

ANNEX 47

- Country Report SLOVAKIA

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FOR



COMMISSION EUROPEENNE

*- DG FOR JUSTICE, FREEDOM
AND SECURITY -*

**Study on the Transparency of Costs of Civil Judicial
Proceedings in the European Union**

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Team Leader

- COUNTRY REPORT -

- SLOVAKIA -

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ANNEXES TABLE:

ANNEXE 1 Questionnaire completed for the implementation of this study

COUNTRY REPORT

Preliminary notes

It is to be noted that all calculations are based on the presumption that SKK 1 corresponds to EUR 33.5 and the resulting amounts are rounded to integral numbers.

Introduction

This report was prepared by Peter Bartosik, qualified attorney at law (in Slovak *advokát*) and a partner in the law firm B & S Legal s.r.o. with its registered seat in Bratislava, the capital of Slovak Republic.

The answers to the Questionnaire, as well as the information provided in the following report result from the respective Slovak legislation and the related literature, relevant court judgments/decisions, discussion with experts in the relevant fields of the Questionnaire (mainly lawyers, but also executors, translators, high court officers, lawyers working in the Centre for legal aid, etc.) and their opinions as well as my own knowledge and experience. I have combined the above sources to provide a satisfactory answer.

However, some sections of the Questionnaire could not be fully completed due to the fact that some sections were not compatible with our legal system. In these cases, I have made appropriate note in the questionnaire and provided the most relevant answer under the Slovak law.

I would also like to draw your attention to the fact that a number of questions of the Questionnaire anticipated the introduction of average costs and fees, which is not possible because:

- i) there is no published statistic information,

- ii) the relevant Slovak legislation is relatively flexible and almost always provides the option to stipulate a contractual fee/remuneration, which is influenced by the region, the reputability of a law firm and other persons to provide litigation related services, and mainly the case itself, its complexity, evidence exigency and its duration, since in Slovak Republic it happens that a court proceedings may last 6 and more years.
- iii) further, even the amount of tariff fees, only which may be awarded at the end of the proceedings within the proceedings costs, (depending on the outcome of the case and on the court's discretion) depends on the litigation's amount, number of acts and other various factors; in this respect as it is not possible to determine the average amount at stake in the Slovak litigation, it is also not possible to determine the average legal fees.

The Annex No. 3 to this Report is a list of legislation referenced in this Report and in its Annex No. 1

Executive Summary

1 Summary of the mains sources of costs

With regard to civil court proceedings (and similarly to alternative dispute resolution as well), the main sources of costs comprise:

- i) legal fees, out of pocket expenses and lost of time of lawyers,
- ii) court fees,
- iii) costs of evidence, mainly
 - remuneration, out of pocket expenses and lost of time of experts,
 - out of pocket expenses and lost earnings of witnesses,
- iv) remuneration, out of pocket expenses and lost of time of translators,
- v) remuneration, out of pocket expenses and lost of time of interpreters,
- vi) out of pocket expenses and lost earnings of parties
- vii) remuneration, out of pocket expenses and lost of time of executors/bailiffs.

The legal fees and the court fees remain to be the biggest source of costs in the Slovak litigation, followed by the bailiff fees (where applicable). These costs participate on the overall costs that may incur throughout civil litigation in the following average share:

| | |
|--------------|--|
| lawyer fees | 30 % - 70 % |
| court fees | 5 % - 30 %, depending on the type of claim |
| bailiff fees | 10 % - 40 %, under the condition the judicial decision admits execution ¹ |

The remaining costs categories do not usually form material part of the costs of litigation.

2 Level of transparency in the sources of costs

The respective legislation regulating the sources of costs is decentralized into a number of acts and regulations. The reimbursement of costs in the course of litigation is governed by Civil Procedure Code. The identification of individual costs may cause difficulties to non-professionals, however persons with legal education should be able to identify costs of litigation without major problems.

Nevertheless it is usually rather demanding to determine prior to the commencement of litigation the amount of costs to be incurred, as such costs depend on variables which are usually not known at the time of commencement (e.g. the number of hearings, whether there will be an appeal, etc.)

Further, the civil proceedings costs depend to great extend on the concrete case and discretion of the court (mainly regarding the choice of evidence to develop and the scope of proceedings costs to be refunded to court or other party). Therefore, it is difficult to foresee the real costs to incur at the end of the proceedings.

3 Determination of the amounts of costs

In general, respective legislation includes various methods to determine the costs that may incur throughout civil court proceedings. They are mainly determined on the basis of litigation's amount, number of performed acts, number of hours or pages, by flat fees, by

¹ Please note that bailiff/executor fees are generally paid by the defendant on top of the collected claim, or enforced obligation.

percentage, by necessary out of pocket expenses or by an agreement with the client. In some cases the methods may be combined. The respective legislation also provides large space in order to increase or decrease the tariff fees due to various circumstances. Please find below a table comprising the average amount of costs that may incur throughout civil proceedings:

| | average amount in EUR | in proportion on average monthly wage (equals to EUR 560 for the year 2006 according to Statistical Office of the Slovak Republic) |
|---------------------------------|-----------------------|--|
| court fees | 200 - 600 | 0,4 % - 1 % |
| bailiff fees | 300 - 1500 | 0,5 %- 2,7 % |
| lawyer fees | 400 - 2000 | 0,7 % - 3,6 % |
| expert fees | 200 - 1000 | 0,4 % - 1,8 % |
| witness compensation (1 person) | 50 - 150 | 0,1 % - 0,3 % |
| translation/interpretation | 100 - 300 | 0,2 % - 0,5 % |

However, with respect to the above numbers, it is very important to keep in mind that they provide only orientation information on the amount of costs of justice mainly due to the fact that the major costs are usually determined as a percentage of the value of claim and may differ from EUR 15 to EUR 30,000. Further, in some cases there is no bailiff intervention required or applicable and the same applies to experts, witnesses as well as translators and interpreters.

To conclude, the amount of each cost incurred in civil proceedings is calculated pursuant to the respective act/regulation with due regard for all circumstances and the discretion of the court in relation to some costs. A space for contractual freedom is left with respect to major part of the costs, which means that the parties are entitled to deviate from the set tariff fees/costs and contractually agree on different method of costs determination.

4 Level of transparency in determining the actual costs

This question is relevant mainly with respect to determining the tariff fees (i.e. standard costs prescribed by the relevant regulations), since the amount of contractual fees (where possible) may be determined in many ways and the respective legislation only somewhere limits its maximum (by percentage) or declares that contractual fee shall not violate good morals or excludes the possibility of this method of calculation of fees. The determination of tariff fees under legally binding terms and conditions is sufficiently transparent.

All categories of fees are regulated in the respective regulations which provide different ways of determining the amount of respective fees:

| | ways of determining the fee | regulation |
|----------------------|---|--|
| court fees | fixed fee, percentage fee, their combination (depending on the type of claim) | Act on Court Fees |
| bailiff fees | tariff fee (fixed fee, percentage fee, depending on the subject of execution), contractual fee | Bailiffs Regulation |
| lawyer fees | tariff fee (fixed fee for one act of legal services, depending on the value of the claim or its subject), contractual fee | Regulation on Lawyers' Fees |
| expert fees | tariff fee (fixed fee per act, hourly fee, percentage fee depending on the subject of the expert's act), contractual fee | Regulation on Experts', Interpreters' and Translators' Fees |
| witness compensation | the court decides on refund of necessary out of pocket expenses incurred and compensation of lost | primarily Civil Procedure Code (Regulation on Administration and Office Order) |

| | | |
|----------------------------|---|---|
| | earnings according to rules set in the Regulation on Administration and Office Order | |
| translation/interpretation | tariff fee (fixed fee per hour/page depending on languages involved or per translator's/interpreter's act), contractual fee | Regulation on Experts', Interpreters' and Translators' Fees |

It is to be noted that determining the types and amounts of costs to be applied in the concrete case, according to respective regulations, requires in general professional knowledge.

Therefore, in majority of potential civil proceedings, it is practically impossible for a party, which is not a professional of justice, to determine the anticipated overall actual costs without a professional advice.

Nevertheless, a professional, primarily a lawyer, is able to advice the client, on the basis of all circumstances of the case, much more precisely on the amount of various costs to expect throughout the concrete proceedings. In case it is difficult to anticipate the result of the proceedings, the lawyer is also able to advice the client on anticipated costs relating to various eventual alternatives of the outcome of the case, which would finally depend on the court's consideration and decision.

However, actual costs which shall be really born by a party at the end of the proceedings are less transparent and cannot be fully anticipated in advance, even by a professional, because Civil Procedure Code grants to the court large discretion for the purposes of awarding the refund of necessary proceedings costs incurred to one party or court against other party. Such refund, if granted, would, however, not cover the actual contractual fees in the amount exceeding tariff fees of lawyers, bailiffs, experts, translators and interpreters.

5 Proportion of each identified cost on the overall volume of activity

As already suggested the proportion of identified costs on the overall volume of activity may differ dramatically.

The court fee has generally no relation to the overall volume of activity (provided there are not multiple claims filed). The legal fees naturally depend on the overall volume of activity and may rise dramatically in case of increase of activity. The same is true for translation and interpretation costs, which are directly related to the volume of activity and therefore increase. Similar increase is applicable to other costs, however usually in less dramatic manner. Please find below a table of orientation costs determined in proportion to overall volume of activity, i.e. the amount claimed and the total expenses that the claim generates. However, it is to be noted that some claims cannot be evaluated and that the amount of claims, where evaluated, differ dramatically from case to case.

| | in proportion to overall volume of activity, supposing the claim can be evaluated |
|---------------------------------|---|
| lawyer fees | 5 % - 20 % |
| court fees | 1% - 5 % |
| bailiff fees | 5 % - 15 %, under the condition the judicial decision admits execution ² |
| expert fees | 3 % - 10 % |
| witness compensation (1 person) | 1 % - 2 % |
| translation/interpretation | 3 % - 10 % |

² Please note that bailiff/executor fees are generally paid by the defendant on top of the collected claim, or enforced obligation.

6 Proportion of each identified cost on the value of disputed claim

Supposing it is possible to determine the value of the disputed claim, see below the proportion of the following fees in relation to this amount:

- i) the lawyer’s contractual remuneration shall not exceed 20 % of the value of the disputed claim and shall not violate good morals,
- ii) the executor/bailiff’s contractual remuneration equals to 20 % of the value of the enforced receivable, however shall not exceed EUR 29,850,
- iii) the court fee related to motion for initiation of proceedings corresponds to 6 % of the value of the disputed subject, however shall not exceed EUR 29,850 in commercial matters and EUR 14,925 in other matters,

subject to exceptions, where the remuneration/fee cannot be determined by the above way.

Please find below a table of orientation costs determined in proportion to the value of disputed claim. However, it is to be noted that some claims cannot be evaluated and that the amount of claims, where evaluated, differ dramatically from case to case.

| | in proportion to the value of claim |
|---------------------------------|--|
| lawyer fees | 10 % - 30 % |
| court fees | 6 % |
| bailiff fees | 10 % - 20 %, under the condition the judicial decision admits execution ³ |
| expert fees | 5 % - 15 % |
| witness compensation (1 person) | 1 % - 3 % |
| translation/interpretation | 5 % - 15 % |

³ Please note that bailiff/executor fees are generally paid by the defendant on top of the collected claim, or enforced obligation.

7 Specificities in relation to EU cross-border disputes

Slovak legislation does not provide higher fees to be charged in cross-border litigation. However it comprises provisions based on which some of the fees may be increased due to exigency of cross-border case, such as legal fees, which may be increased in a cross border case.

The only specificity of cross-border disputes, with regard to civil proceedings costs, relates to the necessity of interpretation and translation activities. However, if fees thereto related incurred as a result of due execution of the parties' right to act before courts in their native language, the respective costs shall be born by the state. The costs which would not be covered by the state are higher out of pocket expenses and lost earnings, mainly of parties and witnesses. Nevertheless, these may be refunded by the other party upon the court's decision.

8 Proportion of each identified cost on the overall cost of civil judicial proceedings

- i) The remuneration of lawyer is usually determined contractually and is larger than would be the tariff remuneration. The legal fees usually constitutes 50 % or more of the overall costs, however shall not exceed 20 % of the litigation amount.
- ii) With respect to enforcement of the court decision, if this is required, the executor/bailiff's remuneration corresponds to 20 % of the receivable to be enforced and may grow up to EUR 29,850. However, the executor/bailiff's remuneration for execution regarding non-monetary performance is usually a lot lower. In addition, the executor/ bailiff's remuneration shall be generally paid by the obliged party (the debtor) and shall be collected on top of the outstanding amount.
- iii) The court fees are usually the second most important part in the overall costs. This is particularly true in cases of claims seeking financial performance or action of determination of ownership to a property, where the court fee is determined as a percentage from the value and may increase up to EUR 29,850.

If the court fees relate to non financial performance, they are determined by a flat fee, which is usually negligible.

- iv) If the necessity of several complex experts' opinions incurred during the proceedings, the experts' remuneration would also constitute a considerable part of the overall costs.
- v) The translation and interpretation fees may grow up to a substantial amount as well, however they would generally incur mainly in relation to cross-border proceedings, therefore would at least in part be born by the state.
- vi) Other costs related to civil court proceedings constitute relatively insignificant portion of the overall costs compared to above mentioned costs.

Please find below a table of orientation costs determined in proportion to the overall costs of civil judicial proceedings.

| | in proportion to the overall costs of civil judicial proceedings |
|---------------------------------|--|
| lawyer fees | 30 % - 70 % |
| court fees | 5 % - 30 %, depending on the type of claim |
| bailiff fees | 10 % - 40 %, under the condition the judicial decision admits execution ⁴ |
| expert fees | 5 % - 20 % |
| witness compensation (1 person) | 1 % - 3 % |
| translation/interpretation | 5 % - 15 % |

9 Recommendations for EU action/national action

EU Action

It is recommended that the schedules of costs are centralized and published on line in the effort to increase the transparency of the costs of justice.

⁴ Please note that bailiff/executor fees are generally paid by the defendant on top of the collected claim, or enforced obligation.

Efforts to dematerialize proceedings shall also contribute to the decrease of the costs of proceedings and increase of transparency of costs of proceedings.

National Action

The introduction of system of legal aid increased dramatically the accessibility of justice in the Slovak Republic. Development of the system of legal aid, preservation of its functionality and increased publicity about the existence of the system of legal aid shall definitely add to the possibility for access to justice in the Slovak Republic.

10 Relationship between the costs of justice, the transparency in the costs of justice and access to justice

The costs of justice and transparency in the costs of justice are important factors, which determine the access to justice. The costs of justice in Slovak Republic are relatively high, while the transparency of the costs of justice is relatively low. This is however weighted out by the creation of system of legal aid for person in material need. The introduction of the system of legal aid is major achievement on the field of access to justice.

Nevertheless the improvements in transparency of costs of justice are possible. These improvements may be achieved by summarizing information on the costs of justice into one single document, or into one single place.

11 Conclusions and Recommendations

Various types of costs are comprised within the global costs of civil judicial proceedings. Each of them is regulated within separate regulation/act. The respective regulations usually provide various methods of calculation of the respective costs and a wide range of their contractual determination, where permitted. The calculation itself is in individual cases done by professionals (or courts) since it would probably be quite demanding for

clients who do not have legal education. The majority of costs may be also determined by a percentage, usually from the value of the claim.

Litigation costs that form the substantial part of the overall costs are usually lawyers fees, court fees where determined by percentage, bailiff fees in case the judgment allows an execution and expert fees if necessary. Not all the costs apply to all cases. In internal litigation, none or little translation or interpretation fees incur in general.

To conclude, the types of costs and their actual amount depend always on the concrete case, all related circumstances and partially on the court's discretion. Therefore, the amount of actual costs is difficult to foresee precisely in advance.

Detailed Draft Report

1 General Questions

1.1 Level of information on the transparency of fees and costs of justice

In general, the costs of justice are for lawyers and other persons involved professionally in the litigation transparent and accessible. The non-professionals may have limited access to the information on fees and costs of justice and must usually relay on information from professionals.

With respect to sources of information on costs of justice, anyone can obtain the desired information from the respective regulation/statute available at <http://www.justice.sk> or at <http://www.zbierka.sk>, however on the last web site, the amendments to the respective regulations/statutes are introduced separately, as they are issued in the Collection of deeds, therefore this source does not provide easy orientation and access to the required information. One may also buy an amended version of the respective act in paper form in specified stores, or buy a license for an Automatized program of Legal Information known as "ASPI", which provides all the legislation and some of relevant literature and judicial decisions in electronic form (please note that the last source is in general convenient only for persons practicing law and is financially the most demanding).

We are not aware of existence of any information brochures, which would summarize the information on costs of justice.

1.2 Transparency perception

The overall proceedings costs are composed of many partial costs. Some of them, as court fees or translation and interpretation fees are publically perceived to be enough transparent, however the total costs are perceived to be less transparent, partially due to the fact that they depend in part on the discretion of the court.

1.3 Solutions to improve transparency

The codification of all proceedings costs would probably not result in the desired effect, since the calculation of proceedings costs would in general still remain complicated, at least for ordinary persons. These persons usually do not search for the respective information on litigation costs in the legislation, but ask professionals for the provision of the desired information.

The most apparent solution is to summarize all information related to costs of justice into one document (potentially web page), which would also comprise model scenarios for different court cases.

Further, one of the possible solutions on how to improve the transparency of costs of justice for ordinary persons (secondarily also for professionals) would be to perform summary research of costs of justice and create an information system available on-line. The information system would contain quite detailed distinguishing questions (the nature and type of litigation to begin with) guided with sufficient instructions to help the user in determining the right answer. Finally, after filling in all questions, the system would generate an average amount of costs to be paid by the user.

1.4 Fairness of costs

The costs, the amount of which shall be determined by percentage, seems quite fair (subject to exceptions). The Civil Procedure Code authorizes the court (judge or panel of

judges) to exempt a party from the court fees, either fully or in part under certain conditions and court is also authorized to award a party the refund of proceedings costs. Like this, the court may contribute to fairness of costs by taking into account the situation of the parties, the outcome of the case and all relevant circumstances.

1.5 Conclusions and recommendations

All types of costs that may incur throughout civil proceedings are regulated within separate regulations/statutes. The respective regulations comprise different methods of calculation of respective fees, which may be divided into 2 main categories, i.e. tariff fees and contractual fees. Determination of contractual fees is left to individual agreement and is therefore non-transparent even though one may assume the costs usually charged in similar cases.

The system of calculation of tariff fees (i.e. fees applicable in absence of contractual agreement on lawyers fees and the basis for lawyer's fees reimbursement) is, however, complicated and for non-professionals/ordinary persons quite difficult to master. Further, the regulations contain provisions under which the tariff fees may be increased or decreased under certain conditions. The court is also authorized to modify the real costs by awarding the refund of necessary proceedings costs to a party or ordering a party to refund such costs to the other party or the state.

To conclude, the system of calculation of all types of costs of justice is complicated due to objective reasons, since it reflects various circumstances that may occur. If a non-professional desires to anticipate the costs of a potential claim as precisely as possible, such person should ask professionals, primarily lawyers, for the provision of the desired information and relating advice (e.g. on whether or not such person should file a claim). Nevertheless, it would be helpful to summarize all information related to costs of justice into one system (web site), which would also comprise model scenarios for most common court cases. The information therein contained should be presented in a comprehensible way so that non-professionals could obtain at least a vague impression on what proceedings costs should they potentially count on if they decide to file certain claim.

2 Court fees

2.1 General

The Act No. 71/1992 Coll. on Court Fees and the Criminal Register Extract Fee as amended (hereinafter referred to as the “**Act on Court Fees**”) comprises the regulation of court fees. The amount of court fee or filing fee⁵ may differ, from very small fixed amount to relatively large percentage of the claim. The court fees are usually determined by a percentage from the value of the claim, subject to exceptions. In case, the value of the claim cannot be evaluated, the percentage fees are substituted by fixed fees. In some cases, i.e. for filling certain actions, the Act on Court Fees determines a fee combined by fixed fee and percentage fee. In case of fees determined by percentage, the Act on Court Fees usually provides the minimum and maximum amount that may be charged. The amount of the fee to pay when a claim is filed may vary from EUR 15 to EUR 30,000, unless the proceedings or the claimant is exempted from court fees under the Act on court fees.

Please note that the filling fee is usually the only court fee that incurs during proceedings before first-instance court, except of court fee which relates to eventual motion for provisional measure/injunction in some cases. In case the judgment of the first-instance court is appealed, the person filling an appeal is obliged to pay the filling fee in the same amount as in the first-instance proceedings, subject to exceptions.

The amount of a court fee shall be usually determined by a professional/lawyer according to the Act on Court Fees. There is a common practice that the precise amount of the court fee is not determined by the claimant/lawyer; however it is left to the court to determine the amount of fees and notify it to the claimant. Nevertheless, it is to be noted that for the purposes of calculation of the amount of respective court fee, the court always applies the Scale of Court Fees which forms an annex to the Act on Court Fees, unless the statutory exemption from the court fees applies. In other words, the amount of court fees does not depend on the court’s consideration. However, the courts may, upon the request, exempt a party fully or partially from the court fees under conditions of Civil Procedure Code.

⁵ A filling fee is a fee which relates to petition/motion for initiation of civil court proceedings and is usually paid at the time of filing the motion itself, or within a short period of time afterwards.

2.2 Cost of bringing an action to the courts

The amount of the filing fee is determined either by

- i) percentage from the claimed amount or value of the dispute, or
- ii) flat fee (for special motions or claims or if it is not possible to estimate the value of dispute and subsequently the percentage fee), or
- iii) by a percentage and a flat fee (regarding claim for protection of personality connected with the compensation of non-pecuniary damage).

The minimum and maximum amounts of filing fees determined by percentage as well as the amount of some flat fees depend on the nature of litigation. The fees charged in commercial matters (matters governed by Commercial Code) are usually higher than the fees charged in other civil matters.

Unless provided otherwise in the Act on Court Fees:

- i) **In commercial matters**, the claimant must pay the filing fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000 or a flat fee in the amount of EUR 299. The filing fee for motion for order or cancellation of provisional measure/injunction corresponds to EUR 60. The flat fee is payable in the case it is not possible to determine the value of the subject of dispute.
- ii) **In other civil matters**, the claimant must pay the filing fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000, or a flat fee in the amount of EUR 90. The filing fee for motion for order or cancellation of provisional measure/injunction corresponds to EUR 30.

To conclude, the flat fees, as well as the minimum and maximum amounts of the percentage fees depend on the nature of proceedings, i.e. either commercial or other civil matters, unless the Act on Court Fees provides individual filling fees for certain actions or exemption from court fees.

The court fees do not vary according to jurisdiction.

Exemption from court fee:

- i) According to the Act on Court Fees, the exemption from court fee relates either to:
- Specific type of proceedings (on care for minors, on lack of activity or illegal interference of administrative bodies, on mutual alimony duty between parents and children, etc.), or
 - Specific type of persons (plaintiff in proceedings on reimbursement of damages incurred from work accident or occupational disease, in proceedings on determination of invalidity of termination of employment, etc.). If the court ruled in favor of the claimant's claim, the defendant is obligated to pay to the state the respective court fee or its proportionate portion pursuant to the result of the proceedings, unless the defendant is also exempted from the fee.
- ii) According to Civil Procedure Code, the court is authorized to award a full or partial exemption from a court fee to a party, if it is justified by the conditions and economic situation of the party and unless it is a wanton or clearly unfounded claim. However, the court may withdraw the awarded exemption at anytime throughout the proceedings.

Please find below a table with practical examples of filing fees relating to common types of civil actions:

| Nature of the action | Filing fees (description of filing fees, time of payment and determination of payer) | Regulation: Act on Court Fees |
|--------------------------|--|--|
| 1. FAMILY LAW | | |
| ▪ Divorce | Fee in the amount of EUR 60 for petition for initiation of divorce proceedings must be paid by the plaintiff on the day of filing of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Scale of court fees, Item No. 7 a) Section 8 (1); 5 (1) a) ; 10 |
| ▪ Children Custody Right | Proceedings on custody of children are exempt from fee. | Section 4 (1) a) |
| ▪ Alimony | <u>Exemption of proceedings from fee:</u> proceedings on mutual alimony duty between parents and children are exempt from fee. | Section 4 (1) g) |

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| | <p><u>Exemption of party from fee:</u> i) the plaintiff is exempt from fee⁶ in proceedings on determination of alimony as well as on its increase in general, ii) the unmarried mother is exempt from fee in proceedings on determination of contribution to alimony and to some costs related to pregnancy and delivery. If the claimant was fully or partially successful in proceedings on determination of alimony between husband and wife, contribution to alimony of divorced husband or divorced wife, alimony among other relatives (ancestors and descendants), as well as on its increase, the defendant is obligated to pay the fee, in the amount corresponding to 2% of the value of the subject of dispute, i.e. an amount corresponding at least to EUR 15, or its proportional part, unless the defendant is also exempt from the court fee. However, in proceedings on decrease or termination of alimony between husband and wife, contribution to alimony of divorced husband or divorced wife, alimony among other relatives (ancestors and descendants), the claimant shall pay a fee in the amount of 2% of the value of the subject of dispute, i.e. an amount corresponding at least to EUR 15. Such fee is due and payable within 3 days after the decision on payment of the fee becomes final and binding.</p> | <p>i) Section 4 (2) e)</p> <p>ii) Section 4 (2) f)</p> <p>Scale of court fees, Item No. 8 a)</p> <p>Section 2 (2)</p> <p>Scale of court fees, Item No. 8 a)</p> <p>Section 8 (4)</p> |
| 2. LABOUR LAW | | |
| <ul style="list-style-type: none"> ▪ Work Accidents | <p>The plaintiff is exempt from fee in proceedings on reimbursement of damages incurred from work accident or occupational disease. However, if the court ruled in favor of the claimant's claim, the defendant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000, unless the defendant is also exempt from the court fee. Such fee is due and payable within 3 days after the decision on payment of the fee becomes final and binding.</p> | <p>Section 4 (2) d)</p> <p>Scale of court fees, Item No. 1 a)</p> <p>Section 2 (2)</p> <p>Section 8 (4)</p> |

⁶ Please note that Slovak legal system acknowledges: i) the alimony of parents towards children, ii) the alimony of children towards parents, iii) the alimony among other relatives (ancestors and descendants), iv) the alimony between husband and wife, v) the contribution to alimony of divorced husband or divorced wife, vi) the contribution to alimony and to some costs of unmarried mother.

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| <p>▪ Redundancies</p> | <p>The plaintiff is exempt from fee in proceedings i) on determination of invalidity of termination of employment as well as with respect to ii) claim of rights from invalid termination of employment. Regarding i) the defendant is obligated to pay the fee in the amount of EUR 90 or its proportionate portion pursuant to the result of the proceedings if the court ruled in favor of the claimant's claim, unless the defendant is also exempt from the court fee. Regarding ii) the defendant is obligated to pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000, unless the defendant is also exempt from the court fee. The fee is in both cases due and payable within 3 days after the decision on payment of the fee becomes final and binding.</p> | <p>Section 4 (2) d) Scale of court fees, Item No. 1 b) Section 2 (2) Scale of court fees, Item No. 1 a) Section 2 (2) Section 8 (4)</p> |
| <p>3. COMMERCIAL LAW</p> | | |
| <p>▪ Payment for a commercial or services agreement</p> | <p>The claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000, on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment.</p> | <p>Scale of court fees, Item No. 2 a) Section 8 (1); 5 (1) a) ; 10</p> |
| <p>▪ Goods or services not in accordance</p> | <p>The claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000, or the claimant must pay a flat fee in the amount of EUR 299⁷, both on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment.</p> | <p>Scale of court fees, Item No. 2 a), b) Section 8 (1); 5 (1) a) ; 10</p> |
| <p>▪ Litigation between associates</p> | <p>The claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000, or the claimant must pay a flat fee in the amount of EUR 299, both on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of</p> | <p>Scale of court fees, Item No. 2 a), b) Section 8 (1); 5 (1) a) ; 10</p> |

⁷ In general, a flat fee shall be used if it is impossible to estimate the value of the subject of controversy.

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| | the court ordering the payment. | |
| ▪ Mandates and agents | The claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000, or the claimant must pay a flat fee in the amount of EUR 299, both on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Scale of court fees, Item No. 2 a),b) Section 8 (1); 5 (1) a) ; 10 |
| 4. CIVIL LAW | | |
| ▪ Consumers protection | Associations for consumers' protection are exempt from fee. Other claimants must pay a fee corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000 or a flat fee in the amount of EUR 90. The fee must be paid by the plaintiff on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Section 4 (2) c) Scale of court fees, Item No. 1 a), b) Section 8 (1); 5 (1) a) ; 10 |
| ▪ Liability | In other than commercial matters, the claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000, or a flat fee in the amount of EUR 90, and in commercial matters, the claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000 or a flat fee in the amount of EUR 299, on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Scale of court fees, Item No. 1 a), b) Scale of court fees, Item No. 2 a), b) Section 8 (1); 5 (1) a) ; 10 |
| 5. PROPERTY LAW | | |
| ▪ Lease | The claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000, or a flat fee in the amount of EUR 90, on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment (subject to exceptions). | Scale of court fees, Item No. 1 a), b) Section 8 (1); 5 (1) a) ; 10 |
| ▪ Ownership and co | In other than commercial matters, the claimant must pay the fee in the amount corresponding to 6% of the value of the | Scale of court fees, |

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| ownership | subject of dispute, i.e. an amount of between EUR 15 and EUR 15,000, or a flat fee in the amount of EUR 90, and in commercial matters, the claimant must pay the fee in the amount corresponding to 6% of the value of the subject of dispute, i.e. an amount of between EUR 60 and EUR 30,000 or a flat fee in the amount of EUR 299, on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Item No. 1 a), b) Scale of court fees, Item No. 2 a), b) Section 8 (1); 5 (1) a) ; 10 |
| 6. CIVIL STATUS | The claimant must pay the flat fee in the amount of EUR 90 on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Scale of court fees, Item No. 1 b) Section 8 (1); 5 (1) a) ; 10 |
| 7. OTHERS | The claimant must pay a flat fee, relating to the motion for commencement of proceedings on determination of whether or not a legal relationship or right exists, in the amount of EUR 299 in commercial matters and EUR 90 in other than commercial matters. The same fee relates to proceedings on release of movable property and vacation of immovable, apartment or non-residential premises. These fees are due and payable on the day of filling of the claim or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. | Scale of court fees, Item No. 1 b); Item No. 2 b) Section 8 (1); 5 (1) a) ; 10 |

According to the Scale of court fees, Item 1 c) and Item 2 c), fee in the amount of EUR 60 in commercial matters and EUR 30 in other matters for motion for order or cancellation of provisional measure/injunction must be paid by the applicant on top of the filling fee on the day of filling of such motion or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment.

With respect to cross-border proceedings, a court fee corresponding to 2% of the value of the subject of dispute, i.e. an amount of between EUR 15 and EUR 1,493, or a flat fee in the amount of EUR 30, for a motion requesting a court to perform an act, or for a first motion for order or cancellation of provisional measure/injunction in international commercial relations, according to Item 15 of Scale of court fees, which forms an annex to the Act on Court Fees. Such fee must be paid by the applicant on the day of filling of the

motion or within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment.

No other specific court fees apply to cross-border litigation according to the Act on Court Fees.

2.3 Other proceedings costs

Pursuant to the Act No. 99/1963 Coll. (Civil Procedure Act), except of court fees, the costs of proceedings are basically the out of pocket expenses of the parties to the proceedings and their representatives, including lost earnings of the parties and their legal representatives, the costs of furnishing evidence (including expert fees), the notary's remuneration for the execution of the acts of a judicial commissioner and his/her out of pocket expenses, the remuneration of the administrator of inheritance and his/her out of pocket expenses, translating/interpreting fees and the remuneration for representation if a party is represented by a licensed lawyer (registered with the Slovak Bar Association).

These costs may incur in all types of action.

Immaterial costs may be incurred in the course of the proceedings, which cover administrative tasks of the court. The example of such fees may be copies from the court file, where a fee of EUR 1.5 is payable for each begun 10 pages of copies.

2.4 Costs of legal rescourses (Appeals...)

Pursuant to the Act on Court Fees, the claimant/plaintiff shall pay the below filling fees when filing a motion for following legal rescourses:

- i) Appeal: the same fee as in the first instance proceedings if the appellate proceedings concern the merits itself. In general, the appellant shall pay a fee in the amount of 6% of the value of the subject-matter of the motion for appeal, i.e. from EUR 15 to EUR 15,000, unless the Act on Court Fees provides a specific rate, and from EUR 60 to EUR 30,000 in matters regulated by the Commercial Code. No fee is paid from the appeal against the first instance court decision that ruled only on the base of the subject of the proceedings

(i.e. did not issue the judgment over the subject matter of the dispute). If the appeal is filed by both, the claimant as well as the defendant, each of them shall pay a fee pursuant to the value of the subject-matter of his/her appeal.

- ii) Restoration of the process/Reopening of the case (*in Slovak obnova konania*): EUR 90.
- iii) Extraordinary appeal (to the Supreme Court) (*in Slovak dovolanie*): double of the fees provided for the first instance proceedings.
- iv) Special Extraordinary appeal (filed by the General Prosecutor to the Supreme Court) (*in Slovak mimoriadne dovolanie*): General Prosecutor is exempt from court fee.

With respect to appeal and extraordinary appeal, the flat fees, as well as the minimum and maximum amounts of the percentage fees depend on the nature of proceedings, i.e. either commercial or other civil matters, unless the Act on Court Fees provides individual filling fees for certain actions or exemption from court fees.

With respect to restoration of the process/reopening of the case, the Scale of Court Fees provides a flat fee applicable to all cases.

The court fees do not vary according to jurisdiction.

No specific court fees apply to legal recourses within cross-border litigation according to the Act on Court Fees.

Exemption from court fees relating to appeal, extraordinary appeal as well as restoration of the process/reopening of the case:

- i) According to the Act on Court Fees, the exemption from court fee relates either to:
 - Specific type of proceedings (on care for minors, on lack of activity or illegal interference of administrative bodies, on mutual alimony duty between parents and children, etc.), or
 - Specific type of persons (plaintiff in proceedings on reimbursement of damages incurred from work accident or occupational disease, in proceedings on determination of invalidity of termination of employment, etc.). If the court

ruled in favor of the claimant's claim, the defendant is obligated to pay to the state the respective court fee or its proportionate portion pursuant to the result of the proceedings, unless the defendant is also exempted from the fee.

- ii) According to Civil Procedure Code, the court is authorized to award a full or partial exemption from a court fee to a party, if it is justified by the conditions and economic situation of the party and unless it is a wanton or clearly unfounded claim. However, the court may withdraw the awarded exemption at anytime throughout the proceedings.

2.5 Costs of ADR

The following table summarizes the fees associated with the costs of alternative dispute resolution.

| Nature of the ADR | Type of ADR | Costs | Regulation |
|---|-------------------------------------|---|--|
| Regarding settlement of disputes governed by Civil Code, also on the basis of subsidiarity, in which the nature of the subject-matter allows this type of settlement. | Court settlement/ Reconciliation | The motion for reconciliation proceedings, filed during the civil proceedings is free of costs. However, a reconciliation approved by the court in reconciliation proceedings is subject to a fee in the amount of 2% of the value of the subject-matter of the settlement, i.e. from EUR 15 to EUR 1493, or to a flat fee of EUR 15 if it is not possible to evaluate the subject-matter of the settlement. ⁸ | <u>Act on Court Fees</u> Scale of court fees, Item 11, Remark No. 1 Scale of court fees, Item 11 |
| Regarding settlement of disputes arisen from the relationships governed by Civil law, | Mediation | The remuneration of the mediator is individual and is usually determined in the form of hourly rate, pro rata rate or by a flat fee. Mediation | <u>Act No. 420/2004</u> <u>Coll. on mediation</u> and on amendment of several acts |

⁸ According to Section 11 (7), if the parties to the litigation terminate the proceedings by approving the reconciliation before the beginning of the hearing in the merit of the case itself, they will be refunded 90% of all the paid court fees. If the parties to the litigation terminate the proceedings by approving the court settlement after the beginning of the hearing in the merit of the case itself, they will be repaid 50% of all the paid court fees.

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| Family law, Commercial law and Labor law. | | activity is a business activity and there are no pre-set costs. | |
| Regarding settlement of disputes concerning property arising from domestic and international commercial and civil relations if the place of arbitration is in the Slovak Republic, (as well as recognition and enforcement of domestic and foreign arbitral awards in the Slovak Republic). ⁹ | Arbitration | The costs of arbitration proceedings are individual, depending on the respective arbitration court. Unless the arbitration court provides otherwise, the costs of arbitration proceedings usually include out of pocket expenses of parties and their representatives, the costs related to developing evidence, arbitration proceedings' costs, remuneration of the arbitration court and its out of pocket expenses, the remuneration of the expert, interpreter and the remuneration for representation. The regulation of arbitration proceedings' costs is determined by the Rules of proceedings of the permanent court of arbitration. ¹⁰ | <u>Act No. 244/2002</u> <u>Coll. on Arbitration</u> |

There is no specific cost of ADR resulting from the Slovak law in cross-border litigation.

⁹ Only the disputes that the parties to the proceedings may terminate by reconciliation can be settled by arbitration. The disputes relating to the following matters are excluded from arbitration:

- creation, change or extinction of ownership title or other rights to real property,
- personal legal status,
- compulsory enforcement of decisions,
- bankruptcy or composition proceedings.

¹⁰ If a party to arbitration proceeding wishes to claim the invalidity of the Agreement on arbitration as well as the annulment of the decision issued by arbiter before a court, the plaintiff shall, pursuant to the Act on Court Fees, pay a fee in the amount of EUR 299 when bringing such action before a court.

2.6 Costs of legal Aid proceedings

Pursuant to Act No. 327/2005 Coll. on Provision of Legal Aid for People in Material Need (hereinafter referred to the “Act on Legal Aid”), legal aid means the provision of legal services to person entitled under this act in connection with the exercise of his/her rights, principally in the form of legal advice, assistance regarding out-of-court proceedings, the drawing up of submissions to courts, representation in court proceeding and the performance of acts in connection therewith, as well as payment in full or in part of the associated costs. Court fees do not fall within the Act on Legal Aid.

Nevertheless, in case the person fulfills the requirements for provision of legal aid, it is likely such person will also be exempt from payment of the costs of proceedings (including the court fees) by the court. There is no express provision, which would state that person entitled to legal aid would be exempt from court fees, however it is very likely that the court would grant such exemption, if such exemption does not applies to the respective claimant or entire proceedings automatically by the Act on Court Fees.

2.7 Costs of fast track proceedings

| Type of fast track proceedings | Filling fees related to first instance proceedings | Appeal |
|--|--|---|
| court order under Article 172 of Civil Procedure Code | the fees in the same amount as for regular claims | the fees in the same amount as for regular claims <u>except of where the court order was issued ex offio, in which case there if no court fee</u> |
| promissory notes and cheques court order under Article 175 of Civil Procedure Code | the fees in the same amount as for regular claims | the fees in the same amount as for regular claims |

2.8 Costs of Group actions ‘proceedings

Please note that there are no formalized group actions proceedings similar to common law systems.

Nevertheless, according to Article 91 of Civil Procedure Code, where there are several claimants or defendants in one case, each of them shall act on his own behalf. However, where the case involves such common rights or duties due to which the judgment must apply to all parties on one side, the acts performed by one party shall be deemed to have been performed by all the parties of one side. (It is to be noted that pursuant to Civil Procedure Code, some legal acts, as withdrawal of the claim, require the consent of all parties of one side.)

Subsequently, pursuant to Article 2 Section 3 of the Act on Court Fees, if several persons are obliged to pay a court fee jointly, they shall pay it jointly and severally. In other words, a payment of court fee performed by any of them shall be deemed to have been performed by all.

2.9 Payment

In general, the person obliged to pay the court fee is the petitioner which files the motion, if such motion is subject to filing fee under the Act on Court Fees, or the participant to court settlement approved by court in the reconciliation proceeding.

The obligation to pay the fee originates mainly from:

- i) filing/submitting the motion,
- ii) approving the reconciliation by court, or
- iii) entering into force (becoming final and binding) of the decision imposing the obligation to pay the fee.

Payment terms:

- i) The fee for filling of the claim or petition is due and payable on the day of the filling itself. If the claimant or applicant breaches his/her obligation to pay

such fee together with the submitting of the claim or petition, the court request this person to pay the fee within the period determined by the court, usually within 10 days following the delivery of the request of the court ordering the payment. (If the obliged person fails to perform the requested payment within the determined period, the court will discontinue the respective proceedings.)

- ii) Other fees are due and payable due and payable within 3 days after the decision on imposing the payment of the fee or on approving of the reconciliation becomes final and binding.

It can be generally stated that the fee has to be paid within short time following of filing of the case.

Fees may generally be paid cash, by wire transfer and postal order. If the amount of the fee does not exceed the amount of EUR746, it may be paid by duty stamps (*in Slovak kolkové známky*).

With regard to Value Added Tax (hereinafter referred to as "VAT"), VAT is not applicable to court fees under the Act on Court Fees, however is applicable to mediation fees, since the performance of the mediating activity is a business activity, as well as to arbitration fees, in the Amount of 19 %, provided the person, which shall collect the payment is registered VAT payer.

2.10 E-justice

E-justice/dematerialization of proceedings has not been developed yet in Slovak republic.

The first step in this regard concerns motions to be filed with commercial registers by electronic means. With respect to electronic options related to court proceedings, it shall be possible to file motions to commercial registers of district courts through internet, starting from August 1, 2007, however there are still some technical problems to be solved and the system is actually not in operation. It is to be noted that in case the integral motion is filed with commercial registry by electronic means, the fee corresponds to 50 % of the flat fee relating to filling of motion to commercial registry by non-electronic means, as provided by the Article 6 Section 4 of the Act on Court Fees. For example, person filling the motion for registration of a Joint Stock Company shall pay a fee in the amount of EUR

746. In case of filling such motion through internet, the fee shall correspond only to EUR 373.

2.11 Impact of the number of hearings on costs

Pursuant to the Act on Court Fees, the number of hearings does not have any impact on the amount of court fees to be paid (however the number of hearings has large impact on the amount of legal fees and on legal fees reimbursement).

2.12 Transcription costs

There is no specific regulation with respect to transcription costs and there is no specialized body or organization for transcription of deeds. In general, the public notaries and the birth registrars are authorized to verify the authenticity of copies of deeds with its original.

During the hearing, its course is reported by a court reporter, following the judge's instructions or the request of a party. This reporting is not subject to any fee. Further, the courts do not require the transcription of deeds.

However, if a party fails to submit the counterpart of the respective deed upon the court's request, the court may execute the necessary counterpart itself and will charge EUR 1/page.

2.13 Conclusions and Recommendations

The court fees, as regulated in the Act on Court Fees, are determined by a flat fee or by percentage. Where specific fees, relating to specific claims, do not apply, a general percentage fee shall be used. If the claim cannot be evaluated, a flat fee substitutes the percentage fee. This flat fee as well as the minimum and maximum amounts of general fees depends on whether a claim or petition falls within commercial or other civil matters. In general, Slovak law does not provide specific court fees for cross-border litigation.

Since all court fees are regulated by law (as well as the statutory exemptions from the court fees), it is not complicated to determine the respective amount. To the contrary, the amounts are very well foreseeable for lawyers. However, non-professionals do not calculate the fees themselves, because, in majority of cases at least the nature of the claim must be determined prior calculation of the respective fee. In this regard, non-professionals seek usually legal advice from lawyers. The public is therefore not well informed about the court fees and even if it was, non-professionals would still have to ask a lawyer to draw the claim what corresponds to common practice.

Due to the fact that court fee determined by percentage may achieve as much as EUR 30,000, this fee may deter persons from filling a claim and exercising their rights in case of great value of claim.

At first place, a person may apply for full or partial exemption from court fees before the respective court.

Secondly, the court will, upon motion, award the fully successful party the restitution of the necessary proceedings costs (including court fees) against the unsuccessful party. In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment/performance was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part.

3 Lawyers' consulting and representation fees

3.1 General

The Regulation (*Vyhláška*) of the Ministry of Justice of the Slovak Republic No. 655/2004 Coll. on Lawyers' Fees and Compensations for the Provision of Legal Services (hereinafter referred to as the "Regulation on Lawyers' Fees") is the legislation governing the determination of lawyer's fees; the English version is available at <https://www.sak.sk>, the web page of Slovak Bar Association.

The lawyer’s fee shall be determined by agreement between the lawyer and his client (Contractual Fee). Vast majority of legal fees is agreed on contractual basis. If the parties fail to reach an agreement on this matter, relevant provisions of the Regulation on Lawyers’ Fees on tariff rates shall be used to determine the amount of the Tariff Fee¹¹. The Tariff Fee shall be determined according to the basic schedule of the Regulation on Lawyers’ Fees by a multiple of the basic rate of the Tariff Fee and the number of acts of legal services which the lawyer has provided in the matter.

The basic rate of the Tariff Fee for one act of legal services shall be calculated using the following basic schedule.

Unless provided otherwise in the Regulation on Lawyers’ Fees, the basic rate of the Tariff Fee for one act of legal services shall be, depending on the tariff value (litigation’s amount), for values

| Amount at stake | Fee for one action |
|----------------------------------|---|
| up to EUR 149 | EUR 15 |
| between EUR 149 and EUR 597 | EUR 15 + EUR 1.5 for every additional EUR 30 or portion thereof exceeding EUR 149 |
| between EUR 597 and EUR 5,970 | EUR 37 + EUR 9 for every additional EUR 299 or portion thereof exceeding EUR 597 |
| between EUR 5,970 and EUR 29,851 | EUR 199 + EUR 15 for every additional EUR 1,493 or a portion thereof exceeding EUR 5,970 |

¹¹ It is to be noted that the Regulation on Lawyers’ Fees contains specific regulation of Tariff Fee for representation of person in material need in civil court proceedings.

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| above EUR 29,851 | EUR 437 + EUR 6 for every additional EUR 2,985 or a portion thereof exceeding EUR 29,851 |

The Tariff Fee shall be determined by a multiple of the basic rate of the Tariff Fee and the number of acts of legal services which the lawyer has provided in the matter (actions). The Regulation on Lawyer's Fees sets precisely what are the acts of legal services, for example filing of a petition, participation on a hearing, filing of an appeal form one act of legal service.

It is to be noted that while negotiating Contractual Fee, the lawyer shall instruct the client that in determining the costs of proceedings, whose compensation is awarded against another natural person or legal entity, the lawyer's fee shall be determined in accordance with the provisions on Tariff fee under the Regulation on Lawyers' Fees. The consequence is that no matter how high or low the contractually agreed fee will be, the client will be reimbursed (if being successful in the proceedings) only the objectively determined Tariff Fee. The Contractual Fee may be determined either by:

- i) the number of hours reasonably spent to handle the matter (Hourly Rate), or
- ii) a fixed fee (Flat Rate), or
- iii) a percentage of the litigation ' amount (Contingent Fee), or
- iv) Tariff Rate agreed otherwise than the basic tariff fee rate, or
- v) combination of the above.

The lawyer may agree with the client who is a foreign national on a Contractual Fee in the amount usual in the country of the domicile (registered address) of the latter, or which is usually charged for similar legal services abroad.

However, the amount of the Contractual Fee shall not contradict good morals.

Hourly Rate may be agreed based on the number of hours needed for the provision of legal services. With respect to the provision of simple and easy legal services, the Hourly Rate may be divided into quarter-hour rates. Upon the invoice, the lawyer shall at the client's request present a detailed time specification of the legal services provided to him.

The Fixed Fee may be agreed for

- provision of legal services for a specified period of time, or for an unspecified period of time,
- complete arrangement of a matter or several matters.

The basic rate of the Tariff Fee for one act of legal services shall be calculated using the following basic schedule.

The Contingent Fee may be agreed upon as a percentage/rate of the litigation's amount, i.e. value of the subject-matter of court proceedings or proceedings before any other authority, if the outcome of such proceedings is depending on the circumstances, which are very uncertain, and the lawyer has instructed the client thereof accordingly. The lawyer shall be entitled to receive agreed Contingent Fee only provided that the respective client was fully successful in the case. If the client was only partially successful in the case, the lawyer shall be entitled to a proportional portion of the agreed Contingent Fee. If the case is unsuccessful, the lawyer shall be entitled to request the client to reimburse him for out-of-pocket expenses only.

Due to the fact, that Contingent Fee is a type of Contractual Fee, the percentage depends on the agreement between the lawyer and the client, however usually varies from 10 % to 20 %. Pursuant to the above regulation, the amount of the Contingent Fee must not exceed 20 % of the value of the matter which is the subject of court proceedings or proceedings before any other authority.

Contingency fees are common with respect to cases of great value of claim.

For orientation, an average hourly fee (i.e. contractual/real fee) equals to EUR 50, however, the differences are dramatic. The average representation cost for the entire proceedings may be stated between EUR 300 and EUR 1500.

Apart from Contractual or Tariff fee, the lawyer, in general, shall also be entitled to receive

- i) refund of out-of-pocket expenses spent purposefully and demonstrably in connection with the provision of legal services, in particular court fees and other charges, travel fees and telecommunication expenses and fees for expert opinions, translations and copies,
- ii) compensation for the loss of time (i.e. compensation for the time spent traveling from and to locations of provision of legal services that differ from the lawyer's registered address/seat).

- Representation by advocate:
Pursuant to the Civil Procedure Code, a person filing an extraordinary appeal must be represented by a registered lawyer¹², unless such person has legal education either himself or his/its employee (member) acting on behalf of such person. The person filing an action against decisions and procedures of administrative bodies (subject to certain exceptions), as well as claiming the lack of activity or the illegal interference of administrative bodies must also be represented by a registered lawyer, unless such person has legal education either himself or his/its employee (member) acting on behalf of such person.
- Representation by third party:
A party to the litigation may also be represented by any physical person having the capacity for legal acts, under the condition this party does not have to be represented by a registered lawyer. Such representative shall only act in person. The court will not admit of this kind of representation (by issuing a decision), if the representative is evidently not qualified for the due representation or if the representative repeatedly acts in different proceedings (without having the proper qualification, such as attorney at law).
- Representation by myself:
Each natural person may, as a party to the litigation, act independently in front of the court to the extent to which the person is capable to acquire rights and undertake obligations by his own acts. The statutory body or the employee (member), who proves the respective authorization, shall act on behalf of legal person, subject to exceptions, where the lawyer's representation is required.
- Representation in cross-border litigation:
In general, including cross-border litigation, a party may be represented by a lawyer registered in the List of Advocates administered by the Slovak Bar

¹² By a "registered lawyer" is meant an advocate registered in the special List of Advocates administered by the Slovak Bar Association. The advocate is authorized to appoint his substitute, either a trainee lawyer employed by him or another advocate. A trainee lawyer has to be registered in the Slovak Bar Association and listed in a special List of Trainee Lawyers maintained by the Slovak Bar Association.

Association. Pursuant to Act No. 586/2003 Coll. on the Legal Profession and on Amending Act No. 455/1991 Coll. on the Business and Self-Employment Services as amended (hereinafter referred to as the “Act on Legal Profession”), a party may also be represented by a cross-border European lawyer (*hostujúci euroadvokát*). However, while representing a party before a court, a cross-border European lawyer is obliged to act in conjunction with the lawyer admitted to the Slovak Bar Association; otherwise he shall not represent the client in a capacity of a lawyer. Further, a party to the litigation may also be represented by a registered European lawyer (*usadený euroadvokát*). This act recognizes as well a foreign registered lawyer (*zahraničný advokát*) and an international legal practitioner (*medzinárodný advokát*). Nevertheless, both shall not represent the client before a court and administer the clients’ estates. An international legal practitioner may give advice on the law of his home member state and on international law under the terms and conditions laid down in the Act on Legal Profession.

For ad hoc cases, foreign lawyer may represent the client in litigation, however such lawyer will not be granted the status of an advocate, but of mere representative of a party based on a power of attorney.

3.2 Fees depending on the nature of the litigation

The amount of lawyer’s fees determined by the Regulation on lawyers fees does not depend on the nature of litigation, but depends on various factors, such as the number of acts of provided legal services, complexity of the case or the amount of contractual fees of the respective lawyers. However, the Contractual Fees charged in commercial matters are in general higher than the ones charged in family matters, for example.

Please find below a table comprising orientation costs of legal representation depending on the nature of the action.

| Nature of the action | Average costs |
|--------------------------|---------------|
| 1. FAMILY LAW | |
| ▪ Divorce | EUR 300 |
| ▪ Children Custody Right | EUR 300 |
| ▪ Alimony | EUR 300 |

| | |
|--|---------|
| 2. LABOUR LAW | |
| ▪ Work Accidents | EUR 450 |
| ▪ Redundancies | EUR 600 |
| 3. COMMERCIAL LAW | |
| ▪ Payment for a commercial or services agreement | EUR 300 |
| ▪ Goods or services not in accordance | EUR 200 |
| ▪ Litigation between associates | EUR 750 |
| ▪ Mandates and agents | EUR 450 |
| 5. CIVIL LAW | |
| ▪ Consumers protection | EUR 200 |
| ▪ Liability | EUR 200 |
| 5. PROPERTY LAW | |
| ▪ Lease | EUR 800 |
| ▪ Ownership and co ownership | EUR 800 |
| 5. CIVIL STATUS | EUR 200 |

3.3 Fees depending on the type of lawsuit or proceedings

The amount of lawyer's fees determined by the Regulation on lawyers' fees (Tariff Fees) does not depend on the type of lawsuit in civil court proceedings.

3.4 Fees depending on the value of the claim

The Contingent Fee

The Contingent Fee may be agreed upon as a percentage/rate of the litigation's amount, i.e. value of the subject-matter of court proceedings or proceedings before any other authority, if the outcome of such proceedings is depending on the circumstances, which are very uncertain, and the lawyer has instructed the client thereof accordingly. The lawyer shall be entitled to receive agreed Contingent Fee only provided that the respective client was fully successful in the case. If the client was only partially successful in the case, the lawyer shall be entitled to a proportional portion of the agreed Contingent Fee. If the case is unsuccessful, the lawyer shall be entitled to request the client to reimburse him for out-of-pocket expenses only.

Due to the fact, that Contingent Fee is a type of Contractual Fee, the percentage depends on the agreement between the lawyer and the client, however usually varies from 10 % to 20 %. Pursuant to the above regulation, the amount of the Contingent Fee must not exceed 20 % of the value of the matter which is the subject of court proceedings or proceedings before any other authority.

Contingency fees are common with respect to cases of great value of claim.

The Tariff Fee

The basic rate of the Tariff Fee for one act of legal services shall be calculated using the following basic schedule.

Unless provided otherwise in the Regulation on Lawyers’ Fees, the basic rate of the Tariff Fee for one act of legal services shall be, depending on the tariff value (litigation’s amount), for values

| Amount at stake | Fee for one action |
|----------------------------------|---|
| up to EUR 149 | EUR 15 |
| between EUR 149 and EUR 597 | EUR 15 + EUR 1.5 for every additional EUR 30 or portion thereof exceeding EUR 149 |
| between EUR 597 and EUR 5,970 | EUR 37 + EUR 9 for every additional EUR 299 or portion thereof exceeding EUR 597 |
| between EUR 5,970 and EUR 29,851 | EUR 199 + EUR 15 for every additional EUR 1,493 or a portion thereof exceeding EUR 5,970 |
| | |

| | |
|------------------|---|
| above EUR 29,851 | EUR 437 + EUR 6 for every additional EUR 2,985 or a portion thereof exceeding EUR 29,851 |
|------------------|---|

The Tariff Fee shall be determined by a multiple of the basic rate of the Tariff Fee and the number of acts of legal services which the lawyer has provided in the matter (actions). The Regulation on Lawyer's Fees sets precisely what are the acts of legal services, for example filing of a petition, participation on a hearing, filing of an appeal form one act of legal service.

In general, the base value shall be determined as the amount of the monetary consideration, or the price of the matter or the right to which the legal services relate, determined at the time of commencement of the provision of legal service; also, the value of receivables and the value of commitment shall be deemed to be the price of the right. The base rate for repeated performances shall be determined as the total of the values of individual performances; if a performance over a period exceeding five years or for an unspecified period of time is concerned, the tariff value shall be five times the value of the annual performance. In the case of the enforcement of a court decision or in the case of execution, the tariff value in respect of repeated performances shall be the sum of installments due and payable at the time of filing the petition for such enforcement or for such execution. In matters concerning abolition in and division of co-ownership of property, the tariff value shall be the value of the share claimed. In matters concerning distribution of common property of spouses the tariff value shall be half the value of all things, receivables and commitments being distributed. For property administration, the tariff fee due shall be 10% of the gross annual revenues from the administered property.

The basic rate of the Tariff Fee shall be one thirteenth of the calculation base (currently app. EUR 38) per act of legal services if the value of the thing or right cannot be expressed in money, or if it can only be assessed with unreasonable difficulties. In matters of representation before the Slovak Constitutional Court, if the matter at issue cannot be expressed in money, the basic rate of the Tariff Fee for each act of legal services shall be one sixth of the calculation base (currently app. EUR 83).

The lawyer may increase the basic tariff fee rate as many as to threefold if the legal services provided include exceptionally difficult, time consuming acts, requiring knowledge

of a foreign law or knowledge of a foreign language. The lawyer may reduce the basic tariff fee rate to as low as 50%. The basic tariff fee rate shall be reduced by 20% where common acts in representation or defense of two or more persons are concerned.

3.5 Fees depending on the jurisdiction

The lawyers fees determined pursuant to the Regulation on Lawyers Fees (Tariff Fees) do not vary according to the jurisdiction.

3.6 Legal aids cases

Pursuant to the Act on Legal Aid, legal aid means the provision of legal services to person entitled under this act in connection with the exercise of his/her rights, principally in the form of legal advice, assistance regarding out-of-court proceedings, the drawing up of submissions to courts, representation in court proceeding and the performance of acts in connection therewith, as well as payment in full or in part of the associated costs.

Even though representation costs are covered by provided legal aid, it is to be noted that the only fees that will be paid to the lawyer, either by the Center for Legal Aid or from the awarded refund of proceedings costs, if the entitled person meets the requirements for award of proceedings costs, are the Tariff Fees for representation of person in material need pursuant to the Regulation on lawyers' fees.

3.7 Contingency fees

The Contingent Fee may be agreed upon as a percentage/rate of the litigation's amount, i.e. value of the subject-matter of court proceedings or proceedings before any other authority, if the outcome of such proceedings is depending on the circumstances, which are very uncertain, and the lawyer has instructed the client thereof accordingly. The lawyer shall be entitled to receive agreed Contingent Fee only provided that the respective client was fully successful in the case. If the client was only partially successful in the case, the lawyer shall be entitled to a proportional portion of the agreed Contingent Fee. If the case is unsuccessful, the lawyer shall be entitled to request the client to reimburse him for out-of-pocket expenses only.

Due to the fact, that Contingent Fee is a type of Contractual Fee, the percentage depends on the agreement between the lawyer and the client, however usually varies from 10 % to 20 %. Pursuant to the above regulation, the amount of the Contingent Fee must not exceed 20 % of the value of the matter which is the subject of court proceedings or proceedings before any other authority.

Contingency fees are common with respect to cases of great value of claim.

3.8 Payment

In general, this is influenced by the type of fee (lawyer's remuneration) agreed, by the reputability of the client, by the anticipated amount of costs and probable outcome of the case or the nature of legal services. In case of single and irregular services, the fee is usually paid after the services are rendered to the client and in case of long-term and regular client, the fee is usually payable upon the invoice issued by the lawyer either monthly or quarterly to the client.

The fees are usually paid by a wire transfer, but may be also paid by postal order or cash.

If the lawyer is registered VAT payer, the VAT in the amount of 19 % applies on the top of the remuneration.

3.8.1 Retainer

The answer may vary from lawyer to lawyer. Law firms will usually not request a retainer from reputable clients, but they will issue an invoice monthly or quarterly to the client. A lawyer who works by himself would probably ask for a retainer if he anticipates increased costs. Even law firms would possibly request a retainer based on the indications that a specific client may not be reliable or trustworthy. However, no lawyer would ask for a retainer if a Contingent Fee was agreed. In such case the lawyer may only ask a retainer for out-of-pocket expenses. In general, it is more likely to see retainer in a cross border dispute than in internal litigation.

3.9 Conclusions and recommendations

The Regulation on Lawyers' Fees recognizes Tariff fees and Contractual Fees. If the parties fail to agree on contractual fee, relevant provisions of the Regulation on Lawyers' Fees on tariff rates shall be used to determine the amount of the Tariff Fee. This regulation does not provide specific legal fees for cross-border litigation; however the regulation expressly provides that the lawyer may agree with the client who is a foreign national on a Contractual Fee in the amount usual in the country of the domicile or which is usually charged for similar legal services abroad. This regulation also authorizes the lawyer to increase the basic tariff fee rate as many as to threefold if legal services provided include exceptionally difficult, time consuming acts, requiring knowledge of a foreign law or knowledge of a foreign language.

Practically all legal fees are agreed on contractual basis, unless the law prescribes Tariff Fees. The level of public knowledge with respect to lawyers' fees, this is quite low due to following reasons. Even though the Regulation on Lawyers' Fees determines the system of calculation of lawyers' fees, these depend on the number of acts of legal services and a non-professional would not be able to calculate the total cost without professional assistance. On the other hand, for lawyers, it is easy to determine the respective amount of Tariff Fees and the amount itself is well foreseeable. With respect to Contractual Fees, these are in general, more difficult to anticipate, because they may be determined in many ways (as hourly fee, flat fee or contingency fee) and the amount itself depends on various factors including the region, the reputation of the lawyer, the circumstances of the case and in particular on the agreement with the client. Please note that the amounts of Contractual Fees differ dramatically. If the respective fees have dissuasive effect, the client may search for a "cheaper" lawyer in accordance with the client's budget. If a natural person cannot afford a lawyer, he/she may apply to the Centre for Legal Aid for provision of legal aid which covers legal advice, assistance regarding out-of-court proceedings, the drawing up of submissions to courts, representation in court proceeding and the performance of acts in connection therewith, as well as payment in full or in part of the associated costs. Pursuant to Article 30 of Civil Procedure Code, the court will appoint an advocate to represent a party that meets the requirements to be exempted from the court fees. However, the court will appoint the advocate only in case the respective party requests so and if it is necessary for the purposes of protection of this party's interests.

It is to be noted that while negotiating Contractual Fee, the lawyer shall instruct the client that in determining the costs of proceedings, for the purposes of awarding its compensation to the client, the lawyer's fee shall be determined in accordance with the provisions on Tariff fee under the Regulation on Lawyers' Fees. The consequence is that no matter how high or low the contractually agreed fee will be, the client may be reimbursed only the objectively determined Tariff Fee. The court will, upon motion, award the fully successful party the restitution of the necessary proceedings costs (including lawyer's fees) against the unsuccessful party. In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment/performance was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part.

4 Bailiff fees

4.1 General

There is no institute of bailiff in the Slovak Republic, however there is an institute of court executors pursuant to Act No. 233/1995 Coll. on Court Executors and Execution Activities (hereinafter referred to the "Execution Procedure Act").

There is no special institute of process server. Normally commencement of process as well as notification of hearings is served by registered post. In case this is not possible, the court has the right to ask its officer, or ask the police department to deliver respective document to the party. This right of the court is used very seldom (if ever). There are no costs involved in delivering of documents from the court.

The court executor is individual authorized by the state with the power to enforce court and other decisions. The executors are appointed and revoked by Minister of Justice of Slovak Republic. When performing the execution activities, executors are impartial and independent and enjoy the status of public officials. The employees of executor (in any) may perform individual execution activities on the basis of written authorization. The execution may be performed only upon the request of the entitled person. Such person

may file a motion for performing of the execution, if the obliged person does not voluntarily comply with the final and binding decision. The execution title is an enforceable decision in particular of the court, which grants a right, orders an obligation or affects property. The court decision becomes enforceable if the obliged person fails to execute/perform pursuant to this court decision, under the condition that the subject matter (obligation comprised in the court decision) of this court decision is capable of being enforced.

The execution proceedings are commenced on the day of delivery of the motion for performing of the execution to the respective executor. The executor may, however, perform the required acts only after the delegation/authorization of the court. The motion for delegation of power to an executor by the court is related with a court fee of EUR 15 according to the Act on Court Fees.

When referring to a bailiff in the further text, the reference is made to court executor.

The bailiffs' fees are provided in Regulation of the Ministry of Justice of the Slovak Republic No. 288/1995 Coll. on Remuneration and Compensation of bailiffs/executors (hereinafter referred to as "Bailiffs Regulation").

- The remuneration of executor for performance of the execution activities depends on the nature of the performance to be enforced, i.e. either non-monetary performance or monetary receivable.
- Regarding execution on non-monetary performance, the remuneration is determined mainly by a flat fee pursuant to Bailiffs Regulation. For example the executor's remuneration for vacation of immovable or its part corresponds to EUR 149 for every vacated immovable or its part. If the vacation of immovable is associated with vacation of accessories (equipment) located therein, the sum of EUR 149 increases by EUR 30.
- Regarding execution on monetary performance, the basic remuneration equals to 20 % of the amount of the enforced receivable, between EUR 15 and EUR 30,000. In case the executor stops from performance of the execution due to the fact that the obliged person paid the total sum or its part whereas the

authorized person agrees to stop the execution, the remuneration of the executor corresponds to 10 % of the amount of the enforced receivable.

- Regarding other activities which relate to the performance of execution activities (e.g. acceptance of money, deeds and other movable assets into the deposit, inspection of the files), the remuneration of the executor may be determined by a flat fee or by percentage. For example the remuneration for provision of cooperation in relation to enforcement of receivable may be determined by flat fee or percentage fee, however must not exceed 50 % of the amount of enforced receivable.

The average executor's remuneration may be stated between EUR 150 and EUR 600.

However, the authorized person and the bailiff may enter into a written agreement on remuneration. Such agreement, however, does not affect the right of the executor to reimbursement determined in the Bailiffs Regulation. In other words, Contractual Fee is paid by on the top of the remuneration under the Bailiffs Regulation.

Under the Bailiffs Regulation, there are no specific costs for cross border litigations. Nevertheless, the bailiff may also agree with the authorized person who is a foreign national a Contractual Fee in the amount usual in the country of the domicile (registered seat) of the authorized person, or which is usually charged for similar legal services abroad, provided such agreement is concluded in written form.

The bailiff is also entitled to refund of out of pocket expenses and compensation for loss of time.

4.2 Ante judgment

The intervention of a bailiff with respect to court proceedings is in general admissible after the court decision becomes final and binding and after the obliged person fails to act in compliance with its content.

Prior to judicial proceedings, a bailiff's intervention is admissible with respect to acceptance of money, deeds and other movable assets into the deposit, inspection of the files and other execution related activities, however only on the basis on the

delegation/authorization of the court. The court decides on the remuneration of the bailiff for the above execution activities.

4.3 During proceedings

The intervention of a bailiff with respect to court proceedings is in general admissible after the court decision becomes final and binding and after the obliged person fails to act in compliance with its content.

During judicial proceedings, a bailiff's intervention is admissible with respect to acceptance of money, deeds and other movable assets into the deposit, inspection of the files and other execution related activities, however only on the basis on the delegation/authorization of the court. The court decides on the remuneration of the bailiff for the above execution activities.

4.4 Post proceedings

The intervention of a bailiff is required in the case the obliged party does not voluntarily fulfill its obligations under a final decision. The intervention of a bailiff is subject to the request of the authorized party.

The execution proceedings initiate on the day of delivery of petition for execution to bailiff. Such petition must comprise an execution title, which is an enforceable court decision either granting a right, putting under an obligation or affecting property. The court decision becomes enforceable if the obliged person fails to execute/perform pursuant to this court decision, under the condition that the subject matter (obligation comprised in the court decision) of this court decision is capable of being enforced.

The executor may, however, perform the required acts only after the delegation/authorization of the court.

4.5 Legal aid cases

Pursuant to the Act on Legal Aid, legal aid means the provision of legal services to person entitled under this act in connection with the exercise of his/her rights, principally in the form of legal advice, assistance regarding out-of-court proceedings, the drawing up of submissions to courts, representation in court proceeding and the performance of acts in connection therewith, as well as payment in full or in part of the associated costs.

Legal aid shall cover the entire proceeding, prior to bringing the case to court, during and after the court proceeding or out-of-court procedure. The execution proceedings are also covered by legal aid in the same scope as court proceedings.

4.6 Payment

Pursuant to Act No. 233/1995 Coll. on Court Executors and Execution Activities (Execution Procedure Act), the obliged person shall bear the costs of execution, i.e. the remuneration of the executor, refund of out-of-pocket expenses as well as compensation for loss of time usually in the form of cash or wire transfer

On the other hand if the executor agree with the client also on Contractual Fee (on top of statutory remuneration), such fee shall be paid by the authorized person.

If the executor is registered VAT payer, the VAT in the amount of 19 % applies on the top of the remuneration.

4.6.1 Retainer

Under the Execution Order, an executor is entitled to a retainer for remuneration and for the compensation of out-of-pocket expenses. The amount of the retainer depends upon the executor's discretion, however shall not exceed 50% of the anticipated remuneration calculated pursuant to the Bailiffs Regulation. It is to be noted that even though the costs of execution shall be paid by the obliged person, the retainer is primarily paid by the entitled person and in case the execution is successful, it shall be refunded from the outcome of the execution.

The bailiff would probably require a retainer if he anticipates high execution costs and if there is an apparent risk of not recovering anything or the property of the authorized

person would not even be sufficient to cover the execution costs or in case of questionable reputability of the authorized person. Please note that this issue would be considered by a bailiff individually, due to factors as the financial situation of the executor, the range of his clients, further details of the client/case, etc. In general, it is more usual to request a retainer in cross border than in internal cases. The retainer would probably be requested in majority of cross-border executions.

4.7 Conclusions and recommendations

The bailiffs/executors under Slovak law enforce judgments. In general, an execution comes into account after the decision on the subject matter was rendered and became enforceable. The court decision becomes enforceable if the obliged person fails to execute/perform pursuant to this court decision, under the condition that the subject matter (obligation comprised in the court decision) of this court decision is capable of being enforced. The execution title is an enforceable decision, which grants a right, orders an obligation or affects property. The entitled person that has obtained an execution title may choose any executor and file a motion for performing the respective execution to his office. The executor may, however, perform the required acts only after the delegation/authorization of the court.

The possible ways of execution depend on whether the performance to be enforced is monetary or non-monetary receivable. The related costs are easily foreseeable because they are completely regulated under the Bailiff's Regulation. These costs shall be paid by the obliged person on top of the enforced receivable. In case the execution proceedings are interrupted due to the fact that the property of the obliged person does not even cover the costs of execution, the authorized person shall pay them.

In case the client agrees with the executor an additional Contractual Fee, it will be paid by the authorized person.

If the execution is successful and the client did not agree a Contractual Fee with the executor, the authorized person does not have any execution related costs (except of the advanced payment, if requested by the executor, which will be finally refunded by the obliged person as well).

Under the Bailiffs Regulation, there are no specific costs for cross border litigations. Nevertheless, the bailiff may also agree with the authorized person who is a foreign national a Contractual Fee in the amount usual in the country of the domicile (registered seat) of the authorized person, or which is usually charged for similar legal services abroad, provided such agreement is concluded in written form.

5 Expert

5.1 General

Regulation of the Ministry of Justice of the Slovak Republic No. 491/2004 Coll. on Remuneration, Reimbursement of Costs and Compensation of Loss of Time for Experts, Interpreters and Translators (hereinafter referred to as the “Regulation on Experts’, Interpreters’ and Translators’ Fees”) regulates the experts’ fees.

The List of experts is administered by the Ministry of Justice of Slovak Republic, and the data therein registered is publicly available at the web site of the mentioned ministry: <http://www.justice.gov.sk>.

The Ministry of Justice of the Slovak Republic shall register a person on the List of experts after the applicant meets all requirements under the Regulation on Experts’, Interpreters’ and Translators’ Fees.

5.2 Fees

The expert’s fee shall be determined by an agreement between the expert and his client (Contractual Fee). If the parties fail to reach an agreement on this matter, relevant provisions of the above regulation on Tariff Fees shall be used to determine the amount of the Tariff Fee.

It is to be noted that the VAT is only applicable to Contractual fee, provided the translator/interpreter is registered VAT payer.

The Tariff fees are determined either:

- i) on the basis of number of hours spent, or
- ii) by a percentage from the initial value of the subject of the expert's act, or
- iii) by a flat fee depending on the subject of the act and number of expert's acts.

Find in the below table the basic Tariff fee rates¹³:

| | |
|------------------------------|--|
| Hour fee | EUR 12 for one, also begun hour |
| Percentage fee ¹⁴ | At least EUR 24 |
| Flat fee | EUR 6 for submission of a written statement (upon request) on the state of elaboration of the expert's act; EUR 18 for taking over of a file and its initial study; EUR 6 for the inquiry while executing the expert's act (inspection of registers, etc.) |

Pursuant to the Act on Experts, Interpreters and Translators, the Tariff fee shall increase, if the client requests the performance of the act without any delay or under particularly demanding circumstances. On the other hand, the Tariff fee shall decrease, or not be given at all, if the expert performed the act belatedly, purposelessly or of poor quality.

According to the Regulation on Experts', Interpreters' and Translators' Fees, the Tariff fee will increase by 50 % at most, if the client requests the immediate performance of the act. The Tariff fee for a particularly demanding expert's act, the Tariff fee will increase by 30 % at most.

The average amount of experts' fees may be stated between EUR 150 and EUR 450. The amount of the fees depends primarily on the expert's field, as well as on the difficulty of the expert's act to be performed.

¹³ Please note that the Regulation on Experts', Interpreters' and Translators' Fees provides individual tariff fees for the following sections: public health, pharmacy and legal relations towards foreign countries.

¹⁴ The percentage fee is determined only in case if:

- i) the subject of the expert's act is the assessment of immovables and constructions, or
- ii) the determination of the initial value of immovables and constructions is related to the performance of the expert's act or is the condition of the performance of this act.

The expert is also entitled to refund of out of pocket expenses and compensation for loss of time. The expert is entitled to the compensation of loss of time in the amount of EUR 3 per for each hour traveling to the place, where the act shall be performed, which differs from the place of performance of the expert's activities.

5.3 Payment

In civil court proceedings, the court or the party, in favor of which the expert's opinion/act shall serve as evidence will usually pay an advanced payment. The outstanding amount will be paid by court after the submission of the experts act and will usually be refunded under the court's decision on refund of proceedings costs, based on the outcome of the case.

The expert usually submits to the court/other person the statement of the account of the fees together with the opinion/ other expert's act.

VAT applies to contractual fees, provided the expert is registered VAT payer. Fees calculated under the Regulation on Experts', Interpreters' and Translators' Fees are not subject to VAT.

5.3.1 Retainer

Pursuant to the Regulation on Experts', Interpreters' and Translators' Fees, the expert may request an adequate retainer from the client with respect to execution of the expert's act. The court may oblige a party that does not meet the conditions required for exemption from the court fees, to pay an advanced payment for the purposes of evidence which the party has suggested to execute or which the court has suggested to execute concerning the facts introduced by this party or the facts in favor of this party. The costs of evidence, including expert fees, which are not covered by the above advance payment, shall be paid by the state. The state has the right to seek reimbursement of costs of proceedings¹⁵ by the parties of the litigation, unless the parties meet the conditions required for the exemption from the court fees.

¹⁵ The costs of proceedings are basically the expenses of the parties to the proceedings and their representatives, including court fees, the lost earnings of the parties and their legal

However, when a private person (not a court) orders an expert's act, the payment is usually performed after the completion of the task by the expert and no retainer is requested.

5.4 Legal aid cases

Pursuant to Act No. 327/2005 Coll. on Provision of Legal Aid for People in Material Need (hereinafter referred to as the "Act on Legal Aid"), legal aid means the provision of legal services to a person entitled under this act in connection with the exercise of his/her rights, principally in the form of legal advice, assistance regarding out-of-court proceedings, the drawing up of submissions to courts, representation in court proceedings and the performance of acts in connection therewith, as well as payment in full or in part of the associated costs.

Expert's fees form a part of costs of evidence and do not fall within the Act on Legal Aid.

However, if a party, entitled to legal aid, also meets the requirements for exemption from the court fees, the costs of evidence shall be borne by the state. Further, in case the person fulfills the requirement for provision of legal aid, it is likely such person will also be exempt from payment of the costs of proceedings (including the expert fees) by the court.

5.5 Reimbursement of experts' fees

The court decides on the restitution/refund of the incurred proceedings' costs, upon the motion, either as a part of the final judgment or by a separate decision. The court will award the fully successful party the restitution of the necessary proceedings' costs against the unsuccessful party. In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings' costs. However, the court may

representatives, the costs of furnishing evidence, the notary's remuneration for the execution of the acts of a judicial commissioner and his/her out of pocket expenses, the remuneration of the administrator of inheritance and his/her out of pocket expenses, translating/interpreting fees and the lawyer's remuneration for representation.

award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment/performance was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part.

The court will award the fully successful party the refund of the proceedings' costs that incurred with respect to effective claim/exercise of rights against the unsuccessful party. If the court considers, the expert's act was not necessary, the court will probably not award its refund.

5.6 Practical questions

Pursuant to Act No. 382/2004 on Experts, Interpreters and Translators (hereinafter referred to as the "Act on Experts, Interpreters and Translators") for the purposes of acting before the court, the expert must

- i) either be registered in the list of experts, administered by the Ministry of Justice of Slovak Republic, or
- ii) be appointed ad hoc, under following conditions: (i) no expert is registered in the relevant section of the list or the registered expert cannot perform the required act or its performance would be connected with inadequate/excessive problems or costs, (ii) the person to be appointed grants a consent with his/her appointment and (iii) the appointed expert takes a vow (pledge) before the respective court.

Pursuant to the Act on Experts, Interpreters and Translators, Ministry of Justice of the Slovak Republic will register a natural person¹⁶ in the list of experts within 60 days following the delivery of the written request comprising the evidencing documents where necessary, under the condition that the natural person:

- i) has full capacity to legal acts,
- ii) has clear criminal record,

¹⁶ The Act on Experts, Interpreters and Translators contains special provisions comprising the conditions to be fulfilled, if the request for registration was submitted by an expert's organization or an expert's institute.

- iii) acquired education in the field, which is the subject of the written request for registration,
- iv) accomplished special education under the above mentioned act,
- v) has gained experience in the relevant field, for the period of at least 7 years,
- vi) has passed the exam in the field/branch, which is the subject of the written request for registration, in order to evidence his/her professional qualification,
- vii) has successfully terminated a specialized education, if the person is to be registered in the list for a field/branch, in which such education is required by law,
- viii) has sufficient material equipment, depending on the field/branch which is the subject of the written request for registration,
- ix) was not stroked off the register in the last 3 years, or was not imposed a ban on his/her activities pursuant to the above act,
- x) took a vow (pledge).

According to the Civil Procedure Code, if the court decision depends on examination of matters of fact requiring expert knowledge, the court will appoint an expert after the court examines/hears the parties to the proceedings.

Pursuant to the Act on Experts, Interpreters and Translators, an expert shall maintain the original of a submitted expert's report for the period of 10 years following its submission.

An expert accredited or certified before the courts of another Member State may act before local court, after he/she was registered in the List of experts. For this purpose, an expert accredited or certified before the courts of one of the Member States:

- i) must evidence that he/she is authorized to perform an activity similar to expert's activity under the Act on Experts, Interpreters and Translators in this Member State, and
- ii) must pass a special exam.

According to the Civil Procedure Code, if the court decision depends on examination of matters of fact requiring expert knowledge, the court will appoint an expert after the court examines/hears the parties to the proceedings. An expert's report produced by an accredited expert of EU member state may be accepted as evidence under the condition;

the court has no doubts about the accuracy and correctness of such report. However, such report may be subject to reexamination by a registered expert.

With respect to validity of an expert's report, one may assume that the validity of an expert report is not limited, since this question is not regulated under law. Further, pursuant to the Act on Experts, Interpreters and Translators, an expert shall maintain the original of a submitted expert's report for the period of 10 years following its submission.

5.7 Conclusions and recommendations

Anyone who desires to act as an expert must be registered in the list of Ministry of Justice of the Slovak Republic. Persons not registered cannot act as experts before courts and other public authorities, subject to exceptions. The list of experts is available at the Unified Automated System of Legal Information (JASPI), (<http://www.justice.gov.sk>). The unsuccessful user may contact the Section of Civil and Administrative Law at Ministry of Justice of Slovak Republic either by phone or personally, the numbers and address are available at the above mentioned website.

Only experts registered in the list of the Ministry of Justice of the Slovak Republic are authorized to prepare expert opinions. The fees of non-registered persons who file opinions requiring expert knowledge are not regulated.

If the expert is appointed by a court or by public authority, the respective fees will in general be determined in accordance with the Regulation on Experts', Interpreters' and Translators' Fees, i.e. on the basis of number of hours spent (most usual approach), by a percentage from the initial value of the subject of the expert's act (applicable to real estate value determination) or by a flat fee depending on the subject of the act and number of expert's acts. The expert has the right to be paid the Tariff Fee, unless he/she agrees with the client (i.e. legal or natural person) a Contractual Fee. Nevertheless, the court will usually only pay/award the refund of the translation costs corresponding to the Tariff Fees pursuant to the Regulation on Experts', Interpreters' and Translators' Fees.

The amount of the Contractual Fees depends primarily on the expert's field, as well as on the difficulty of the expert's act to be performed.

6 Translation and interpretation

6.1 General

Regulation on Experts', Interpreters' and Translators' Fees regulates the translation and interpretation fees.

The List of translators as well as the List of interpreters is administered by the Ministry of Justice of Slovak Republic, and the data therein registered is publicly available at the web site of the mentioned ministry.

The Ministry shall register a person within the respective list after the applicant meets all requirements under the Regulation on Experts', Interpreters' and Translators' Fees (see 6.6 below).

Any person is obliged to cooperate with the translator/interpreter with respect to performing of their activities for court or other public authority.

6.2 Translation fees

The translator's fee shall be determined by an agreement between the translator and his client (Contractual Fee). If the parties fail to reach an agreement on this matter, relevant provisions of the Regulation on Experts', Interpreters' and Translators' Fees on Tariff Fees shall be used to determine the amount of the Tariff Fee.

It is to be noted that the VAT is only applicable to Contractual fee, provided the translator is registered VAT payer.

The amount of Tariff fee is determined according to languages involved and number of pages¹⁷ of the act of translation activity:

¹⁷ One page of translation is defined as a written text of 30 lines, of which each contains 60 signs including spaces, or 1800 signs on one page.

| | |
|--|---|
| translation between Slovak and Czech language | EUR 12/page of translation (even begun one) |
| translation between Slovak and other European languages | EUR 18/page of translation (even begun one) |
| translation between Slovak and non-European languages | EUR 21/page of translation (even begun one) |
| translation between 2 languages, both different from Slovak language | EUR 24/page of translation (even begun one) |

The Tariff fee according to the above table increases of EUR 1.5/page of translation (even begun one) if at least one of the languages involved does not use Roman characters. The Tariff fee for transcription of a deed in Braille is EUR 12/page (even begun one). The Tariff fee for a professional written statement corresponds to EUR 18 per every 50 pages of the translation. The Tariff fee for an inspection/review and certification of the translation corresponds to 25 % of the basic Tariff fee per page.

Pursuant to the Act on Experts, Interpreters and Translators, the Tariff fee shall increase, if the client requests the performance of the act without any delay or under particularly demanding circumstances. On the other hand, the Tariff fee shall decrease, or not be given at all, if the translator performed the act belatedly, purposelessly or of poor quality.

According to the Regulation on Experts´, Interpreters´ and Translators´ Fees, the Tariff fee will increase by 50 % at most, if the client requests the immediate performance of the act. The Tariff fee for a translation, which is particularly demanding with respect to exactness and proficiency, the Tariff fee will increase by 30 % at most.

The average amount of translation fees depends on number of pages of translation act. If it is one page, the average amount is EUR 15 (one page of translation is defined as a written text of 30 lines, of which each contains 60 signs including spaces, or 1800 signs on one page).

The translator is also entitled to refund of out of pocket expenses and compensation for loss of time. The translator is entitled to the compensation of loss of time in the amount of EUR 3 per for each hour traveling to the place, where the act shall be performed, which differs from the place of performance of the translator’s activities.

6.3 Interpretation fees

The interpreter's fee shall be determined by an agreement between the interpreter and his client (Contractual Fee). If the parties fail to reach an agreement on this matter, relevant provisions of the Regulation on Experts', Interpreters' and Translators' Fees on Tariff Fees shall be used to determine the amount of the Tariff Fee.

It is to be noted that the VAT is only applicable to Contractual fee, provided the interpreter is registered VAT payer.

The amount of Tariff fee according to languages involved and number of hours that the interpreter spent for interpretation's activities:

| | |
|---|---|
| interpretation between Slovak and Czech language | EUR 12/hour of interpretation (even begun one) |
| interpretation between Slovak and other European languages | EUR 18/ hour of interpretation (even begun one) |
| interpretation between Slovak and non-European languages | EUR 21/ hour of interpretation (even begun one) |
| interpretation between 2 languages, both different from Slovak language | EUR 24/ hour of interpretation (even begun one) |

The tariff fee of an interpreter of sign language of deaf for interpretation of the communication with these persons is EUR 24/ hour of interpretation (even begun one). The tariff fee of an interpreter for deaf and blind persons for interpretation of the communication with these persons is EUR 30/ hour of interpretation (even begun one). The tariff fee of an articulation for interpretation of the communication with partially deaf, which do not know the sign language and do not hear the talk is EUR 12/ hour of interpretation (even begun one).

Pursuant to the Act on Experts, Interpreters and Translators, the Tariff fee shall increase, if the client requests the performance of the act without any delay or under particularly demanding circumstances. On the other hand, the Tariff fee shall decrease, or not be given at all, if the interpreter performed the act belatedly, purposelessly or of poor quality.

According to the Regulation on Experts', Interpreters' and Translators' Fees, the Tariff fee will increase by 50 % at most, if the client requests the immediate performance of the act.

The average interpreter's fee may be stated between EUR 200 and EUR 450 per day.

The interpreter is also entitled to refund of out of pocket expenses and compensation for loss of time. The interpreter is entitled to the compensation of loss of time in the amount of EUR 3 per for each hour traveling to the place, where the act shall be performed, which differs from the place of performance of the interpreter's activities.

6.4 Payment

The translator usually submits to the court/other person which ordered the translation the statement of the account of the fees together with the translation act. The interpreter usually submits to the court/other person which ordered the interpretation the statement of the account of the fees immediately following the performance of the interpretation act.

VAT applies to contractual fees, provided the translator/interpreter is registered VAT payer. Fees calculated under the Regulation on Experts', Interpreters' and Translators' Fees are not subject to VAT.

6.4.1 Retainer

Pursuant to the Regulation on Experts', Interpreters' and Translators' Fees, the translator/interpreter may request an adequate retainer from the client with respect to execution of the translation/interpretation act. With respect to translation fees, the court may oblige a party that does not meet the conditions required for exemption from the court fees, to pay an advanced payment for the purposes of evidence which the party has suggested to execute or which the court has suggested to execute concerning the facts introduced by this party or the facts in favor of this party. The costs of evidence, including translation fees, which are not covered by the above advance payment, as well as the costs related to the execution of the parties' right to perform in their native language shall be paid by the state. The state has the right to seek reimbursement of costs of proceedings

by the parties of the litigation, unless the parties meet the conditions required for the exemption from the court fees. The proceedings costs incurred due to execution of the right to perform before the court in the native language are not reimbursed.

6.5 Practical questions

In order to perform the translation activities according to the Act on Experts, Interpreters and Translators, Ministry of Justice of the Slovak Republic must register the translator/interpreter in the List of translators/List of interpreters. Ministry of Justice of the Slovak Republic will register a natural person in the List of interpreters/ List of translators within 60 days following the delivery of the written request comprising the evidencing documents where necessary, under the condition that the natural person:

- i) has full capacity to legal acts,
- ii) has clear criminal record,
- iii) acquired education in the field, which is the subject of the written request for registration,
- iv) accomplished special education under the above mentioned act,
- v) has gained experience in the relevant field, for the period of at least 7 years,
- vi) has passed the exam in the field/branch, which is the subject of the written request for registration, in order to evidence his/her professional qualification,
- vii) has successfully terminated a specialized education, if the person is to be registered in the list for a field/branch, in which such education is required by law,
- viii) has sufficient material equipment, depending on the field/branch which is the subject of the written request for registration,
- ix) was not stroked off the register in the last 3 years, or was not imposed a ban on his/her activities pursuant to the above act,
- x) took a vow (pledge).

Pursuant to the above act, for the purposes of acting before the court, the interpreter/translator must

- i) either be registered in the List of interpreters/List of translators, administered by the Ministry of Justice of Slovak Republic, or

- ii) be appointed ad hoc, under following conditions: (i) no interpreter/translator is registered in the relevant section of the list or the registered interpreter/translator cannot perform the required act or its performance would be connected with inadequate/excessive problems or costs, (ii) the person to be appointed grants a consent with his/her appointment and (iii) the appointed interpreter/translator takes a vow (pledge) before the respective court.

A certified translation produced by French translator for example, would not be considered as a translation produced by a translator registered in the List of translators of Ministry of Justice of the Slovak Republic and would eventually be subject to inspection/review and certification of the translation by a registered translator (if submitted to courts or public authorities). However, this issue would probably depend on the individual discretion of the respective authority.

An interpreter/translator accredited or certified before the courts of another Member State may act before local court, after he/she was registered in the List of translators/interpreters. For this purpose, such interpreter/translator must evidence that he/she is authorized to perform an activity similar to interpreter's/ translator's activity under the Act on Experts, Interpreters and Translators in this Member State.

Translation/interpretation performed by non-registered translator/interpreter may be performed upon trade license issued by the Trade Licensing Authority, whereas such translation/interpretation does not meet the requirements according to the Act on Experts, Interpreters and Translators, and consequently shall basically serve only for private purposes.

The translator is liable for the correspondence of the original document with its translated version, which he/she approves by the seal.

6.6 Legal aid

Pursuant to Act on Legal Aid, legal aid granted to foreign entitled person (recipient of legal aid) in cross-border litigation covers also translation of the documents required by court or respective authority and presented by the foreign person as necessary for the resolution of the case, from foreign language, except of Czech language, to Slovak language (the Czech

and Slovak languages are very similar and understandable without translation). According to the above act, legal aid granted to foreign entitled person (recipient of legal aid) in cross-border litigation covers also interpretation (if necessary).

With respect to internal litigation, a domestic entitled person is not entitled to any eventual interpretation or translation fees within the granted legal aid (nevertheless one need to emphasize that every physical person will have the right to act in front of the court in his/her native language).

6.7 Reimbursement

Under the Civil Procedure Code, parties to the proceedings have the right to perform before the courts in their native language or in the official language of that state, which they understand and the court is obliged to secure the equal possibilities for the parties to the litigation in order to exercise their rights. Therefore the state shall bear the costs related therewith.

However, it is to be noted that the state has the right to seek reimbursement of costs of proceedings, which the state paid¹⁸, from the parties of the litigation, pursuant to the outcome of the case, unless the parties meet the conditions required for the exemption from the court fees.

If a winning party paid the translation/interpretation fees in the form of advanced payment, whereas these fees were included in the costs of evidence and did not fall within the execution of the right of the parties to perform before the court in their native language, the costs of which shall be born by the state, the court will probably order the losing party to refund such advanced payment to the winning party within the awarded refund of necessary proceedings costs.

6.8 Conclusions and recommendations

The list of registered translators/interpreters is available at the Unified Automated System of Legal Information (JASPI), (<http://www.justice.gov.sk>). The unsuccessful user may contact the Section of Civil and Administrative Law at Ministry of Justice of Slovak

¹⁸ The costs of evidence which are not covered by the advanced payment are also paid by the state.

Republic either by phone or personally, the numbers and address are available at the above website.

Translation/interpretation of non-registered translators/interpreters may be performed upon trade license issued by the Trade Licensing Authority, whereas translation/interpretation performed by registered translators/interpreters is not an entrepreneurial activity. The remuneration of non-registered translators/interpreters is not regulated by law.

The client may agree with the registered translator/interpreter also a Contractual Fee. In case they do not reach an agreement on this matter, the translator/interpreter is authorized to receive a fee, calculated under the Regulation on Experts´, Interpreters´ and Translators´ Fees, i.e. on the basis of number of hours spent /pages and the languages involved. Nevertheless, the court will usually only pay/award the refund of the translation/interpretation costs corresponding to the Tariff Fees pursuant to the Regulation on Experts´, Interpreters´ and Translators´ Fees.

In general, public is well informed on the fees charged by interpreters/translators. It is also possible to find such fees on the web pages of companies providing such services and these fees are perfectly foreseeable.

7 Witness Compensation

7.1 General

The determination of witnesses compensation is regulated by the Act No. 99/1963 Coll. Civil Procedure Code and subsequently Regulation of Ministry of Justice of the Slovak Republic No. 543/2005 Coll. on Administration and Office Order for District Courts, Appellate Courts, Special Court and Military Courts (hereinafter referred to as “Regulation on Administration and Office Order”), Act No. 311/2001 Coll. Labor Code, Act No. 595/2003 Coll. on Income Tax and Act No. 90/1996 Coll. on minimal wage.

According to Civil Procedure Code the court is obliged to instruct the witness about his/her rights and obligations at the beginning of a witness examination. Among other things, a

witness has the right for reimbursement of out of pocket expenses and compensation of lost earnings incurred in relation to performance of the procedural act, to which he/she was called as a witness.

In general, the court will collect the testimonies during oral hearing. Witnesses written statements are not admissible as primary evidence of witnesses in front of courts of Slovak Republic. Nevertheless, these statements could serve as different evidence. According to the Regulation on Administration and Office Order, the court will appoint a translator for the purposes of translation of the documentary evidence, executed in different than Slovak language except of Czech language, submitted (to the court file) by the parties to the litigation.

A witness has to apply the right for compensation at court. This right will expire if it is not exercised within three days following the date of oral examination or the date on which the witness received the information that there would be no examination. The court shall instruct the witnesses thereof.

7.2 Fees

The compensation of a witness involves:

- i) Reimbursement of out of pocket expenses, i.e. effective and necessary costs, mainly travel and food expenses and evidenced accommodation expenses, and
- ii) compensation of lost earnings, which shall be calculated with reference to the time necessary for the performance of the procedural act, to which he/she was called as a witness.

The court will determine the amount of witness compensation, upon the request of a witness.

The average amount of witness compensation may be stated between EUR 50 and EUR 150 per day.

7.3 Legal aids cases

Pursuant to the Act on Legal Aid, legal aid means the provision of legal services to person entitled under this act in connection with the exercise of his/her rights, principally in the form of legal advice, assistance regarding out-of-court proceedings, the drawing up of submissions to courts, representation in court proceeding and the performance of acts in connection therewith, as well as payment in full or in part of the associated costs.

The compensation of witnesses is not covered by legal aid.

7.4 Payment

The awarded compensation will usually be paid to the witness cash at the respective court.

The costs of evidence, which are not covered by the advance payment, shall be paid by the state. Against the parties to the litigation, the state has the right to reimbursement of costs of proceedings, including the compensation of witnesses, which the state paid, depending on the outcome of the proceedings, unless the parties meet the conditions required for the exemption from the court fees.

7.5 Practical questions

Any natural person is obliged to give testimony in front of court on the basis of witness summons. However, such person may refuse to witness, if he/she would put himself/herself or his/her family, in danger of criminal prosecution, due to this testimony. The court decides, whether the denial to witness is reasonable or not. Further, the testimony of a witness cannot violate a secrecy provided by legislation or state, unless the witness was exempted from the obligation to keep the secrecy by the respective authority or person.

The testimonies of witnesses must only be collected orally. Slovak legislation does not acknowledge any special authentication proceeding of witness's testimony. The authenticity of a witness's testimony is subject to court's discretion.

At the beginning of the examination of a witness, the court determines the identity of the witness as well as the circumstances that could influence the authenticity of a witness. Afterwards, the court instructs the witness about the significance of a witness testimony,

about the rights and obligations of a witness and about the criminal consequences of a false testimony. Then the witness shall continuously describe everything that he/she knows about the subject of the examination. The court hereinafter asks clarifying and supplementary questions, as well as the parties and the experts, subject to the consent of the court.

Pursuant to Act No. 97/1963 Coll. on private and procedural international law (hereinafter referred to as “Act on International Law”), testimonies collected in front of foreign authorities are effective, and even if they do not meet do requirements under foreign law, if they comply with Slovak legislation.

Under the Act on International Law, the Slovak consulate or representative body shall perform, upon a letter of request of Slovak judicial body and based on the authorization of Ministry of Foreign Affairs of the Slovak Republic, an examination of a witness, under the condition this witness appears voluntarily and the examination does not violate the legislation of the state, in which this examination shall be performed. For this purpose, the consulate or representative body of the Slovak Republic proceeds reasonably according to the legislation appropriate for the demanding Slovak judicial body and executed examination of a witness has the same legal effect as if it was performed by the judicial body itself.

7.6 Conclusions and recommendations

Testimonies of witnesses are common type of evidence under Slovak law. They must be collected orally. The authenticity of a witness’s testimony is subject to court’s discretion. Any natural person is obliged to give testimony in front of court on the basis of witness summons. However, such person may refuse to witness, if he/she would put himself/herself or his/her family, in danger of criminal prosecution, due to this testimony.

Under the Civil Procedure Act, a witness is authorized to receive refund of out of pocket expenses and compensation of lost earnings. This right ceases to exist, if the respective request is not introduced within 3 days following the examination or the day, when the witness was notified that his/her examination will not be performed. The court will determine the respective amount pursuant to respective regulations and refund it to the authorized person in cash.

The compensation of witnesses form a part of proceedings costs. The court will award the fully successful party the restitution of the necessary proceedings costs against the unsuccessful party. In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings' costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment/performance was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part.

8 Pledges and security deposits

8.1 General

If a security deposit shall mean an advance payment to be provided by a party in order to cover the costs of evidence in favor of this party, the court may order this party to lay down such payment in all types of litigation, unless this party meets the conditions required for exemption from the court fees. The advance payment may only be required by the court. There are no conditions stated in the law suggesting when the court shall require the advance payment.

With respect to Slovak court proceedings and litigation costs, there is no institute requiring the provision of pledge.

8.2 Fees

Advance payments for costs of evidence are determined by the court taking into account the anticipated costs of evidence. The advanced payment is not required very often.

8.3 Payment

Provided that the court decides on the depositing of advance payment, there is no possibility to avoid presentation of advance payment. It is usually paid by wire transfer to the court.

8.4 Practical questions

The system of proceeding costs deposit is described above and there are no particular problems.

8.5 Conclusions and recommendations

Advance payment for costs of evidence is determined by the court taking into account the anticipated costs of evidence. Provided that the court decides on the filing of advance payment, there is no possibility to avoid presentation of advance payment unless the parties meet the conditions required for the exemption from the court fees. The costs of evidence which are not covered by the advance payment are paid by the state. The state has the right to seek reimbursement of costs which the state paid pursuant to the result of the case. The advanced payment or its part may be reimbursed to the successful party within the awarded refund of proceedings costs.

With respect to Slovak court proceedings and litigation costs, there is no institute requiring the provision of pledge.

9 Court decisions

9.1 Cost of notification

The court declares and eventually publishes the court decision for free (unless the court obliges the unsuccessful party as a part of the judgment to bear the costs of its publication in the newspaper, this is usually relevant with respect to competition law, or where the protection of personality is involved).

9.2 Cost of obtaining an authenticated decision

After the judgment was rendered, its written counterpart shall be personally delivered to the parties to litigation, eventually to their representatives, for free. The execution of its notarized copy would cost approx. EUR 20 (depending on the number of pages).

The court will mark the enforceability on the written counterpart of the judgment for free. The court fee related to petition for an award of delegation to bailiff for the purposes of performance of the execution equals to EUR 15, for civil and commercial matters.

9.3 Conclusions and recommendations

Since the court declares the judgment for free and its written counterpart shall be personally delivered to the parties to litigation, eventually to their representatives also for free, there are no additional proceedings costs to be paid by the parties with respect to issuing of court decisions.

10 Legal aid

10.1 General

Act No. 327/2005 Coll. on Provision of Legal Aid for People in Material Need (hereinafter referred to as the “Act on Legal Aid”) governs the provision of legal aid.

Under the conditions stipulated in this Act, in internal disputes the legal aid shall be provided to all natural persons and in cross-border disputes, it shall be provided to natural persons domiciled or habitually resident in the Member State (except of Denmark).

Within the granted legal aid, following costs are covered: the costs of legal representation (in particular related to legal advice, assistance in out-of-court procedures, preparation and filing motions to court, representation in court by the designated advocate). Legal aid

shall cover the entire proceeding, prior to bringing the case to court, during and after the court proceeding or out-of-court procedure.

Legal aid granted in a cross-border dispute to a foreign entitled person will also cover:

- i) interpretation (if necessary),
- ii) translation of the documents required by the court or the competent authority and presented by the foreign person as necessary for the resolution of the case,
- iii) compensation of necessary costs of the foreign person's travel from his/her domicile or habitual residence to the seat of the competent court, where the physical presence of the person is required according to the decision of the competent court.

If a natural person wishes to apply for legal aid he/she may visit either the Centre (its offices) or advocates on the register, and he/she will be given a preliminary consultation up to a maximum of one hour. To attend a preliminary consultation a fee of EUR 4.5 has to be paid. During the preliminary consultation the person will be informed under which conditions it is possible to apply for legal aid (however, the individual conditions are not assessed at this stage), he/she can give brief information on the problem and get basic legal advice together with assistance in filling in the application form. The Centre for Legal Aid will decide on the applicant's right to legal aid within 30 days (internal disputes) of receiving the completed application form. If the person is in danger of failing some condition, he/she will be informed of the preliminary legal aid which he/she can apply for even before the decision on his/her application for legal aid.

Cross-border disputes in which the competent court is seated in Slovak Republic.

In such disputes the party applying for legal aid is domiciled or habitually resident in the Member State other than the Slovak Republic and the court with its seat in the Slovak Republic is competent or the decision is to be enforced in the Slovak Republic. Any natural person domiciled or habitually resident in the Member State may submit his/her application for legal aid directly to the Centre for Legal Aid or via the competent authority of the Member State providing he/she meets the conditions for provision of legal aid. Legal aid will be also granted upon a request for the recognition or enforcement of a decision issued in the Member State other than the Slovak Republic in a proceeding in which legal aid was granted to such person according to the law of that Member State. The Centre shall decide on the application within 60 days after receiving the completed application or

after such application was forwarded to it by the competent authority of the Member State.

Cross-border disputes in which the competent court is seated in a Member State different from Slovak Republic.

In a cross-border dispute where the party applying for legal aid has permanent or temporary residence in the Slovak Republic and the competent court is seated in a Member State other than the Slovak Republic or the decision is to be enforced in another Member State, the Centre for Legal Aid will forward the application of the domestic entitled person (that is, person with permanent or temporary residence in the territory of the Slovak Republic) for legal aid in a cross-border dispute to the competent authority in the Member State and shall confirm its delegation to the domestic entitled person. The Centre for Legal Aid will provide the domestic entitled person with legal advice and cooperation, so the application for legal aid will fulfill the criteria set by the law of the competent Member State (including translations of application and enclosed documents).

The condition of material need is fulfilled if the applicant's (18 years old physical person) income per months is lower than EUR 214 (subject to adjustment each year). To compare, the average monthly wage equals to EUR 560 for the year 2006 according to Statistical Office of the Slovak Republic.

Since the Act on Legal Aid came into force only on January 1, 2006, there is not enough experience yet with cross-border litigation in order to identify some common difficulties.

10.2 Conditions of grant

| Type of dispute | Conditions to be fulfilled by the applicant for legal aid |
|------------------|--|
| Internal dispute | <p>i) the applicant is in material need, what means that his/her income is lower than a 1.4 multiple of the amount of the living wage (provided by Act No. 601/2003 on living wage, actually in the amount of EUR 153 for one at least 18-years old physical person) and he/she is not able to cover the expenses of legal services by means of his/her property),</p> <p>ii) the case is not clearly unsuccessful (the Centre for</p> |

| | |
|--|---|
| | <p>Legal Aid takes into account in particular if the right has not expired, if the right has not lapsed or whether the applicant is able to indicate evidence proving his/her statements), and</p> <p>iii) the litigation amount exceeds the amount of the minimum wage (currently EUR 227 per month for an employee paid monthly) except for disputes in which the litigation amount cannot be determined.</p> |
| <p>Cross-border dispute in which the competent court is seated in Slovak Republic</p> | <p>i) the applicant is domiciled or habitually resident in a Member State different from Slovak Republic,</p> <p>ii) the applicant submits his/her application for legal aid directly to the Centre for Legal Aid or through the competent authority of the Member State,</p> <p>iii) the applicant proves that he/she would meet the condition of material need to be granted the legal aid in Slovak Republic, if he/she was domiciled or habitually resident there or that he/she meets the conditions required for the provision of legal aid in the Member State of his or her domicile or habitual residence,</p> <p>iv) the application for provision of legal aid is obviously not baseless, in particular if the case is not clearly unsuccessful,</p> <p>v) the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined.</p> |
| <p>Cross-border disputes in which the competent court is seated in a Member State different from Slovak Republic</p> | <p>Together with the submitting of the application for provision of legal aid in cross-border litigation, the applicant is obliged to inform the Centre for Legal Aid whether he/she has applied for legal aid directly to the competent authority of the respective Member State which will decide on the application.</p> |

10.3 Strings attached

It is important to note that the recipient of legal aid must meet the conditions of material need during the whole time of provision of legal aid. The income of the entitled person shall be revaluated every 6 months.

The Centre for Legal Aid shall deprive the person of legal aid if:

- i) the entitled person does not conclude an agreement with the designated advocate or does not grant power of attorney to the Center for Legal Aid the designated advocate within three months after the issuance of the final and binding decision granting the right to legal aid,
- ii) the entitled person does not provide the necessary cooperation to the Centre for Legal Aid or the designated advocate,
- iii) the income and property conditions of the entitled person change during the provision of granted material aid in a way, so that the person does not meet the requirement of material need in order for the legal aid to continue,
- iv) it has been disclosed that the person was entitled to legal aid based on untrue or incomplete data, or
- v) the entitled person does not prove the facts evidencing the continuation of the right for provision of legal aid within 8 days following the request of the Centre for Legal Aid, unless a longer period was provided.

10.4 Practical questions

The costs of appellate proceedings are comprised within the granted legal aid. However, the granted legal aid may be withdrawn (see above). Further the entitled person may be obliged to contribute to proceedings costs (see below).

¹⁹ The Centre for Legal Aid will forward the application of the person with permanent or temporary residence in the Slovak Republic for legal aid to the competent authority in the Member State within 15 days since its delivery or since its completion and shall confirm its delegation to the domestic entitled person.

With regard to both, internal and cross-border disputes:

The entitled person is obliged to pay the proceedings costs based on the court's decision (depending on the outcome of the case) ordering this person to refund these costs. If the entitled person, represented in court by the designated advocate (the costs of which were covered by the legal aid), meets the conditions for refund of expenses incurred in court (proceedings costs), these shall be awarded to the advocate not to the entitled person, while the advocate would in such case be obliged to return to the Center for Legal Aid any fees he/she collected from the Center for Legal Aid.

With regard to cross-border disputes in which the competent court is seated in Slovak Republic:

A foreign entitled person shall refund to the Centre of Legal Aid the costs spent so far for granted legal aid in whole or in part, based on the decision of the Centre of Legal Aid, if:

- i) his/her income and property conditions at the time of filing an application did not establish the right to legal aid, due to untrue or incomplete data provided by this person, or
- ii) his/her income and property conditions has substantially changed, mainly due to success in this cross-border dispute,

unless the costs spent so far for granted legal aid are or will be compensated to the designated advocate or the Centre of Legal Aid by the refund of the proceedings costs.

It is to be noticed that the Centre of Legal Aid may decide on the obligation of foreign entitled person to refund the spent costs within the period of 3 years after the last decision in this cross-border litigation becomes final and binding.

With regard to cross-border disputes in which the competent court is seated in a Member State different from Slovak Republic.

If the application for legal aid in a cross-border dispute is rejected by the competent authority of the Member State or this authority decides that a domestic entitled person has to refund costs for legal aid provided in whole or in part, the Centre for Legal Aid may also decide that the domestic entitled person is obliged to refund costs for translation of the application for legal aid or enclosed documents in whole or in part.

10.5 Conclusions and recommendations

Provision of legal aid to persons in material need under the Act on Legal Aid is relatively new institute in Slovak law and the experience related therewith is not extraordinarily rich.

In internal disputes, legal aid shall be provided to all natural persons and in cross-border disputes, it shall be provided to natural persons domiciled or habitually resident in the Member State (except of Denmark). The applicants may contact the Centers for Legal Aid, either by phone, personally, or through email, the numbers and addresses are available at <http://www.legalaid.sk>.

Legal aid shall cover the entire proceeding, prior to bringing the case to court, during and after the court proceeding or out-of-court procedure.

The costs of provided legal aid are not subject to reimbursement by the entitled person in case of internal litigation. In case of cross-border litigation a foreign entitled person shall refund to the Centre of Legal Aid the costs spent so far for granted legal aid in whole or in part, based on the decision of the Centre of Legal Aid, if his/her income and property conditions at the time of filing an application did not establish the right to legal aid, due to untrue or incomplete data provided by this person, or his/her income and property conditions has substantially changed, mainly due to success in this cross-border dispute, unless the costs spent so far for granted legal aid are or will be compensated to the designated advocate or the Centre of Legal Aid by the refund of the proceedings costs.

11 Personal experience

In my personal experience I was able to obtain assistance for my clients in other European Union countries. I always contacted colleague lawyers, who were able to assist on the matter, subject to payment of reasonable fee.

The cross-boarder element obviously increased the total fees payable by the client by approximately 20 to 30 percent.

In one case, I was able to obtain legal aid for Slovak citizen living in Britain for the purposes of representation in front of British court. The legal aid was acquired by contacting an English solicitor, who was very much co-operative and helpful.

12 Case studies

12.1 Introduction to Case Studies

The following information is applicable to all cases.

In case of filing an appeal, the filing fee would be the same as the filing fee for initiation of first instance proceedings. However, if an extraordinary appeal would be filed, the filing fee would correspond to double of the filing fee of first instance proceedings. The filing fee relevant to the motion for restoration of the process/reopening of the case equals to EUR 90.

A lawyer's representation and expert's opinion/act is not compulsory. The same applies to bailiff's intervention.

Witnesses are always compensated, however not automatically but upon the request within 3 days following the date of oral examination or the date on which the witness received the information that there would be no examination.

No transcription costs shall incur.

The court will appoint a translator for the translation of documentary evidence submitted to the court file by either of the parties, executed in other than Slovak language, except of Czech language.

The court will appoint an interpreter if a person acts before the court in other than Slovak language²⁰, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner.

Interpretation/translation costs are covered by the court/state if incurred with respect to execution of the parties’ right to act in their native language. The state has the right to seek reimbursement of costs of proceedings, which the state paid, from the parties to the litigation, pursuant to the outcome of the case, unless the parties meet the conditions required for exemption from the court fees.

With respect to cross-border cases, it is very probable that higher out of pocket expenses and lost earnings of parties, as well as higher out of pocket expenses and loss of time for experts, interpreters, translators, lawyers and bailiffs will incur.

12.2 Case study 1

Please find below the advice on litigation costs to the party that files for divorce (excluding division of matrimonial property).

Case A - National situation: a couple gets married. Later they separate and agree to a divorce.

Case B - Transnational situation: Two nationals from a same Member State (Member State A) get married. The marriage is celebrated in Member State A. After the wedding, the couple moves to live and work in another Member State (Member State B) where they establish their residence. Shortly thereafter the couple separates with the wife returning to Member State A and the husband remaining in Member State B. The couple agrees to a divorce. Upon her return to Member State A, the wife immediately files for a divorce before the courts of Member State B.

| | | | | | | | | |
|------|-------|--|--|---------|--|--|-----|--|
| Case | Court | | | Appeals | | | ADR | |
|------|-------|--|--|---------|--|--|-----|--|

²⁰ The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand. The interpretation may also be provided by the assistant, the presiding judge or any member of the panel of the judges. However, this must be noted in the written record.

| Study | | | | | | | | |
|--------|--------------------|--------------------|--|--------------------|--------------------|--|--|-------|
| | Initial court fees | Transcription fees | Other fees | Initial court fees | Transcription fees | Other fees | Is this option open for this type of case? | Costs |
| Case A | EUR 60 | EUR 0 | EUR 30 (eventual motion related to injunction) | EUR 60 | EUR 0 | EUR 30 (eventual motion related to injunction) | no | EUR 0 |
| Case B | EUR 60 | EUR 0 | EUR 30 (eventual motion related to injunction) | EUR 60 | EUR 0 | EUR 30 (eventual motion related to injunction) | no | EUR 0 |

| Case Study | Lawyer | | Bailiff | | | Expert | |
|------------|--------------------------------|---------------|--------------------------------|--------------------|---------------------|---------------------|---------|
| | Is representation compulsory ? | Average costs | Is representation compulsory ? | Pre-judgment costs | Post-judgment costs | Is use compulsory ? | Cost |
| Case A | not compulsory but usual | EUR 300 | no | EUR 0 | EUR 0 | no | EUR 150 |
| Case B | not compulsory but usual | EUR 800 | no | EUR 0 | EUR 0 | no | EUR 200 |

| Case | Witness compensation | | Pledge or security | | Other fees | |
|------|-----------------------------|--------|---|-------|-------------|-------|
| | Are witnesses compensated ? | Cost | Does this exist and when and how is it used ? | Cost | Description | Cost |
| Case | yes | EUR 50 | no | EUR 0 | * | EUR 0 |

| | | | | | | |
|--------|-----|---------|----|-------|---|-------|
| A | | | | | | |
| Case B | yes | EUR 200 | no | EUR 0 | * | EUR 0 |

| Case | Legal Aid | | | Reimbursement | | | |
|--------|--|---|--------------|---|---|--|---|
| | When and under which conditions is it applicable? | When is support total? | Conditions ? | Can the winning party obtain reimbursement of litigation costs? | If reimbursement is not total what is percentage in general ? | What costs are never reimbursed? | Are there instances when legal aid should be reimbursed to the legal aid organisation ? |
| Case A | The applicant submits his/her application for legal aid to the Centre for Legal Aid and: the applicant is in material need, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined. | In general always, the entitled person receives a complete package of representation and related services for free. | | As a general rule <u>no</u> , however the court may award a party the refund of the litigation costs of divorce or its part based on consideration of the circumstances of the particular case and the conditions of the parties. | <u>50 %</u> | All costs <u>effectively</u> incurred to one party are eventually reimbursable by the other party, except of expert's, lawyer's, translator's and interpreter's <u>contractual (real) fees in the amount exceeding tariff fees according to respective regulations (abstract fees)</u> . | In principle <u>no</u> . However, in case the entitled person meets the conditions for refund of incurred proceedings costs, this refund will be awarded to the advocate who pays it to the Centre for Legal Aid if <u>its amount was larger than the costs of the provided legal aid</u> . |
| Case B | The applicant submits his/her application for legal aid to the Centre for Legal Aid and: | In general always, the entitled person | | As a general rule <u>no</u> , however the court may | <u>50 %</u> | All costs <u>effectively</u> incurred to one party are | <u>Yes</u> . A foreign entitled person shall refund to the Centre of Legal Aid the costs spent so far for |

| | | | | | | |
|--|---|--|--|--|---|---|
| <p>the applicant is domiciled or habitually resident in a Member State different from Slovak Republic, the applicant proves that he/she would meet the condition of material need to be granted the legal aid in Slovak Republic, or that he/she meets the conditions required for the provision of legal aid in the Member State of his or her domicile or habitual residence, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined.</p> | <p>receives a complete package of representation and related services for free.</p> | | <p>award a party the refund of the litigation costs of divorce or its part based on consideration of the circumstances of the particular case and the conditions of the parties.</p> | | <p>eventually reimbursable by the other party, except of expert's, lawyer's, translator's and interpreter's <u>contractual (real) fees in the amount exceeding tariff fees according to respective regulations (abstract fees).</u></p> | <p>granted legal aid in whole or in part, based on the decision of the Centre of Legal Aid, if: his/her income and property conditions at the time of filing an application did not establish the right to legal aid, due to untrue or incomplete data provided by this person, or his/her income and property conditions has substantially changed, mainly due to success in this cross-border dispute, unless the costs spent so far for granted legal aid are or will be compensated to the designated advocate or the Centre of Legal Aid by the refund of the proceedings costs. (In case the foreign entitled person meets the conditions for refund of incurred proceedings costs, this refund will be awarded to the advocate who pays it to the Centre for Legal Aid if its amount was larger than the costs of the provided legal aid.)</p> |
|--|---|--|--|--|---|---|

| Case | Translation | | Interpretation | | Other costs specific to cross-border disputes ? | |
|------|---|----------------------|--|----------------------|---|---------------------|
| | When and under which conditions is it necessary ? | Approximative cost ? | When and under which conditions is it necessary? | Approximative cost ? | Description | Approximative cost? |
| Case | For the translation of | EUR 100 | If a person acts | EUR 100 | * | * |

| | | | | | | |
|--------|--|--|--|---|--|---------|
| A | documentary evidence submitted to the court file by or in favor of either of the parties, executed in other than Slovak language, except of Czech language, eventually also for translation of other documents (for example judgment) to the language which the parties understand. | Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | | |
| Case B | For the translation of documentary evidence or other documents. The court also appoints a translator for the purposes of translation of request of the Slovak court, including the attached documents, addressed to foreign judicial authority, motion for recognition and enforcement of judgment (including annexes) rendered by Slovak court, abroad, request of foreign judicial authority as well as other judicial documents, unless provided otherwise by European legislation or international convention. | EUR 300 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | EUR 300 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | Probably higher out of pocket expenses and lost earnings of the parties. Nevertheless, it is to be noted that the parties to divorce proceedings are not authorized to receive the reimbursement/r efund of the proceedings costs (subject to exceptions). | EUR 500 |

12.3 Case Study 2

Please find below the advice on litigation costs to mother suing to limit the father's right of access to his child (excluding alimony questions).

Case A - National situation: Two persons have lived together unmarried for a number of years. They have a three year old child when they separate. A court decision grants custody of the child to the mother and a right of access to the father. The mother sues to limit the father's right of access.

Case B - Transnational situation where you are a lawyer in Member State A: Two persons have lived together unmarried in a Member State (Member State B) for a number of years. They have a child together but separate immediately after the child's birth. A court decision in Member State B gives the child's custody to the mother with a right of access to the father. The mother and the child move to live in another Member State (Member State A) as authorized to do so by the Court decision and the father remains in Member State B. A few years later, the mother sues in Member State A to change the father's right of access.

| Case Study | Court | | | Appeals | | | ADR | |
|------------|--------------------------------|--------------------|------------|--------------------------------|--------------------|------------|--|-------|
| | Initial court fees | Transcription fees | Other fees | Initial court fees | Transcription fees | Other fees | Is this option open for this type of case? | Costs |
| Case A | EUR 0 (exempt from court fees) | EUR 0 | * | EUR 0 (exempt from court fees) | EUR 0 | * | no | EUR 0 |
| Case B | EUR 0 (exempt from court fees) | EUR 0 | * | EUR 0 (exempt from court fees) | EUR 0 | * | no | EUR 0 |

| Case | Lawyer | | Bailiff | | | Expert | |
|------|--------|--|---------|--|--|--------|--|
| | | | | | | | |

| Study | | | | | | | |
|--------|--------------------------------|---------------|--------------------------------|--------------------|---------------------|---------------------|---------|
| | Is representation compulsory ? | Average costs | Is representation compulsory ? | Pre-judgment costs | Post-judgment costs | Is use compulsory ? | Cost |
| Case A | not compulsory but usual | EUR 300 | no | EUR 0 | EUR 0 | no | EUR 150 |
| Case B | not compulsory but usual | EUR 600 | no | EUR 0 | EUR 0 | no | EUR 200 |

| Case | Witness compensation | | Pledge or security | | Other fees | |
|--------|-----------------------------|---------|---|--------------------------------|-------------|--------------------------------|
| | Are witnesses compensated ? | Cost | Does this exist and when and how is it used ? | Cost | Description | Cost |
| Case A | yes | EUR 50 | no | EUR 0 (exempt from court fees) | * | EUR 0 (exempt from court fees) |
| Case B | yes | EUR 150 | no | EUR 0 (exempt from court fees) | * | EUR 0 (exempt from court fees) |

| Case | Legal Aid | | | Reimbursement | | | |
|------|---|-------------------------|--------------|---|---------------------|--------------------------------|---|
| | When and under which conditions is it applicable? | When is support total ? | Conditions ? | Can the winning party obtain reimbursement of litigation costs? | If reimbursement is | What costs are never reimburse | Are there instances when legal aid should be reimbursed to the legal aid organisation ? |

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|--------|--|---|--|--|--|----|---|
| | | | | | not total what is percentage in general? | d? | |
| Case A | The applicant submits his/her application for legal aid to the Centre for Legal Aid and: the applicant is in material need, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined. | In general always, the entitled person receives a complete package of representation and related services for free. | | <u>No.</u> None of the parties to the litigation is authorized to receive the refund of the proceedings costs <u>according to the outcome/result of the case</u> , where the proceedings could have been initiated also ex off; proceedings on matters of care for minors may be initiated ex off. | * | * | In principle <u>no</u> . However, in case the entitled person meets the conditions for refund of incurred proceedings costs, this refund will be awarded to the advocate who pays it to the Centre for Legal Aid <u>if its amount was larger than the costs of the provided legal aid.</u> |
| Case B | The applicant submits his/her application for legal aid to the Centre for Legal Aid and: the applicant is domiciled or habitually resident in a Member State different from Slovak Republic, the applicant proves that he/she would meet the condition of material need to be granted the legal aid in Slovak Republic, or that he/she meets the conditions required for the provision of legal aid in the Member State of his or her domicile or habitual residence, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined. | In general always, the entitled person receives a complete package of representation and related services for free. | | <u>No.</u> None of the parties to the litigation is authorized to receive the refund of the proceedings costs <u>according to the outcome/result of the case</u> , where the proceedings could have been initiated also ex off; proceedings on matters of care for minors may be initiated ex off. | * | * | <u>Yes.</u> A foreign entitled person shall refund to the Centre of Legal Aid the costs spent so far for granted legal aid in whole or in part, based on the decision of the Centre of Legal Aid, if: his/her income and property conditions at the time of filing an application did not establish the right to legal aid, due to untrue or incomplete data provided by this person, or his/her income and property conditions has substantially changed, mainly due to success in this cross-border dispute, unless the costs spent so far for granted legal aid are or will be compensated to the designated advocate or the |

| | | | | | | | |
|--|--|--|--|--|--|--|---|
| | | | | | | | Centre of Legal Aid by the refund of the proceedings costs. (In case the foreign entitled person meets the conditions for refund of incurred proceedings costs, this refund will be awarded to the advocate who pays it to the Centre for Legal Aid if its amount was larger than the costs of the provided legal aid.) |
|--|--|--|--|--|--|--|---|

| Case | Translation | | Interpretation | | Other costs specific to cross-border disputes ? | |
|--------|--|--|---|--|---|---------------------|
| | When and under which conditions is it necessary ? | Approximative cost ? | When and under which conditions is it necessary? | Approximative cost ? | Description | Approximative cost? |
| Case A | For the translation of documentary evidence submitted to the court file by or in favor of either of the parties, executed in other than Slovak language, except of Czech language, eventually also for translation of other documents (for example judgment) to the language which the parties understand. | EUR 100 However, translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official</u> | EUR 150 However, interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | * | * |

| | | | | | | |
|--------|--|---|---|--|--|---------|
| | | for exemption from the court fees. | <u>language of a state, which they understand.</u> | | | |
| Case B | For the translation of documentary evidence or other documents. The court also appoints a translator for the purposes of translation of request of the Slovak court, including the attached documents, addressed to foreign judicial authority, motion for recognition and enforcement of judgment (including annexes) rendered by Slovak court, abroad, request of foreign judicial authority as well as other judicial documents, unless provided otherwise by European legislation or international convention. | EUR 300 However, translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | EUR 400 However, interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | Probably higher out of pocket expenses and lost earnings of the parties. | EUR 500 |

12.4 Case Study 3

Please find below the advice on litigation costs to mother suing to obtain alimony from father.

Case A - National situation: Two persons have lived together unmarried for a number of years. They have a three year old child when they separate. A court decision grants custody of the child to the mother. The only outstanding dispute relates to the amount of the alimony owed to the mother by the father for the support and education of the child. The mother sues on this.

Case B - Transnational situation where you are a lawyer in Member State A: Two persons have lived together unmarried in a Member State (State B). They have a three year old child. They separate. A court decision in Member State B gives the child's custody to the mother. With the agreement of the father, the mother and the child move to live in another Member State (Member State A) where they establish their residence. An outstanding dispute remains. This relates to the amount of the alimony owed to the mother by the father for the support and education of the child. The mother sues on this in Member State A.

| Case Study | Court | | | Appeals | | | ADR | |
|------------|--------------------------------|--------------------|------------|--------------------------------|--------------------|------------|--|-------|
| | Initial court fees | Transcription fees | Other fees | Initial court fees | Transcription fees | Other fees | Is this option open for this type of case? | Costs |
| Case A | EUR 0 (exempt from court fees) | EUR 0 | * | EUR 0 (exempt from court fees) | EUR 0 | * | no | EUR 0 |
| Case B | EUR 0 (exempt from court fees) | EUR 0 | * | EUR 0 (exempt from court fees) | EUR 0 | * | no | EUR 0 |

| Case Study | Lawyer | | Bailiff | | | Expert | |
|------------|--------------------------------|---------------|--------------------------------|--------------------|---------------------|---------------------|---------|
| | Is representation compulsory ? | Average costs | Is representation compulsory ? | Pre-judgment costs | Post-judgment costs | Is use compulsory ? | Cost |
| Case A | not compulsory but usual | EUR 300 | no | EUR 0 | EUR 200 | no | EUR 150 |

| | | | | | | | |
|--------|--------------------------|---------|----|-------|---------|----|---------|
| | | | | | | | |
| Case B | not compulsory but usual | EUR 800 | no | EUR 0 | EUR 200 | no | EUR 250 |

| Case | Witness compensation | | Pledge or security | | Other fees | |
|--------|-----------------------------|---------|---|-------|-------------|-------|
| | Are witnesses compensated ? | Cost | Does this exist and when and how is it used ? | Cost | Description | Cost |
| Case A | yes | EUR 50 | no | EUR 0 | * | EUR 0 |
| Case B | yes | EUR 200 | no | EUR 0 | * | EUR 0 |

| Case | Legal Aid | | | Reimbursement | | | |
|--------|--|--|--------------|---|---|----------------------------------|---|
| | When and under which conditions is it applicable? | When is support total ? | Conditions ? | Can the winning party obtain reimbursement of litigation costs? | If reimbursement is not total what is percentage in general ? | What costs are never reimbursed? | Are there instances when legal aid should be reimbursed to the legal aid organisation ? |
| Case A | The applicant submits his/her application for legal aid to the Centre for Legal Aid and: | In general always, the entitled person | | <u>No.</u> None of the parties to the litigation is authorized to | * | * | <u>No</u> |

| | | | | | | | |
|--------|--|---|--|--|---|---|--|
| | the applicant is in material need, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined. | receives a complete package of representation and related services for free. | | receive the refund of the proceedings costs <u>according to the outcome/result of the case</u> , where the proceedings could have been initiated also ex offa; proceedings on matters of care for minors may be initiated ex offa. | | | |
| Case B | The applicant submits his/her application for legal aid to the Centre for Legal Aid and: the applicant is domiciled or habitually resident in a Member State different from Slovak Republic, the applicant proves that he/she would meet the condition of material need to be granted the legal aid in Slovak Republic, or that he/she meets the conditions required for the provision of legal aid in the Member State of his or her domicile or habitual residence, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined. | In general always, the entitled person receives a complete package of representation and related services for free. | | <u>No.</u> None of the parties to the litigation is authorized to receive the refund of the proceedings costs <u>according to the outcome/result of the case</u> , where the proceedings could have been initiated also ex offa; proceedings on matters of care for minors may be initiated ex offa. | * | * | <u>Yes.</u> A foreign entitled person shall refund to the Centre of Legal Aid the costs spent so far for granted legal aid in whole or in part, based on the decision of the Centre of Legal Aid, if: his/her income and property conditions at the time of filing an application did not establish the right to legal aid, due to untrue or incomplete data provided by this person, or his/her income and property conditions has substantially changed, mainly due to success in this cross-border dispute. |

| Case | Translation | | Interpretation | | Other costs specific to cross-border disputes ? | |
|------|-------------|--|----------------|--|---|--|
| | | | | | | |

| | When and under which conditions is it necessary ? | Approximative cost ? | When and under which conditions is it necessary? | Approximative cost ? | Description | Approximative cost? |
|--------|--|--|---|---|--|---------------------|
| Case A | For the translation of documentary evidence submitted to the court file by or in favor of either of the parties, executed in other than Slovak language, except of Czech language, eventually also for translation of other documents (for example judgment) to the language which the parties understand. | EUR 50 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | EUR 100 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | * | * |
| Case B | For the translation of documentary evidence or other documents. The court also appoints a translator for the purposes of translation of request of the Slovak court, including the attached documents, addressed to foreign judicial authority, motion for recognition and enforcement of judgment (including annexes) rendered by Slovak court, abroad, request of foreign judicial authority as well as other judicial documents, unless provided otherwise by European legislation or international convention. | EUR 150 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | EUR 400 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | Probably higher out of pocket expenses and lost earnings of the parties. | EUR 500 |

12.5 Case Study 4

Please find below the advice on litigation costs to the seller suing to obtain the full payment of price pursuant to contract governed by commercial law.

Case A - National situation: A company delivered goods worth 20.000 euros. The seller has not been paid because the buyer considers that the goods do not conform to what was agreed. The seller believes that the goods conform to what was agreed and asks for payment in full because he asserts that the goods were purpose made and he will not be able to sell them to someone else. The seller decides to sue to obtain the full payment of the price.

Case B - Transnational situation: A company whose head office is located in Member State B delivers goods worth 20.000 euros to buyer in Member State A. The contract is subject to Member State B's law and written in Member State B's language. This seller has not been paid because the buyer located in Member State A considers that the goods do not conform to what was agreed. The seller believes that the goods conform to what was agreed and asks for payment in full because he asserts that the goods were purpose made and he will not be able to sell them to someone else. The seller decides to sue in Member State A to obtain full payment of the price as provided under the contract with the buyer.

| Case Study | Court | | | Appeals | | | ADR | |
|------------|------------------------------------|--------------------|--|------------------------------------|--------------------|--|--|---------|
| | Initial court fees | Transcription fees | Other fees | Initial court fees | Transcription fees | Other fees | Is this option open for this type of case? | Costs |
| Case A | EUR 1,200 (i.e. 6 % of EUR 20,000) | EUR 0 | EUR 60, (related to eventual injunction) | EUR 1,200 (i.e. 6 % of EUR 20,000) | EUR 0 | EUR 60, (related to eventual injunction) | yes | EUR 400 |
| Case B | EUR 1,200 (i.e. 6 % of EUR 20,000) | EUR 0 | EUR 60, (related to eventual injunction) | EUR 1,200 (i.e. 6 % of EUR 20,000) | EUR 0 | EUR 60, (related to eventual injunction) | yes | EUR 800 |

| Case Study | Lawyer | | Bailiff | | | Expert | |
|------------|--------------------------------|---------------|--------------------------------|--------------------|--|---------------------|---------|
| | Is representation compulsory ? | Average costs | Is representation compulsory ? | Pre-judgment costs | Post-judgment costs | Is use compulsory ? | Cost |
| Case A | not compulsory but usual | EUR 600 | no | EUR 0 | EUR 4,000 (i.e. 20 % of EUR 20,000), supposing the court would impose on the buyer/defendant to pay EUR 20,000 to the seller within a judgment that became final and binding. <u>This fee shall be paid by the defendant on the top of the claim.</u> | no | EUR 250 |
| Case B | not compulsory but usual | EUR 1,000 | no | EUR 0 | EUR 4,000 (i.e. 20 % of EUR 20,000), supposing the court would impose on the buyer/defendant to pay EUR 20,000 to the seller within a judgment that became final and binding. <u>This fee shall be paid by the defendant on the top of the claim.</u> | no | EUR 500 |

| Case | Witness compensation | | Pledge or security | | Other fees | |
|------|-----------------------------|------|---|------|-------------|------|
| | Are witnesses compensated ? | Cost | Does this exist and when and how is it used ? | Cost | Description | Cost |
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|--------|-----|---------|----|-------|---|-------|
| Case A | yes | EUR 50 | no | EUR 0 | * | EUR 0 |
| Case B | yes | EUR 500 | no | EUR 0 | | EUR 0 |

| Case | Legal Aid | | | Reimbursement | | | |
|--------|--|-------------------------|---------------|---|---|--|---|
| | When and under which conditions is it applicable? | When is support total ? | Condi tions ? | Can the winning party obtain reimbursement of litigation costs? | If reimbursement is not total what is percentage in general ? | What costs are never reimbursed? | Are there instances when legal aid should be reimbursed to the legal aid organisation ? |
| Case A | Not available (the plaintiff/seller is a legal person) | * | | Yes | <u>50%</u> In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings' costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part. The court decides on the restitution/refund of the incurred proceedings' costs, upon the motion, either as a part of the final decision or by a separate decision. | All costs <u>effectively</u> incurred to one party are eventually reimbursable by the other party, except of expert's, lawyer's, translator's and interpreter's <u>contractual (real) fees in the amount exceeding tariff fees according to respective regulations</u> | * |

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| | | | | | | <u>(abstract fees).</u> | |
| Case B | Not available (the plaintiff/seller is a legal person) | * | | Yes | <u>50%</u> In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings' costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part. The court decides on the restitution/refund of the incurred proceedings' costs, upon the motion, either as a part of the final decision or by a separate decision. | All costs <u>effectively</u> incurred to one party are eventually reimbursable by the other party, except of expert's, lawyer's, translator's and interpreter's <u>contractual (real) fees in the amount exceeding tariff fees according to respective regulations (abstract fees).</u> | * |

| Case | Translation | | Interpretation | | Other costs specific to cross-border disputes ? | |
|--------|--|--|--|--|---|---------------------|
| | When and under which conditions is it necessary ? | Approximative cost ? | When and under which conditions is it necessary? | Approximative cost ? | Description | Approximative cost? |
| Case A | For the translation of documentary evidence submitted to the court file by or in favor of either of the parties, executed in other than Slovak language, except of Czech language, eventually also for | EUR 50 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, | EUR 100 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their | * | * |

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| | translation of other documents (for example judgment) to the language which the parties understand. | native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption form the court fees. | unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption form the court fees. | | |
| Case B | For the translation of documentary evidence or other documents. The court also appoints a translator for the purposes of translation of request of the Slovak court, including the attached documents, addressed to foreign judicial authority, motion for recognition and enforcement of judgment (including annexes) rendered by Slovak court, abroad, request of foreign judicial authority as well as other judicial documents, unless provided otherwise by European legislation or international convention. | EUR 350 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption form the court fees. | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | EUR 500 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption form the court fees. | Probably higher out of pocket expenses and lost earnings of the parties. | EUR 500 |

12.6 Case Study 5

Please find below the advice on litigation costs to the customer suing the heating equipment manufacturer, the heating equipment installer and the insurance companies for compensation of damages under commercial law.

Case A - National situation: A heating equipment manufacturer delivers a heater to an installer. The installer on-sells (and installs) the heater to a customer to equip his/her house. The house catches fire shortly thereafter. Every participant (heating equipment manufacturer, installer, end-customer) is insured. The origin of the fire is contested. Nobody wants to compensate the customer. The customer decides to sue for full compensation the heating equipment manufacturer, the heating equipment installer and the insurance companies.

Case B - Transnational situation: A heating equipment manufacturer in a Member State B delivers heater to an installer in a Member State C. The installer on-sells the heater (and installs) the heater to a customer in Member State A to equip his/her house. The house catches fire shortly thereafter. Each participant (heating equipment manufacturer, installer, end-customer) is insured by an insurance company in its own Member State. The origin of the fire is contested. Nobody wants to compensate the customer. The customer decides to sue in Member State A for full compensation the heating equipment manufacturer, the heating equipment installer and the insurance companies in Member State A.

| Case Study | Court | | | Appeals | | | ADR | |
|------------|--|--------------------|--|--|--------------------|--|--|-------|
| | Initial court fees | Transcription fees | Other fees | Initial court fees | Transcription fees | Other fees | Is this option open for this type of case? | Costs |
| Case A | 6 % of the value of the litigation amount; EUR 3000 (in case of value of the claim EUR 50,000) | EUR 0 | EUR 60, (related to eventual injunction) | 6 % of the value of the litigation amount; EUR 3000 (in case of value of the claim EUR 50,000) | EUR 0 | EUR 60, (related to eventual injunction) | no | EUR 0 |
| Case B | 6 % of the value of the litigation amount; EUR 3000 (in case of value of the | EUR 0 | EUR 60, (related to eventual injunction) | 6 % of the value of the litigation amount; EUR 3000 (in case of value of the | EUR 0 | EUR 60, (related to eventual injunction) | no | EUR 0 |

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| | claim EUR 50,000) | | | claim EUR 50,000) | | | | |
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| Case Study | Lawyer | | Bailiff | | | Expert | |
|------------|--------------------------------|---------------|--------------------------------|--------------------|---|---------------------|---------|
| | Is representation compulsory ? | Average costs | Is representation compulsory ? | Pre-judgment costs | Post-judgment costs | Is use compulsory ? | Cost |
| Case A | not compulsory but usual | EUR 800 | no | EUR 0 | EUR 10,000 (i.e. 20 % of EUR 50,000), supposing the court would impose on the defendant to pay EUR 20,000 to the customer within a judgment that became final and binding. <u>This fee shall be paid by the defendant on the top of the claim.</u> | no | EUR 300 |
| Case B | not compulsory but usual | EUR 1,200 | no | EUR 0 | EUR 10,000 (i.e. 20 % of EUR 50,000), supposing the court would impose on the defendant to pay EUR 20,000 to the customer within a judgment that became final and binding. <u>This fee shall be paid by the defendant on the top of the claim.</u> | no | EUR 300 |

| Case | Witness compensation | | Pledge or security | | Other fees | |
|--------|-----------------------------|--------|---|-------|-------------|-------|
| | Are witnesses compensated ? | Cost | Does this exist and when and how is it used ? | Cost | Description | Cost |
| Case A | yes | EUR 50 | no | EUR 0 | * | EUR 0 |

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| Case B | yes | EUR 150 | no | EUR 0 | * | EUR 0 |

| Case | Legal Aid | | | Reimbursement | | | |
|--------|--|-------------------------|--------------|---|--|---|---|
| | When and under which conditions is it applicable? | When is support total ? | Conditions ? | Can the winning party obtain reimbursement of litigation costs? | If reimbursement is not total what is percentage in general ? | What costs are never reimbursed? | Are there instances when legal aid should be reimbursed to the legal aid organisation ? |
| Case A | Not available (the relationship is governed by commercial law) | * | | Yes | <u>50%</u> In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings' costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment was subject to expert's opinion or discretion of the court or if the non-success related to | All costs <u>effectively</u> incurred to one party are eventually reimbursable by the other party, except of expert's, lawyer's, translator's and interpreter's <u>contractual (real) fees in the amount exceeding tariff fees according to respective regulations (abstract fees).</u> | * |

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| | | | | | relatively negligible part. | | |
| Case B | <p>The applicant submits his/her application for legal aid to the Centre for Legal Aid and: the applicant is domiciled or habitually resident in a Member State different from Slovak Republic, the applicant proves that he/she would meet the condition of material need to be granted the legal aid in Slovak Republic, or that he/she meets the conditions required for the provision of legal aid in the Member State of his or her domicile or habitual residence, the case is not clearly unsuccessful and the litigation amount exceeds the amount of the minimum wage except for disputes in which the litigation amount cannot be determined. <u>Please note that legal aid would not be provided if the consumer is not physical person.</u></p> | <p>In general always, the entitled person receives a complete package of representation and related services for free.</p> | | Yes | <p><u>50%</u> The court will award the fully successful party the restitution of the necessary proceedings' costs against the unsuccessful party. In case of partial success, the court will proportion the restitution of the proceedings' costs between the parties, eventually declares that none of the parties has the right to restitution of the proceedings' costs. However, the court may award the partially successful party also the full restitution of the proceedings' costs, if the decision on the amount of the fulfillment was subject to expert's opinion or discretion of the court or if the non-success related to relatively negligible part.</p> | <p>All costs <u>effectively</u> incurred to one party are eventually reimbursable by the other party, except of expert's, lawyer's, translator's and interpreter's <u>contractual (real) fees in the amount exceeding tariff fees according to respective regulations (abstract fees).</u></p> | <p><u>Yes.</u> A foreign entitled person shall refund to the Centre of Legal Aid the costs spent so far for granted legal aid in whole or in part, based on the decision of the Centre of Legal Aid, if: his/her income and property conditions at the time of filing an application did not establish the right to legal aid, due to untrue or incomplete data provided by this person, or his/her income and property conditions has substantially changed, mainly due to success in this cross-border dispute, unless the costs spent so far for granted legal aid are or will be compensated to the designated advocate or the Centre of Legal Aid by the refund of the proceedings costs. (In case the foreign entitled person meets the conditions for refund of incurred proceedings costs, this refund will be awarded to the advocate who pays it to the Centre for Legal Aid if its amount was larger than the costs of the provided legal aid.)</p> |

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| Case | Translation | | Interpretation | | Other costs specific to cross-border | |
|------|-------------|--|----------------|--|--------------------------------------|--|

| | | | | | disputes ? | |
|--------|--|---|---|---|--|---------------------|
| | When and under which conditions is it necessary ? | Approximative cost ? | When and under which conditions is it necessary? | Approximative cost ? | Description | Approximative cost? |
| Case A | For the translation of documentary evidence submitted to the court file by or in favor of either of the parties, executed in other than Slovak language, except of Czech language, eventually also for translation of other documents (for example judgment) to the language which the parties understand. | EUR 50 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native language or an official language of a state, which they understand.</u> | EUR 200 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the requirements for exemption from the court fees. | * | * |
| Case B | For the translation of documentary evidence or other documents. The court also appoints a translator for the purposes of translation of request of the Slovak court, including the attached documents, addressed to foreign judicial authority, motion for recognition and enforcement of judgment (including annexes) rendered by Slovak court, abroad, request of foreign judicial authority as well as other judicial documents, unless | EUR 300 Translation costs incurred in relation to exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the | If a person acts before the court in other than Slovak language, as well as for the purposes of examination of deaf, dumb and deaf and dumb persons, unless it would be possible to communicate with them in other reliable manner. <u>The parties to the litigation are authorized to act before the court using their native</u> | EUR 1000 Interpretation costs incurred in relation to the exercise of the parties' right to perform before courts in their native language are paid by the state. However, the state is authorized to have the paid proceedings costs reimbursed by the parties, pursuant to outcome of the case, unless the parties meet the | Probably higher out of pocket expenses and lost earnings of the parties. | EUR 500 |

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| | provided otherwise by European legislation or international convention. | requirements for exemption from the court fees. | <u>language or an official language of a state, which they understand.</u> | requirements for exemption from the court fees. | | |
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13 Legal Expenses Insurance

Are there insurances to cover the risks of litigation in civil proceedings?

Pursuant to Article 828a of Civil Code, in compliance with the Directive 87/344/EEC on the coordination of laws, regulations and administrative provisions relating to legal expenses insurance, the insurer undertakes, within the legal expenses insurance, to bear the costs of legal proceedings related to exercise of the insured person's rights, in the extent determined in the insurance agreement and to provide other services directly linked to insurance cover, under the conditions set in the insurance agreement. Further, the insurance agreement shall not limit the insured person's right to choose a lawyer for representation and protection of the insured person's rights, subject to exceptions. While concluding the insurance agreement, the insurer is obliged to enter into an arbitration agreement for the purposes of settlement of disputes arising from the legal expenses insurance, if the person to be insured requests so, subject to exceptions.

What are the average costs of these insurances?

The amount of insurance premium depends on whether the insured person is natural or legal person. Further the amounts of tariff fees of the respective insurance premiums depend on the material scope of the insurance (claims under labour law, contractual law, civil law, etc.) and on the maximum of insurance cover. The respective products, their eventual combination and relating tariff fees of the insurance premium are determined individually by the insurer.

For example, according to insurance company D.A.S.:

- the annual insurance premium of EUR 36 corresponds to insurance of labour law disputes of natural persons for the insurance amount of EUR 15,000,
- the annual insurance premium of EUR 60 corresponds to insurance of family law disputes of natural persons for the insurance amount of EUR 15,000,

- the annual insurance premium of EUR 15 corresponds to insurance of disputes arising from ownership, lease and neighbourhood relationships of natural persons for the insurance amount of EUR 15,000.

However, DAS offers also a number of various combined products.

Would such insurances work in cross-border disputes (intra EU)?

In general, there is no legal restriction under Slovak law in this regard. This question depends entirely on the decision of the respective insurer and the products which the insurer offers. For example D.A.S. does not provide products which would cover the contractual or labour law disputes before a court seated in a different Member State than Slovak Republic. On the other hand, the disputes connected to reimbursement of damages under civil law before different Member State are covered.

Is the insurance premium more expensive to cover cross-border disputes?

This question also depends on the insurer and on the adjustment of the terms and conditions of his products. In general, one may only choose from the offered products, which cover also automatically the eventual foreign jurisdiction, where applicable. It is not possible to extend the insurance cover to foreign jurisdiction for additional premium in cases where the foreign jurisdiction is not covered by the offered products.

What part of the costs do these insurances usually cover?

The extent of covered costs shall be precisely determined in the insurance agreement. The scope of the covered costs usually comprises:

- costs of lawyer's representation where necessary,
- court fees,
- reimbursement of experts and compensation of witnesses, requested by court,
- costs corresponding to reimbursement of the proceedings costs awarded to the other party against the insured person,
- alternative dispute resolution proceedings,
- costs of execution proceedings,
- costs corresponding to out of pocket expenses, in particular travelling expenses of the insured person, in case his/her presence before the court is necessary.