legal consequences in Latvia, because such rights and obligations have been established therein, which are not known in legal acts of Latvia, adjustment of

the rights and obligations laid down in the ruling of the foreign court shall be carried out for enforcement thereof in Latvia. The adjusting referred to in this Paragraph shall be carried out in such cases which are provided for in the legal norms of the European Union or international agreements binding upon the Republic of Latvia.

(2) The rights and obligations laid down in a ruling of a foreign court shall be adjusted for enforcement in Latvia as much as possible by adjusting them for those legal institutions which are known in the legal acts of Latvia and which have equal legal consequences, objectives and purposes. The adjustment of rights and obligations laid down in a ruling of a foreign court may not cause such legal consequences which exceed the legal consequences laid down in the legal acts of the relevant foreign country.

(3) If an issue regarding adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia is related with an issue regarding recognition of such ruling or recognition and enforcement thereof, the issues shall be concurrently examined by applying the provisions of Chapter 77 and this Chapter of this Law. If the ruling of the foreign court is to be enforced in accordance with the procedures laid down in this Law, without asking for a recognition of the ruling of the foreign court and declaration of the enforcement of the ruling of the foreign court, the issue regarding adjustment of the rights and obligations laid down in the ruling of the foreign court for enforcement thereof in Latvia, shall be examined as a separate issue by applying only the provisions of this Chapter.

Section 651.³ Submission of an Application

(1) An application for the adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia shall be submitted for examination to a district (city) court based on the place of enforcement of the ruling or also based on the declared place of residence of the defendant, but if none, place of residence or legal address of the defendant.

(4) The information referred to in Section 638, Paragraph two of this Law, and also a request of the applicant to adjust the rights and obligations laid down in a ruling of a foreign court, which are not known in the legal acts of Latvia, to the relevant legal institutions, which are known in the legal acts of Latvia, shall be indicated in the application.

(3) If the issue regarding adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia is to be examined as a separate issue, a request of the applicant to recognise or recognise and enforce the decision of the foreign court, in full or in any part thereof, shall not be indicated in the application.

(4) The following shall be attached to an application:

1) the relevant ruling of the foreign court or duly certified true copy of the ruling and translation thereof in the official language certified in accordance with the laid down procedures;

2) the text of the relevant foreign law which determines the rights or obligations laid down in the ruling of the foreign court which are not known in the legal acts of Latvia, and a translation thereof in the official language certified in accordance with the laid down procedures;

3) the document approving the content of the relevant foreign law which determines the rights or obligations laid down in the ruling of the foreign court which are not known in the legal acts of Latvia, and a translation thereof in the official language certified in accordance with the laid down procedures;

4) a document that certifies the payment of State duty in the amount and in accordance with the procedures laid down in law.

(5) In the cases regarding adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia in accordance with Article 11 of Council Regulation No 606/2013 the documents referred to in Paragraph four, Clauses 2 and 3 of this Section shall not be attached.

(6) An application shall be signed by the applicant or the representative thereof. If the application has been signed by the representative, an authorisation or another document certifying the authorisation of the representative to apply to the court with such application shall be attached to the application.

(7) An application which is not signed shall be regarded as not submitted and shall be sent back to the submitter.

(8) A judge shall take a decision to refuse to accept an application, if a power of attorney or other document certifying authorisation of the representative to apply to the court with such application is not attached thereto. A decision shall not be subject to appeal.

Section 651.⁴ Leaving an Application Not Proceeded With

If an application fails to comply with the requirements of Section 651.³, Paragraphs two and four of this Law or if an authorisation does not arise from the power of attorney or other document attached to the application for a

representative to apply to the court with such application, the court shall leave the application not proceeded with and the consequences provided for in Section 133 of this Law shall set in.

Section 651.⁵ Deciding on an Application

(1) A decision to adjust the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia or a decision to refuse the application shall be taken by a judge sitting alone on the basis of the submitted application and the documents attached thereto within 10 days after initiation of the case without inviting the parties.

(2) In the cases specified in Article 11 of Council Regulation No 606/2013 the judge shall take the decision referred to in Paragraph one of this Section on the next working day after receipt of the application without inviting the parties. The decision to adjust the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia in accordance with Article 11 of the Council Regulation No 606/2013 shall be notified to the defendant in conformity with Article 11(4) of the abovementioned Regulation.

(3) If upon assessing objective circumstances related to a case, particularly - the level of complexity and volume of the case, the judge considers as impossible to take the decision referred to in Paragraph one of this Section within 10 days, he or she shall take it as soon as possible.

Section 651.⁶ Entering into Effect, Enforcement and Appeal of Decisions of a Court of First Instance and Appellate Court

(1) In respect of a decision of a court of first instance in the case regarding adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia, an ancillary complaint may be submitted to the regional court, and a decision of the regional court on an ancillary complaint may be appealed to the Supreme Court by submitting an ancillary complaint.

(2) A participant in the case whose declared place of residence, but if none, place of residence or legal address is in Latvia, may submit the complaints referred to in Paragraph one of this Section within 30 days from the day of issue of the true copy of the decision, but a participant in the case whose declared place of residence, but if none, place of residence or legal address is not in Latvia - within 60 days from the day of receipt of the true copy of the decision.

(3) A decision of a court of first instance and a decision of an appellate court shall enter into lawful effect when the time period for appeal thereof has elapsed, counting from the latest date of issue of the true copy of the decision, and an ancillary complaint has not been submitted.

(4) If the relevant confirmation regarding issue of the true copy of the decision has not been received in the case referred to in Paragraph three of this Section, the decision shall enter into lawful effect six months after declaration thereof.

(5) A decision of a court of first instance and a decision of an appellate court in the case regarding adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia shall be enforced immediately after taking thereof in accordance with Article 11 of the Council Regulation No 606/2013.

Section 651.⁷ Competence of the Regional Court

(1) The regional court, when examining an ancillary complaint, has the right to:

1) leave the decision unamended, but to reject the complaint;

2) revoke the decision fully or in any part thereof and take a decision on the issue regarding adjustment of the rights and obligations laid down in a ruling of a foreign court for enforcement thereof in Latvia;

3) amend the decision.

(2) The court may request explanations from the parties or additional information from the foreign court that had made the ruling.

Chapter 79 International Legal Cooperation

Section 652. Requests for Legal Assistance

[5 February 2009]

Section 653. Communication of Latvian Courts with Foreign Courts and Law Enforcement Institutions

Latvian courts shall communicate with foreign courts and law enforcement institutions in accordance with laws,

international agreements binding upon the Republic of Latvia and the legal norms of the European Union.

Section 653.¹ Legal Co-operation in Cases Regarding the Wrongful Removal of a Child across Borders or Detention

(1) Unless otherwise provided for in this Law, in cases regarding wrongful removal of a child across border or detention, Latvian courts shall communicate directly with the relevant foreign courts or competent authorities or with the intermediation of the Ministry of Justice.

(2) [12 June 2009]

(3) The judicial documents shall be translated into the language, which has been specified as the language of communication in the application of the relevant legal act, or in the official language of the recipient of the documents, or in such language, which the relevant state has notified as being acceptable for communications, and shall be ensured by the Ministry of Justice.

(4) In order to apply the Hague Convention of 19 October 1996 on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children, the Hague Convention of 25 October 1980 on the Civil Aspects of International Child Abduction, or Council Regulation No 2201/2003, the documents of foreign competent authorities, the applications of persons or other documents to be submitted to the Ministry of Justice, in the relevant cases shall be drawn up in the original language attaching translation in the official language, but, if it is not possible, the documents may be submitted in English, and the translation shall be ensured by the Ministry of Justice.

[7 September 2006; 12 June 2009]

Chapter 80

Application of Foreign Laws to Trying of Civil Cases

Section 654. Texts of Foreign Laws

In cases where foreign laws shall be applied, the participant in the case who refers to the foreign law shall submit to the court a translation of the text into the official language certified in accordance with the specified procedures.

Section 655. Ascertaining the Content of Foreign Law

(1) In accordance with the specified procedures in international agreements binding on the Republic of Latvia, a court shall ascertain the content of the foreign law to be applied.

(2) In other cases, a court with the intermediation of the Ministry of Justice and within the bounds of possibility shall ascertain the content of the foreign law to be applied.

Division Sixteen

International Civil Procedural Cooperation in the Service of Documents

[5 February 2009]

Chapter 81

International Civil Procedural Cooperation in the Service of Documents in Accordance with the Regulation No 1393/2007 of the European Parliament and of the Council

Section 656. Grounds for International Civil Procedural Co-operation in the Service of Documents

(1) A bailiff shall serve documents to a person whose declared place of residence, place of residence, location, or legal address is in Latvia and whose address is known, on the basis of a request from the competent foreign authority for the service of judicial or extrajudicial documents (hereinafter - the foreign request for the service of documents) and assessment of the conformity of the foreign request for the service of documents with the requirements of Regulation No 1393/2007 of the European Parliament and of the Council which has been carried out by the Latvian Council of Sworn Bailiffs.

(2) If judicial documents are served to a person whose place of residence, location or legal address is not in Latvia and whose address is known, the court may submit a request to a foreign competent authority regarding service of judicial documents abroad (hereinafter - request of Latvia for service of documents) in accordance with Chapter II,

Section 1 of Regulation No 1393/2007 of the European Parliament and of the Council, or a court may serve judicial documents in accordance with Article 14 of Regulation No 1393/2007 of the European Parliament and of the Council.

(3) A participant in the case upon the consent of a judge may receive judicial documents for service to another participant in the case whose place of residence, location or legal address is not in Latvia and whose address is known in accordance with Article 15 of the Regulation No 1393/2007 of the European Parliament and of the Council, if such direct service is permitted by legal acts of the relevant Member State.

[29 November 2012; 30 October 2014; 31 May 2018 / The new wording of Paragraph one shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 657. Competence of the Ministry of Justice in the Service of Documents

(1) [30 October 2014].

(2) The Ministry of Justice shall perform the functions referred to in Article 3 of Regulation No 1393/2007 of the European Parliament and of the Council.

(3) If necessary the Ministry of Justice shall:

1) forward the request of Latvia for the service of documents to a foreign country with the intermediation of the Ministry of Foreign Affairs, using consular and diplomatic channels in accordance with Article 12 of Regulation No 1393/2007 of the European Parliament and of the Council;

2) request with the intermediation of the Ministry of Foreign Affairs to serve judicial documents to the diplomatic or consular agents of Latvia in accordance with Article 13 of Regulation No 1393/2007 of the European Parliament and of the Council.

[30 October 2014]

Section 658. Language and Form of the Request of a Foreign Country for the Service of Documents

[31 May 2018 / See Paragraph 147 of Transitional Provisions]

Section 659. Language and Form of the Request of Latvia for the Service of Documents

(1) In accordance with Articles 2, 4 and 10 of Regulation No 1393/2007 of the European Parliament and of the Council a court shall draw up the request of Latvia for the service of documents, certificate of service of documents and other forms provided for in Regulation No 1393/2007 of the European Parliament and of the Council in writing in the language of the Member State receiving the request or in the language which the relevant country has notified as acceptable for communication.

(2) The request of Latvia for the service of documents shall be signed by a judge and approved with a seal of the court.

(3) In accordance with Article 2 of Regulation No 1393/2007 of the European Parliament and of the Council the request of Latvia for the service of documents or certificate of service of documents shall be submitted by the court as a postal item. Other forms provided for in Regulation No 1393/2007 of the European Parliament and of the Council may be submitted by other means of communication, they need not be submitted as a postal item.

[30 October 2014]

Section 660. Language of Documents Attached to the Request of Latvia for the Service of Documents

(1) If judicial documents are served to persons abroad upon a request of the party, a court in accordance with Article 5 of Regulation No 1393/2007 of the European Parliament and of the Council shall explain to the party that the addressee is entitled to refuse to accept judicial documents if they have not been drawn up or a translation has not been attached thereto in any of the languages referred to in Article 8(1) of Regulation No 1393/2007 of the European Parliament and of the Council. In such case the party may, according to his or her preferences, draw up judicial documents or attach a translation thereto in any of the languages referred to in Article 8(1) of Regulation No 1393/2007 of the European Parliament and of the Council.

(2) In other cases, including in the cases when in accordance with Article 8(1) of Regulation No 1393/2007 of the European Parliament and of the Council the addressee has refused to accept judicial documents accompanied by the request of Latvia for the service of documents, a translation shall be attached thereto in the language of the Member State receiving the request or in a language which the addressee understands.

Section 661. Deciding on the Request of a Foreign Country for the Service of Documents and Enforcement Thereof

[31 May 2018 / See Paragraph 147 of Transitional Provisions]

Section 662. General Provisions for Execution of the Request of a Foreign Country for the Service of Documents

[30 October 2014]

Section 663. Enforcement of the Request of a Foreign Country for the Service of Documents by Foreign Diplomatic or Consular Agents

In accordance with Article 13 of Regulation No 1393/2007 of the European Parliament and of the Council the enforcement of the request of a foreign country for the service of documents by foreign diplomatic and consular agents, in serving of documents, is allowed only when the documents are served to the citizens of the relevant foreign country.

Section 664. Right of Addressee to Refuse to Accept Documents

(1) A bailiff shall explain to the addressee the right provided for in Article 8(1) of Regulation No 1393/2007 of the European Parliament and of the Council to refuse to accept documents on the basis specified in the abovementioned Article.

(2) If in accordance with Article 8(1) of Regulation No 1393/2007 of the European Parliament and of the Council the addressee has not refused to accept documents at the time of service thereof, he or she may refuse to accept documents within a week after receipt thereof by returning documents to the bailiff who served them.

(3) [30 October 2014]

[30 October 2014; 31 May 2018 / Amendments to Paragraphs one and two shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 665. Costs of the Execution of the Request of a Foreign Country for the Service of Documents

[31 May 2018 / See Paragraph 147 of Transitional Provisions]

Chapter 81.¹

International Civil Procedural Cooperation in the Service of Documents in Accordance with the 1965 Hague Convention

[31 May 2018 / Chapter shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 665.¹ Grounds for International Civil Procedural Co-operation in the Service of Documents

(1) A bailiff shall serve documents to a person whose declared place of residence, place of residence, location, or legal address is in Latvia and whose address is known, on the basis of a foreign request for the service of documents and assessment of the conformity of the foreign request for the service of documents with the requirements of the 1965 Hague Convention which has been carried out by the Latvian Council of Sworn Bailiffs.

(2) If judicial documents are served to a person whose place of residence, location, or legal address is not in Latvia and whose address is known, a court shall submit a request of Latvia for the service of documents to the central institution of the country receiving request.

(3) In accordance with Article 10(a) of the 1965 Hague Convention a court may serve judicial documents to a person whose place of residence, location, or legal address is not in Latvia and whose address is known by post, taking into account the conditions stipulated by the relevant contracting country, if it has not objected against such type of service.

(4) In accordance with Article 10(c) of the 1965 Hague Convention a participant in the case may, upon consent of a judge, receive judicial documents for service to another participant in the case whose place of residence, location, or legal address is not in Latvia and whose address is known, directly from judicial officers, other officials, or other competent persons of the recipient contracting country, taking into account the conditions stipulated by the relevant contracting country, if it has not objected against such type of service.

[31 May 2018 / Section shall come into force from 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 665.² Competence of the Ministry of Justice in the Service of Documents

The Ministry of Justice shall, if necessary:

1) forward the request of Latvia for the service of documents to a foreign country through the Ministry of Foreign Affairs, using consular and diplomatic channels in accordance with Article 9 of the 1965 Hague Convention;

2) through the Ministry of Foreign Affairs request diplomatic or consular agents of Latvia to serve judicial documents in accordance with Article 8 of the 1965 Hague Convention.

[31 May 2018 / Section shall come into force from 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 665.³ Language of a Request of Latvia for the Service of Documents

(1) A request of Latvia for the service of documents, certificates, and reports on the documents to be serviced shall be drawn up in the official language of the country receiving request or in English or French.

(2) Judicial documents attached to the request of Latvia for the service of documents shall be drawn up in the official language. A request for translation may be attached thereto in the official language of the country receiving request.

(3) If the country receiving the request or the addressee of the request has refused to accept documents in the language that is not the language of such country, a translation into the language of the country receiving the request shall be attached to the documents.

(4) If it is not possible to ensure a translation in any of the languages referred to in Paragraph three of this Section, the competent authorities of Latvia or a foreign country shall mutually agree on another language in which the documents should be drawn up or in which a translation should be attached thereto.

[31 May 2018 / Section shall come into force from 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 665.⁴ Form of a Request of Latvia for the Service of Documents

(1) A court shall prepare the request of Latvia for the service of documents and documents attached thereto in writing.

(2) A request of Latvia for the service of documents shall be signed by a judge and approved with a seal of the court.

(3) A court may submit a request of Latvia for the service of documents and documents attached thereto to a foreign country by other means of communication, submitting them also by post.

[31 May 2018 / Section shall come into force from 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 665.⁵ Right of Addressee to Refuse to Accept Documents

(1) A bailiff shall inform the addressee in writing regarding his or her right to refuse to accept the documents, if they have been drawn up or a translation has been attached thereto in another language, except for the official language or language which is understandable to the addressee.

(2) The addressee may refuse to accept the documents at the time of service thereof or within a week after receipt thereof by submitting or returning the documents to the bailiff who served them. If the addressee refuses to accept documents which are not in the official language, the addressee shall notify the bailiff of the language which he or she understands.

(3) If in accordance with Paragraphs one and two of this Section the addressee has refused to accept the documents, a court shall notify the Latvian Council of Sworn Bailiffs by returning the foreign request for the service of documents and documents for translation.

(4) If in accordance with Article 10(a) of the 1965 Hague Convention the documents are sent by post directly to the addressee in Latvia, the addressee may refuse to accept the documents if they have been drawn up or a translation has been attached thereto in another language, except for the official language, or they have been sent by a method other than registered mail with notification of receipt.

[31 May 2018 / Section shall come into force from 1 January 2019. See Paragraph 147 of Transitional Provisions]

Chapter 82

International Civil Procedural Cooperation in the Service of Documents in Accordance with International Agreements Binding upon the Republic of Latvia

Section 666. Grounds for International Civil Procedural Co-operation in the Service of Documents

(1) A court shall serve documents to a person whose declared place of residence, place of residence, location or legal address is in Latvia and whose address is known, on the basis of the request of a foreign country for the service

of documents and a decision of the Ministry of Justice on permissibility of the request of the foreign country for the service of documents.

(2) If judicial documents are served to a person whose place of residence, location or legal address is not in Latvia and whose address is known, a court shall submit a request for the service of documents to the Ministry of Justice.

(3) [31 May 2018]

(4) [31 May 2018]

[29 November 2012; 22 June 2017; 31 May 2018 / Amendments to Paragraph two and amendments regarding deletion of Paragraphs three and four shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 667. Competence of the Ministry of Justice in the Service of Documents

(1) The Ministry of Justice shall receive and decide on the foreign requests for the service of documents and forward the requests of Latvia for the service of documents in accordance with the international agreements binding upon the Republic of Latvia.

(2) In the cases provided for in the international agreements binding upon the Republic of Latvia, if necessary, the Ministry of Justice shall:

1) forward the request of Latvia for the service of documents to a foreign country with the intermediation of the Ministry of Foreign Affairs, using consular or diplomatic channels;

2) with the intermediation of the Ministry of Foreign Affairs request diplomatic or consular agents of Latvia to serve judicial documents.

[22 June 2017; 31 May 2018 / The new wording of Paragraph one shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 668. Language of a Request for the Service of Documents

A request for the service of documents shall be prepared and submitted in the language that is determined as the language for communication in the application of the international agreements binding upon the Republic of Latvia.

Section 669. Language of Documents Attached to the Request of Latvia for the Service of Documents

(1) Judicial documents attached to the request of Latvia for the service of documents shall be drawn up in the official language. A translation may be attached thereto in the language of the country receiving the request or in other language, if the international agreements binding upon the Republic of Latvia allow for such possibility.

(2) If in accordance with the international agreements binding upon the Republic of Latvia the country receiving a request or the addressee has refused to accept a document in the language that is not the language of the country, a translation in the language of the country receiving the request or another language, which the country receiving the request has notified as acceptable for communication, shall be attached to the documents.

(3) If it is not possible to ensure a translation in any of the languages referred to in Paragraph two of this Section, competent authorities of Latvia or a foreign country shall mutually agree on another language in which the documents should be drawn up or in which a translation should be attached thereto.

Section 670. Form of a Request for the Service of Documents

(1) A court shall prepare the request of Latvia for the service of documents and documents attached thereto in writing.

(2) The request of Latvia for the service of documents shall be signed by a judge and approved with a seal of the court.

(3) The Ministry of Justice may submit the request of Latvia for the service of documents and documents attached thereto to a foreign country by other means of communication, submitting them also by post.

(4) The request of a foreign country for the service of documents and documents attached thereto shall be accepted drawn up as a postal consignment. The request of a foreign country for the service of documents and documents attached thereto may be accepted by other means of communication if they are submitted also as a postal consignment.

[22 June 2017; 31 May 2018 / Amendments to Paragraph three shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 671. Deciding on the Request of a Foreign Country for the Service of Documents

(1) The Ministry of Justice shall decide on the request of a foreign country for the service of documents within seven days from the day of receipt thereof.

(2) The Ministry of Justice shall take one of the following decisions:

1) on permissibility of enforcement of the request for the service of documents by determining the authority for enforcement of the request for the service of documents, time periods and other conditions;

2) on refusal to accept the request for the service of documents or a part thereof for enforcement in the cases provided for in the international agreements binding upon the Republic of Latvia.

(3) A decision of the Ministry of Justice may not be appealed.

Section 672. General Provisions for Execution of the Request of a Foreign Country for the Service of Documents

(1) A district (city) court shall execute the request of a foreign country for the service of documents in the territory of operation of which the address or the declared place of residence of the addressee, but if none, the place of residence or legal address of the addressee indicated in the request of a foreign country for service of documents is located.

(2) The request of a foreign country for the service of documents shall be enforced in accordance with Section 56 of this Law, except for the cases when in accordance with the international agreements binding upon the Republic of Latvia the documents are served according to the procedural procedures of the applying country or by a particular method requested.

(3) Execution of the request of a foreign country for the service of documents shall be commenced immediately after the decision on the permissibility of execution of the request for the service of documents is taken. If it is not possible to execute the request of a foreign country for the service of documents within one month from the day of receipt thereof in the Ministry of Justice or within the time period indicated in the request, a court shall notify the Ministry of Justice thereof in writing, specifying the grounds for the delay of the execution of the abovementioned request.

(4) If execution of the request of a foreign country for the service of documents is impossible or it has been partly executed, a court shall notify the Ministry of Justice the reasons for non-execution of the abovementioned request in writing, as well as send the documents not served.

[29 November 2012]

Section 673. Right of Addressee to Refuse to Accept Documents

(1) A court shall inform the addressee in writing regarding his or her right to refuse to accept the documents if they have been drawn up or translation has been attached thereto in another language, except for the official language or language which the addressee understands.

(2) The addressee may refuse to accept the documents at the time of service thereof or within a week after receipt thereof by submitting or returning them to the court that served them. If the addressee refuses to accept documents which are not in the official language, the addressee shall notify the court regarding the language which he or she understands.

(3) If in accordance with Paragraphs one and two of this Section the addressee has refused to accept the documents, a court shall notify the Ministry of Justice thereof, returning the request of a foreign country for the service of documents and documents for translation.

(4) *[31 May 2018]*

[31 May 2018 / Amendment regarding deletion of Paragraph four shall come into force on 1 January 2019. See Paragraph 147 of Transitional Provisions]

Section 674. Costs of the Execution of the Request of a Foreign Country for the Service of Documents

[31 May 2018 / See Paragraph 147 of Transitional Provisions]

Chapter 83

International Civil Procedural Cooperation in the Service of Documents, if there is no Agreement with a Foreign Country which Provides for Cooperation in Service of Documents

Section 675. Grounds for International Civil Procedural Co-operation in the Service of Documents

(1) A court shall serve documents to a person whose declared place of residence, place of residence, location or legal address is in Latvia and whose address is known, on the basis of the request of a foreign country for the service of documents and a decision of the Ministry of Justice on permissibility of the request of the foreign country for the service of documents.

(2) If judicial documents are served to a person whose place of residence, location or legal address is not in Latvia and whose address is known, a court shall submit a request for the service of documents to the Ministry of Justice.

[29 November 2012]

Section 676. Competence of the Ministry of Justice in the Service of Documents

(1) The request of Latvia for the service of documents shall be submitted by and the request of a foreign country for the service of documents shall be received and decided by the Ministry of Justice.

(2) The Ministry of Justice may request or issue a certificate to a foreign country that reciprocity will be observed in co-operation, i.e. that hereinafter the co-operation partner will provide assistance, complying with the same principles.

(3) If necessary the Ministry of Justice shall:

1) forward the request of Latvia for the service of documents to a foreign country with the intermediation of the Ministry of Foreign Affairs, using consular or diplomatic channels;

2) with the intermediation of the Ministry of Foreign Affairs request diplomatic or consular agents of Latvia to service judicial documents to citizens of Latvia, requesting the consent of the relevant country for such method of service.

Section 677. Contents of a Request for the Service of Documents

(1) The following shall be indicated in the request for the service of documents:

1) the name of the authority submitting the request for the service of documents;

2) the subject-matter and nature of the request for the service of documents;

3) data regarding the addressee: for natural persons - given name, surname, personal identity number (if not any, other identification data) and place of residence, but for legal persons - the firm name, registration number and legal address, as well as data regarding the status of the addressee in the court proceedings procedure;

4) nature of the case and brief statement of the facts;

5) other information that is necessary for the execution of the request for the service of documents.

(2) In a request for the service of documents it may be requested to serve documents in accordance with the procedures laid down in the law of the country submitting the request.

[29 November 2012]

Section 678. Language of a Request for the Service of Documents and Documents Accompanying such Request

(1) The request of Latvia for the service of documents and documents accompanying such request shall be prepared and submitted in the official language by attaching a translation in any of the following languages:

1) in the language of the country addressed;

2) in the language which the addressee understands, if the relevant country permits it;

3) in another language by mutual arrangement between the foreign competent authorities.

(2) If the country receiving the request or the addressee has refused to accept documents in the language that is not the language of such country, the translation in the language of the country receiving the request or another language, which the country receiving the request has notified as acceptable, shall be attached to the documents.

(3) The request of a foreign country for the service of documents shall be accepted prepared in or with a translation attached in the official language, Russian or English.

(4) Documents accompanying the request of a foreign country for the service of documents shall be accepted prepared in or with a translation attached in any language, unless the addressee accepts them of his or her own free will (Section 682).

(5) If it is not possible to ensure a translation in any of the languages referred to in Paragraph two of this Section or in a language which the addressee understands, competent authorities of Latvia and the foreign country may mutually agree on another language in which the request of the foreign country for the service of documents and documents accompanying such request should be prepared or in which the translation should be attached thereto.

Section 679. Form of a Request for the Service of Documents

(1) A court shall prepare the request of Latvia for the service of documents and documents attached thereto in writing.

(2) The request of Latvia for the service of documents shall be signed by a judge and approved with a seal of the court.

(3) The Ministry of Justice may submit the request of Latvia for the service of documents and documents attached thereto to the foreign country by other means of communication, submitting them also in writing.

(4) The request of a foreign country for the service of documents and documents attached thereto shall be accepted drawn up in writing. The request of a foreign country for the service of documents and documents attached thereto may be accepted by other means of communication if they are submitted also in writing.

Section 680. Deciding on the Request of a Foreign Country for the Service of Documents

(1) The Ministry of Justice shall decide on the request of a foreign country for the service of documents within 10 days from the day of receipt thereof.

(2) The Ministry of Justice shall take one of the following decisions:

1) on the permissibility of execution of the request for the service of documents by establishing the authority, time periods and other conditions for execution of the request for the service of documents;

2) to refuse to accept the request for the service of documents or a part thereof for execution, justifying the refusal.

(3) If additional information is necessary for deciding on the request for the service of documents, the Ministry of Justice shall request it from the competent authority of the relevant foreign country.

(4) Execution of the request of a foreign country for the service of documents may be refused if:

1) execution of the request of a foreign country for the service of documents is in contradiction with social structure of Latvia;

2) sufficient information has not been submitted and the acquisition of additional information is not possible.

(5) If execution of the request of a foreign country for the service of documents is refused, the Ministry of Justice shall immediately notify the competent authority of the country submitting the request thereof.

(6) A refusal to execute a request of a foreign country for the service of documents or a part thereof shall not prevent the competent authority of the foreign country from re-submitting the same request after elimination of deficiencies.

(7) The decision of the Ministry of Justice may not be appealed.

Section 681. General Provisions for Execution of the Request of a Foreign Country for the Service of Documents

(1) A district (city) court shall execute the request of a foreign country for the service of documents in the territory of operation of which the address or the declared place of residence of the addressee, but if none, the place of residence or legal address of the addressee indicated in the request of a foreign country for service of documents is located.

(2) The request of a foreign country for the service of documents shall be enforced in accordance with Section 56 of this Law, except for the cases when the competent authority of the foreign country requests to serve documents according to the procedural procedures thereof or by a particular method requested.

(3) Execution of the request of a foreign country for the service of documents shall be commenced immediately after the decision on the permissibility of execution of the request for the service of documents is taken. If it is not possible to execute the request of a foreign country for the service of documents within one month from the day of receipt thereof in the Ministry of Justice or within the time period indicated in the request, a court shall notify the Ministry of Justice thereof in writing, specifying the grounds for the delay of the execution of the abovementioned request.

(4) If execution of the request of a foreign country for the service of documents is impossible or it has been partly executed, a court shall notify the Ministry of Justice the reasons for non-execution of the abovementioned request in

writing, as well as send the documents not served.

[29 November 2012]

Section 682. Right of Addressee to Refuse to Accept Documents

(1) A court shall inform the addressee in writing regarding his or her right to refuse to accept the documents if they have been drawn up or translation has been attached thereto in another language, except for the official language or language which the addressee understands.

(2) The addressee may refuse to accept the documents at the time of service thereof or within a week after receipt thereof by submitting or returning them to the court that served them. If the addressee refuses to accept documents which are not in the official language or in the language which the addressee understands, the addressee shall notify the court regarding the language which he or she understands.

(3) If in accordance with Paragraphs one and two of this Section the addressee has refused to accept the documents, a court shall notify the Ministry of Justice thereof, returning the request of a foreign country for the service of documents and documents for translation.

Section 683. Costs of the Execution of the Request of a Foreign Country for the Service of Documents

(1) Expenses incurred upon executing the request of a foreign country for the service of documents shall be covered from the funds of the State budget, except for the case provided for in Paragraph two of this Section.

(2) If expenses have been incurred when executing the request of a foreign country for the service of documents in the cases provided for in the law in accordance with the procedural procedures specified by the law of a foreign country or by a particular method requested, a court shall notify the Ministry of Justice regarding the costs of the execution of the abovementioned request and the Ministry of Justice may request the competent authority of the foreign country to cover such costs.

Division Seventeen

International Civil Procedural Co-operation in the Taking of Evidence

[5 February 2009]

Chapter 84

International Civil Procedural Co-operation in the Taking of Evidence in Accordance with Council Regulation No 1206/2001 of 28 May 2001 on Cooperation between the Courts of the Member States in the Taking of Evidence in Civil or Commercial Cases

Section 684. Grounds for International Civil Procedural Cooperation in the Taking of Evidence

(1) A court shall take evidence in Latvia on the basis of a request of a foreign competent authority for the taking of evidence in Latvia (hereinafter - the request of a foreign country for the taking of evidence) and a decision taken by the competent authority of Latvia on the permissibility of the request of a foreign country for the taking of evidence.

(2) A court shall, upon its own initiative or upon a reasoned request of a participant in the case and in accordance with the procedures provided for in this Law, decide on an issue of the taking of evidence abroad (hereinafter - the request of Latvia for the taking of evidence).

(3) Within the meaning of this Chapter the taking of evidence shall also mean the securing of evidence in accordance with the procedures provided for in this Law.

Section 685. Competent Authorities in the Taking of Evidence

(1) In accordance with Article 2 of Council Regulation No 1206/2001 of 28 May 2001 on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters (hereinafter - Council Regulation No 1206/2001) a court shall receive and decide on requests of a foreign country for taking of evidence, as well as decide on taking of evidence abroad and submit requests of Latvia for taking of evidence directly to the foreign country or - in the cases provided for in Article 3(1)(c) of Council Regulation No 1206/2001 - to the Ministry of Justice.

(2) The Ministry of Justice shall perform the functions referred to in Article 3 of the Council Regulation No 1206/2001.

Section 686. Language and Form of the Request of a Foreign Country for the Taking of Evidence

(1) In accordance with Articles 4 and 5 of the Council Regulation No 1206/2001 the request of a foreign country for the taking of evidence and documents accompanying such request, as well as notifications shall be accepted if such documents have been prepared in the official language or in English.

(2) The request of a foreign country for the taking of evidence and accompanying such request, as well as notifications shall be accepted prepared in writing.

(3) In accordance with Article 6 of the Council Regulation No 1206/2001 the request of a foreign country for the taking of evidence and documents accompanying such request, as well as notifications may be accepted by other means of communication, if they are submitted also in writing.

Section 687. Language and Form of the Request of Latvia for the Taking of Evidence

(1) In accordance with Articles 4 and 5 of the Council Regulation No 1206/2001 the request of Latvia for the taking of evidence and documents accompanying such request, as well as notifications the court shall prepare in writing in the language of the Member State receiving the request or in the language which the relevant country has notified as acceptable for communication.

(2) The request of Latvia for the taking of evidence shall be signed by a judge and approved with a seal of the court.

(3) In accordance with Article 6 of the Council Regulation No 1206/2001 a court or the Ministry of Justice may submit the request of Latvia for the taking of evidence and documents accompanying such request, as well as notifications to a foreign country by use of other means of communication, submitting them also in writing.

Section 688. The Request of Latvia for the Taking of Evidence Regarding Presence or Participation of Parties or Representatives of a Court in the Taking of Evidence Abroad

In the cases provided for in this Law a court may, upon its own initiative or upon a reasoned request of a participant in the case, request in the request of Latvia for the taking of evidence:

1) to permit the participants in the case or their representatives to be present or participate at the performance of the taking of evidence in accordance with Article 11 of Council Regulation No 1206/2001;

2) to permit representatives of the court to be present or participate at the performance of the taking of evidence in accordance with Article 12 of the Council Regulation No 1206/2001.

Section 689. Deciding on the Request of a Foreign Country for the Taking of Evidence

(1) The request of a foreign country for the taking of evidence shall be decided by a district (city) court in the territory of which the source of evidence to be taken is located, or by the Ministry of Justice in the cases provided for in Article 3(3) and Article 17 of the Council Regulation No 1206/2001 within seven days of receipt thereof.

(2) If the court in which the request of a foreign country for the taking of evidence has been submitted in accordance with Paragraph one of this Section finds that part of the evidence is located in another city or district, it shall assign the relevant court to perform specific procedural activities in accordance with Sections 102 and 103 of this Law.

(3) When examining the request of a foreign country for the taking of evidence, a court shall take one of the following decisions:

1) on the permissibility of execution of the request for the taking of evidence by accepting it for execution or establishing the authority, time periods and other conditions for the execution of the request for the taking of evidence;

2) to refuse to accept the request for the taking of evidence or a part thereof for execution in accordance with Article 14 of the Council Regulation No 1206/2001.

(4) When examining the request of a foreign country for the taking of evidence in the case provided for in Article 17 of the Council Regulation No 1206/2001, the Ministry of Justice shall take one of the following decisions:

1) on the permissibility of execution of the request for the taking of evidence by establishing that the district (city) court in the territory of which the source of evidence to be taken is located shall participate in the execution of the abovementioned request, time periods and other conditions for the execution of the request for the taking of evidence;

2) to refuse to accept the request for the taking of evidence or a part thereof for execution in accordance with Article 17 of the Council Regulation No 1206/2001.

(5) The decision of the competent authority may not be appealed.

Section 690. General Provisions for Execution of the Request of a Foreign Country for the Taking of Evidence

(1) The request of a foreign country for taking of evidence shall be enforced in accordance with the procedures laid

down in this Law, except for the cases when enforcement of the request of a foreign country for the taking of evidence is permitted according to the procedural procedures upon request of the competent authority of the foreign country.

(2) Execution of the request of a foreign country for the taking of evidence shall be commenced immediately after the decision on the permissibility of execution of the request for the taking of evidence has been taken. If it is not possible to execute the request of a foreign country for the taking of evidence within 90 days from the day of receipt thereof, a court shall, in accordance with Article 15 of the Council Regulation No 1206/2001, notify the competent authority thereof in writing by specifying the grounds for the delay of the execution of the abovementioned request.

(3) If execution of the request of a foreign country for the taking of evidence is problematic or impossible, a court shall, in accordance with Article 10 of the Council Regulation No 1206/2001, notify a competent authority of the grounds for non-execution of the abovementioned request.

Section 691. Execution of the Request of a Foreign Country for the Taking of Evidence in the Presence of Parties or Representatives of the Competent Court of a Foreign Country or with the Participation Thereof

(1) A court that enforces a request of a foreign country for taking of evidence in accordance with Article 11 or 12 of Council Regulation No 1206/2001 shall notify the representatives of the competent court of the foreign country or the parties, or their representatives regarding the time and place of taking the evidence, as well as regarding conditions for participation.

(2) A court shall ascertain whether representatives of the competent court of the foreign country, the parties or their representatives need an interpreter.

(3) If the persons referred to in Paragraph one of this Section fail to understand the official language and if there are no important practical difficulties, an interpreter shall participate at the performance of the taking of evidence upon a request of the representatives of the competent court of the foreign country or the parties, or their representatives.

Section 692. Taking of Evidence by Use of Technical Means

(1) If the execution of the request of a foreign country for the taking of evidence by use of technical means is permitted, such request of a foreign country for the taking of evidence shall be executed by the district (city) court to which the technical means necessary for the taking of evidence are available.

(2) If necessary, an interpreter shall participate at the performance of the taking of evidence by use of technical means in Latvia or abroad.

(3) A court shall confirm the identity of persons involved and ensure the performance of the taking of evidence in Latvia.

Section 693. Right of Witnesses to Refuse to Testify

(1) In executing a request of a foreign country for taking of evidence a court shall ascertain whether the obstacles indicated in Section 106 of this Law exist, as well as explain the witnesses their right of refusal to testify in the cases provided for in Section 107 of this Law.

(2) In executing a request of a foreign country for taking of evidence a court shall, in accordance with Article 14 of Council Regulation No 1206/2001, explain the witnesses their right of refusal to testify also in accordance with the law of the country submitting the request.

Section 694. Costs of the Execution of the Request of a Foreign Country for the Taking of Evidence

(1) In the cases provided for in Article 18(3) of Council Regulation No 1206/2001 a court may request the competent court of the foreign country to pay in the amounts to be disbursed to the experts until the request of a foreign country for the taking of evidence is executed.

(2) In the cases provided for in Article 18(2) of Council Regulation No 1206/2001 a court may request the competent court of the foreign country after execution of the request of a foreign country for the taking of evidence to cover:

1) the sums of expenses that are to be disbursed to experts and interpreters;

2) the costs incurred if the request of a foreign country for the taking of evidence upon a request of the competent authority of the foreign country has been executed in accordance with the procedural procedures of the foreign country;

3) the costs incurred if the request of a foreign country for the taking of evidence has been, upon a request of the competent authority of the foreign country, executed by use of technical means.

Chapter 85

International Civil Procedural Cooperation in the Taking of Evidence in

Accordance with International Agreements Binding upon the Republic of Latvia

Section 695. Grounds for International Civil Procedural Cooperation in the Taking of Evidence

(1) A court shall take evidence in Latvia on the basis of the request of a foreign country for the taking of evidence and a decision of the Ministry of Justice on the permissibility of the request of a foreign country for the taking of evidence.

(2) A court shall, upon its own initiative or upon a reasoned request of a participant in the case and in accordance with the procedures provided for in this Law, decide on an issue of the request of Latvia for the taking of evidence.

(3) Within the meaning of this Chapter the taking of evidence shall also mean the securing of evidence in accordance with the procedures provided for in this Law.

Section 696. Competence of the Ministry of Justice in the Taking of Evidence

The Ministry of Justice shall receive and decide on the request of a foreign country for the taking of evidence and send the request of Latvia for the taking of evidence in accordance with the Hague Convention 1970 and other international agreements binding upon the Republic of Latvia.

Section 697. Language of a Request for the Taking of Evidence and Documents Accompanying such Request

A request for the taking of evidence and the documents accompanying such request shall be prepared and submitted in the language that has been determined as the language for communication in the application of the international agreements binding on the Republic of Latvia.

Section 698. Form of a Request for the Taking of Evidence

(1) A court shall prepare the request of Latvia for the taking of evidence and documents accompanying such request in writing and submit them to the Ministry of Justice.

(2) The request of Latvia for the taking of evidence shall be signed by a judge and approved with a seal of the court.

(3) The Ministry of Justice may submit the request of Latvia for the taking of evidence and documents attached to such request to the foreign country by use of other means of communication, submitting them also in writing.

(4) The request of a foreign country for the taking of evidence and documents accompanying such request shall be accepted prepared in writing. The request of a foreign country for the taking of evidence and documents accompanying such request may be accepted by use of other means of communication if they are submitted also in writing.

Section 699. Request of Latvia for the Taking of Evidence Regarding Participation of Parties or Representatives of a Court

In the cases provided for in this Law a court may, upon its own initiative or upon a reasoned request of a participant in the case, request in the request of Latvia for the taking of evidence:

1) to permit the participants in the case or their representatives to participate at the performance of the taking of evidence in accordance with Article 7 of the Hague Convention 1970;

2) to permit representatives of the court to participate at the performance of the taking of evidence in accordance with Article 8 of the Hague Convention 1970.

Section 700. Deciding on the Request of a Foreign Country for the Taking of Evidence

(1) The Ministry of Justice shall decide on the request of a foreign country for the taking of evidence within seven days from the day of receipt thereof.

(2) The Ministry of Justice shall take one of the following decisions:

1) on the permissibility of execution of the request for the taking of evidence by establishing the authority, time periods and other conditions for the enforcement of the request for the taking of evidence;

2) to refuse to accept the request for the taking of evidence or a part thereof for execution in the cases provided for in the international agreements binding on the Republic of Latvia.

(3) When examining the request of a foreign country for the taking of evidence in the case provided for in Article 16 or 17 of the Hague Convention 1970, the Ministry of Justice shall take one of the following decisions:

1) on the permissibility of execution of the request for the taking of evidence by establishing that the district (city) court in the territory of which the source of evidence to be taken is located shall participate in the execution of the abovementioned request, time periods and other conditions for the execution of the request for the taking of evidence;

2) to refuse to accept the request for the taking of evidence or a part thereof.

(4) The decision of the Ministry of Justice may not be appealed.

Section 701. General Provisions for Execution of the Request of a Foreign Country for the Taking of Evidence

(1) The request of a foreign country for the taking of evidence shall be executed by a district (city) court in the territory of which the source of evidence to be taken is located.

(2) If the court in which the request of a foreign country for the taking of evidence has been submitted in accordance with Paragraph one of this Section finds that part of the evidence is located in another city or district, it shall assign the relevant court to perform specific procedural activities in accordance with Sections 102 and 103 of this Law.

(3) The request of a foreign country for taking of evidence shall be enforced in accordance with the procedures laid down in this Law, except for the cases when enforcement of the request of a foreign country for the taking of evidence is permitted according to the procedural procedures upon request of the competent authority of the foreign country.

(4) Execution of the request of a foreign country for the taking of evidence shall be commenced immediately after the decision on the permissibility of execution of the request for the taking of evidence has been taken. If it is not possible to execute the request of a foreign country for the taking of evidence within 90 days from the day of receipt thereof, a court shall notify the Ministry of Justice thereof in writing, indicating the grounds for the delay of the execution of the abovementioned request.

(5) If the execution of the request of a foreign country for the taking of evidence is problematic or impossible, a court shall notify the Ministry of Justice of the reasons for non-execution of the abovementioned request.

Section 702. Execution of the Request of a Foreign Country for the Taking of Evidence by Participation of Parties or Representatives of Competent Court of a Foreign Country

(1) If execution of the request of a foreign country for the taking of evidence is permitted in the presence or with the participation of the representatives of the competent court or parties, or their representatives at the performance of the taking of evidence in accordance with Article 7 or 8 of the Hague Convention 1970, the court that executes the request of a foreign country for the taking of evidence shall notify the competent authority of the foreign country or directly the representatives of the competent court of the foreign country or the parties, or their representatives regarding the time and place of taking of evidence, as well as regarding conditions for participation.

(2) A court shall ascertain whether the representatives of the competent court of a foreign country, the parties or their representatives need an interpreter.

(3) If the persons referred to in Paragraph one of this Section fail to understand the official language and if there are no important practical difficulties, an interpreter shall participate at the performance of the taking of evidence upon a request of the representatives of the competent court of the foreign country or the parties, or their representatives.

Section 703. Taking of Evidence by Use of Technical Means

(1) If the execution of the request of a foreign country for the taking of evidence by use of technical means is permitted, such request of a foreign country for the taking of evidence shall be executed by the district (city) court to which the technical means necessary for the taking of evidence are available.

(2) If necessary, an interpreter shall participate at the performance of the taking of evidence by use of technical means in Latvia or abroad.

(3) A court shall confirm the identity of persons involved and ensure the performance of the taking of evidence in Latvia.

Section 704. Right of Witnesses to Refuse to Testify

(1) In executing a request of a foreign country for taking of evidence a court shall ascertain whether the obstacles indicated in Section 106 of this Law exist, as well as explain the witnesses their right of refusal to testify in the cases provided for in Section 107 of this Law.

(2) When executing the request of a foreign country for the taking of evidence a court shall, in accordance with the Hague Convention 1970, explain the witnesses their right to refuse to testify also in accordance with the law of the country submitting the request.

Section 705. Costs of the Execution of the Request of a Foreign Country for the Taking of Evidence

(1) In conformity with Article 14(2) of the Hague Convention 1970 the court shall notify the Ministry of Justice regarding the costs of execution of the request of a foreign country for the taking of evidence, if any have incurred.

(2) The Ministry of Justice may request the competent authority of the foreign country to cover the costs of execution of the request of a foreign country for the taking of evidence which have incurred in accordance with Article 14(2) of the Hague Convention 1970.

Chapter 86

International Civil Procedural Cooperation in the Taking of Evidence, if there is no Agreement with a Foreign Country that Provides for Cooperation in the Taking of Evidence

Section 706. Grounds for International Civil Procedural Cooperation in the Taking of Evidence

(1) A court shall take evidence in Latvia on the basis of the request of a foreign country for the taking of evidence and a decision of the Ministry of Justice on the permissibility of the request of a foreign country for the taking of evidence.

(2) A court shall, upon its own initiative or upon a reasoned request of a participant in the case and in accordance with the procedures provided for in this Law, decide on an issue of the request of Latvia for the taking of evidence.

(3) Within the meaning of this Chapter the taking of evidence shall also mean the securing of evidence in accordance with the procedures provided for in this Law.

Section 707. Competence of the Ministry of Justice in the Taking of Evidence

(1) If there is no agreement with a foreign country that provides for cooperation in the taking of evidence, the request of Latvia for the taking of evidence shall be submitted by and the request of a foreign country for the taking of evidence shall be received and decided by the Ministry of Justice.

(2) The Ministry of Justice may request or issue a certificate to a foreign country that reciprocity will be observed in co-operation, i.e. that hereinafter the co-operation partner will provide assistance, complying with the same principles.

(3) If necessary the Ministry of Justice shall transmit the request of Latvia for taking of evidence to a foreign country with the intermediation of the Ministry of Foreign Affairs, using consular or diplomatic channels.

Section 708. Contents of a Request for the Taking of Evidence

(1) The following shall be indicated in a request for taking of evidence:

1) the name of the court submitting the request for the taking of evidence;

2) the subject-matter and nature of the request for the taking of evidence;

3) data regarding the participant in the case and representatives thereof: for natural persons - given name, surname, personal identity number (if there is none, other identification data) and place of residence, but for legal persons - the firm name, registration number and legal address;

4) nature of the case and brief statement of the facts;

5) data regarding evidence to be taken and relation thereof to the case;

6) data on the cases provided for in the law when witnesses may refuse to testify;

7) other information that is necessary for the execution of the request for the taking of evidence.

(2) It may be requested by a court, upon its own initiative or a reasoned request of a participant in the case, in the request of Latvia for the taking of evidence:

1) to permit the participants in the case or their representatives to be present or participate at the performance of the taking of evidence;

2) to permit the representatives of a court to be present or participate at the performance of the taking of evidence;

3) to take evidence by use of technical means;

4) to take evidence in accordance with the procedural procedures provided for in this Law.

Section 709. Language of a Request for the Taking of Evidence and Documents Accompanying such Request

(1) The request of Latvia for the taking of evidence and documents accompanying such request shall be prepared and submitted in the official language by attaching a translation in any of the following languages:

- 1) in the language of the country addressed;
- 2) in another language by mutual arrangement between the competent authorities of Latvia and foreign country.

(2) The request of a foreign country for the taking of evidence shall be accepted prepared in or with a translation attached in the official language, Russian or English.

(3) If it is not possible to ensure translation in any of the languages referred to in Paragraph two of this Section, the competent authorities of Latvia and the foreign country may mutually agree on another language in which the request of a foreign country for the taking of evidence and the documents accompanying such request should be drawn up or in which the translation should be attached thereto.

Section 710. Form of a Request for the Taking of Evidence

(1) A court shall prepare the request of Latvia for the taking of evidence and the documents accompanying such request in writing.

(2) The request of Latvia for the taking of evidence shall be signed by a judge and approved with a seal of the court.

(3) The Ministry of Justice may submit the request of Latvia for the taking of evidence and documents attached to such request to the foreign country by use of other means of communication, submitting them also in writing.

(4) The request of a foreign country for the taking of evidence and documents accompanying such request shall be accepted prepared in writing. The request of a foreign country for the taking of evidence and documents accompanying such request may be accepted by use of other means of communication if they are submitted also in writing.

Section 711. Deciding on the Request of a Foreign Country for the Taking of Evidence

(1) The Ministry of Justice shall decide on the request of a foreign country for the taking of evidence within 10 days from the day of receipt thereof.

(2) The Ministry of Justice shall take one of the following decisions:

1) on the permissibility of execution of the request for the taking of evidence by establishing the authority, time periods and other conditions for the enforcement of the request for the taking of evidence;

2) to refuse to accept the request for taking of evidence or a part thereof for execution by justifying the refusal.

(3) If additional information is necessary for deciding on the request for the taking of evidence, the Ministry of Justice shall request it from the competent authority of the relevant foreign country.

(4) Execution of the request of a foreign country for the taking of evidence may be refused if:

1) execution of the request of a foreign country for the taking of evidence is in contradiction with the social structure of Latvia;

2) sufficient information has not been submitted and the acquisition of additional information is not possible;

3) execution of the request of the foreign country is problematic.

(5) If execution of the request of a foreign country for the taking of evidence is refused, the Ministry of Justice shall immediately notify the competent authority of the country submitting the request thereof.

(6) Refusal to execute the request of a foreign country for the taking of evidence or a part thereof shall not prevent the competent authority of the foreign country from re-submitting the same request after elimination of deficiencies.

(7) The decision of the Ministry of Justice may not be appealed.

Section 712. General Provisions for Execution of the Request of a Foreign Country for the Taking of Evidence

(1) The request of a foreign country for the taking of evidence shall be executed by a district (city) court in the territory of which the source of evidence to be taken is located.

(2) If the court in which the request of a foreign country for the taking of evidence has been submitted in accordance with Paragraph one of this Section finds that part of the evidence is located in another city or district, it shall assign the relevant court to perform specific procedural activities in accordance with Sections 102 and 103 of this Law.

(3) The request of a foreign country for taking of evidence shall be enforced in accordance with the procedures laid down in this Law, except for the cases when enforcement of the request of a foreign country for the taking of evidence is permitted according to the procedural procedures upon request of the competent authority of the foreign country.

(4) Execution of the request of a foreign country for the taking of evidence shall be commenced immediately after the decision on the permissibility of execution of the request for the taking of evidence has been taken. If it is not possible to execute the request of a foreign country for the taking of evidence within 90 days from the day of receipt thereof, a court shall notify the Ministry of Justice thereof in writing, indicating the grounds for the delay of the execution of the abovementioned request.

(5) If the execution of the request of a foreign country for the taking of evidence is problematic or impossible, a court shall notify the Ministry of Justice of the reasons for non-execution of the abovementioned request.

Section 713. Execution of the Request of a Foreign Country for the Taking of Evidence in the Presence of Parties or Representatives of the Competent Court of a Foreign Country or with the Participation Thereof

(1) If the execution of the request of a foreign country for the taking of evidence is permitted in the presence or with the participation of the parties or their representatives, or representatives of the competent court at the performance of the taking of evidence, a court that executes the request of the foreign country for the taking of evidence shall notify the competent authority of the foreign country or directly the representatives of the competent court of the foreign country or the parties, or their representatives regarding the time and place of the taking of evidence, as well as regarding conditions for participation.

(2) A court shall ascertain whether the representatives of the competent court of a foreign country, the parties or their representatives need an interpreter.

(3) If the persons referred to in Paragraph one of this Section fail to understand the official language and if there are no important practical difficulties, an interpreter shall participate at the performance of the taking of evidence upon a request of the representatives of the competent court of the foreign country or the parties, or their representatives.

Section 714. Taking of Evidence by Use of Technical Means

(1) If the execution of the request of a foreign country for the taking of evidence by use of technical means is permitted, such request of a foreign country for the taking of evidence shall be executed by the district (city) court to which the technical means necessary for the taking of evidence are available.

(2) If necessary, an interpreter shall participate at the performance of the taking of evidence by use of technical means in Latvia or abroad.

(3) A court shall confirm the identity of persons involved and ensure the performance of the taking of evidence in Latvia.

Section 715. Right of Witnesses to Refuse to Testify

(1) In executing a request of a foreign country for taking of evidence a court shall ascertain whether the obstacles indicated in Section 106 of this Law exist, as well as explain the witnesses their right of refusal to testify in the cases provided for in Section 107 of this Law.

(2) When executing the request of a foreign country for the taking of evidence, the witnesses may refuse to testify also in accordance with the law of the country submitting the request, if such right is provided for in the request of a foreign country for the taking of evidence or it has been otherwise confirmed by the competent authority of the foreign country.

Section 716. Costs of the Execution of the Request of a Foreign Country for the Taking of Evidence

(1) Expenses incurred upon executing the request of a foreign country for the taking of evidence shall be covered from the funds of the State budget, except for the case provided for in Paragraph two of this Section.

(2) A court that executes the request of a foreign country for the taking of evidence shall notify the Ministry of Justice regarding the following costs of execution of the abovementioned request:

1) the amount of expenses to be disbursed to experts and interpreters;

2) the costs incurred when executing the request of a foreign country for the taking of evidence in accordance with the procedural procedures of the foreign country in the cases provided for in the law;

3) the costs incurred if the request of a foreign country for the taking of evidence upon a request of the competent

authority of the foreign country has been executed by use of technical means.

(3) The Ministry of Justice may request the competent authority of the foreign country to cover the costs provided for in Paragraph two of this Section.

Civil Procedure Law
Annex 1

List of Property against which Recovery may not be Directed According to Enforcement Documents

[17 June 2004]

The following property and articles which belong to a debtor or constitute the debtor's part in joint property shall not be subject to the bringing of recovery proceedings according to the enforcement documents:

1. Domestic equipment and household articles, and clothing required for the debtor, his or her family members and persons who are dependent on the debtor:

- 1) clothing, footwear and underwear necessary for everyday wear;
- 2) bedding accessories, nightwear and towels;
- 3) kitchen utensils and tableware which are required for everyday use;
- 4) furniture - one bed and chair per each person, as well as one table and one closet per family;
- 5) all accessories for children.

2. Foodstuffs in home in the amount required for the maintenance of the debtor and his or her family members for a period of three months.

3. Money in the amount of the minimum monthly wage for the debtor, each member of his or her family and persons dependent on the debtor, but in cases regarding the recovery of maintenance for the support of minor children or for the benefit of the Administration of Maintenance Guarantee Fund administration - money in the amount of 50 per cent of the minimum monthly wage for the debtor, each member of his or her family and persons dependent on the debtor.

4. One cow or goat and one pig per family, and feed in the amount required until new feed is gathered or until the livestock are taken to pasture.

5. Fuel required for preparing food for the family and for heating of the living premises during the heating season.

6. Books, instruments and tools required for the debtor in his or her daily work, providing the means needed for the subsistence.

7. Agricultural stock, that is, agricultural tools, machinery, livestock and seed required for the farm, together with the amount of feed required for the maintenance of livestock of the relevant farm until a new harvest. What agricultural tools, how much livestock and what amount of feed is to be regarded as necessary shall be determined by instructions of the Minister for Agriculture.

8. Movable property which in accordance with the Civil Law is recognised to be an accessory to immovable property - separately from such immovable property.

9. Houses of worship and ritual articles.

Civil Procedure Law
Annex 2

Provisions Regarding Renewal of Lost Materials of Court Proceedings and Materials of Enforcement Proceedings

1. A court may renew lost materials of court proceedings and lost materials of court proceedings in civil cases according to the application of a participant in the case, of a bailiff, or of a public prosecutor, as well as upon its own

initiative.

2. Lost materials of court proceedings shall be renewed in full or in that part the renewal of which is necessary according to the opinion of court. If there has been a judgment or a decision to terminate the court proceedings in the case, the renewal of such judgment or decision is mandatory.

3. An application for the renewal of lost materials of court proceedings or writs of execution shall be submitted to the court which examined the case, but an application for the renewal of lost materials of enforcement proceedings (except for a writ of enforcement) to the district (city) court based on the place of enforcement.

4. Details concerning the case shall be laid down in the application. The application shall be accompanied by documents or true copies thereof which have been retained by the applicant and which pertain to the case even if such have not been certified in accordance with prescribed procedures.

5. In examining a case a court shall use the preserved parts of materials of the judicial proceeding, request from participants in the case or other persons documents issued to them before the materials of court proceedings were lost, and true copies of other documents and materials pertaining to the case. The participants in the case are entitled to submit for consideration a draft judgment or decision to be renewed, which is drawn up by them.

6. A court may examine as witnesses persons who have been present at the performance of procedural actions and, if required, persons who were in the court panel when the case in which the judicial materials have been lost was examined and persons who enforced the court judgment.

7. If the materials gathered do not suffice for an accurate renewal of lost court proceedings materials, a court shall, upon a decision, terminate the examining of the application for the renewal of the court proceedings materials. In such case the submitter has the right to re-submit an action or an application according to the general procedure. Costs related to the examining of such case shall be covered by the State.

8. Costs incurred by a court in the examination of a case regarding renewal of lost materials shall be covered by the State. If a false application has been knowingly submitted, court expenses shall be recovered from the submitter.

Transitional Provisions

1. Procedures for examining cases arising from administrative legal relations shall, until the day when the Administrative Procedure Law comes into force, be regulated by general provisions of the Civil Procedure Law and the provisions of Chapters twenty-two, twenty-three, twenty-three A, twenty-four, twenty-four A and twenty-five of the Latvian Civil Procedure Code.

2. The provisions of Section 548, Paragraph two and Sections 550 and 632 of this Law are applicable only after the relevant amendments to the law On Judicial Power come into force.

3. Until the day when the amendments to the law On Judicial Power mentioned in Paragraph 2 of these Transitional Provisions come into force:

1) the correctness and promptness of the enforcement of court judgments shall be controlled by the Bailiffs Department of the Ministry of Justice;

2) a decision of the Senior Bailiff by which an application for the removal of a bailiff has been dismissed without satisfaction may be appealed to the Bailiffs Department of the Ministry of Justice. Submission of a complaint does not stay enforcement activities;

3) a creditor or a debtor may only submit complaints about activities of bailiffs or their refusal to perform such activities to a court after the Bailiffs Department of the Ministry of Justice has examined the complaint. A complaint may be submitted within 10 days from the day the submitter of the complaint has received an answer from the Bailiffs Department of the Ministry of Justice or from the day when a period of one month has elapsed since the complaint has been submitted and the submitter has not received an answer thereto.

4. If immovable property has not been entered in the Land Register (residential property in the cases provided for in law, in the Cadastral Register), when securing a claim or bringing recovery proceedings against it, the immovable property shall be inventoried and transferred for administration in accordance with the provisions of Section 603, Paragraphs two to four and Section 605 of this Law. Before inventorying the immovable property a bailiff shall ascertain the ownership and the possessor thereof by requesting information from the State Land Service or the appropriate local government. The bailiff shall notify the State Land Service or the local government accordingly of the inventorying of the immovable property for the securing of the claim or recovery of the debt.

5. If on the day this Law comes into force the procedural time periods prescribed by the Latvian Civil Procedure Code for the judgment enforcement activities have not elapsed and this Law prescribes a longer time period, the longer time period is applicable, including the time elapsed.

6. If property has been delivered on commission in accordance with Section 390 of the Latvian Civil Procedure Code by the day this Law comes into force, its sale shall be carried out according to the terms of the commission agreement.

7. If capital shares or non-publicly issued stocks of a company have been delivered to the relevant company executive body in accordance with the provisions of Section 389, Paragraph three of the Latvian Civil Procedure Code by the day this Law comes into force, the executive body shall carry out the sale within the prescribed period of one month from the day of delivery.

8. If an auction of inventoried property belonging to a debtor has been advertised by the day this Law comes into force, it shall be conducted in accordance with the provisions announced.

9. If calculations drawn up by a bailiff regarding judgment enforcement expenses have been submitted to a court by the day this Law comes into force, the court shall take a decision on the calculations previously drawn up by the bailiff.

10. If a bailiff has taken a decision to stay enforcement proceedings, then, in a case where the Civil Procedure Law does not provide for enforcement proceedings to be stayed, upon the coming into force of this Law, the enforcement proceedings shall be resumed without delay. The bailiff shall take an appropriate decision thereon and send it to the interested persons.

11. With coming into force of this Law, the Latvian Civil Procedure Code is repealed, the except for Chapters twenty-two, twenty-three, twenty-three A, twenty-four, twenty-four A, and twenty-five thereof.

12. Amendments to the Civil Procedure Law regarding deletion of Section 34, Paragraph two, Clause 1 and 2 and first sentence of Paragraph three, Section 39, Clause 8, Section 43, Clause 9, Chapters 40, 41, 42, 43, 44 and Section 566, Paragraph two shall come into force on 1 January 2012.

[31 October 2002; 1 December 2005; 11 December 2008]

13. Courts shall examine cases regarding the rights of inheritance, which have been accepted for examination according to special forms of procedure by 31 December 2002, in accordance with the procedures laid down in the Civil Procedure Law as applicable until 31 December 2011 (the norms referred to in Paragraph 12 of the Transitional Provisions that become invalid on 31 December 2011).

[4 August 2011]

14. Courts shall examine applications for the establishment of trusteeship for an estate in the inheritance cases which are in the record-keeping of notaries, by applying Section 323 of this Law and Section 660 of The Civil Law.

[31 October 2002]

15. A court shall examine applications for the establishment the existence of an oral will which are required for submission to a notary in an inheritance case in accordance with the procedures laid down in Section 309 of this Law, by summoning heirs as interested parties.

[31 October 2002]

16. Until determination of a State duty for transfer of property to heirs on the basis of an inheritance certificate issued by a notary the State duty shall be paid in the amount of 50 per cent of the rate provided for in Section 34 of the Civil Procedure Law in cases regarding confirmation of the rights of inheritance or entering into lawful effect of the last will instruction instrument. In the abovementioned cases the State duty for immovable property shall be collected before corroboration of the ownership rights in the Land Register, but for movable property it shall be paid before the issue of an inheritance certificate and the notary shall make a certification to this effect in the inheritance certificate. Holders of movable property registers, as well as persons in whose possession is the estate property (credit institutions, etc.) are not entitled to re-register the estate property or issue it to the heirs if the property is not specified in the inheritance certificate and the State duty has not been paid.

[31 October 2002]

17. Coming into force of Section 346, Paragraph one, Clause 2 of this Law regarding the fact that the decision of a judge on initiation of an insolvency case shall be sent to the Finance and Capital Market Commission and Section 378, Paragraph 2.¹ of this Law shall be determined by a special law.

[12 February 2004]

18. All applications for the recognition and enforcement of a ruling of a foreign court (except for rulings of foreign arbitration courts) which are submitted to district (city) courts and have not been examined until 1 May 2004 shall be examined according to the procedures of first instance courts that were in effect prior to 1 May 2004. On the basis of a request of the applicant, the judge may decide such application in accordance with the procedures laid down in this Law, and the 10 day time period for deciding an application shall be counted from the day when the applicant submits

the request.

[7 April 2004]

19. If the district (city) court has taken a decision to recognise and enforce a ruling of a foreign court (except for rulings of foreign arbitration courts) or a decision to reject the application and the time period for the submission of ancillary complaints has not ended on 1 May 2004, the time periods for the submission of ancillary complaints specified in Section 641, Paragraph two of this Law shall be applied, including in them the time already passed.

[7 April 2004]

20. The new wording of Section 486 of this Law, which determines the procedures for establishing an arbitration court, and Section 486.¹ shall come into force on 1 April 2005.

[17 February 2005]

21. An arbitration court, which has been established and the establishment of which has been notified to the Ministry of Justice by 31 March 2005, shall submit an application to the Enterprise Register for the registration of an arbitration court not later than by 15 August 2005, taking into account the procedures laid down in this Law and other laws and regulations.

[17 February 2005]

22. The Ministry of Justice shall by 20 October 2005 publish in the official gazette *Latvijas Vēstnesis* those arbitration courts, which have not registered in the Enterprise Register by 30 September 2005.

[17 February 2005]

23. If the parties have agreed to refer the dispute for resolution to a permanent arbitration court and this arbitration court has not registered in accordance with the procedures laid down in law by 30 September 2005 or has terminated its operations, the parties shall agree on the transfer of the dispute to another arbitration court. If an agreement is not reached, the dispute shall be examined in the court.

[17 February 2005]

24. The name of newly established arbitration court shall clearly and specifically differ from the names of the arbitration courts included in the list of the Ministry of Justice. Priority rights to the name of an arbitration court in the Arbitration Court Register shall belong to the arbitration court, which has been entered first with such a name in the list of the Ministry of Justice.

[17 February 2005]

25. If until 10 March 2005 arbitration court proceedings have been commenced in respect of the disputes referred to in Section 487, Clauses 6 and 7 of this Law (regarding the eviction of persons from living quarters and individual labour rights disputes), the resolution thereof shall be completed in the relevant arbitration court.

[17 February 2005]

26. Applications for the insolvency of undertakings and companies shall be submitted to the relevant regional court until 30 June 2006. Actions brought regarding the insolvency of undertakings and companies shall be examined by the relevant regional court until 30 June 2006.

[1 December 2005]

27. The new wording of Section 447 of this Law, which determines that an ancillary complaint regarding the decisions of a judge and regarding decisions of a Land Registry Office judge shall be examined in the written procedure, shall come into force on 1 July 2006 and shall apply to examination of ancillary complaints regarding the decisions, which have been taken from 1 July 2006.

[25 May 2006]

28. Amendments to Section 238, Paragraph three; Section 239, Paragraph two; Section 246, Paragraph four; Section 250.⁵, Paragraph one; Section 266, Paragraph one; Section 267, Paragraph three; Section 268, Paragraph two; Section 270, Paragraphs one and three; Section 275, Paragraph two; Section 276, Paragraph two; Section 277, Paragraph two; Section 280, Paragraph two; Section 286, Paragraph four; Section 323 (regarding deletion of the words "parish court") and Section 329, Paragraph three (regarding the replacement of the words "parish court" with the words "Orphan's and Custody Court") of this Law, shall come into force on 1 January 2007.

[7 September 2006]

29. Cases in which the insolvency of an undertaking (company), as well as of a merchant registered in the

Commercial Register is declared until 31 December 2007, shall be examined by the court that declared the insolvency.

[1 November 2007]

30. New wording of Section 434 of this Law (regarding procedures by which a judgment of an appellate court shall enter into lawful effect and be enforced), Section 439.¹, new wording of Section 464 (regarding the Supreme Court assignments hearing), and also Sections 464.¹ and 477.¹ shall come into force on 1 July 2008. Judgments of an appellate court, which the court has declared until 30 June 2008, shall enter into lawful effect at the time of declaration thereof and enforcement of such judgments of an appellate court shall be commenced, continued and completed in accordance with the procedures laid down in Part E of this Law.

[22 May 2008; 30 October 2014]

31. The court activities laid down in law in relation to sending of court rulings to the institution authorised by the law which makes entries in the Register of Insolvency shall not be applicable to those court ruling which have been given in cases regarding insolvency in which the application for insolvency proceedings has been submitted until 31 December 2007 and in which further issues have been decided in conformity with those laws and regulations that governed the insolvency of undertakings and companies until 31 December 2007.

[22 May 2008]

32. In insolvency proceedings in which an application for insolvency proceedings has been submitted to the court until 31 December 2007 and in which the issues are to be decided in the court in conformity with those laws and regulations that governed insolvency of undertakings and companies until 31 December 2007, the appointed administrator shall, until examination of the case or until the time period specified in the decision of a judge, submit to the court:

- 1) a list of those persons which in accordance with law are representatives of the debtor;
- 2) a list of property owned by third persons and in the possession or holding of the debtor;
- 3) lists of secured and unsecured creditors, which have been drawn up on the basis of data present in the accounting of the debtor;
- 4) a statement regarding funds present in the bank accounts and cash office of the debtor, the value of fixed assets and current assets of the debtor;
- 5) an opinion on whether the insolvency proceedings specified in Article (3)(1) or (2) of Regulation No 2015/848 of the European Parliament and of the Council are to be commenced against a debtor.

[22 May 2008; 31 May 2018]

33. In insolvency proceedings in which an application for insolvency proceedings has been submitted to the court until 31 December 2007, but a judgment on the declaration of insolvency is taken after such date, the court shall determine representatives of the debtor in the judgment on the basis of the list of representatives of the debtor submitted by the administrator and determine the obligations thereof in conformity with those laws and regulations that governed insolvency of undertakings and companies until 31 December 2007.

[22 May 2008]

34. A court, when approving an amicable settlement, shall not terminate those insolvency proceedings in which an application for insolvency proceedings has been submitted to the court until 31 December 2007. A court shall take a decision to terminate insolvency proceedings in cases of entering into amicable settlement, if it is found that the debtor has settled all his or her obligations in respect of which performance deadline has set in and following settlement of such obligations his or her assets exceed the remaining amount of the debt.

[22 May 2008]

35. In insolvency proceedings in which an application for insolvency proceedings has been submitted to the court until 31 December 2007 the court shall take a decision, on the revocation of an amicable settlement based on the relevant application if:

- 1) the requirements of laws and regulations have been breached when entering into amicable settlement;
- 2) entering into amicable settlement has been reached by fraud or coercion, or occurred under influence of delusion;
- 3) the debtor fails to perform the obligations provided for in the amicable settlement.

[22 May 2008]

36. In insolvency proceedings in which an application for insolvency proceedings has been submitted to the court until 31 December 2007 and in which the issues are to be decided in the court in conformity with those laws and regulations that governed insolvency of undertakings and companies until 31 December 2007 the complaints may be submitted by:

1) an administrator - regarding any decision of the creditors meeting and a decision of the creditors committee, as well as regarding a decision of the Insolvency Control Service or action of the administrator;

2) an interested creditor or group of creditors - regarding the decision of the creditors meeting, by which a claim of any creditor has been recognised or rejected, within three weeks from the day of the creditors meeting or the day when the decision thereof has been notified to the creditor who has not participated in the creditors meeting;

3) a creditor or group of creditors - regarding the decision of the creditors meeting (creditors committee) on administration costs and the procedures for covering debts within three weeks after taking thereof.

[22 May 2008; 31 May 2018]

37. In insolvency proceedings in which an application for insolvency proceedings has been submitted to the court until 31 December 2007 and in which further issues are to be decided in the court in conformity with those laws and regulations that governed insolvency of undertakings and companies until 31 December 2007 the debtor may submit an application to the court regarding the termination of insolvency proceedings, if he or she has settled all debt obligations within the specified time periods and the value of assets exceeds the remaining amount of the debt.

[22 May 2008]

38. Orders which until 28 February 2009 in accordance with Section 597 of this Law have been issued for making of deductions shall be enforced in conformity with that specified in the relevant order of the bailiff.

[5 February 2009]

39. Until the day of coming into force of the Cabinet regulation referred to in Section 39, Paragraph two of this Law, but no longer than until 1 September 2009, Cabinet Regulation No. 154 of 27 April 1999, Procedures for the Calculation of Amounts to be Disbursed to Witnesses and Experts and Costs Related to Searching for Defendant in Civil Cases, shall be applied, in so far as it is not in contradiction with this Law.

[5 February 2009]

40. The court which has commenced the examination of a civil case in the materials of which an official secret object until 28 February 2009 has been included shall complete the commenced examination of the civil case.

[5 February 2009]

41. Amendments in respect of Section 345, Paragraph three of this Law (regarding extension of the time period for co-ordination of a plan for measures of legal protection proceedings) shall come into force concurrently with the amendments to the Insolvency Law providing that the plan for measures of legal protection proceedings shall be sent concurrently to the administrator and secured creditors for the provision of opinion, as well as unsecured creditors - for coordination.

[5 February 2009]

42. Section 363.⁹, Paragraph seven of this Law shall not be applicable to amicable settlements that have been approved in a court until 30 June 2009.

[11 June 2009]

43. If an auction of immovable property has been announced until 31 January 2010, it shall be organised according to the provisions announced. If the second auction announced has not taken place and no one wishes to retain the immovable property for himself or herself (Section 615), a bailiff shall, after one month from the day of publishing the advertisement, organise the third auction upon request of the judgement creditor, complying with the provisions of the first auction, but bidding shall start from the sum that complies with 60 % of the initial price at the first auction.

[17 December 2009]

44. Within the time period from 1 February 2010 until 31 December 2012 a mortgage creditor in favour of which the first mortgage has been corroborated, unless he or she is also a creditor, in addition to that specified in Section 600, Paragraph three of this Law concurrently is demanded to inform the bailiff whether he or she agrees to the sale of immovable property, except for the cases when recovery is performed in favour of the following claims:

1) on the recovery of child maintenance or parent support;

2) on the recovery of remuneration for work;

- 3) regarding personal injuries that have resulted in mutilation or other damage to health, or the death of the person;
- 4) regarding tax and non-tax payments into the budget;
- 5) regarding compensation of such losses that have been incurred to the property of natural persons by a criminal offence or administrative violation;
- 6) on the recovery of a debt in favour of insolvency subject.

[17 December 2009; 9 June 2011]

45. If a mortgage creditor, in favour of which the first mortgage has been corroborated, objects against the sale of the immovable property (Paragraph 44 of Transitional Provisions), the bailiff shall postpone the bringing of recovery proceedings against immovable property for one year but no longer than until 31 December 2012.

[17 December 2009]

46. The wording of Chapters 46, 46.¹ and 46.² of this Law that was in force until 31 October 2010 and Paragraph 42 of Transitional Provisions shall be applied to legal protection proceedings, extrajudicial legal protection proceedings, insolvency proceedings of a legal person, as well as insolvency proceedings of a natural person commenced until 31 October 2010.

[30 September 2010]

47. Cases regarding divorce according to the application of both spouses and cases regarding submitting the subject-matter of an obligation for safekeeping to the court which have been accepted until 31 January 2011 for examination in courts shall be examined in accordance with the procedures laid down in the Civil Procedure Law which were in force until 31 January 2011.

[28 October 2010]

48. An auction of movable property that was announced until 31 January 2011 shall be organised in accordance with the provisions which were in force on the day when the auction was announced.

[28 October 2010]

49. New wording of Section 34, Paragraph one, Clause 7 of this Law (which provides for the amount of the State duty for the application for the undisputed enforcement, enforcement of obligations according to warning procedures or voluntary sale of immovable property by auction through the court - two per cent of the amount of the debt or value of the property to be returned or voluntarily auctioned, but not exceeding 350 lats) shall come into force on 1 February 2011.

[20 December 2010]

50. New wording of Section 587, Paragraph six of this Law (which provides that a person who has bid the highest price for an article being sold, shall pay the full amount bid and value added tax, if the auction price is taxable with value added tax, not later than on the next working day after the auction) shall come into force on 1 February 2011.

[20 December 2010]

51. In respect of auctions of movable property and immovable property, which have been announced until 31 December 2010, the norms of the Civil Procedure Law which were in force until 31 December 2010 shall be applied.

[20 December 2010]

52. Section 133, Paragraph one, Clause 3, Chapter 30.³ of this Law, as well as amendments to Section 37, Paragraph one, Section 406.⁴, Paragraphs two and four, Section 406.⁶, Paragraphs two and three, Section 406.⁸, Paragraphs two and three, Section 450, Paragraphs one and three and Section 486, Paragraph five of this Law shall come into force on 1 October 2011.

[8 September 2011]

53. Provisions of Chapter 30.³ of this Law shall not be applicable for examining such statements of claim that have been received in the court until 30 September 2011.

[8 September 2011]

54. The State duty paid until 30 September 2011 in cases regarding enforcement of obligations according to warning procedures shall be repaid in accordance with the procedures laid down in the Civil Procedure Law that were in

force until 30 September 2011.

[8 September 2011]

55. Amendment to Section 486, Paragraph five of this Law regarding distinction of the names of arbitration courts shall not apply to the name of the arbitration court that has been entered in the Arbitration Court Register until 30 September 2011.

[8 September 2011]

56. The second sentence of Section 24 [regarding the competence of the Land Registry Office of a district (city) court in examination of applications regarding undisputed enforcement and enforcement of obligations according to warning procedures] and Section 566, Paragraph three of this Law, as well as the amendment that provides for exclusion of the introductory part of Section 34, Paragraph two, and amendments to Section 403 and Section 406.², Paragraph two [regarding submission of the applications to the Land Registry Office of a district (city) court] shall come into force on 1 January 2012.

[4 August 2011]

57. The administrator who has been withdrawn by a court decision from fulfilment of his or her obligations during the time period from 1 November 2010 until 1 July 2012 on the basis of Section 22, Paragraph two, Clause 7 of the Insolvency Law may appeal such court decision in accordance with the procedures laid down in Section 341.⁸, Paragraph seven, Section 363.¹⁴, Paragraph twelve or Section 363.²⁸, Paragraph nine of this Law until 11 July 2011. A decision of the regional court shall not be the grounds for the renewal of the administrator in insolvency proceedings or legal protection proceedings from which he or she was withdrawn.

[21 June 2012]

58. [19 December 2013]

59. If the court has established temporary trusteeship on the basis of Section 21, Clause 1 of the law On Time and Procedures for Coming into Force of Family Law Part of the Renewed Civil Law of the Republic of Latvia of 1937 and an application regarding restricting the capacity to act of a person and establishment of trusteeship has not been submitted within a month after the day of coming into force of such amendments, a judge shall take a decision to terminate temporary trusteeship. The decision to terminate temporary trusteeship shall be sent to the Orphan's and Custody Court for enforcement, to the public prosecutor, trustee and person whose capacity to act is restricted.

[29 November 2012]

60. If the court has stayed court proceedings on the basis of Section 21, Clauses 2 and 3 of the law On Time and Procedures for Coming into Force of Family Law Part of the Renewed Civil Law of the Republic of Latvia of 1937, it shall restore court proceedings upon its own initiative, upon application of a participant in the case or trustee. If a person, who is the applicant in the stayed case, has lost the rights of claim in the cases regarding establishment of trusteeship or re-examination of a restriction of the capacity to act in accordance with the amendments to the Civil Law and Civil Procedure Law which came into force on 1 January 2013, the court shall notify it to the Prosecutor's Office and the prosecutor shall take the place of the applicant. Upon restoring court proceedings, the court shall explain to the applicant his or her rights to amend the subject-matter and justification of the application. Such cases shall be examined in accordance with the procedures laid down in the Civil Procedure Law, which are in force from the day of coming into force of these amendments.

[29 November 2012; 23 May 2013]

61. A person whom until 31 December 2011 the court has recognised as lacking capacity to act due to mental illness or dementia and in relation to whom has established trusteeship due to his or her dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances, hereinafter shall be deemed a person with restricted capacity to act without restriction of personal non-financial rights. Until the time then the relevant amendments to other laws and regulations come into force, the legal order in relation to the person lacking the capacity to act and such person in relation to whom trusteeship has been established due to his or her dissolute or spendthrift lifestyle, as well as excessive use of alcohol or other intoxicating substances, shall be interpreted and applied in accordance with this Law and The Civil Law.

[29 November 2012]

62. The incapacity to act of the person referred to in Paragraph 61 of these Transitional Provisions shall be reviewed according to the same provisions as in relation to a person with restricted capacity to act. A trustee has an obligation to submit an application to the court for the person referred to in Paragraph 61 of these Transitional Provisions in relation to reviewal of restriction of the capacity to act within four years after coming into force of these amendments, if an application for the reviewal of restriction of the capacity to act has not been submitted to the court or a judgment in relation thereto has not entered into effect. If an application for the reviewal of restriction of the capacity to act has not

been submitted to the court after the abovementioned term or a judgment in relation thereto has not entered into effect, the Orphan's and Custody Court shall inform the Office of the Prosecutor on such persons lacking the capacity to act in relation to whom restriction of the capacity to act should be reviewed, within a year from expiry of the time period for the abovementioned obligation imposed on the trustee. The court shall inform the Population Register that it has received an application for the review of restriction of the capacity to act for a person, which has been submitted after four years from the day when the relevant amendments came into force. The Population Register shall inform the Office of the Prosecutor in relation to which person a judgment regarding review of restriction of the capacity to act has not entered into effect after four years from the day when the relevant amendments came into force and in relation to which person referred to in Paragraph 61 of these Transitional Provisions review of restriction of the capacity to act in the court has been proposed. The Office of the Prosecutor shall submit an application to the court regarding review of restriction of the capacity to act within seven years after the day when these amendments came into force.

[29 November 2012]

63. A complaint submitted to the relevant official until the day when amendments to Section 483 of this Law come into force shall be examined according to the provisions that were in force on the day when the complaint was submitted.

[29 November 2012]

64. Amendments made to Section 11, Paragraph one, Clause 4.², Section 251, Clause 3.¹ and Chapter 34.¹ "Staying of the Rights of a Future Authorised Person" shall come into force concurrently with Part Four, Chapter 18, Sub-chapter 1, Division III¹ "Future Authorisation".

[29 November 2012 / See 29 November 2012]

65. Until 1 April 2013 the founder of a permanent arbitrary court registered in the Register of Arbitrary Courts shall submit a certificate to the Enterprise Register that an arbitrary judge conforms to the requirements of Section 497, Paragraph two of this Law, attaching documents that justify the qualification of the arbitrary judge.

[29 November 2012]

66. If parties have agreed upon transfer of a dispute to the permanent arbitrary court and the founder of such arbitrary court has not submitted a certificate regarding conformity of the arbitrary judge in the permanent arbitrary court with the requirements of Section 497, Paragraph two of this Law until 1 April 2013, the parties shall agree upon transferring the dispute for settlement to another arbitrary court. If an agreement is not reached, the dispute shall be examined in the court.

[29 November 2012]

67. An arbitrary judge who does not conform to the requirements of Section 497, Paragraph two of this Law shall complete the proceedings of the arbitrary court initiated until coming into force of these amendments in the relevant arbitrary court.

[29 November 2012]

68. Provisions of Chapter 30.⁴ of this Law shall not be applicable for examining such statements of claim that have been received in the court until 30 June 2013.

[18 April 2013]

69. Amendment to Section 400 regarding supplementation thereof with Paragraph 1.¹, which determines that Paragraph one of this Section is not applicable for notarial deeds drawn up in accordance with the procedures laid down in Division D¹ of the Notariate Law, shall apply to such notarial deeds which are drawn up after 31 October 2013.

[23 May 2013]

70. Cases regarding undisputed enforcement of obligations on the basis of the obligations in accordance with which undisputed enforcement was permissible by 31 October 2013 shall be examined in accordance with the procedures laid down in this Law which were in force until 31 October 2013.

[23 May 2013]

71. Section 539, Paragraph two, Clause 5 and Section 540, Clause 15 of this Law shall apply to those notarial deeds which were drawn up after 31 October 2013.

[23 May 2013]

72. Amendments to Section 551, Paragraph one and Section 594, Paragraphs one and two of this Law which provide that remuneration for work and payments equivalent thereto not less than in the amount of the minimum

monthly wage and funds for each dependent minor child in the amount of the State social insurance benefit shall come into force on 1 January 2014. In the enforcement cases which have been commenced in the record-keeping of a sworn bailiff, however, not completed until the time of coming into force of the amendments to Section 594, Paragraphs one and two of this Law and in which the enforcement measure - bringing of recovery proceedings against remuneration for work to be disbursed to the debtor or payments equivalent thereto - is applied, the amount of funds to be retained for the debtor laid down in Section 594, Paragraphs one and two of this Law during a time period from the coming into force of the amendments referred to in Section 594, Paragraphs one and two of this Law and until the time when the amount of debt to be recovered indicated in the order of the sworn bailiff is discharged or the applied enforcement measure is repealed, shall be calculated by the employer or the relevant legal person at the time when deduction is made from the remuneration for work of the debtor or payments equivalent thereto.

[23 May 2013; 19 December 2013]

73. Section 32.¹ of this Law is repealed from 31 December 2020.

[19 December 2013; 9 June 2016; 25 October 2018]

74. Amendments to Section 250.²⁷ of this Law regarding appeal of court judgments given in the cases regarding small claims in accordance with appeal procedures shall come into force on 1 April 2014.

[19 December 2013]

75. Amendments to Section 250.²⁷ of this Law regarding appeal of court judgments given in the cases regarding small claims in accordance with appeal procedures shall apply to the judgments which have been declared, or, - if judgments are given in the written procedure, - drawn up after 1 April 2014.

[19 December 2013]

76. Provisions of Section 406.³, Paragraph two, Clause 10 of this Law regarding inclusion of the certification in the application shall not be applicable to examination of those applications which are submitted to the court until 1 July 2014.

[19 December 2013]

77. A founder of a permanent arbitration court registered in the Arbitration Court Register shall, until 15 July 2014, submit amendments to the Enterprise Register in conformity with amendments to Section 486.¹ of this Law.

[22 May 2014]

78. If the founder of the permanent arbitration court registered in the Arbitration Court Register fails to submit the abovementioned documents to the Enterprise Register within the time limit laid down in Paragraph 77 of these Transitional Provisions, the Enterprise Register shall, by 15 September 2015, decide on the exclusion of the permanent arbitration court from the Arbitration Court Register, in accordance with Cabinet Regulation No. 204 of 29 March 2005, Regulations Regarding the Arbitration Court Register.

[22 May 2014]

79. If parties have agreed to refer a civil legal dispute for resolution to a permanent arbitration court, which has been excluded from the Permanent Arbitration Court Register in accordance with Paragraph 78 of these Transitional Provisions, the parties shall agree on referring the civil legal dispute for resolution to another arbitration court. If agreement is not reached, the dispute shall be examined in the district (city) court.

[22 May 2014]

80. A permanent arbitration court which has been excluded from the Permanent Arbitration Court Register in accordance with Paragraph 78 of these Transitional Provisions, may complete examination of the commenced cases, however not longer than until 31 December 2014.

[22 May 2014]

81. The founder of the permanent arbitration court, which has been excluded from the Arbitration Court Register, shall hand over the documents of proceedings to the State Archives of Latvia by 1 October 2014 and cover the expenses for the storage of the documents of proceedings.

[22 May 2014]

82. The court shall examine an application for enforcement of the judgment of the permanent arbitration court or refusal to issue the writ of execution for enforcement of a judgment of a permanent arbitration court, which has been received until 31 December 2014, in accordance with the procedures which were in force at the time of giving the

judgment of the permanent arbitration court.

[11 September 2014]

83. Amendments to Part D of this Law regarding procedures for enforcement of a judgment of a permanent arbitration court and regarding deleting Chapters 61, 62, 63, 64 and 65 shall come into force on 1 January 2015.

[11 September 2014]

84. Section 611, Paragraph three of this Law regarding electronic submission of the application for corroboration of the immovable property in the name of the acquirer, Section 613, Paragraph three of this Law regarding verification in the Register of Enforcement Cases and Section 615, Paragraph five of this Law regarding electronic submission of the application for the corroboration of the immovable property in the name of the highest bidder, joint owner or creditor and the extinguishing of debts entered into the Land Registry shall be applicable starting from the availability of the relevant technical support, however not later than from 1 January 2015.

[11 September 2014]

85. Cases regarding corroboration of the immovable property in the name of the acquirer (a person who has taken over the immovable property, or the highest bidder), which have been accepted for examination in the regional court by 31 October 2014, shall be examined in accordance with the procedures laid down in the Civil Procedure Law which were in force by 31 October 2014.

[11 September 2014]

86. The Chamber of Civil Cases of the Supreme Court shall examine an ancillary complaint regarding decisions which have been taken by the regional court in examining the cases regarding corroboration of the immovable property in the name of the acquirer (a person who has taken over the immovable property, or the highest bidder), if they have been accepted for examination in the regional court by 31 October 2014. A decision of the Chamber of Civil Cases of the Supreme Court, which, in examining the ancillary complaint, is taken after 1 November 2014 and by which the decision of the regional court is revoked and the issue is transferred for examination anew, shall be transferred for examination anew to the Land Registry Office of the district (city) court according to the location of the immovable property.

[11 September 2014]

87. The cases which are examined in the regional court as in the court of first instance and in which the date for declaration of the judgment is laid down after 31 December 2014, and also ancillary complaints regarding decisions of the regional court as the court of first instance, which have been declared after 31 December 2014, shall be examined in accordance with the appeal procedures by the same regional court as the appellate court but in a new composition of the court.

[30 October 2014]

88. The cases, in respect of which the appeal proceedings have been initiated in the Chamber of Civil Cases of the Supreme Court, and ancillary complaints regarding decisions declared by the regional court as the court of first instance, but which have not been examined until 31 December 2016, including the cases in which a decision to stay court proceedings has been taken, shall be transferred for examination to the regional court as the appellate court but in a new composition of the court.

[30 October 2014; 28 May 2015]

89. The cases, which have been initiated for examination to the regional court as the court of first instance by 31 December 2014, but examination of which has not been commenced by 30 June 2015, shall be transferred to the district (city) court as the court of first instance.

[30 October 2014]

90. The cases, which the regional court as the court of first instance has commenced to examine on the merits, shall be examined in the same court where they have been submitted. The cases, which the regional court as the court of first instance has commenced to examine on the merits, but which have not been examined by 31 December 2015, in relation to the fact that a decision to stay court proceedings has been taken in relation to them, shall be transferred for examination to the district (city) court as the court of first instance.

[10 December 2015]

91. The cassation court shall, after 1 January 2015, when revoking the ruling of the Chamber of Civil Cases of the Supreme Court as the ruling of the appellate court, transfer the case for examination anew to the regional court as the appellate court or to the city (district) court as the court of first instance (Section 474, Clause 2). The appellate court shall, when revoking the judgment of the court of first instance (Section 427), the decision to leave a claim without

examination, the decision to refuse to accept a statement of claim (Section 132), and also the decision to leave a statement of claim not proceeded with (Section 133), transfer the case for examination anew to the district (city) court as the court of first instance. In such case the case shall be transferred to the court in accordance with the provisions regarding jurisdiction of the civil legal disputes.

[30 October 2014; 10 December 2015]

92. If after 1 January 2015 in a case, which has been examined in the regional court as in the court of first instance, issues related to execution of the ruling are to be decided, they shall be decided by the regional court which has taken the ruling.

[30 October 2014]

93. If after 1 January 2016 in a case, which has been examined in the Chamber of Civil Cases of the Supreme Court in accordance with the appeal procedure, issues related to execution of the ruling are to be decided, they shall be sent for making of a decision in the regional court as the appellate court.

[30 October 2014]

94. The court which has commenced the examination of a civil case in the materials of which an official secret object has been included until 1 January 2015 shall complete examination thereof.

[30 October 2014]

95. The cases examined in the Chamber of Civil Cases of the Supreme Court regarding decisions of the judge of the Land Registry Office and his or her action, in which the cassation instance has revoked the ruling of the Chamber of Civil Cases of the Supreme Court after 1 January 2015, shall be transferred for examination anew to the regional court in the territory of operation of which the Land Registry Office of the district (city) court is located. The Chamber of Civil Cases of the Supreme Court shall transfer the complaints regarding the decisions of the judge of the Land Registry Office and his or her action, which have not been examined by 31 December 2016, including the complaints in which a decision to stay court proceedings is taken, for examination to the regional court in the territory of operation of which the Land Registry Office of the district (city) court is located.

[30 October 2014]

96. Ancillary complaints which have been submitted regarding the decisions taken by the regional court as the court of first instance, the time limit laid down for appeal of which ends on 31 December 2014, in accordance with appeal procedure, shall be examined in accordance with the procedures which were in force until 31 December 2014.

[30 October 2014]

97. Amendments to Sections 540, 541.¹, 555, 559, 644, 644.² and 644.³ of this Law in respect of Council Regulation No 44/2001 and Regulation No 1215/2012 of the European Parliament and of the Council shall come into force on 10 January 2015.

[30 October 2014]

98. Amendments to Sections 541.¹, 543.¹, 545.¹ and 644.³ of this Law in respect of Regulation No 606/2013 of the European Parliament and of the Council shall come into force on 11 January 2015.

[30 October 2014]

99. Section 541.¹, Paragraph three and Section 644, Paragraph two of this Law in the wording which was in force until 9 January 2015 shall be applied to the court proceedings, which were commenced, authentic instruments which have been officially drawn up and registered, and court settlements which have been approved or entered into from 1 May 2004 to 9 January 2015.

[30 October 2014]

100. Applications to be examined in accordance with the procedures laid down in Chapter 77.¹ and 77.² of this Law, which have been submitted to the district (city) court until 28 February 2015, but examination of the cases on the merits has not been commenced, shall be transferred to examination to the City of Riga Northern District Court.

Applications to be examined in accordance with the procedures laid down in Chapter 77.¹ and 77.² of this Law, which have been submitted to the district (city) court until 28 February 2015 and examination of the cases on the merits has been commenced, shall be finished by the court in which the application has been submitted.

[30 October 2014]

101. If after 1 March 2015 in the case regarding wrongful removal of a child across borders to a foreign state or detention in a foreign state, if the place of residence of the child is in Latvia, and wrongful removal of a child across

borders to Latvia or detention in Latvia, if the place of residence of the child is in another country, the issues related to enforcement of the ruling are to be decided, they shall be examined in the City of Riga Northern District Court.

[30 October 2014]

102. The court shall take a decision to terminate insolvency proceedings of a legal person, if an application is received from the Insolvency Control Service for discharge of the administrator and termination of the insolvency proceedings of the legal person in the case specified in Paragraph 27 of the Transitional Provisions of the Insolvency Law.

[12 February 2015; 31 May 2018]

103. The court which takes the decision referred to in Paragraph 102 of the Transitional Provisions of this Law shall, upon request of the Insolvency Control Service, assign the administrator discharged from the insolvency proceedings to carry out the activities related to the exclusion of the debtor from the Enterprise Register. If the administrator fails to submit an application to the court for termination of insolvency proceedings due to the fact that the sale of the property has not been started or completed, or the satisfaction of the creditors' claims has not been started or completed, the court shall, in addition to the obligation referred to in this Clause, upon request of the Insolvency Control Service, assign the administrator discharged from the insolvency proceedings to carry out the activities related to the completing of insolvency proceedings.

[12 February 2015; 31 May 2018]

104. The court shall examine complaints in the legal protection proceedings, insolvency proceedings of a natural person and insolvency proceedings of a legal person commenced until 30 June 2012 in accordance with the procedures laid down in Chapters 45.¹, 46.¹ and 46.² of this Law.

[12 February 2015]

105. If the application for insolvency proceedings of a natural person has been submitted until 1 March 2015, the wording of Sections 363.²⁵ and 363.²⁷ of this Law which was in force on the day of submission of the application for insolvency proceedings of a natural person shall be applied.

[12 February 2015]

106. Amendments to Chapter 73 of this Law, which are related to organising of auction of the immovable property in the site of electronic auctions, shall come into force on 1 July 2015. Administrator of insolvency proceedings, when organising an auction of the immovable property, shall apply the abovementioned amendments from 1 January 2016. Auctions, which a bailiff has announced until 31 December 2015, shall take place in accordance with the procedures which have been in force until 30 June 2015. Auctions, which an administrator of insolvency proceedings has announced until 31 December 2015, shall take place in accordance with the procedures which have been in force until 31 December 2015.

[28 May 2015]

107. Amendments to Section 594, Paragraph one, Clause 2 of this Law which provide for preserving work remuneration for work of the debtor and payments equivalent thereto in the amount of 50 per cent of the minimum monthly wage shall come into force on 1 July 2015. In the enforcement cases referred to in Section 594, Paragraph one, Clause 2 of this Law which have been commenced in the record-keeping of the bailiff, however, not completed until 30 June 2015 and in which an enforcement measure - bringing of recovery proceedings against the remuneration for work to be disbursed to the debtor or payments equivalent thereto, from 1 July 2015 until the time when the debt amount to be recovered indicated in the order by the bailiff is extinguished or the enforcement measure applied is revoked, the amount of funds to be preserved for the debtor shall be independently calculated by the employer or a relevant legal person (the addressee of the order by the bailiff) at the time, when the deduction from the remuneration for work of the debtor or payments equivalent thereto are made in accordance with amendments to Section 594, Paragraph of this Law which come into force from 1 July 2015.

[28 May 2015]

108. Amendments to Section 250.², Paragraph three, Section 401, Clause 3 and Section 644, Paragraph two of this Law in respect of a European Certificate of Succession and Regulation No 650/2012 of the European Parliament and Council shall come into force on 17 August 2015.

[28 May 2015]

109. Upon a proposal of the Chamber of Civil Cases of the Supreme Court, the Chief Justice of the Supreme Court shall take a decision on an issue regarding the transfer of the case present in the examination of the Chamber of Civil Cases of the Supreme Court to other appellate court, if the examination of the case cannot be ensured until 31 December 2016. A decision shall be taken in a manner of resolution and it shall not be subject to appeal. The case

shall be transferred to other appellate court by complying with the conditions of Section 32.¹, Paragraphs five and six of this Law.

[28 May 2015]

110. The Chamber of Civil Cases of the Supreme Court shall, by revoking a judgement of the court of first instance in the cases specified in Section 427 of this Law, send the case for examination anew to the court of first instance in accordance with the provisions for jurisdiction of civil legal disputes.

[28 May 2015]

111. In enforcement cases regarding enforcement of ruling arising from custody rights or access rights, which have been commenced until coming into force of Chapters 74.⁴ and 74.⁵ of this Law, the bailiff shall send a notification laid down in Section 620.¹⁷ or 620.²³ of this Law and further enforcement of rulings shall be carried out in accordance with the procedures laid down in the relevant Chapter. If in enforcement case regarding enforcement of a ruling arising from custody rights or access rights, the court has imposed a fine in accordance with Section 620 of this Law, it shall be included in the fine which is imposed in accordance with Section 620.¹⁸ or 620.²⁵ of this Law.

[29 October 2015]

112. Section 33, Paragraph three, Clause 4 and Section 44.¹ of this Law shall be applied to the cases which have been initiated after 1 March 2016.

[10 December 2015]

113. Amendments concerning the deletion of Section 539, Paragraph three, Section 540 Clause 9 and Section 567, Paragraph five of this Law shall come into force simultaneously with the international and Latvian national law on sanctions. The bailiff shall terminate enforcement proceedings in cases regarding the decision of the responsible institution on forced enforcement of sanctions laid down by international organisations, which have been commenced in the record-keeping of the bailiff until the day of coming into force of the international and Latvian national law on sanctions, by revoking all enforcement measures taken in relation to enforcement of such decision. The bailiff shall be reimbursed for the enforcement of judgment expenses incurred in the enforcement case in conformity with the requirements of the laws and regulations which were in force until the day of coming into force of the international and Latvian national law on sanctions.

[4 February 2016]

114. Amendments made in relation to translators to Section 13, Paragraph four, Section 33, Paragraph three, by supplementing it with Clause 5, Section 44, Paragraph one, Clause 4 and supplementing it with Clause 5, and also by supplementing the Section with Paragraph six, Section 54, Paragraph three, Section 55, by supplementing it with Clause 8, Section 74, Paragraph seven by supplementing it with Clause 2.¹, Section 210, Paragraph one, Clause 3 and supplementing the Paragraph with Clause 6 shall come into force on 31 July 2016.

[4 February 2016]

115. Section 540, Clause 18, Section 560, Paragraph 2.², Section 562 paragraph one, Clause 15 and Section 563, Paragraph one, Clause 12 of this Law shall come into force from 18 June 2016.

[4 February 2016]

116. The court which has commenced the examination of applications for the examination of the case anew due to newly discovered circumstances until 1 August 2016, shall complete examination thereof. Examination of the applications which have been transferred for examination to the Chamber of Civil Cases of the Supreme Court shall be decided in accordance with Paragraph 109 of Transitional Provisions.

[9 June 2016]

117. Orders given by a bailiff until 30 June 2017 for seizing of funds deposited in a credit institution or with other payment service provider and transfer thereof to the bailiff's deposit account shall be enforced by applying the norms of this Law which were in force until 30 June 2017.

[23 November 2016]

118. Starting from 1 July 2019 the orders referred to in Section 599.¹ of this Law shall be given, enforced and communicated of enforcement thereof by using the State information system integrator managed by the State Regional Development Agency.

[23 November 2016]

119. Until 30 June 2019 the credit institutions and other payment service providers that have informed the Court Administration of commencement of electronic data exchange shall receive and enforce the orders referred to in Section 599.¹ of this Law by using the State information system integrator managed by the State Regional Development Agency. Until the informing of electronic data exchange orders given by a bailiff for seizing of funds deposited in a credit institution and transfer thereof to the bailiffs deposit account shall be enforced by applying the norms of this Law which were in force until 30 June 2017.

[23 November 2016]

120. Amendments to Section 142, Paragraph five, Section 555, Paragraph seven, Section 557, Section 572, Paragraphs one and two, deletion of Section 599, Paragraph three of this Law, as well as supplementation of the Law with Section 599.¹ shall come into force on 1 July 2017.

[23 November 2016]

121. Amendments to Sections 34, 207, 540, 549, 563, 568, 643 and 644 of this Law regarding the European Account Preservation Order, and Chapter 77.³ shall come into force on 18 January 2017.

[8 December 2016]

122. Amendments to Section 250.¹⁹ of this Law regarding initiation of a case on recovery of maintenance in the minimum amount determined by the Cabinet, amendments to Section 596, Clause 5 regarding not bringing of recovery proceedings against the child maintenance in the minimum amount determined by the Cabinet which on the basis of a decision taken by the Administration of Maintenance Guarantee Fund is paid by one of the parents, as well as amendments to Section 623, Paragraph one, Clause 1 regarding claims of the first order of recovery shall come into force on 1 April 2017.

[8 December 2016]

123. Amendments to Section 572.¹, Paragraphs one and three of this Law regarding application of the enforcement for the benefit of the Administration of Maintenance Guarantee Fund shall come into force on 1 February 2017 and refer to enforcement cases commenced starting from 1 February 2017.

[8 December 2016]

124. Claims regarding recovery of child maintenance in the minimum amount determined by the Cabinet which have been brought in a court until 1 April 2017 shall be examined in accordance with the procedures laid down in the Civil Procedure Law which was in force until 1 April 2017.

[8 December 2016]

125. Amendments regarding deletion of Sections 341.⁹ and 363.⁶ of this Law, as well as amendments to Section 43, Paragraph one, Clause 10, Sections 341.⁵, 341.⁶, 341.⁷, 341.⁸, 341.¹⁰, 363.¹, 363.², 363.⁹, 363.¹⁰, and 363.¹¹ of this Law by which accordingly regulation of the supervisory person is introduced and deciding on the issues related thereto in legal protection proceedings and extrajudicial legal protection proceedings, restricted rights and obligations of an administrator in legal protection proceedings and extrajudicial legal protection proceedings are specified, as well as regulation of an application for insolvency proceedings of creditors and the majority of creditors specified in Section 42, Paragraph three of the Insolvency Law is specified in insolvency proceedings of a legal person, shall come into force on 1 July 2017 and be applicable in relation to legal protection proceedings and extrajudicial legal protection proceedings which have been commenced starting from 1 July 2017, and to insolvency proceedings of a legal person following these proceedings. The legal protection proceedings and extrajudicial legal protection proceedings which have been commenced up to 30 June 2017 and the insolvency proceedings following them shall be applied the norms of this Law which were in force on the day of commencing the relevant legal protection proceedings and extrajudicial legal protection proceedings.

[1 June 2017]

126. Amendments to Sections 485.¹ and 541.¹ of this Law in respect of Regulation No 861/2007 of the European Parliament and of the Council shall come into force on 14 July 2017.

[1 June 2017]

127. Amendments to Section 611, Paragraph three and Section 615, Paragraph five of this Law regarding electronic submission of an application to the Land Registry Office of the district (city) court using the Judicial Informative System, and amendments to Section 617, Paragraph two of this Law regarding submission of a complaint to any Land Registry Office shall come into force on 1 September 2017.

[1 June 2017]

128. Section 567, Paragraph 1.¹ of this Law regarding releasing a creditor from the obligation to indicate an enforcement measure, Clause 2.¹ of Paragraph two regarding releasing a victim from enforcement of judgment expenses, Paragraph 4.¹ regarding covering of enforcement of judgment expenses shall come into force on 1 January 2019.

[22 June 2017]

129. Amendments to Section 582, Paragraph six of this Law regarding specifying a duty for the bailiff to make a note in the State Register of Vehicles and Their Drivers regarding the date of alienating a seized vehicle and the acquirer shall come into force on 1 January 2018. Until 31 December 2017 the bailiff shall notify the date of alienating a seized vehicle and the acquirer to the State Register of Vehicles and Their Drivers by sending information in writing.

[22 June 2017]

130. Applications regarding reimbursement of losses for violations of the competition law which have been submitted to the district (city) court up to the day when the procedures laid down in Chapter 30.⁶ of this Law regarding violations of the competition law came into force, if examination of the cases on the merits has not been commenced, shall be transferred for examination to the Latgale Suburb Court of Riga City. Examination of applications regarding reimbursement of losses for violations of the competition law which have been submitted to the district (city) court up to the day when the procedures laid down in Chapter 30.⁶ of this Law regarding violations of the competition law came into force, if examination of the cases on the merits has been commenced, shall be terminated by the court to which the application was submitted.

[19 October 2017]

131. Amendments to Sections 34 and 38 of this Law in relation to updating of the State duty and office fee shall come into force on 1 March 2018.

[14 December 2017]

132. Amendments to Section 83 of this Law regarding deletion of Paragraphs six and seven, regarding supplementation of the Law with Section 82.¹, and amendments to Section 83 regarding restrictions on representation in the court shall come into force on 1 January 2019.

[14 December 2017]

133. Cases of the natural person or legal person referred to in Section 82.¹, Paragraph one, Clauses 1 and 2 of this Law or legal person which until 31 December 2018 have been conducted in the court of first instance or appellate court with the intermediation of a representative, may be terminated by conducting them in the court of first instance or appellate court with the intermediation of such representative.

[14 December 2017]

134. Until the day of coming into force of the Cabinet regulations referred to in Section 250.²⁰, Paragraph one and Section 250.²³, Paragraph one of this Law, but not longer than until 1 July 2018 Cabinet Regulation No. 783 of 11 October 2011, Regulations Regarding Sample Forms to be Use in Small Scale Claims, shall be applied, taking into account the amendments made in these Sections by which the term "cases regarding small scale claims" is substituted with the term "cases of simplified procedure".

[14 December 2017]

135. Applications regarding submitting a request to a foreign country regarding return of a child to Latvia (Chapter 77.¹) which have been submitted to the court of Latvia by 14 January 2018, shall be examined in accordance with the procedures laid down in this Law which were in force until 15 January 2018.

[14 December 2017]

136. An ancillary complaint regarding a decision of the district (city) court which, upon examining a complaint regarding actions of a bailiff of District No. 35 of the Riga District Court, District No. 36 of the Riga District Court, or District No. 37 of the Riga District Court in execution of a judgment (Section 632), has been declared until 28 February 2018, shall be examined by the Riga District Court.

[14 December 2017]

137. Amendments to Section 14, Paragraph three, Section 62, Paragraph one, Sections 87, 193, 194, 199, 208, 230.¹, 231, 250.²⁵, 250.²⁶, 250.²⁷, 250.³⁶, 250.⁴², Section 415, Paragraph two, Section 442, Section 452, Paragraph three, Section 454, Paragraph two, Sections 464.³, 472, and 477.¹ in relation to the procedures for drawing up a

summary judgment, its form and contents, as well as the procedures for declaring a judgment, summary judgment, decision and summary decision shall come into force on 1 March 2018.

[14 December 2017]

138. Cases which have been initiated for small scale claims and cases regarding which a dispute has been examined in the Board of Appeal for Industrial Property until coming into force of amendments to Sections 250.²⁵ 250.²⁶, and 250.²⁷ of this Law regarding request for drawing up a summary judgment and judgment, shall be examined in accordance with the procedures laid down in Sections 250.²⁵, 250.²⁶, and 250.²⁷ of this Law which was in force until 1 March 2018.

[14 December 2017]

139. Amendments to Section 34 of this Law regarding deletion of Paragraph five, amendments to Section 41, Paragraph one, Section 445, Section 449, Paragraph four, Section 464, Paragraph seven, Sections 443.¹ and 444.¹ in relation to the contents of an ancillary complaint, replacement of the State duty for an ancillary complaint with security deposit and the amount of such security deposit, the procedures for payment and refund thereof shall come into force on 1 March 2018.

[14 December 2017]

140. Ancillary complaints for which State duty has been paid and which have been submitted until the day of coming into force of amendments to Section 34 of this Law regarding deletion of Paragraph five, amendments to Section 41, Paragraph one, Section 445, Section 449, Paragraph four, Section 464, Paragraph seven regarding action with the security deposit and of supplementation of the Law with Section 444.¹ regarding payment of a security deposit in ancillary complaints, shall be examined in accordance with the procedures which were in force until 1 March 2018.

[14 December 2017]

141. After amendments to Sections 187, 194, 199, 230.¹ and 231 of this Law regarding the procedures of giving a summary judgment, its form and contents, as well as the procedures for giving summary decisions, their form and contents in cases in which a summary ruling has been given in accordance with the procedures laid down in this Law which were in force until 1 March 2018 have come into force, also the full ruling is drawn up in accordance with the procedures laid down in this Law which were in force until 1 March 2018.

[14 December 2017]

142. An auction of movable property that was announced until 30 June 2018 shall be organised in accordance with the provisions which were in force on the day when the auction was announced.

[1 March 2018]

143. The State Revenue Service and the Provision State Agency shall, until development of the appropriate legal regulation, however, not later than until 31 December 2018, apply the provisions of Chapter 71 "Bringing of Recovery Proceedings Against Movable Property" which were in force until 30 June 2018 in the cases specified in the laws and regulations governing their activities.

[1 March 2018]

144. Chapter 30.⁷ of this Law which determines the procedures for examining disputes in the cases regarding rights in cases of insolvency proceedings and applications for the imposition of a provisional remedy shall be applicable to the insolvency proceedings of a legal person which have been commenced after 30 June 2018.

[31 May 2018 / The numbering of Section has been amended by the law of 25 October 2018 which comes into force on 28 November 2018]

145. Section 341.⁸, Paragraphs three and seven, Section 363.¹⁴, Paragraphs three and twelve, Section 363.²⁸, Paragraphs three and nine of this Law shall, in the wording that was in force until 30 June 2018, be applicable to the decisions of a court of first instance on discharge of the administrator from the relevant legal protection proceedings, insolvency proceedings of a legal or natural person which have been taken by 30 June 2018.

[31 May 2018 / The numbering of Section has been amended by the law of 25 October 2018 which comes into force on 28 November 2018]

146. Section 341.², Paragraph two, Clause 3 and the second sentence of Section 363.¹¹, Paragraph four of this Law shall be applicable to the cases of legal protection proceedings commenced after 30 June 2018.

[31 May 2018 / The numbering of Section has been amended by the law of 25 October 2018 which comes into

force on 28 November 2018]

147. Amendments to Section 56.², Paragraph one by supplementing it with Clause 5, Section 656, Paragraph one, Sections 664, 666, Section 667, Paragraph one, Section 670, Paragraph three of this Law, as well as amendments regarding deletion of Sections 658, 661, 665, Section 673, Paragraph four, and Section 674 of this Law, and supplementation of this Law with Chapter 81.¹ in respect of the transfer of the function of service of foreign judicial or extrajudicial documents to bailiffs and the service of documents in accordance with the 1965 Hague Convention shall come into force on 1 January 2019.

[31 May 2018 / The numbering of Section has been amended by the law of 25 October 2018 which comes into force on 28 November 2018]

148. Amendments to Section 620, Paragraph four of this Law regarding increasing of the amount of the fine and Paragraph five regarding submission of an application for the commencement of criminal proceedings where a debtor continues not to enforce the judgment after imposition of the fine shall come into force on 1 July 2019.

[31 May 2018 / The numbering of Section has been amended by the law of 25 October 2018 which comes into force on 28 November 2018]

149. Until the day when amendments to the Civil Procedure Law which provide for solely electronic submission of applications for undisputed compulsory enforcement come into force, the Vidzeme Suburb Court of Riga City shall examine applications for undisputed compulsory enforcement:

1) regarding obligations concerning monetary payments, obligations concerning the return of movable property, or obligations under contracts which have been secured with a commercial pledge if the declared place of residence of a debtor or, if none, his or her place of residence or legal address is in the administrative territory of Riga City;

2) according to immovable property pledge documents or the obligations to vacate or return the leased or rented immovable property, if the immovable property is located in the administrative territory of Riga City.

[25 October 2018]

150. Until the day when amendments to the Civil Procedure Law which provide for solely electronic submission of applications for compulsory enforcement of obligations according to warning procedures come into force, the Vidzeme Suburb Court of Riga City shall examine applications, if the declared place of residence of a debtor or, if none, his or her place of residence or legal address is in the administrative territory of Riga City.

[25 October 2018]

151. Amendments regarding replacement of the words "Land Registry Office" and words "Land Registry Office of a district (city) court" in the entire Law, deletion of the third sentence of Section 24, Paragraph one, the new wording of Section 363.¹⁵, Paragraph four, supplementation of Section 403, Paragraph one, deletion of the words "and a judge of Registry Office of a district (city) court" in Section 443, Paragraph one, Clause 1, replacement of the words "a decision of a judge of Land Registry Office of a district (city) court" in Section 449, Paragraph three shall come into force on 1 June 2019.

[25 October 2018]

152. Section 43, Paragraph one, Clause 16.¹ of this Law regarding the exemption of the whistleblower or his or her relative as a party to the civil case from the payment of court expenses shall come into force on 1 May 2019.

[28 February 2019]

Informative Reference to the European Union Directives

[14 December 2006; 20 December 2010; 15 March 2012; 19 December 2013; 4 February 2016; 19 October 2017; 28 February 2019]

This Law contains legal norms arising from:

1) [19 December 2013];

2) Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights;

3) Directive 2008/52/EC of the European Parliament and of the Council of 21 May 2008 on certain aspects of mediation in civil and commercial matters;

4) Council Directive 2010/24/EU of 16 March 2010 concerning mutual assistance for the recovery of claims relating to taxes, duties and other measures;

5) Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions;

6) Directive 2014/67/EU of the European Parliament and of the Council of 15 May 2014 on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ("the IMI Regulation");

7) Directive 2014/104/EU of the European Parliament and of the Council of 26 November 2014 on certain rules governing actions for damages under national law for infringements of the competition law provisions of the Member States and of the European Union;

8) Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure.

This Law shall come into force on 1 March 1999.

This Law has been adopted by the *Saeima* on 14 October 1998.

President G. Ulmanis

Rīga, 3 November 1998

¹ The Parliament of the Republic of Latvia

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