

ANNEX 28

- Country Report CZECH REPUBLIC

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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 -
- THE CZECH REPUBLIC -**

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COUNTRY REPORT

Preliminary notes

In the Czech Republic, all legal regulations including those stipulating for costs of justice are published in the Collection of Laws issued by the Ministry of Internal Affairs. The Collection of Laws is open to public so anyone may inspect it free of charge. Every Regional Authority shall enable such an inspection on work days. The Ministry of Internal Affairs is also obliged to publish the Collection of Laws on its web sites (<http://www.mvcr.cz/sbirka/>).

There are no process servers (bailiffs) in the Czech Republic. Court documents are served by the court itself via providers of postal services or via court's employees. The respective costs are borne by the court. Documents of parties are served on the court or other parties via providers of postal services. The respective (insignificant) costs are borne by the parties.

In the Czech Republic a creditor can choose whether to obtain satisfaction of his/her enforceable claim by means of judicial enforcement of a decision (i.e. by a "judicial enforcement agent") through proceedings under sections 251 to 351a of the Civil Procedure Code, or by means of execution by the "judicial executor" under Act No. 120/2001 Coll., on Judicial Executors and Action in Execution (Execution Act). In this report, the term "bailiff" means "judicial executor" under Czech law.

In this report, the term “transcription” means certification of copies of deeds by courts (if the original deed forms a part of the court file) or by a notary (in other cases).

Introduction

The Czech Republic became a member state of the European Union on May 1, 2004. One of the positive effects of this membership has been also significant simplification of the cross-border legal disputes between a party (parties) domiciled or habitually resident in the Czech Republic and a party (parties) domiciled or habitually resident in another Member State as well as reduction of certain judicial costs connected to these legal disputes.

Despite the positive effects of the EU membership there are still some judicial costs connected with the legal disputes between subjects from different EU member states which do not arise at all or are significantly lower in the internal legal disputes.

However, the main deterrent to seeking justice constitutes the comprehension of the local judicial system in another EU member state and its costs.

Executive Summary

Summary of the main sources of costs

The main sources of costs of cross-border legal disputes are

- fees for legal representation and counselling (lawyers' fees) - 60% - 90%
- court fees - 4%-20%
- translation costs - 2%-10%

The main sources of costs of internal legal disputes are

- lawyers' fees - 60% - 90%
- court fees - 4%-15%
- experts' fees - 5% - 15%

There are no process servers in the Czech Republic. Court documents are served by the court itself via providers of postal services or via court's employees. The respective costs are borne by the court. Documents of parties are served on the court or other parties via providers of postal services. The respective (insignificant) costs are borne by the parties.

The transcription costs are also insignificant.

Level of transparency in the sources of costs

The general rules for determination of the amounts of individual types of costs are quite transparent, however the application of these rules on a particular case and estimation of the costs related to such particular case is often hard (e.g., the necessity of an expert assessment can arise only in the course of proceedings, the court may request certified copies or translation of documents which is connected with transcription or translation costs etc.).

Determination of the amounts of costs

The amounts of costs are determined in accordance with rules set out in respective regulations. These rules are in principle quite transparent, however the application of these rules on a particular case and estimation of the amounts of costs related to such particular case is often hard (e.g., the amount of the court fee sometimes depends on preliminary classification of the case by the court).

The average amount of costs of legal disputes is from EUR 1,500 (approximately double the average monthly salary in the Czech Republic) to EUR 3,150 (approximately four-fold the average monthly salary in the Czech Republic).

Level of transparency in determining the actual costs

The actual costs (i.e. the costs connected with a particular case) are determined in accordance with general rules which themselves are quite transparent.

The court fees, lawyers' fees (except for the case when charging based on hourly fees and time spent is agreed between the lawyer and client), experts' fees, translators' and interpreters' fees, transcription fees and bailiffs' (i.e., judicial executors') fees are calculated according to schedules which form a part of the legal regulation.

In principle, the amount of the court fees, lawyers' fees and bailiffs' (i.e., judicial executors') fees is determined according to the value or nature of the case. The amount of experts', interpreters' and lawyers' fees (if charging based on hourly fees and time spent is agreed) is determined according to the time spent. The amount of translators' and transcription fees is determined according to the number of pages.

The general information on the rules for determination of the costs is available at a number of public and private websites. In relation to a particular case the rules for determination of the respective costs are provided by the respective professional.

<p style="text-align: center;">Proportion of each identified cost on the overall cost of civil judicial proceedings</p>

The most significant costs are the lawyers' fees followed by the court fees or fees for ADR proceedings. In particular cases, the fees for translations and expert assessments can be also significant. Rather insignificant are transcription costs, interpreters' fees, witness's costs and bailiff fees (advance paid by the winning party).

Court fees - 4%-20%

Lawyers' fees - 60% - 90%

Experts' fees -5% - 15%

Witnesses' compensation - 4%

Translation/Interpretation -2% - 10%

Bailiffs' fees - 2% - 10%

Proportion of each identified cost on the overall volume of activity

Court fees - 4%-20%, depending on the nature of the case.

Lawyer´s fees - 60% - 90%

Expert fees -5% - 15%

Witness compensation - 4%

Translation/Interpretation -2% - 10%

Bailiffs fees - 2% - 10%

Proportion of each identified cost on the value of disputed claim

The value of disputed claim has direct effect on the amount of the court fees, fees for ADR proceedings and, provided that remuneration based on time spent has not been agreed, on the lawyers' fees. The other identified costs do not depend on the value of the claim. The bailiffs' fees are calculated from the amounts actually enforced (recovered), however, these fees are paid by the losing party.

Court fees - 4%

Lawyers' fees - 15%-35%

Experts' fees -5%-10%

Witnesses' compensation - 2%

Translation/Interpretation - 5% - 15%

Bailiffs' fees - 15%

Specificities in relation to EU cross-border disputes

In relation to EU cross-border disputes, the fees for ADR proceedings and often also lawyers' fees are higher than those in relation to internal disputes. In addition, significant fees for translation, interpretation and witnesses' costs are more likely to arise in EU cross-border disputes than in internal disputes. The amount of the remaining costs is in principle not affected by the EU cross-border nature of a dispute.

Recommendations for EU action/national action

Based on my experience, the main deterrent to seeking justice in cross-border disputes is the comprehension of the local judicial system in another member states and its costs. Thus, (i) centralising the information on the operation and costs of justice in individual EU member states, (ii) imposing on EU member states to translate a presentation of their judicial system procedures and relevant costs and (iii) codifying European texts governing the proceedings is recommendable.

In order to avoid some unnecessary costs specific for EU cross-border legal disputes, imposing on EU member states to pay for the translation of any documents that the court deems necessary, enabling multiple languages for the proceedings as well as partial dematerialisation of the court proceedings are also worth considering.

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

The non-transparency of the costs of the EU cross-border disputes is significantly higher than the non-transparency of costs of internal legal disputes. The costs of justice and in particular the non-transparency in the cost of justice therefore constitute a detriment to the access to justice in relation to EU cross-border disputes.

Conclusions and recommendations

The main sources of costs of cross-border legal disputes are fees for legal representation and counselling, court fees and translation fees. The amounts of costs are determined in accordance with rules set out in respective regulations. These rules are in principle quite transparent, however the application of these rules on a particular case and estimation of the amounts of costs related to such particular case is often hard.

The main deterrent to seeking justice in cross-border disputes is the comprehension of the local judicial system in another member states and its costs. Thus, (i) centralising the information on the operation and costs of justice in individual EU member states, (ii) imposing on EU member states to translate a presentation of their judicial system procedures and relevant costs and (iii) codifying European texts governing the proceedings is recommendable.

Detailed Draft Report

General Questions

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

The access to information concerning the costs of justice is difficult. The majority of the fees (e.g., court fees, bailiff fees, translation and interpretation fees) are set out in legal regulations which are publicly accessible both in hard copies and on websites (in Czech language only). However, as it is quite difficult to find out the correct and exhaustive information on the fees applicable on a specific case, the commonly used way how to obtain at least preliminary assessment of fees and costs associated with a certain civil litigation case is calling a professional (translator, expert, etc.). E.g., if a translation of a document is required, a party would ask a translator to provide it with a preliminary estimation of costs of such translation, as the schedule of the translators' fees enables the translator to apply different fee per page taking into account the complexity and exigency of the translation.

From the Czech Republic perspective, the access to information on the costs of litigation in another Member State is difficult, in particular due to difficulties concerning comprehension of the local judicial system and its costs.

Transparency perception

There are some lawyers' associations and organizations specialized in the defence of people facing difficulties in accessing justice. However, these organisations cannot help all the people and there are too many people, who do not even know such organisations exist.

Such lack of information on costs of justice and, in particular, the difficulties with access to such information can deter people/legal entities from exercising their rights and create a feeling of unfairness and judicial insecurity.

Solutions to improve transparency

The situation regarding difficulties with access to information on costs of justice could be improved by centralizing the information on the functioning and costs of justice and by publishing schedules of costs online.

As far as the cross-border disputes are concerned, the centralization of the information on the operation and costs of justice and imposing a duty on Member States to translate the presentation of their judicial system procedures and relevant costs seems to be the most appropriate solutions.

Fairness of costs

In the Czech Republic, the fees associated with litigation and the principle that those fees should be reimbursed to the winning party are (based on my experience) generally deemed to be fair.

Conclusions and recommendations

The access to information concerning the costs of justice both in internal and EU cross-border legal disputes is difficult which is in respect of EU cross-border

disputes caused by difficulties concerning comprehension of the local judicial system and its costs. Such lack of information on costs of justice and, in particular, the difficulties with access to such information can deter people/legal entities from exercising their rights and create a feeling of unfairness and judicial insecurity.

As far as the cross-border disputes are concerned, the centralization of the information on the operation and costs of justice and imposing a duty on Member States to translate the presentation of their judicial system procedures and relevant costs seems to be the most appropriate solutions.

Court fees

General

In the Czech Republic, the court proceedings are subject to payment of court fees. Court fees are fees payable for the proceedings or for individual stages of proceedings. The payment of court fees forms a requirement, which has to be met in order to commence proceeding. The court fees are regulated by Act No 549/1991 Coll., on Court Fees (unfortunately an English version is not available). In duly justified cases, the Act allows for exemption from court fees. In the case of fees for proceedings, the obligation to pay arises when the action is lodged or another motion for the commencement of proceedings is submitted.

All legal regulations such as the Act on Court Fees are published in the Collection of Laws issued by the Ministry of Internal Affairs. The Collection of Laws is accessible by public so anyone may inspect it free of charge. Every Regional Authority is obliged to enable such an inspection on working days. The Ministry of Internal Affairs is also obliged to publish the Collection of Laws at its web sites (<http://www.mvcr.cz/sbirka>).

The main source of information on court fees is the Act on Court Fees or calling a professional. It is impossible to estimate the average amount of court fees as it depends on more factors, such as the amount requested in the claim and the nature of the litigation. For example a court fee for a motion to commence proceedings

with a pecuniary performance up to EUR 546 amounts to EUR 22. In case of pecuniary performance higher than EUR 546, the fee would be in the amount of 4% of the amount. The court fees are proportional in relation to claims for pecuniary performance and fixed in relation to other types of claims. The costs do not vary depending on the law courts. There are two types of court fees - court fees for (whole) proceedings (meaning proceedings within one court instance) and court fees for particular acts of court (e.g., motion for a preliminary ruling).

The court fee is usually paid at the time a case is filed. The fee has to be paid in fee stamps (up to a certain limit) or by wire transfer. The court fee is determined (calculated) by the court in accordance with the rules stipulated in the Act on Court Fees. The manner of calculation of these fees can be found in the Act on Court Fees and/or by consulting a professional (such preliminary information is free of charge). VAT is not applicable on court fees.

Cost of bringing an action to the courts

Costs of bringing an action before the courts (i.e., the court fees) are due simultaneously with a motion to commence proceedings. These costs are regulated by Act 549/1991 Coll., on Court Fees. Under this Act, the amount of these fees is governed by the following general rules:

A) A court fee for a motion to commence proceedings with a pecuniary performance amounts to:

- to obtain pecuniary satisfaction for amounts up to and including EUR 546 - EUR 22 (CZK 15,000 - CZK 600)
- to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount.

B) A court fee for a motion to commence proceedings with non-pecuniary performance amounts to:

- for each real property to EUR 109 (CZK 3,000)
- for each enterprise or for each of its branches to EUR 364 (CZK 10,000)

- in other cases to EUR 36 (CZK 1,000)

The court fee may in no event exceed EUR 36,363 (CZK 1,000,000) i.e., if under the above-mentioned rules the court fee exceeds EUR 36,363 (CZK 1,000,000), only EUR 36,363 (CZK 1,000,000) has to be paid.

These rules shall apply in principle, however, there are many exemptions (see schedule below).

According to the nature of the action, the cost of bringing an action to the court (filing fees) can be summarized as follows:

Nature of the action	Filing fees
1. FAMILY LAW	
▪ Divorce	For a petition for divorce EUR 36 (CZK 1,000)
▪ Children Custody Right	Exempted from court fees
▪ Alimony	In principle following applies: For a motion for alimony amount including its increasing with a pecuniary performance: a) up to EUR 1091 (CZK 30,000) – EUR 11 (CZK 300) b) in an amount higher than a) – 1% of this amount (but no more than EUR 364 – CZK 10,000) However, a petitioner suing in a determination of alimony including its increasing (if is not a determination of a duty to maintain and support of parents and their children) is exempted from court fees.
2. LABOUR LAW	
▪ Work Accidents	The petitioner is exempted from court fees
▪ Redundancies	1) to obtain pecuniary satisfaction for amounts up to and including EUR 546 – EUR 22 (CZK 15,000 – CZK 600) 2) to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount.
3. COMMERCIAL LAW	
Payment for a commercial or services agreement	1) to obtain pecuniary satisfaction for amounts up to and including EUR 546 – EUR 22 (CZK 15,000 – CZK 600) 2) to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount.
▪ Goods or services not	

in accordance	<ol style="list-style-type: none"> 1) to obtain pecuniary satisfaction for amounts up to and including EUR 546 – EUR 22 (CZK 15,000 – CZK 600) 2) to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount.
<ul style="list-style-type: none"> ▪ Litigation between associates 	<p>A) A court fee for a motion to commence proceedings with a pecuniary performance amounts to:</p> <ul style="list-style-type: none"> • EUR 22 (CZK 600) in case of proceedings to obtain pecuniary satisfaction up to and including EUR 546 (CZK 15,000) • 4 % of the amount claimed in case of proceedings to obtain pecuniary satisfaction above EUR 546 (CZK 15,000) <p>B) A court fee for a motion to commence proceedings with non-pecuniary performance amounts:</p> <ul style="list-style-type: none"> • for each real property to EUR 109 (CZK 3,000) • for each enterprise or for each of its branches to EUR 364 (CZK 10,000) • in other cases to EUR 36 (CZK 1,000)
<ul style="list-style-type: none"> ▪ Mandates and agents 	<ul style="list-style-type: none"> ▪ to obtain pecuniary satisfaction for amounts up to and including EUR 546 – EUR 22 (CZK 15,000 – CZK 600) ▪ to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount.
4. CIVIL LAW	
<ul style="list-style-type: none"> ▪ Consumers protection 	<ul style="list-style-type: none"> ▪ to obtain pecuniary satisfaction for amounts up to and including EUR 546 – EUR 22 (CZK 15,000 – CZK 600) ▪ to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount. ▪ in other cases to EUR 36 (CZK 1,000)
<ul style="list-style-type: none"> ▪ Liability 	<p>A) A court fee for a motion to commence proceedings with a pecuniary performance amounts to:</p> <ul style="list-style-type: none"> • EUR 22 (CZK 600) in case of proceedings to obtain pecuniary satisfaction up to and including EUR 546 (CZK 15,000) • 4 % of the amount claimed in case of proceedings to obtain pecuniary satisfaction above EUR 546 (CZK 15,000)

	<p>B) A court fee for a motion to commence proceedings with non-pecuniary performance amounts:</p> <ul style="list-style-type: none"> • for each real property to EUR 109 (CZK 3,000) • for each enterprise or for each of its branches to EUR 364 (CZK 10,000) • in other cases to EUR 36 (CZK 1,000)
5. PROPERTY LAW	
<ul style="list-style-type: none"> ▪ Lease 	<ul style="list-style-type: none"> • for each real property to EUR 109 (CZK 3,000)
<ul style="list-style-type: none"> ▪ Ownership and co ownership 	<p>A) A court fee for a motion to commence proceedings with a pecuniary performance amounts to:</p> <ul style="list-style-type: none"> • EUR 22 (CZK 600) in case of proceedings to obtain pecuniary satisfaction up to and including EUR 546 (CZK 15,000) • 4 % of the amount claimed in case of proceedings to obtain pecuniary satisfaction above EUR 546 (CZK 15,000) <p>B) A court fee for a motion to commence proceedings with non-pecuniary performance amounts:</p> <ul style="list-style-type: none"> • for each real property to EUR 109 (CZK 3,000) • for each enterprise or for each of its branches to EUR 364 (CZK 10,000) • in other cases to EUR 36 (CZK 1,000)
6. CIVIL STATUS	<p>Capacity proceedings – exempted from court fees Adoption proceedings - exempted from court fees Proceeding to determinate whether or not the marriage exists - general rules apply Proceedings of nullity of the existing marriage - general rules apply Proceedings of termination, nullity or absence of registered partnership - general rules apply Proceedings to declare a death of a person - general rules apply Proceedings to determine paternity - general rules apply</p>

Other proceedings costs

In addition to court fees, the Czech Code of Civil Procedure stipulates following types of costs in civil proceedings:

- cash outlays of parties and their representatives (e.g. travel, board and lodging)
- lost earnings of parties and their legal representatives
- expense of furnishing evidence
- notary's fee for the execution of the acts of a judicial commissioner and his/her cash outlays (in inheritance proceedings)
- fee of the executor in inheritance proceedings and his/her cash outlay
- interpreting fees and the representation fee.

This list is not exhaustive; other expenses may also be considered costs provided that they are incurred in connection with the proceedings. (E.g., costs connected with reminders to a debtor prior to the bringing of an action or expenses incurred in an attempt to reach an out-of-court settlement cannot be classified as costs of proceedings.) There is no specific other proceedings cost in cross-border litigations. The other proceedings cost does not vary depending on the jurisdiction.

Costs of legal recourses (Appeals...)

Type of legal recourse (Appeals...)	Costs
Appeal from a meritory decision	Petitioner pays the same fee as for a motion to commence proceedings, exemptions from court fees apply on legal recourses as well.
Review of an appeal	a) with a pecuniary performance up to (including) EUR 3636- EUR 36 (CZK 10,000 – CZK 1,000)

	b) in other cases EUR 182 (CZK 5,000)
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There are no specific court fees in cross-border litigations.

As far as the court fees for appeal from a meritory decision are concerned, the general rules apply (see below). The appellant is therefore obliged to pay the same court fee as for a motion to commence proceedings. The fees vary depending on whether there is a pecuniary performance or not (see below).

A) A court fee for a motion to commence proceedings with a pecuniary performance amounts to:

- EUR 22 (CZK 600) in case of proceedings to obtain pecuniary satisfaction up to and including EUR 546 (CZK 15,000)
- 4 % of the amount claimed in case of proceedings to obtain pecuniary satisfaction above EUR 546 (CZK 15,000).

B) A court fee for a motion to commence proceedings with non-pecuniary performance amounts to:

- EUR 109 (CZK 3,000) for each real property provided that the subject of the proceedings forms a real property
- EUR 364 (CZK 10,000) for each enterprise or for each of its branches provided that the subject of the proceedings forms an enterprise or its branch
- EUR 36 (CZK 1,000) in other cases

If the subject of the dispute is a pecuniary performance up to EUR 3,636 the court fee for review of an appeal amounts to EUR 36 (CZK 1,000). In other cases, the court fee for review of an appeal amounts to EUR 182 (CZK 5,000).

The exemptions from the court fees described above under 2.2 apply both on court fees for appeal and court fees for review of an appeal.

There are no specific costs in cross-border litigations.

Costs of ADR

This type of alternative dispute resolution can be used for civil and commercial property disputes (except disputes arising from the bankruptcy and composition and disputes relating to enforcements of judgements), on condition the parties entered into a written agreement, in which they provide that their dispute shall be resolved by a designated independent party. This could be either a freelance arbiter (any capable adult who is competent in legal matters) or a permanent arbitration body (Rozhodčí soud při Hospodářské komoře ČR a Agrární komoře ČR - the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic).

If the dispute is resolved by a freelance arbiter, then the costs of ADR would be agreed by the parties and the arbitrator ad hoc. If a dispute is resolved by the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic, the tariff of this Arbitration Court would apply (see http://www.arbcourt.cz/en_index.php?url=en_sazebnik_vyber.htm). Under this tariff, the fees depend on a value of a dispute. The winning party is entitled to reimbursement of ADR costs by the losing party

Tariff of arbitration costs - international disputes

Value in dispute in EUR	Arbitration fee in EUR	Administrative fee, lump sum in EUR
Up to 3,636	364	182
Up to 9,091	364 plus ten (10) per cent from amount in excess of 3,636 but more than 909	473
Up to 18,182	909 plus eight (8) per cent from amount in excess of 9,091 but more than 1,636	873
Up to 36,364	1,636 plus six and half(6,5) per cent from amount in excess of 18,182 but more than 2,818	1,455
Up to 181,819	2,818 plus five (5) per cent from amount in excess of 36,364 but more than 10,091	5,273
Up to 364,636	10,091 plus three (3) per cent from amount in excess of 181,818 but more than 15,527	10,000
Up to 1,818,182	15,527 plus one and half (1,5) per cent from amount in excess of 363,636 but more than 37,364	16,727
Up to 3,636,363	37,364 plus one (1) per cent from amount in excess of 1,818,182 but more than 55,546	23,273
Up to 18,181,818	55,546 plus three fourth (0,75) per cent from amount in excess of 3,636,364 but more than 154,818	29,818

Up to 36,363,636	154,818 plus half (0,5) per cent from amount in excess of 18,181,818 but more than 255,527	36,364
Over 36,363,636	255,527 plus one fourth (0,25) per cent from the amount in excess of 36,363,636	36,364

Tariff of Costs of Arbitral Proceedings - Domestic Disputes

Arbitration fee 3% from the value of the dispute (Sec.18 of the Rules)

minimum EUR 255

maximum EUR 36,364

Costs of legal Aid proceedings

There are two options of getting legal aid in the form of legal representation before court:

An attorney can be assigned by the presiding judge to the person who seeks legal aid on conditions that its financial and social conditions entitle this person to be exempted from the court fees. This person has to ask the court to have an attorney assigned. The request will be always denied if the person seeks the legal aid without a proper reason - if the person acts maliciously etc.

According to the Legal Profession Act the Bar Association is obliged to assign an attorney-at-law to an applicant who can not find legal aid and does not meet the requirements for assignment of an attorney-at-law by a court (see the preceding paragraph). If the applicant is impecunious the assigned attorney-at-law is obliged to represent the applicant for free.

Both legal aid proceedings at the court and at the Bar Association are subject to no fees.

Costs of fast track proceedings

Czech law recognizes one type of fast track proceeding - order for payment proceeding. Payment orders can be issued in cases of pecuniary claims where entitlement arises from the circumstances invoked by the claimant. A bill-of-exchange or cheque payment order recognises a right arising from a bill of exchange or cheque.

Whether to settle a case by a payment order is always left to the discretion of the court. Conversely, where the formal conditions are met, a court is obliged to decide on a bill-of-exchange (cheque) payment order by accelerated procedure. A payment order cannot be issued if it is to be served against a defendant abroad. This does not apply to bill-of-exchange or cheque payment orders, which can be served against defendants abroad.

Such proceedings are subject to court fees as well.

A court fee according to the amount claimed:

- to obtain pecuniary satisfaction for amounts up to and including EUR 546 (CZK 15,000) - EUR 22 (CZK 600)
- to obtain pecuniary satisfaction for amounts above EUR 546 (CZK 15,000) - 4 % of the amount.

There are also costs, which may arise in respect to transcription of deeds important for the court's decision. A lawyer's fee for motion to commence such proceeding would be determined either according to the value of the dispute or according to the hourly rates and time spent and would be in average in the region of EUR 200 to EUR 1,000.

Costs of Group actions 'proceedings

Czech law does not recognize group actions' proceedings.

Payment

The Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic is not registered to VAT. VAT is

therefore not applicable on its fees. As far as freelance arbiters are concerned, VAT is applicable on their fees only if they are registered to VAT. VAT rate is 19 %. The accepted methods of payments for ADR proceedings are cash and wire transfer. The fee is payable when filing the statement of claim. The rules for payment of these fees are available at <http://www.arbcourt.cz>.

E-justice

There are no online court proceedings. No video conferences can be organized in the court proceedings.

Online proceedings are available and video conferences can be organized in ADR at no extra costs.

In court proceedings, a party can make any application by an e-mail provided with the so called secured electronic signature (i.e. an electronic signature meeting the requirements of Act 227/2000 Coll., on Electronical Signature) are authorized. It makes no difference in the costs of the proceedings if the application is made in writing (i.e. on a paper) or via an e-mail with secured electronic signature.

Impact of the number of hearings on costs

Czech procedural law does not limit the number of hearings. Judge also cannot limit this number. However, the courts have some tools for speeding-up the proceeding. E.g., if a party causes unreasonable delays, the court may - on the proposal of the other party - impose on him an obligation to bring conclusive facts on the merit and describe evidence for its proving within a certain period of time. This is a quite standard practice.

Transcription costs

The fees for transcriptions made by courts are set out by Act No. 549/1991 Coll., on Court Fees. The fees for transcriptions made by notaries are set out by Governmental Decree No. 196/2001 Coll., Notarial Tariff. The amount and calculation of these fees can be found at public and private websites or by telephone inquiry with a notary.

<http://www.mvcr.cz/sbirka/2001/sb073-01.pdf>

http://www.nkcr.cz/doc/Not_tarif.pdf

http://www.epravo.cz/v01/index.php?s1=Y&s2=6&s3=1&s4=0&s5=0&s6=0&m=1&typ=predpisy&recid_zak=2761

In case of transcriptions made by courts, the transcription fee amounts to EUR 0.7 (CZK 20) for transcription of each initiated page of a Czech or Slovak deed and EUR 2 (CZK 50) for transcription of each initiated page of a foreign language deed. VAT is not applicable on this fee.

In case of transcriptions made by municipal authorities and notaries, the transcription fee amounts to EUR 1 (CZK 30) for transcription of each initiated page of a deed. On fees charged by municipal authorities VAT is not applicable. On fees charged by notaries VAT is applicable if the notary is VAT registered. VAT rate is 19 %. Transcription costs due to the court and municipal authorities can be paid in cash or fee stamps, the transcription costs due to the notary can be paid in cash or by wire transfer.

The transcription fees are paid by the applicant at the moment of its providing by a relevant person or body. If the transcription costs are incurred in connection with the proceedings, the court should order the losing party to reimburse these costs to the winning party.

Conclusions and Recommendations

In the Czech Republic, the court proceedings are subject to payment of court fees. Court fees are fees payable for the proceedings or for individual stages of proceedings. The main source of information on court fees is the Act on Court Fees or calling a professional. In principle, the court fee does not constitute an obstacle

preventing a party to commence court proceedings. A party can be exempted from the court fees if his/her financial and social conditions justify such an exemption.

The amounts of costs are determined in accordance with rules set out in respective regulations which are available to the public. These rules are in principle quite transparent, however the application of these rules on a particular case and estimation of the amounts of costs related to such particular case is often hard (e.g., the amount of the court fee sometimes depends on preliminary classification of the case by the court). A qualified estimation of the costs before commencement of the court proceedings by a respective professional is therefore often necessary. There is no specific court fee in case of cross-border litigation.

In principle, the court fee is fully reimbursed to the winning party.

Lawyers' consulting and representation fees

General

Lawyers' consulting and representation fees are governed by Decree of the Ministry of Justice No. 177/1996 Coll., on Remuneration of Lawyers and their Reimbursement for Provision of Legal Services (the "Tariff"). The information on lawyers' fees is available at public and private websites (see for example below) and/or upon inquiry with a lawyer.

www.cak.cz

www.epravo.cz

www.ipravnik.cz

Each party to the proceedings before the Constitutional Court and applicant in the proceedings before Supreme Court and Supreme Administrative Court have to be represented by a registered lawyer (attorney-at-law or a notary). In all other instances, a party can act on its own.

Parties are allowed to use lawyers living in their country of residence if the lawyer is registered as a European lawyer. (The Legal Practices Act entitles natural persons who are nationals of any of the Member States of the European Union or Member States of the European Economic Area Agreement and who have obtained authorisation in that state to provide legal services (i.e. the home state') to practise law in any member state as a 'European lawyer' under the professional designation of the home state conferred on the lawyer, written in the language of that state. A European lawyer is authorised to provide legal services entailing representation in proceedings before courts or other bodies, including the defence counsel in criminal proceedings, even in cases where a separate legal regulation provides that a party to proceedings must be represented by a lawyer or that the representative of a party to proceedings may only be a lawyer.)

In principle, lawyer's fee for the provision of legal services is subject to the agreement on provision of legal services concluded between the lawyer and the client (contractual fee). The lawyer and client may also agree on contingency fee if the fee is reasonable. (A reasonable fee is considered up to the maximum of 25% of a case result value). If no contractual fee is set, remuneration is determined in accordance with the Tariff. VAT is applicable on lawyer's fees provided that the lawyer is VAT registered. VAT rate is 19 %.

In case of cross border litigation lawyers sometimes require higher contractual fees. According to the tariff, a lawyer is entitled to increase (up to 300 per cent) his/her fees in cases with foreign element.

In case of the contractual fee, the total amount of the fee usually depends on the time spent. The average lawyer's fees on a per hour basis are between 50 and 99 euros.

In case of the fees according to the Tariff, the amount of fees is determined by the schedule below for each act of legal service and by the number of such acts, which has the lawyer done in a given legal case:

Tariff value	Fee
up to EUR 18 (CZK 500)	EUR 11 (CZK 300)

between EUR 18 (CZK 500) and EUR 36 (CZK 1,000)	EUR 18 (CZK 500)
between EUR 36 (CZK 1,000) and EUR 182 (CZK 5,000)	EUR 36 (CZK 1,000)
between EUR 182 (CZK 5,000) and EUR 364 (CZK 10,000)	EUR 55 (CZK 1,500)
between EUR 364 (CZK 10,000) and EUR 7,273 (CZK 200,000)	EUR 364 (CZK 10,000) plus EUR 1.5 (CZK 40) of each initiated 36 sum exceeding an amount of EUR 364 (CZK 10,000)
between EUR 7,273 and EUR 363,636	EUR 331 (CZK 9,100) plus EUR 1,5 (CZK 40) of each initiated 364 (1,000) sum exceeding an amount of EUR 7,273 (CZK 200,000)
higher than EUR 363,636 (CZK 10,000,000)	EUR 1,756 (CZK 48,300) plus EUR 1.5 (CZK 40) of each initiated 3,636 (CZK 100,000) sum exceeding an amount of EUR 363,636 (CZK 10,000,000).

In case it is difficult to estimate a value of rights or things, or if there is no easy way how to express its pecuniary value, the tariff value is deemed to be EUR 182 (CZK 5,000).

The average fee for representation in court proceedings (one instance) is between CZK 15,000 (EUR 535) to CZK 60,000 (EUR 2,143).

Fees depending on the nature of the litigation

If the Tariff applies, the fee is as follows:

Nature of the action	Description, tariff value, court fee for an act of legal service
1. FAMILY LAW	
Divorce	Fee according to the tariff value
Children Custody Right	Tariff value EUR 36 (CZK 1,000), fee EUR 18 (CZK 500)
Alimony	Tariff value EUR 36 (CZK 1,000), fee EUR 18 (CZK 500)

2. LABOUR LAW	
Work Accidents	Fee according to the tariff value
Redundancies	Fee according to the tariff value
3. COMMERCIAL LAW	
Payment for a commercial or services agreement	Fee according to the tariff value
Goods or services not in accordance	Fee according to the tariff value
Litigation between associates	Fee according to the tariff value
Mandates and agents	Fee according to the tariff value
4. CIVIL LAW	
Consumers protection	Fee according to the tariff value
Liability	Fee according to the tariff value
5. PROPERTY LAW	
Lease	Non-residential lease, lease of land and structures (in case of non - pecuniary performance) Tariff value EUR 909 (CZK 25,000), fee EUR 76 (CZK 2,100)
Ownership and co ownership	Fee according to the tariff value
6. CIVIL STATUS	Capacity matters Adoption matters Declaration of death Tariff value EUR 36 (CZK 1,000), fee EUR 18 (CZK 500)
7. OTHERS	Matters of rights to the protection of personal rights, in the matter of the protection against disclosure of information, which are considered as misappropriation of the freedom of liberty of the expression, press and speech according to the regulation of media, as well as in the matters arising from exercise of the rights and obligations according the regulations of personal data protection or according to the regulation of an industrial property or other intellectual property Tariff value EUR 1,818 (CZK 50,000), fee EUR 113 (CZK 3,100)

Fees depending on the type of lawsuit or proceedings

The Tariff sets out different tariff values in respect of administrative, civil and criminal proceedings but does not differentiate between different types of lawsuits or proceedings within the civil proceedings.

Fees depending on the value of the claim

If the Tariff applies, the fees depend in general on the value of the claim.

Tariff value	Fee
up to EUR 18 (CZK 500)	EUR 11 (CZK 300)
between EUR 18 (CZK 500) and EUR 36 (CZK 1,000)	EUR 18 (CZK 500)
between EUR 36 (CZK 1,000) and EUR 182 (CZK 5,000)	EUR 36 (CZK 1,000)
between EUR 182 (CZK 5,000) and EUR 364 (CZK 10,000)	EUR 55 (CZK 1,500)
between EUR 364 (CZK 10,000) and EUR 7,273 (CZK 200,000)	EUR 364 (CZK 10,000) plus EUR 1.5 (CZK 40) of each initiated 36 sum exceeding an amount of EUR 364 (CZK 10,000)
between EUR 7,273 and EUR 363,636	EUR 331 (CZK 9,100) plus EUR 1,5 (CZK 40) of each initiated 364 (1,000) sum exceeding an amount of EUR 7,273 (CZK 200,000)

Fees depending on the jurisdiction

According to the Tariff, the fees do not depend on the jurisdiction.

Legal aids cases

There are two options of getting legal aid in the form of representing before court:

An attorney can be assigned by the presiding judge to the person who seeks legal aid on conditions that its financial and social conditions entitle this person to be exempted from the court fees. This person has to ask the court to have an attorney assigned. The request will be always denied if the person seeks the legal aid without a proper reason - if the person acts maliciously etc.

According to the Legal Profession Act it is possible if person can not find legal aid and is impecunious as well. This person has to ask the Bar Association to have an attorney-at-law assigned.

However, legal aid can be provided also in the form of free legal counselling; and in this case there are the non-governmental organizations which can help by giving a legal advice for free. These non-governmental organizations are (by way of example)

- Environmental law service which provide legal aid free of charge (www.eps.cz)
- White Circle of Safety, an organization providing legal counselling for the victims of crimes (www.bkb.cz)
- Centre for Citizenship, Civil and Human Rights (www.poradna-prava.cz)
- League of Human Rights, an organization helping in particular to the victims of domestic violence (www.llp.cz)

Contingency fees

Lawyers may negotiate a contractual commission in the form of a portion of the value of a case result, if the commission is reasonable. A reasonable commission is considered up to the maximum of 25% of a case result value. Average cost of a proceeding may be about EUR 5,000.

Payment

The due date of payments is usually subject to agreement between lawyer and client. In case of fees based on hourly basis, fees are usually paid monthly or quarterly. In case of fees paid in accordance with the Tariff, appropriate retainers

(advance payments) are usually required prior and during the proceedings, the balance is paid upon termination of the proceedings.

1.1.1 Retainer

Both in internal and cross border disputes, lawyers usually require appropriate retainer prior to commencement of provision of services.

Conclusions and recommendations

In principle, lawyer's fee for the provision of legal services is subject to the agreement on provision of legal services concluded between the lawyer and the client (contractual fee). The lawyer and client may also agree on contingency fee if the fee is reasonable. (A reasonable fee is considered up to the maximum of 25% of a case result value). If no contractual fee is set, remuneration is determined in accordance with the Tariff. VAT is applicable on lawyer's fees, provided that the lawyer is VAT registered. VAT rate is 19 %. In case of cross border litigation, lawyers sometimes require higher contractual fees. According to the tariff, a lawyer is entitled to increase (up to 300 per cent) his/her fees in cases with foreign element. Both in internal and cross border disputes, lawyers usually require appropriate retainer prior to commencement of provision of services.

Lawyers' fees and their amount are transparent provided that they are charged in accordance with the Tariff or provided that a contingency fee has been agreed. In the event that charging based on hourly fees and time spent has been agreed between the lawyer and client, the total amount of lawyers' fees not transparent as this amount sometimes depends on circumstances which are unknown prior to the commencement of the proceedings.

Bailiff fees

General

In the Czech Republic, bailiffs (judicial executors) are public officials and their activities are considered to be judicial activities. The bailiff is entitled to a fee for execution action, reimbursement of cash expenses, reimbursement for time lost in performing execution and reimbursement for serving documents/instruments. The manner in which reimbursement is determined is laid down in the Decree of Ministry of Justice Regulation No 330/2001 Coll. Reimbursement for execution action (fees) can be also agreed in an agreement between the bailiff and the creditor. Non-contractual reimbursement is fixed either as a percentage of the satisfaction achieved or at a fixed rate for cases involving non-pecuniary execution.

According to Czech law, the main task of bailiffs is to enforce a judgement. The intervention is not required prior the judicial proceeding and neither during the proceeding. They do not also make notification of deeds.

In case of execution of decisions for pecuniary obligations, the bailiff's fee is calculated according to the following professional schedule:

Actually enforced amount	Fee
up to EUR 109,091 (CZK 3,000,000)	15 % of the amount, however not less than EUR 109 (CZK 3,000)
for exceeding amount with a maximum of EUR 1,454,546 (CZK 40,000,000)	10 % of the amount
for exceeding amount with a maximum of EUR 1,818,182 (CZK 50,000,000)	5 % of the amount
for exceeding amount with a maximum of EUR 9,090,909 (CZK 250,000,000)	1 % of the amount

Average cost established for proceeding is from EUR 300 to EUR 2,000. It depends on the enforced amount.

Information on bailiff's fees can be obtained from public and private websites or by inquiry with a bailiff. This preliminary information is free of charge.

Creditors are usually requested to pay the bailiff a reasonable retainer. This retainer is reimbursed to the creditor from the funds gained by the bailiff from the creditor.

If a bailiff is VAT registered, VAT applies on his/her fees. VAT rate is 19 %.

Ante judgment

Bailiffs do not intervene in ante judgement stage of proceedings.

During proceedings

Bailiffs do not intervene during proceedings.

Post proceedings

If the debtor (obliged party) does not voluntarily comply with the requirement imposed by an enforceable decision, the creditor (entitled party) may choose whether to obtain satisfaction of his/her claim by means of judicial enforcement of a decision (i.e. by a judicial enforcement agent - an employee of the court) or by means of execution by the judicial executor (i.e. a lawyer appointed to this position by the state authorities who is not a court employee but his status is comparable with the one of a notary). These are the only legal ways how to obtain a satisfaction of such a claim.

There are no specific costs related to bailiff's intervention for cross border litigation.

Legal aid cases

Under Czech law, only the following can be considered legal aid in civil proceedings:

- the exemption of a party from the payment of a court fee,
- the appointment of a representative (such appointment is also possible before the commencement of proceedings for the purpose of bringing the action - petition to initiate proceedings). The party to whom a representative has been appointed does not pay the representative's cash outlays and a fee for representation,
- the appointment of a lawyer by the Czech Bar Association.

Thus, a person entitled to legal aid can not claim neither partial nor total assistance in respect to bailiff fees.

Payment

Bailiffs' fees are in principle paid by debtor. If the execution is not successful, the creditor is obliged to pay to the bailiff only the expenses incurred by the bailiff (however, EUR 127 (CZK 3,500) as a minimum).

1.1.2 Retainer

Both in internal and cross border disputes, the bailiff may require a reasonable retainer from the creditor; however, it cannot be higher than 30% of the bailiff's fee.

If a creditor chooses to obtain satisfaction of his/her claim through the judicial enforcement, he/she has to file a motion to commence a proceeding, which is subject to a fee.

Fees for judicial enforcement of a decision are considered to be court fees. The question of court fees is regulated by Act No 549/1991 Coll., on Court Fees.

FEES

to obtain pecuniary satisfaction for amounts up to and including CZK 15,000 - **CZK 300**

to obtain pecuniary satisfaction for amounts above 15,000 CZK - **2 % of the amount**, with a maximum of CZK 50,000

other cases CZK 1,000

Firstly a creditor has to pay a court fee for a motion for an order to enforce a decision. After a successful enforcement legal costs are reimbursed to the creditor by the debtor.

Conclusions and recommendations

In the Czech Republic, bailiffs (judicial executors) are public officials and their activities are considered to be judicial activities. Bailiffs intervene neither in ante judgement stage of proceedings nor during proceedings.

The bailiff is entitled to a fee for execution action, reimbursement of cash expenses, reimbursement for time lost in performing execution and reimbursement for serving documents/instruments. The manner in which reimbursement is determined is laid down in the Decree of Ministry of Justice Regulation No 330/2001 Coll. Reimbursement for execution action (fees) can be also agreed in an agreement between the bailiff and the creditor. Non-contractual reimbursement is fixed either as a percentage of the satisfaction achieved.

Information on bailiffs' fees can be obtained from public and private websites or by inquiry with a bailiff. This preliminary information is free of charge.

Bailiffs' fees are in principle paid by the debtor. If the execution is not successful, the creditor is obliged to pay to the bailiff only the expenses incurred by the bailiff.

Expert

General

Under regulation of Act 36/1967 Coll., on Experts and Interpreters, regional courts have to compile and maintain a list of experts accessible to public. Each expert is enlisted in a register held by a regional court of his/her permanent residence. Central list of all experts is governed by the Ministry of Justice ([http://datalot.justice.cz/justice/repznatl.nsf/\\$\\$SearchForm?OpenForm](http://datalot.justice.cz/justice/repznatl.nsf/$$SearchForm?OpenForm)).

Information on experts names is easily accessible, to find information on the cases in which they have to be called is rather complicated, it depends on a particular case.

Expert assessment costs are regulated by Act 36/1967 Coll., on Experts and Interpreters. Information on experts' fees can be obtained from public and private websites or by inquiry with an expert. This preliminary information is free of charge.

In principle, the experts have to be accredited by the courts before they can act as experts in litigation. Under circumstances mentioned below it is not necessary for an expert to be accredited:

- (1) A public authority may appoint an expert, who is not recorded in the list of experts but has a professional competence for giving an expert's evidence and who agreed with his/her appointment:
 - a) in case there is no expert listed for some field,
 - b) in case the listed expert is not able to give an expert's assessment,
 - c) in case the expert's assessment given by a listed expert would be connected with inadequate difficulties or unreasonable costs.
- (2) Even such an appointed expert is obliged to make a promise to a public authority, which appointed him/her.

The accredited experts do not charge higher fees for their services in litigation than regular experts.

Fees

In principle, the expert fees are calculated on per hour basis. In special cases the fees are estimated according to a schedule (tariff), which forms an annex of Decree No. 37/1967 Coll. (implementing Act 36/1967 Coll., on Experts and Interpreters). The average amount of fee (per hour) is less than 50 Euros. It may differ from the complexity and exigency of the expert's assessment.

The expert's compensation is determined by the court (if the assessment is ordered) or by the expert (if the assessment is ordered by a party) in accordance with Decree No. 37/1967 Coll.

Payment

The fees are paid by the party (or court) which ordered the expert's assessment. Finally, this expense is (if efficiently spent) reimbursed to the winning party (or court). The expert's assessment may be ordered by parties also prior the proceedings.

1.1.3 Retainer

If the expert assessment is ordered by a party, experts usually require a reasonable retainer.

Legal aid cases

Under Czech law, only the following can be considered legal aid in civil proceedings:

- the exemption of a party from the payment of a court fee,
- the appointment of a representative - also possible before the commencement of proceedings for the provision of representation in bringing an action (petition to initiate proceedings) - the party to whom a representative is

appointed does not pay the representative's cash outlays and a fee for representation,

- the appointment of a lawyer by the Czech Bar Association.

Thus, a person entitled to legal aid can not claim neither partial nor total assistance in respect of expert fees. On the other hand, in the course of the court proceedings, such person may propose to the court to order the expert itself.

Reimbursement of experts' fees

The losing party shall reimburse the party (or the court) who ordered the expert assessments for the expenses incurred in respect of the expert fees. In principle, the losing party shall reimburse the court for the expenses incurred in respect of the witness compensation. However, if the party in question meets the conditions for exemption from the court fees it is not obliged to reimburse these expenses to the court.

Practical questions

In principal, the accreditation is required in order to act before the court as an expert. Exemptions of this rule are mentioned in point 5.1 above.

Requirements for being recorded in the list of experts (accreditation):

- Czech citizenship (this condition may be waived in relevant cases)
- relevant professional/academic experience and capacity in a field, in which he may act as an expert, especially passing a special training required for expert's activity (if there is such a training)
- moral qualities that guarantee good performance
- consent to appointment

Fulfilment of these conditions does not automatically mean one becomes an expert. The appointment shall be discretionary.

The Minister of Justice (or by him/her entrusted chairman of a regional court) selects and appoints experts, who satisfy conditions (requirements) mentioned above. The appointed experts are obliged to make a promise into the hands of the Minister (or by him/her entrusted chairman of a regional court). After that the experts are recorded in the list of experts (see above). There are no exams to take.

The court appoints an expert in case a decision of the court depends on examination of facts requiring classified knowledge. Also a party may order an expert assessment (even prior the proceeding) to bring convincing evidence. The period of validity of certified expert's report is unlimited.

Experts are entitled to exercise their expert activities also out of the district where enlisted, however, within the Czech Republic only. If an expert is accredited or certified before the courts of another Member State he/she is not automatically accredited before the Czech courts. An expert's assessment produced by an accredited expert of a EU Member State is not automatically accepted by the Czech courts as an expert's assessment. Such document is considered as common documentary evidence.

Conclusions and recommendations

Expert assessment costs are regulated by Act 36/1967 Coll., on Experts and Interpreters. Information on experts' fees can be obtained from public and private websites or by inquiry with an expert. This preliminary information is free of charge.

In principle, the expert fees are calculated on per hour basis. In special cases the fees are estimated according to a schedule (tariff), which forms an annex of Decree No. 37/1967 Coll. (implementing Act 36/1967 Coll., on Experts and Interpreters). The experts' compensation is determined by the court (if the assessment is ordered) or by the expert (if the assessment is ordered by a party) in accordance with Decree No. 37/1967 Coll.

The fees are paid by the party (or court) which ordered the experts' assessment. Finally, this expense is (if efficiently spent) reimbursed to the winning party (or court). The expert's assessment may be ordered by parties also prior the

proceedings. If the expert assessment is ordered by a party, experts usually require a reasonable retainer. The losing party shall reimburse the party (or the court) who ordered the expert assessments for the expenses incurred in respect of the expert fees.

Translation and interpretation

General

Translation and interpretation fees are regulated by Act 36/1967 Coll., on Experts and Interpreters and its implementing Decree No. 37/1967 Coll. Czech law does not make distinction between translators and interpreters, both are treated as “interpreters”, who either translate or interpret.

Under regulation of Act 36/1967 Coll., on Experts and Interpreters, regional courts have to compile and maintain a list of interpreters accessible to public. Each court interpreter is enlisted in a register held by a regional court of his/her permanent residence.

([http://datalot.justice.cz/justice/repznatl.nsf/\\$\\$SearchForm?OpenForm](http://datalot.justice.cz/justice/repznatl.nsf/$$SearchForm?OpenForm)). In addition, the Chamber of Court Appointed Interpreters and Translators of the Czech Republic (<http://www.kstcr.cz/multi/main.php?jazyk=an>) can be contacted to obtain a list of accredited interpreters in the Czech Republic.

The information on accredited interpreters is easily accessible, finding information on documents to be certified is rather complicated, it depends on a particular case.

Translation fees

Translation fees are regulated by Act 36/1967 Coll., on Experts and Interpreters and its implementing Decree No. 37/1967 Coll. (the “Implementing Decree”).

Information on translation fees can be obtained from public and private websites or by inquiry with an interpreter. This preliminary information is free of charge.

In principle, documents to be used in court proceedings have to be translated by an accredited interpreter.

The Minister of Justice (or by him/her entrusted chairman of a regional court) selects and appoints interpreters, who satisfy conditions (requirements) mentioned below. The appointed interpreters are obliged to make a promise into the hands of the Minister (entrusted chairman of a regional court). After that they are interpreters recorded in the list of appointed interpreters.

Requirements for being recorded in the list of interpreters:

- Czech citizenship (this condition may be waived in relevant cases)
- relevant professional/academic experience and capacity in a language, in which he may act as an interpreter, especially passing a special training required for interpreter's activity (if there is such a training)
- moral qualities that guarantee good performance
- consent to appointment

Fulfilment of these conditions does not automatically mean one becomes an accredited interpreter. The appointment is discretionary.

Accredited interpreter's translation require foreign-language documents which are important for the court's decisions.

In principle, in cross-border disputes the interpreters accredited in a party's Member State are not entitled to translate documents when the Court is located in the Czech Republic. However, Czech courts sometimes accept such translations.

In principle, interpreters have to be accredited by the courts before they can act as interpreters (translators) in litigation. However, there is a following exception to this general principle:

(1) A public authority may appoint an interpreter, who is not recorded in the list of interpreters but has professional competence for translation and who agreed with appointment,

- a) in case there is no interpreter listed for some language,
- b) in case the listed interpreter is not able to translate,
- c) in case the translation made by a listed interpreter would be connected with inadequate difficulties or unreasonable costs.

(2) Even such an appointed interpreter is obliged to make a promise to the public authority, which appointed him/her.

Accredited interpreters do not charge higher fees for their services in litigation than regular interpreters. In principle, the language of the translation, the nature of the translation and nature of the litigation have no impact on fees. However, the interpreter is entitled to charge higher fees (within the limit set out by the Implementation Decree) for more complex translation and for translation from one foreign language into another foreign language.

Interpretation fees

As Czech law does not differentiate between translators and interpreters, the information on translation fees provided in the preceding point applies also on interpretation fees. Thus, interpretation fees are regulated by Act 36/1967 Coll., on Experts and Interpreters and its implementing Decree No. 37/1967 Coll. (the “Implementing Decree”).

Information on interpretation fees can be obtained from public and private websites or by inquiry with an interpreter. This preliminary information is free of charge.

The Minister of Justice (or by him/her entrusted chairman of a regional court) selects and appoints interpreters, who satisfy conditions (requirements) mentioned below. The appointed interpreters are obliged to make a promise into the hands of the Minister (entrusted chairman of a regional court). After that they are interpreters recorded in the list of interpreters (see above).

Requirements for being recorded in the list of interpreters:

- Czech citizenship (this condition may be waived in relevant cases)
- relevant professional/academic experience and capacity in a language, in which he may act as an interpreter, especially passing a special training required for interpreter's activity (if there is such a training)
- moral qualities that guarantee good performance
- consent to appointment

Fulfilment of these conditions does not automatically mean one becomes an accredited interpreter. The appointment is discretionary.

In principle, in cross-border disputes the interpreters accredited in a party's Member State are not entitled to interpret when the Court is located in the Czech Republic.

In principle, interpreters have to be accredited by the courts before they can act as interpreters in litigation. However, there is a following exception to this general principle:

- (1) A public authority may appoint an interpreter, who is not recorded in the list of interpreters but has professional competence for interpretation and who agreed with appointment,
 - a) in case there is no interpreter listed for some language,
 - b) in case the listed interpreter is not able to interpret,
 - c) in case the interpretation made by a listed interpreter would be connected with inadequate difficulties or unreasonable costs.
- (2) Even such an appointed interpreter is obliged to make a promise to the public authority, which appointed him/her.

Accredited interpreters do not charge higher fees for their services in litigation than regular interpreters. In principle, the language which is interpreted, the nature of the interpretation and nature of the litigation have no impact on fees. However, the interpreter is entitled to charge higher fees (within the limit set out by the Implementation Decree) for more complex interpretation and for interpretation from one foreign language into another foreign language.

1.1.4 Retainer

Interpreters usually do not require retainer.

Payment

If the interpreter is VAT registered then VAT is applicable on his/her fees for translation or interpretation. VAT rate is 19%.

The interpreter's (translator's) compensation is determined by the court (if the translation or interpretation is ordered by court) or by the interpreter (if the translation is ordered by a party) in accordance with the Implementing Decree.

The fees for translation are according to its complexity and exigency set out as follows:

- for translation from a foreign language to Czech or vice versa per each page between CZK 100 and CZK 350,
- for translation from a foreign language into a foreign language per each page between CZK 150 and CZK 350.

The amount of pages is determined by the translated version.

These fees may be increased as follows

- by up to 50 % more, if the translation is extremely expertly-intensive, or because of another exigency, especially in an urgent case, as well as if the translation has to be done within a bank holiday, day off or night,
- by up to 30 % more, if the translation is done of a tape slide or of another sound record,

by up to 20 % more because of another translation exigency, especially in case of hardly-readable script.

The fees for interpretation are rated from CZK 100 to 350 per hour. There is also an increased rate which can be used when the interpreting is exceedingly demanding (on accuracy or expertness), when the language is not common (i.e. African or Asian) or when the interpretation is urgent. The average amount of interpretation fees is less than 50 euros a day.

As party to a civil litigation has a right to use its mother tongue before the court, the costs for such an interpretation are borne by the court

Practical questions

Certified translations can be produced only by interpreters accredited by the Ministry of Justice. Such interpreters provide the translated document with a stamp and a signature which proves that they were accredited.

Following conditions have to be fulfilled to become an interpreter accredited by a court:

- Czech citizenship (this condition may be waived in relevant cases)
- relevant professional/academic experience and capacity in a language
- moral qualities that guarantee good performance
- consent to appointment

Fulfilment of these conditions does not automatically mean one becomes an interpreter. The appointment is discretionary.

The Minister of Justice (or by him/her entrusted chairman of a regional court) selects and appoints interpreters, who satisfy conditions (requirements) mentioned above. The appointed interpreters are obliged to make a promise into the hands of the Minister (or by him/her entrusted chairman of a regional court). After that the interpreters are recorded in the list of interpreters. There are no exams to take.

In principle, all the deeds need to be translated by an accredited interpreter. The only exception is possible when there is no interpreter accredited for the language

or when it would be unreasonably costly to get the accredited one. In this case the court will attest the qualification of this interpreter.

In principle, a certified translation produced by an accredited translator (interpreter) of a Member State is not accepted in the Czech Republic. However, Czech courts sometimes accept such translations.

The period of validity of certified translations is not limited.

Translators (interpreters) accredited or certified before the courts of one Member State are not automatically accredited before the Czech courts.

It is possible to use certified copies of translation done by accredited interpreters before the Czech courts. A client can also do the translation his/herself and have it certified by an accredited translator. In principle, always an original or verified copy has to be used for the translation. However, the courts sometimes accept translations from a photocopy.

Legal aid cases

In principle, the translation or interpretation fees are not taken care of by legal aid organizations. In the course of the proceedings the court always pays interpreter's fees.

Reimbursement

The fees for interpretation are paid by court and later the court gets these costs reimbursed from the losing party.

In principle, the losing party shall reimburse the party (or the court) who ordered the translations for the expenses incurred in respect of the interpreters' fees. However, if the party in question meets the conditions for exemption from the court fees it is not obliged to reimburse these expenses to the court.

Conclusion and recommendations

Czech law does not make distinction between translators and interpreters, both are treated as “interpreters”, who either translate or interpret. Accredited interpreter’s translations require foreign-language documents which are important for the court’s decisions. In principle, in cross-border disputes the interpreters accredited in a party’s Member State are not entitled to translate documents when the Court is located in the Czech Republic. However, Czech courts sometimes accept such translations.

Translation and interpretation fees are regulated by Act 36/1967 Coll., on Experts and Interpreters and its implementing Decree No. 37/1967 Coll. Information on translation fees can be obtained from public and private websites or by inquiry with an interpreter. This preliminary information is free of charge.

The interpreter’s (translator’s) compensation is determined by the court (if the translation or interpretation is ordered by court) or by the interpreter (if the translation is ordered by a party) in accordance with the Implementing Decree. Interpreters usually do not require retainer. In principle, the losing party shall reimburse the party (or the court) who ordered the translations for the expenses incurred in respect of the interpreters fees.

Witness Compensation

General

The information on witness compensation can be found on some private websites (e.g. www.bkb.cz). In addition, the courts have to inform the witnesses about their rights prior to their examination. This information forms a part of the summons and is once more given (and explained in more detail, if necessary) at the beginning of the examination. The information on witness’s right is therefore easily accessible.

Fees

Witnesses are not paid for testimony they are only reimbursed for their cash expenses and lost earnings. Witnesses are instructed to claim the cash expenses and the lost earnings within three days after giving the testimony, otherwise their claim forecloses. The exact amount of compensation is determined by the court. The witness has to submit documents proving his/her expenses (e.g. tickets) and as for the lost earnings, he/she submits his/her employer's confirmation on the amount of his/her average earnings. For the entrepreneurs the court calculates the amount according to its internal rules (based on the information stated in the income tax return of the entrepreneur).

Legal aids cases

In the course of the proceedings the court always pays compensation to the witnesses. In principle, the losing party shall reimburse the court for the expenses incurred in respect of the witness compensation. However, if the party in question meets the conditions for exemption from the court fees it is not obliged to reimburse these expenses to the court.

Payment

VAT is not applicable on the witness's compensation. The compensation is paid in cash or by wire transfer.

The witness is instructed to claim the cash expenses and the lost earnings within three days after giving the testimony, otherwise his/her claim forecloses. The witness has to submit the documents proving his expenses (e.g. tickets) and as for the lost earnings, he/she submits his/her employer's confirmation on the amount of his/her earnings. For the entrepreneurs the court calculates the amount according to its internal rules (based on the income tax of the entrepreneur).

The compensation is the total of cash expenses and lost earnings that the witness claims and the court recognizes as rightful. The total therefore depends on the

expenses and earnings. The compensation covers various costs (fare, allowance, lodging fee), which a witness can prove (e.g. with a receipt) and lost earnings. The compensation does not depend on the nature of the litigation.

In principle, the court pays the witnesses compensation and later gets it reimbursed by the losing party. However, it is possible (pursuant to section 150 of Civil Procedure Code) for the court to decide not to claim the fees reimbursed. The court might decide in this way when it is inadequately hard to the losing party to pay the compensation.

As witnesses' compensation is paid by the court there are no cases where the witnesses' compensation is taken care of by legal aid organizations.

In the case of a cross-border litigation, witness written statements have to be translated. In the case of a cross-border litigation, the witness statements do not have to be collected in a special proceeding. However, the court can ask respective foreign court in the form of letter of request to collect the witness' statements.

Practical questions

As a witness every individual who is not a party can be recognized. In case of an individual who is a statutory body for a legal entity, this individual can be used as a witness only when there is no other option to gain the information and this individual agrees with it. The witness has to speak the truth; he/she declares this on word of honour. Breach of this duty is considered as a criminal offence.

The witness identity data are collected and the witness is also asked to describe the circumstances that can afflict his testimony very carefully - these serve to the judge to consider the weight of witness evidence. The written testimony can be made in the form of a notary public's deed.

In compliance with the principle of directness, the court prefers an oral testimony which can be done by the court itself. The court always summons the witness or uses a letter of request to another court to make evidence. The evidence is recorded in a written form. The testimonies are collected by the judges during the hearing.

A testimony collected by a court in another Member State is valuable in the Czech courts if the other country's procedure complies with the principle of directness.

Conclusions and recommendations

The courts have to inform the witnesses about their rights prior to their examination. This information forms a part of the summons and is once more given (and explained in more detail, if necessary) at the beginning of the examination. The information on witness's right is therefore easily accessible.

Witnesses are not paid for testimony they are only reimbursed for their cash expenses and lost earnings. The exact amount of compensation is determined by the court. In the course of the proceedings the court always pays compensation to the witnesses. In principle, the losing party shall reimburse the court for the expenses incurred in respect of the witness compensation. However, if the party in question meets the conditions for exemption from the court fees it is not obliged to reimburse these expenses to the court.

Pledges and security deposits

General

Under Czech procedural law a party may not provide a security in the form of a pledge. A security deposit is required from a party applying for a preliminary ruling (injunction). The duty to pay the security deposit applies both on internal and cross-border disputes.

The security deposit is not required in the following cases:

- preliminary ruling in respect of a minor child without a proper care;
- preliminary ruling in the procedures that can be commenced by the court without a proposal of the party;

- preliminary ruling concerning alimony;
- preliminary ruling concerning employment matters;
- preliminary ruling concerning compensation for person's health;
- when the applicant is exempted from the court fees;
- if there is a danger in delay resulting into damage.

The court may impose on a party the obligation to make payment in advance of costs of evidence to be produced at the party's request or for its benefit.

As far as litigation between parties from Member States is concerned there is no other situation in which a security deposit could be required.

In principle, there are no cases where the security deposit would be organized by a legal aid organization.

In the case of a favourable decision for the party that has paid the security deposit, the court cannot order that the interests on the deposited amounts shall be paid for by the losing party.

Fees

The amount of the security deposit is set forth by law and is EUR 1,818 (CZK 50,000) in civil and EUR 3,636 (CZK 100,000) in commercial matters.

Payment

The security deposit has to be paid on the day of filing the motion for preliminary ruling at the latest.

Practical questions

The security is automatically requested by law in case of motions for preliminary ruling (injunction). The applicant has to deposit a security on the same day as he/she files the motion at the latest. The security is CZK 50,000 in civil and CZK 100,000 in commercial matters.

In the Czech Republic, the security deposit is not organized by legal aid organisations.

Conclusions and recommendations

Under Czech procedural law a party may not provide a security in the form of a pledge. A security deposit is required from a party applying for a preliminary ruling (injunction). The court may also impose on a party the obligation to make payment in advance of costs of evidence to be produced at the party's request or for its benefit.

In the case of a favourable decision for the party that has paid the security deposit, the court cannot order that the interests on the deposited amounts shall be paid for by the losing party.

Court decisions

Cost of notification

There are no court decision notification costs to be paid by the parties. Court documents are served by the court itself via providers of postal services or via court's employees. The respective costs are borne by the court.

Cost of obtaining an authenticated decision

Each party of the court proceedings receives one original counterpart of the judgement. This is for no extra charge. Upon a party's request, the court also provides it with another counterpart or certified copy of any document (including judgement) contained in the court file. The exact amount of fees for such additional counterparts and copies depends on the number of pages of the document. The court fee is EUR 2,5 (CZK 70) per page. If the copy is made by a photocopying machine or printed from a computer (which is always the case), the fee amounts to EUR 1,3 (CZK 35) per page.

Conclusions and recommendations

There are no court decision notification costs to be paid by the parties. Each party of the court proceedings receives one original counterpart of the judgement for no extra charge. Additional counterparts of the court decisions are available for a small fee.

Legal aid

General

The information on legal aid can be obtained at a number of public websites, brochures issued by non-governmental organizations and in information centres run by these organisations. This information is free of charge and available at the following websites:

www.cak.cz

www.eps.cz

www.bkb.cz

www.poradna-prava.cz

www.llp.cz

The legal aid in civil cases is stipulated for in Sections 30 and 138 of the Civil Procedure Code, in Section 18 of Act Nr. 85/1996 Coll., on the Legal Profession and in Act 629/2004 Coll., On Providing Legal Aid in Cross-border Disputes within the European Union. The legal aid can be granted in respect of any legal matter.

There are no official statistics on frequency of legal aid cases; however, one can estimate that such cases make less than 5 % of all cases.

There is no maximum income of the applicant above which it is impossible to obtain legal aid. Social and financial situation of an applicant depends not only on his/her income but also on many other factors (monthly expenses, number of dependent persons, debts, etc.). The particulars of the respective legal case are also taken into account. There are no statistics on average monthly income per capita in the Czech Republic available. In 2006, the average monthly income of a household member amounted to EUR 328 (CZK 9,713); the average monthly gross earnings of an employee currently amount to EUR 775 (CZK 21,642).

In principal, the losing party is obliged to pay the fees and cash expenses of the attorney of the winning party and the court fee to the court. Thus, the winning party who was granted the legal aid is not obliged to pay (reimburse) these costs itself.

Conditions of grant

Under Sections 30 and 138 of the Civil Procedure Code, an attorney can be assigned by the presiding judge to the person who seeks legal assistance on conditions that the financial and social conditions entitle the applicant to be exempted from the court fees and the applicant asks the court for such an assignment. The attorney is paid by the state. The legal aid under the Civil Procedure Code can be granted both to natural persons and legal entities.

Under Section 18 of Act Nr. 85/1996 Coll., on the Legal Profession, a person seeking legal assistance who does meet the conditions for assignment of an attorney under the Civil Procedures Code (see above) may ask the Bar Association to appoint him/her an attorney-at-law provided that he/she is not able to achieve an attorney him/herself. In the appointment, the Bar Association also sets out the conditions

under which the legal services shall be granted. The legal aid under the Act on Legal Profession can be granted both to natural persons and legal entities. According to the Bar Association, only one fifth of such applications is usually accepted. Particular cases are influenced by many factors of the applicants' financial situation (number of children, debts, monthly expenses).

Under Act 629/2004 Coll., On Providing Legal Aid in Cross-border Disputes within the European Union, any natural person domiciled or habitually resident in the Member State may submit his/her application for legal aid to the respective court (him/herself, via Czech Ministry of Justice or via the competent authority of the Member State). The legal aid is granted provided that the financial and social conditions entitle the applicant to exemption from the court fees. The legal aid under Act on Providing Legal Aid in Cross-border Disputes can be granted only to natural persons.

Strings attached

Each of the subjects enumerated in the table below is covered by legal aid.

1. FAMILY LAW
▪ Conciliation/mediation
▪ Divorce
▪ Separation
▪ Adoption
▪ Children custody right
▪ Alimony
▪ Domestic violence
▪ Paternity issues
2. INHERITANCE AND ESTATE
3. LABOUR LAW
▪ Work accidents
▪ Redundancies
▪ Harassment
4. SOCIAL LAW
▪ Disabled people rights
▪ Social aid right
▪ Pensions
▪ Health
▪ War veterans
5. IMMIGRATION LAW
▪ Asylum rights

6. COMMERCIAL LAW
▪ Consumers protection
▪ Contracts
▪ Representation and agency
7. CIVIL LAW
▪ Consumers protection
▪ Contracts
8. ADMINISTRATIVE LAW
▪ Civil rights
▪ Human rights
▪ Education
9. PROPERTY LAW
▪ Lease
▪ Real property
10. CIVIL STATUS
11. RACIAL DISCRIMINATION

Practical questions

Legal aid also covers enforcement of court decisions. Under the Act on Legal Profession the legal aid can be granted also in regard of ADR proceedings and enforcement of ADR decisions. Legal aid under the Civil Procedure Code can be granted also in respect of enforcement of ADR decisions.

In principle, the legal aid in respect of the first-instance proceedings covers also appellate proceedings. The legal aid granted at the beginning of a trial can be withdrawn during the trial, provided that the beneficiary ceases to meet the respective conditions.

The legal aid under the Civil Procedure Code covers totally or partially the court fees and the fees of the lawyer and his/her cash expenses. If set out by the Bar Association in the appointment, the legal aid under the Act on Legal Profession can cover totally or partially the fees of the lawyer and his/her cash expenses. The legal aid granted under the Act on Providing Legal Aid in Cross-border Disputes within the European Union covers court fees, payment in advance of costs evidence, interpretation (if necessary), translation of the documents required by the court and presented by the foreign person as necessary for the resolution of the case, refund of costs of the foreign person's travel from his/her domicile or habitual residence, where the physical presence of the person is required.

In principal, the losing party is obliged to pay the fees and cash expenses of the attorney of the winning party and the court fee to the court. Thus, the winning party who was granted the legal aid is not obliged to refund these costs to the grantor of the legal aid itself. An exception is the legal aid granted under the Act on Providing Legal Aid in Cross-border Disputes within the European Union: Under this Act, the court may order the beneficiary to refund to the Czech Republic the expenses incurred in respect of the legal aid granted to the beneficiary provided that the financial and social circumstances of the beneficiary improve to a favourable decision.

Concerning the cross-border litigation, the legal aid may be granted in accordance with Act 629/2004; on Providing of Legal Aid in Cross-border disputes within EU (special form has to be filled).

Conclusions and recommendations

The legal aid in civil cases is stipulated for in Sections 30 and 138 of the Civil Procedure Code, in Section 18 of Act Nr. 85/1996 Coll., on the Legal Profession and in Act 629/2004 Coll., On Providing Legal Aid in Cross-border Disputes within the European Union. The legal aid can be granted in respect of any legal matter.

The information on legal aid can be obtained at a number of public websites, brochures issued by non-governmental organizations and in information centres run by these organisations. This information is free of charge.

In principal, the losing party is obliged to pay the fees and cash expenses of the attorney of the winning party and the court fee to the court. Thus, the winning party who was granted the legal aid is not obliged to refund these costs to the grantor of the legal aid itself. An exception is the legal aid granted under the Act on Providing Legal Aid in Cross-border Disputes within the European Union as the court may order the beneficiary of such aid to refund to the Czech Republic the expenses incurred in respect of the legal aid granted to the beneficiary provided that the financial and social circumstances of the beneficiary improve to a favourable decision.

Personal experience

In my career, I have been confronted with cross-border issues where the costs of justice were too expensive for my clients. The clients therefore decided not to bring the matters to the court. The possibility of obtaining the benefit of legal aid was not examined in detail in those cases as the clients were mainly legal entities and their financial and social circumstances would not justify provision of the legal aid in the Czech Republic.

I have been also confronted with cross-border issues where the court was located in another Member State, and where I was unable to evaluate clearly the costs of justice. I dealt with this situation by requesting a cooperating law firm in the respective Member State to provide me with an estimation of those costs.

I have been also involved in cross-border trials needing cooperation with lawyers residing in a different Member State than the Czech Republic. In these cases the court proceedings were held before the Czech courts whereas the legal relationship in question was governed by laws of another Member State. The client's legal advisors provided me with advice on the respective provisions of the governing law which had increased the costs of the client.

In my view the main deterrent to seeking justice in cross-border disputes is the comprehension of the local judicial system in another Member State and its costs.

Case studies

Case study 1

Case Study number 1 - Family law - Divorce (excluding division of matrimonial property)

In the following Case Study please advise the party that files for divorce on litigation costs.

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 B¹.

Case Study 1	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	CZK 1,000 (EUR 36)	marriage certificate - CZK 30 per page (EUR 1, VAT excl.)	None.	CZK 1,000 (EUR 36)	Very unlikely. If any, up to EUR 15 in total	None.	No.	Not applicable.
Case B	CZK 1,000 (EUR 36)	marriage certificate -	marriage certificate -	CZK 1,000 (EUR 36)	Very unlikely.	None.	No.	Not applicable.

¹ N.B : Article 3 of Regulation EC n°2201/2003 provides that: “In matters relating to divorce, legal separation or marriage annulment, jurisdiction shall lie with the courts of the Member State

(a) in whose territory:

— the spouses are habitually resident, or
 — the spouses were last habitually resident, insofar as one of them still resides there”

If the country B is the Czech Republic	36)	CZK 30 per page (EUR 1, VAT excl.)	fees for Apostile	36)	If any, up to EUR 15 in total			able
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Case Study 1	Lawyer		Bailiff			Expert	
	Is representation compulsory?	Average costs	Is representation compulsory?	Pre-judgment costs	Post-judgment costs	Is use compulsory?	Cost
Case A	No.	CZK 10,000 (EUR 364, VAT excl.)	Bailiff (enforcement) is not necessary in this case. Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable	Not applicable.	No	Not applicable.
Case B	No.	CZK 10,000 (EUR 364, VAT excl.)	Bailiff is not necessary in this case Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable	Not applicable.	No	Not applicable.
Case 1	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.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Not applicable.	Not applicable.	Not applicable.	None.
Case B	Yes.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Not applicable	Not applicable.	Not applicable.	None.

Case 1	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 organization?

Case A	Legal aid is applicable if (i) the party is due to its pure financial situation exempted from the court fees and (as the case may be) an attorney is assigned to it by the court or (ii) no attorney is willing to represent the party with legal services and the Bar Association assigns it an attorney.	When it is justified by the financial situation of the party .	If the financial situation of the respective person is unfavorable and the judge (or Bar Association) decides on granting of legal aid	In principle no, however, the court can exceptionally award the reimbursement if the circumstances of the case or of the parties justify it.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent can be reimbursed	No, Czech law does not provide for such a reimbursement.
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Case B	the same, in case of the wife the legal aid would be granted under the conditions set out in the Act on Providing Legal Aid in Cross-Border Disputes within the EU.	When it is justified by the financial situation of the party .	If the financial situation of the respective person is unfavorable and the judge (or Bar Association) decides on granting of legal aid	In principle no, however, the court can exceptionally award the reimbursement if the circumstances of the case or of the parties justify it.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent can be reimbursed	No, Czech law does not provide for such a reimbursement.
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Case 1	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	Not necessary in this case.	Not applicable.	Not necessary in this case.	None.	No.	None.
Case B	Required in this case, because the action and written statements and documents have to be filed in the language of the court.	CZK 100-350 per page (EUR 4–13, VAT excl.), in average EUR 65–130 in total.	Required in this case, because procedure will be conducted in the language of the court. However, as each party has the constitutional right to use its mother tongue, the interpreter is paid by court.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 15–80 in total.	No.	None.

Case Study 2

Case Study number 2 - Family law - Custody of the children (excluding alimony questions)

In the following Case Study please advise the suing party on litigation costs by completing the table below.

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 access².

Case Study 2	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	exempted from the court fees	Very unlikely. If any, up to EUR 15 in total	None.	exempted from the court fees)	Very unlikely. If any, up to EUR 15 in total	None.	No.	None.

² N.B : Article 8 of Regulation EC n° 2201/2003 provides that : "The courts of a Member State shall have jurisdiction in matters of parental responsibility over a child who is habitually resident in that Member State at the time the court is seized."

Case B	exempted from the court fees	Very unlikely. If any, up to EUR 15 in total	None.	exempted from the court fees	Very unlikely. If any, up to EUR 15 in total	None.	No.	None.
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Case Study 2	Lawyer		Bailiff			Expert	
	Is representation compulsory?	Average costs	Is representation compulsory?	Pre-judgment costs	Post-judgment costs	Is use compulsory?	Cost
Case A	No.	CZK 5,000 – 15,000 (EUR 179 – 536)	Bailiff (for enforcement) is not necessary in this case Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable.	Not applicable.	No.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 100 - 535 in total.
Case B	No.	CZK 5,000 – 15,000 (EUR 179 – 536)	Bailiff is not necessary in this case Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable.	Not.	No.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 100 - 500 in total

Case 2	Witness compensation		Pledge or security		Other fees	
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	Are witnesses compensated?	Cost	Does this exist and when and how is it used?	Cost	Description	Cost
Case A	Yes.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Not applicable.	Not applicable.	No.	None.
Case B	Yes.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Not applicable.	Not applicable.	No.	None.

Case 2	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	Legal aid is applicable if (i) the party is due to its pure financial situation exempted from the court fees and (as the case may be) an attorney is assigned to it by the court or (ii) no attorney is willing to represent the party with legal services and the Bar Association assigns it an attorney.	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party.	In principle no, however, the court can exceptionally award the reimbursement if the circumstances of the case or of the parties justify it.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent can be reimbursed	No, Czech law does not provide for such a reimbursement..
Case B	Same as in case A, in case of the father the legal aid would be granted under the conditions set out in the Act on Providing Legal Aid in Cross-Border Disputes within the EU.	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party.	In principle no, however, the court can exceptionally award the reimbursement if the circumstances of the case or of the parties justify it.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent can be reimbursed	No, Czech law does not provide for such a reimbursement..

Case 2	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	Not necessary in this case. (The action will be filed in the language of the court.)	None.	Not necessary in this case. (The procedure will be conducted in the language of the court.)	None.	Not applicable.	None.
Case B	May be needed in this case, because the action and all written statements and documents have to be filed in the language of the court.	CZK 100-350 per page (EUR 4–13, VAT excl.), in average EUR 65–130 in total.	May be needed in this case, because procedure will be conducted in the language of the court. However each party has a constitutional right to use its mother tongue. The interpreter is paid by court.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 15–80 in total.	Not applicable.	None.

Case Study 3

Case Study number 3 - Family law - Alimony

In the following Case Study please advise the suing party on litigation costs by completing the table below.

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 A³.

Case Study 3	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	exempted	Very unlikely. If	None	exempted from	Very unlikely. If	None	No.	None

³ NB Article 5 of COUNCIL REGULATION (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters provides that: "in matters relating to maintenance, in the courts for the place where the maintenance creditor is domiciled or habitually resident or, if the matter is ancillary to proceedings concerning the status of a person, in the court which, according to its own law, has jurisdiction to entertain those proceedings, unless that jurisdiction is based solely on the nationality of one of the parties"

	from the court fees	any, up to EUR 15 in total		the court fees	any, up to EUR 15 in total			
Case B	exempted from the court fees	Very unlikely. If any, up to EUR 15 in total	None	exempted from the court fees	Very unlikely. If any, up to EUR 15 in total	None	No.	None

Case Study 3	Lawyer		Bailiff			Expert	
	Is representation compulsory?	Average costs	Is representation compulsory?	Pre-judgment costs	Post-judgment costs	Is use compulsory?	Cost
Case A	No.	CZK 5,000 – 15,000 (EUR 182 – 545)	Bailiff is not necessary in this case Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable	In case of enforcement via bailiff (judicial executor), the plaintiff may be asked to pay a retainer up to CZK 3,000 (EUR 107). The bailiff's fees (calculated from the enforced amount) would be paid by the defendant (father).	Not applicable.	None
Case B	No.	CZK 5,000 – 15,000 (EUR 182 – 545)	Bailiff is not necessary in this case Under Czech law all courts documents are served directly	Not applicable	same as in case A if the father has assets in Member State A.	Not applicable.	None

			by the court and the court also bears the costs of delivery				
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Case 3	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.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Not applicable.	None	No.	None
Case B	Yes.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Not applicable.	None	No.	None

Case 3	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	Legal aid is applicable if (i) the party is due to its pure financial situation exempted from the court fees and (as the case may be) an attorney is assigned to it by the court or (ii) no attorney is willing to represent the party with legal services and the Bar Association assigns it an attorney.	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party.	In principle no, however, the court can exceptionally award the reimbursement if the circumstances of the case or of the parties justify it.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent can be reimbursed	No, Czech law does not provide for such a reimbursement..
Case B	Same as in case A, in case of the father the legal aid would be granted under the conditions set out in the Act on Providing Legal Aid in Cross-Border Disputes within the	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party.	In principle no, however, the court can exceptionally award the reimbursement if the circumstances of the case or of the parties justify it.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent can be reimbursed	No, Czech law does not provide for such a reimbursement..

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Case 3	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	Not necessary.	Not applicable	Not necessary.	Not applicable	Not applicable.	Not applicable
Case B	May be necessary in this case, because the action, written statements and all documents have to be filed in the language of the court.	CZK 100-350 per page (EUR 4–13, VAT excl.), in average EUR 65–130 in total	May be necessary in this case, because procedure will be conducted in the language of the court. However, as each party has constitutional right to use its mother tongue, the interpreter is paid by court.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 15–80 in total	Not applicable.	Not applicable

Case Study 4

Case Study number 4 - Commercial law - Contract

In the following Case Study please advise the seller on litigation costs by completing the table below.

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 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 4	Court	Transcription fees	Other fees	Appeals			ADR	Costs
				Initial court fees	Transcription fees	Other fees		
Case A	CZK 22,400 (approx. EUR 800)	Very unlikely. If any, up to EUR 15 in total	None	CZK 22,400 (approx. EUR 800)	Very unlikely. If any, up to EUR 15 in total	None	Yes.	CZK 17,052 (EUR 609)
Case B	CZK 22,400 (approx. EUR 800)	Very unlikely. If any, up to EUR 15 in total	None	CZK 22,400 (approx. EUR 800)	Very unlikely. If any, up to EUR 15 in total	None	Yes.	CZK 93,466 (EUR 3,338)

Case Study 4	Lawyer		Bailiff			Expert	
	Is representation compulsory?	Average costs	Is representation compulsory?	Pre-judgment costs	Post-judgment costs	Is use compulsory?	Cost
Case A	No.	CZK 30,000 - 60,000 (EUR 1,071 – 2,143, VAT excl.) for representation in one instance	Bailiff (enforcement) is not necessary in this case Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable	In case of enforcement via bailiff (judicial executor), the plaintiff may be asked to pay a retainer up to CZK 3,000 (EUR 107). The bailiff's fees (calculated from the enforced amount) would be paid by the defendant.	No, but very likely.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 100 - 535 in total
Case B	No.	CZK 50,000 – 100,000 (EUR 1,818 – 3,636, VAT excl.) for representation in one instance	Bailiff (enforcement) is not necessary in this case Under Czech law all courts documents are served directly by the court and the court also bears the costs of delivery	Not applicable	Same as in case A if the defendant has assets in the Czech Republic	No, but very likely.	350 per hour (EUR 4–13, VAT excl.), in average EUR 100 - 535 in total

Case 4	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.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Yes, if the plaintiff applies for a preliminary ruling (injunction)	CZK 100,000 (EUR 3,636)	No	None
Case B	Yes.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 – 50 in total	Yes, if the plaintiff applies for a preliminary ruling (injunction)	CZK 100,000 (EUR 3,636)	No	None

Case 4	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	Legal aid is applicable if (i) the party is due to its pure financial situation exempted from the court fees and (as the case may be) an attorney is assigned to it by the court or (ii) no attorney is willing to represent the party with legal services and the Bar Association assigns it an attorney.	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party	Yes.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent are reimbursed, however some of them (e.g. lawyers fees) in an amount set out by legal regulation (i.e. not in the actual amount paid by the party to the lawyer).	No, Czech law does not provide for such a reimbursement..

Case B	Legal aid is applicable if (i) the party is due to its pure financial situation exempted from the court fees and (as the case may be) an attorney is assigned to it by the court or (ii) no attorney is willing to represent the party with legal services and the Bar Association assigns it an attorney.	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party	Yes.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent are reimbursed, however some of them (e.g. lawyers fees) in an amount set out by legal regulation (i.e. not in the actual amount paid by the party to the lawyer).	No, Czech law does not provide for such a reimbursement..
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Case 4	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	Not in this case.	Not applicable.	Not in this case.	Not applicable.	Not applicable.	Not applicable.

Case B	The action has to be filed in Czech. The contract and other documents supporting the plaintiff's case have to be translated into Czech.	CZK 100-350 per page (EUR 4–13, VAT excl.), in average EUR 65–130 in total	The court proceedings are conducted in the Czech language. Thus, all testimonies and oral statements of the parties have to be in Czech.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 15–80 in total	Not applicable.	Not applicable.
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Case Study 5

Case Study number 5 - Commercial law - Responsibility

In the following Case Study please advise the customer on litigation costs by completing the table below.

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 5	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	4% of the claimed amount	Very unlikely. If any, up to EUR 15 in total	None	4% of the claimed amount	Very unlikely. If any, up to EUR 15 in total	None	Yes	3% of the claimed amount , CZK 1,000,000 (EUR 36,364 at the maximum)
Case B	4% of the claimed amount	Very unlikely. If any, up to EUR 15 in total	None	4% of the claimed amount	Very unlikely. If any, up to EUR 15 in total	None	Yes	Depends on the claimed amount, however these costs are higher than in case A

Case Study 5	Lawyer		Bailiff			Expert	
	Is representation compulsory?	Average costs	Is representation compulsory?	Pre-judgment costs	Post-judgment costs	Is use compulsory?	Cost
Case A	No.	CZK 30,000 – 60,000 (EUR 1091 – 2,182, VAT excl.) for representation in one instance	No.	Not applicable.	In case of enforcement via bailiff (judicial executor), the plaintiff may be asked to pay a retainer up to CZK 3,000 (EUR 109). The bailiff's fees (calculated from the enforced amount) would be paid by the defendant.	No, but very likely.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 100 - 535 in total
Case B	No.	CZK 50,000 – 100,000 (EUR 1,818 – 3,636, VAT excl.) for representation in one instance	No.		Same as in case A if defendant has assets in the Czech Republic.	No, but very likely.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 100 - 535 in total

Case 5	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.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 - 50 in total	Yes, if the plaintiff applies for a preliminary ruling (injunction)	CZK 100,000 (EUR 3,636)	None	None
Case B	Yes.	Witness's out-of-pocket expenses and lost earnings, in average EUR 20 - 50 in total	Yes, if the plaintiff applies for a preliminary ruling (injunction)	CZK 100,000 (EUR 3,636)	None	None

Case 5	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	Legal aid is applicable if (i) the party is due to its pure financial situation exempted from the court fees and (as the case may be) an attorney is assigned to it by the court or (ii) no attorney is willing to represent the party with legal services and the Bar Association assigns it an attorney.	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party.	Yes.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.	In principle all costs connected with the proceedings and efficiently spent are reimbursed, however some of them (e.g. lawyers fees) in an amount set out by legal regulation (i.e. not in the actual amount paid by the party to the lawyer).	No.
Case B	Same as in case A	When it is justified by the financial situation of the party.	When it is justified by the financial situation of the party.	Yes.	If the circumstances of the case or of the parties justify it the court can award the reimbursement of costs up to 100%.		No.

Case 5	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	Not necessary in this case.	No	Not necessary in this case.	No	No	No
Case B	The documents supporting the defendants' have to be translated into Czech (if they are in foreign language).	CZK 100-350 per page (EUR 4–13, VAT excl.), in average EUR 65–130 in total	The court proceedings are conducted in the Czech language. Thus, all testimonies and oral statements of the parties have to be in Czech.	CZK 100-350 per hour (EUR 4–13, VAT excl.), in average EUR 15–80 in total	No	No

Legal costs insurance

In the Czech Republic, the insurance covering the risk of litigation in civil proceedings is available (see for example www.das.cz).

The cost of such insurance (insurance premium) depends in particular on the scope of the insurance coverage (e.g., legal disputes arising from ownership of a car on one side and legal disputes arising from a business activity on the other side) and upper limit of the insurance performance.

In principle, this type of insurance covers insurance events arising anywhere in the European Union and would therefore work also in cross-border legal disputes within the European Union.

The standard insurance premium for this type of insurance includes legal disputes within the European Union. At the request of the insured, the insurers are in principle willing to reduce the coverage only to internal legal disputes which would also mean lower insurance premium.

This type of insurance usually covers all types of costs identified in this report, however, with certain limitation as to the amount of such costs. Thus, unless in case of a particular

insurance event agreed otherwise, representation fees are paid/reimbursed only in the amount set forth in the respective professional tariff; the fees for expert assessments are paid/reimbursed only if such an assessment is ordered by the court (i.e., the cost of the expert assessments ordered by parties are not covered, unless agreed otherwise in the insurance contract).