

The Law on the Legal Profession*

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I. GENERAL PROVISIONS

Content of the Law

Article 1

This Law regulates the organization and the activity of the legal profession as an autonomous and independent service of rendering legal assistance to natural and legal persons in order to realize and protect their rights and legal interests.

Autonomy and Independence of the Legal Profession

Article 2

The autonomy and independence of the legal profession shall primarily be achieved by:

- the independent functioning of the legal profession as a free activity,
- the organization of the legal profession within the Croatian Bar Association (hereinafter called: the Association) as an independent association of attorneys in the territory of the Republic of Croatia,
- the adoption of by-laws and other enactments of the Association,
- decision-making regarding the acquisition and termination of the right to practice law.

Authority of An attorney

Article 3

Attorneys shall offer all kinds of legal assistance and they shall in particular:

- give legal advice,
- draft documents (contracts, wills, statements, etc.),
- draw up claims, complaints, motions, requests, extraordinary legal remedies and other pleadings,
- represent their clients.

Execution of Legal Practice

Article 4

(1) An attorney shall have the obligation to carry out his or her legal practice regularly and effectively.

(2) An attorney is not allowed to carry out activities that are contrary to the reputation and independence of the legal profession.

Rendering Legal Assistance for Remuneration

Article 5

(1) If not otherwise determined by law, only attorneys are allowed to render professional legal assistance.

(2) Professors and Assistant Professors teaching legal subjects at the universities in the Republic of Croatia are allowed to give legal advice and opinions for compensation. They are not authorized to give any other form of legal assistance.

(3) Legal advice and legal opinions referred to in Section 2 of this Article do not include the drafting of documents (contracts, wills, statements, etc.) or claims, complaints, motions, requests, extraordinary legal remedies and other pleadings.

(4) Persons referred to in Section 2 of this Article shall inform the Association about their intention to render legal assistance for the purpose of registration.

(5) Persons referred to in Section 2 of this Article shall abide by the legal provisions, the by-laws of the Association and the Attorneys' Code of Ethics when rendering legal assistance.

Unauthorized Legal Assistance

Article 6

The Association shall initiate legal proceedings in the cases of unauthorized legal assistance, unless otherwise determined by law.

Types of Legal Assistance

Article 7

(1) Attorneys shall have the obligation to offer legal assistance conscientiously and in accordance with the Constitution of the Republic of Croatia and the Law, the by-laws and other enactments of the Association, as well as in accordance with the Attorneys' Code of Ethics.

(2) Attorneys shall have the right and duty, within the bounds of the Law and the obtained authority, to undertake any action that by their judgement is beneficial to the client.

Substitution in Representation

Article 8

In the representation of a client, An attorney may be substituted by another attorney and also, under the conditions stipulated by the Law, by a law trainee working in the same law office or in the law office of the substituting attorney.

Denying Legal Assistance

Article 9

(1) An attorney shall offer legal assistance to any client who seeks it, and is allowed to deny it only for the reasons specified by the Law, the by-laws of the Association and the Attorneys' Code of Ethics.

(2) An attorney shall deny legal assistance if:

- he or she or any other attorney working or having worked in the same law office and on the same case or the cases connected with it has represented the opposite party or both parties, has given them legal advice or received instruction from them,
- he or she has worked in the same matter or a matter legally connected with it as a law trainee for the attorney who has represented the opposite party,
- he or she has worked in the same matter or a matter connected with it as a judge, a public attorney or an official in an administrative or other action,
- he or she has worked in other situations prescribed by the Law, the by-laws of the Association and the Attorneys' Code of Ethics.

(3) An attorney who is authorized by the Association to offer specialized legal assistance may deny it if it does not fall within his or her specialization.

Cancellation of Power of Attorney

Article 10

(1) An attorney shall cancel power of attorney for the same reasons for which he or she is allowed to deny legal assistance according to Article 9, Section 1 of this Law. An attorney shall have to cancel his or her power of attorney if he or she establishes that there are reasons for which, according to Article 9, Section 1 of this Law, power of attorney ought to be cancelled.

(2) An attorney shall continue rendering legal assistance after he or she has cancelled the representation if there is a pending damage to the client to be settled, but for the longest period of 30 days after power of attorney had been cancelled.

Safekeeping and Returning of Documents

Article 11

(1) Upon the cancellation of representation, the attorney shall return to the client, upon his or her request, all the client's files and documents.

(2) The attorney shall safeguard all the documents for at least ten years after the finality of the legal proceedings in which he or she has represented a client.

Signing of Submissions and Documents

Article 12

Every submission or document drafted by the attorney must be signed and sealed by the seal of the law office. If the attorney practices law within a Law Society, apart from the seal of the Law Society, the personal seal must also be affixed.

Protection of Confidences and Secrets

Article 13

(1) The attorney must, in accordance with the Law, preserve as the attorney's secret anything that his or her client has entrusted to him or her or that in the course of representation of the client the attorney has discovered.

2) The attorney's secret should also be preserved by other persons that work or have worked in the law office.

Availability of Data

Article 14

Governmental bodies, legal and natural persons possessing public authority shall provide the attorney with the data necessary for the execution of his or her legal service in a particular case, unless it is contrary to the obligation of keeping an official or professional secret.

Responsibility for the Given Opinion

Article 15

An attorney shall not be criminally liable for his or her legal opinion expressed while

rendering legal assistance in the proceedings before the court or other governmental bodies.

Detention

Article 16

An attorney may not be detained for a criminal act committed while rendering legal assistance without the prior consent of the competent court panel of three judges.

Search of an Attorney and the Attorney's Law Office

Article 17

(1) A search of an attorney and his or her law office may only be ordered by a competent court if all the conditions stipulated by the Criminal Procedure Act have previously been fulfilled.

(2) When a search of an attorney and his or her law office has been ordered, the court shall immediately notify the Association and the Local Bar Association in whose territory the law office to be searched is located. The search must neither begin nor be carried out without the presence of an authorized representative of the Association or the Local Bar Association, unless they, without a justified excuse, do not respond to a timely invitation to be present at the search.

(3) The judge who has issued the search-warrant or any other justice authorized by him or her must be present at the search to decide which documents and objects should be examined.

(4) When searching an attorney or a law office, the secrecy of documents and objects must not be violated to the detriment of the clients.

(5) The search of an attorney or a law office shall be limited to the examination of only those documents and objects that are directly connected with the criminal act that is the ground for the proceedings.

(6) Evidence obtained contrary to the provisions of this Article shall not be used in the proceedings against the attorney and his or her clients.

II. REMUNERATION AND COMPENSATION OF COSTS

The Attorney's Fee

Article 18

(1) An attorney is entitled to a fee for his or her legal services and to compensation of the costs incurred in connection with the work done, according to the set tariff established by the Association.

(2) The fee for a defense ex officio is established by the Ministry of Justice.

(3) The fee schedule rate shall be published in the official gazette "Narodne novine".

Agreement For the Fee Relative to the Achievements of the Legal Service

Article 19

(1) In property-rights relations, attorneys are allowed to agree with their clients on remuneration for their work relative to the achievements in the proceedings and, for the legal operations performed for the client, according to the set tariff for the legal service.

(2) The upper limit of the percentage for the agreed remuneration is established in the set tariff for the legal service.

(3) The agreement referred to in Section 1 of this Article is valid only if made in writing.

Right of Acquittance and Security

Article 20

(1) For the costs and the pending remuneration settlement, the attorney may reimburse himself or herself from the cash that his or her client has deposited with him or her, or that he or she has received or charged, unless otherwise agreed between the attorney and the client. If that case, the attorney shall be responsible for settling the accounts with the client without delay.

(2) The attorney shall have the right of security of the funds he or she receives in the name of the client in order to cover his or her remuneration or the compensation of costs.

Free Legal Assistance

Article 21

The Association shall organize free legal assistance for the victims of the war for the homeland and other deprived persons in legal issues that such persons realize as a matter of rights connected with their position, as well as in some other cases provided for by the enactments of the Association.

III. LAW OFFICES

Main Offices and Administrative Offices

Article 22

(1) An attorney may have only one office.

(2) Joint offices and law firms may have more administrative offices, under the condition that in each administrative office at least one full-time attorney is employed.

(3) The main office is headquartered in the same place as the administrative office, which in the application to the Association must be designated as the law office location.

Change of Location of the Main Office and the Administrative Office

Article 23

(1) Every attorney can freely choose and alter the headquarters of his or her law office within the territory of the Republic of Croatia.

(2) The Association must be notified of every intended change of the law office headquarters and of the administrative office.

(3) The change of the law office headquarters and of the administrative office shall be recorded by entering the change in the corresponding files of the Association.

(4) The Association shall make the entry referred to in Section 3 of this Article within 15 days.

A Delivery in Writing

Article 24

A delivery in writing to an attorney in connection with judicial, administrative and other proceedings shall be made through an administrative office manned by an authorized attorney.

Joint Offices

Article 25

- (1) Several attorneys may have a joint office. In that case, the attorneys settle their mutual rights and obligations in a written agreement.
- (2) Attorneys who intend to have a joint office shall have to register the agreement referred to Section 1 of this Article with the Association.
- (3) The joint office shall be established by an entry in the corresponding register of the Association.
- (4) The Association must make the entry referred to in Section 3 of this Article within 15 days.

Responsibility of Attorneys in a Joint Office

Article 26

The attorneys in a joint office shall have joint and several responsibility for the obligations arising from running a joint office.

Law Firms

Article 27

- (1) Two or more attorneys enrolled on the list of attorneys with the Association may establish a attorneys' office with the capacity of a legal person (a law firm).
- (2) A law firm is established as a public company.

Article 28

- (1) Only an attorney may be a member of a law firm.
- (2) The rights and duties of the law firm's members shall be regulated by a written Charter of Foundation. It shall also regulate the rights and duties of the remaining members in the case of death of a law firm member, as well as the rights of an heir of a deceased member of a law firm.

Article 29

- (1) Legal Assistance in a law firm shall only be rendered by attorneys and law trainees.
- (2) The attorneys who work in a law firm do not need to be its members.

Article 30

- (1) The enactment provisions of a law firm shall not endanger the attorneys' independence when practicing law.
- (2) An attorney who works in a law firm shall have to render the forms of legal assistance designated to him by the law firm, unless it is determined differently in the agreement made between the law firm and the attorney.

Article 31

- (1) In order to establish a law firm, the attorneys-founders must obtain prior consent from the Association which establishes whether the Charter of Foundation is in compliance with the Law, the by-laws and other enactments of the Association, as well as with the Attorneys' Code of Ethics. In the absence of such consent, the law firm cannot be entered in the Law Firm Register.
- (2) The law firm shall inform the Association about the entry in the Law Firm Register not later than three (3) days from the receipt of the decision issued by the competent court.

(3) The Association shall enter the newly established law firm in the list of law firms not later than three (3) days after the received notice about the entry in the Law Firm Register.

(4) Neither the law firm nor its individual members-attorneys shall be allowed to provide legal assistance prior to enrollment in the list of law firms.

Article 32

(1) If the Association finds that there is a serious violation of the Law, the by-laws of the Association or the Attorneys' Code of Ethics caused by the operation of a law firm by virtue of the agreements made between the law firm and its members and by the conditions under which attorneys carry out their activities, it can issue a decision by which it will ban the operation of the law firm, and when it becomes final, remove its name from the list of law firms.

(2) The decision to ban the operation of a law firm is an administrative act against which an administrative lawsuit may be initiated.

(3) The Association may decide to suspend the operation of a law firm until the Decision referred to in Section 1 of this Article becomes final. An appeal against such a decision shall not postpone its execution.

(4) The Association shall notify, without delay, the competent Court of Registration of the issued Decision referred to in Section 1 and 3 of this Article, in order to make an appropriate entry.

(5) On the basis of the final Decision by the Association to remove the name of a law firm from the list of law firms, the competent Court of Registration shall initiate regular liquidation or bankruptcy proceedings.

Article 33

The attorneys working in law firms shall not be liable pursuant to the general rules on liability for the legal assistance offered to their clients. Law firm members shall have joint and several responsibility for the obligations of the law firm and the attorneys working therein resulting from the activity of rendering legal assistance.

Article 34

In regard to the obligation of preserving secrets, to the disciplinary rules and the attitude towards the Association and its bodies, the attorneys working in law firms shall have the same rights and duties as the attorneys who run their own offices.

Article 35

The Association shall keep a separate list of law firms.

Affiliations Among Law Offices

Article 36

(1) A law office may affiliate by virtue of a written agreement with other domestic or foreign law offices, in order to carry out the activities of common interest and to provide mutual service.

(2) The conditions and ways of affiliation referred to in Section 1 of this Article shall be determined by the by-laws of the Association.

(3) Law offices shall have the obligation to submit to the Association, without delay, a copy of the agreement referred to in Section 1 of this Article.

(4) The Association shall have the duty of warning law offices about the flaws or incompliances of the agreement referred to in Section 1 of this Article with the Law, the by-laws of the Association or the Attorneys' Code of Ethics.

IV. ORGANIZATION OF THE LEGAL PROFESSION

Compulsory Membership of the Association

Article 37

- (1) Attorneys must be members of the Association which is an autonomous and independent organization with the capacity of a legal person.
- (2) The Association represents the legal profession of the Republic of Croatia as a whole.

Bodies of the Association

Article 38

- (1) The bodies of the Association are the Assembly, the Management Board, the Executive Committee, the President and other bodies established by the by-laws of the Association .
- (2) The organization, the competence, the composition, the appointment and the rights and duties of the Association are laid down in the by-laws and other enactments of the Association.

Cooperation With Other Bodies and Associations

Article 39

- (1) The Association shall follow and analyze the relations and events that are of interest for the organization and the protection of freedoms and rights of citizens and legal persons, and for the advancement of the legal profession.
- (2) The Association shall inform the House of Representatives and the House of Counties of the Parliament of the Republic of Croatia, as well as the representative bodies of the local self-government units, on its own initiative or at their request, about the state of art and the problems of the legal profession, and the measures to be taken in order to promote the legal profession and to protect the freedoms and rights of citizens and legal persons.
- (3) The Association shall cooperate with governmental bodies and the bodies of self-government units in solving the issues important for the accomplishment of the tasks of the legal profession.
- (4) The Association shall make decisions regarding cooperation with other Bar Associations.

Monitoring the Work of the Association and of the Legal Profession

Article 40

- (1) The Ministry of Justice shall monitor and study the activities of the legal profession and the conditions for its work, and for that purpose it may request the Association to provide the necessary reports and data, keeping in mind the independence of the legal profession.
- (2) The Association shall submit to the Ministry of Justice the reports and the data referred to in Section 1 of this Article within 30 days, or to notify them within the same period of the reasons for not being able to submit the necessary reports or data.

Enactments of the Association

Article 41

- (1) The Assembly of the Association shall pass the by-laws of the Association.
- (2) The by-laws of the Association shall determine its organization, the forms of the attorneys'

associations in the territory of one or more local self-government units, the working conditions in joint law offices and law firms, the affiliations among law offices, the rights and duties of attorneys and law trainees towards the Association, the disciplinary action for the identification of violations of the duties and the reputation of the legal profession and other issues important for the legal profession.

(3) The by-laws of the Association shall be published in the official gazette "Narodne novine".

The Attorneys' Code of Ethics

Article 42

(1) The Assembly of the Association shall adopt the Attorneys' Code of Ethics.

(2) The Attorneys' Code of Ethics, starting from the basic values of the society, establishes the set of principles and rules that attorneys and law clerks are obliged to follow when practicing law.

(3) The Attorneys' Code of Ethics is published in the official gazette "Narodne novine".

Lists of Names and Registers

Article 43

(1) The Association shall run a list of attorneys and law trainees, as well as registers of joint law offices and law firms and other records established by the Law or the by-laws of the Association.

(2) The lists, registers and records referred to in Section 1 of this Article are public books. Excerpts from the lists and other registers kept by the Association, as well as the notifications issued on the basis of the data from such registers, are public documents.

(3) The Association shall publish its final decisions regarding the entry or removal of the attorneys' names from the list or register in the official gazette "Narodne novine".

Liability Insurance

Article 44

(1) An attorney must be insured against liability for the damage he or she may cause to third parties while practicing law. The liability insurance contract for attorneys who are members of a law firm and who work in it are made by the law firm.

(2) The insurance conditions may provide for the damage to be covered directly by the attorney up to a certain amount.

(3) If changes in the insurance conditions should occur, the attorney shall, upon a notification thereof by the Association, adjust his or her insurance, without delay, according to the changed conditions.

(4) An attorney shall regularly extend his or her liability insurance.

(5) The Association may cover the liability insurance of all attorneys in the Republic of Croatia. In that case, the attorneys have the obligation of paying to the Association a liability insurance compensation.

(6) The omission of the liability insurance obligation and of the insurance payment to the Association constitutes a major violation of the attorneys' obligation.

(7) An underwriter must make a liability insurance agreement with the attorney who asks for it, or with the Association.

(8) The insurance conditions are commonly established by the underwriters of the Republic of Croatia in agreement with the Ministry of Justice and the Association. The underwriter has the

obligation to appoint a representative for each subsequent year. If he omits to do so by the end of October of the current year, the representative of the underwriter will be the one appointed by the Ministry of Justice. The corresponding decision by the Ministry will not be considered an administrative act.

(9) If the agreement referred to in the previous Section of this Article is not reached within thirty (30) days from the request by any party made to the other two parties, the insurance conditions shall be determined, on the recommendation of either party, by the Permanent Arbitration Court at the Croatian Chamber of Commerce. The adjudication of the Permanent Arbitration Court determining the insurance conditions for the following year is final and effective regarding all underwriters, the Ministry of Justice, the Association and attorneys and law firms.

(10) It is held that an attorney has made an insurance agreement when he or she has applied for insurance, regardless of the fact whether the agreement referred to in Section 8 of this Article has already been made at that time.

(11) If an attorney has caused damage to a third party on purpose or out of wanton negligence, the underwriter who has compensated for the damage to a third party has the right of recourse to the attorney or to the law firm.

Membership Fees

Article 45

An attorney shall regularly pay the membership fee and settle all other obligations towards the Association.

V. ACQUISITION AND LOSS OF RIGHT TO PRACTICE LAW

Acquisition of the Right to Practice Law

Article 46

(1) The right to practice law in the territory of the Republic of Croatia shall be acquired by being enrolled on the list of attorneys and upon taking an oath.

(2) The decision to be entered in the list of attorneys shall be made by a body of the Association specified in its by-laws.

Attorneys Enrolled in the Lists of Other Associations

Article 47

In the procedures before the Permanent Arbitration Courts in legal matters with a foreign element, parties may be represented by attorneys enrolled in the lists of associations of other countries.

Enrollment Conditions

Article 48

The right to be enrolled in the list of attorneys shall be given to the person fulfilling the following conditions:

1. that the person is of Croatian citizenship;
2. that the person possesses business capacity;
3. that the person's health conditions are such as to allow the performance of law practice activities;

4. that the person has graduated from a Faculty of Law of the Republic of Croatia;
5. that upon graduation the person has completed at least three years of apprenticeship in a law office or has had legal jobs in judicial bodies or has worked for at least five years on other legal jobs;
6. that the person has an active knowledge of the Croatian language;
7. that the person has passed the Bar Examination in the Republic of Croatia;
8. that no investigation and criminal procedure are conducted against the person as ex officio prosecution;
9. that the person is not employed;
10. that the person is worthy of carrying out the legal profession;
11. that the person does not perform other jobs which are incompatible with the legal profession.

Lack of Dignity to Practice Law

Article 49

(1) A person lacks the dignity to practice law if he or she has been sentenced for a criminal act against the Republic of Croatia, for a criminal act in violation of his or her official office, for a criminal act committed for personal gain or for any other criminal act committed out of a dishonest motive or one that makes the person morally unworthy of practicing law. Such a person shall not have the right to be enrolled in the list of attorneys for ten years after the served, pardoned or expired punishment, and if the person has been fined, five years from the day of the finality of the judgment. A person put on probation shall not have the right to be enrolled during the period of probation by virtue of a final decision.

(2) A person, whose previous conduct or activity does not guarantee the conscientious performance of the legal profession also lacks the dignity to practice law.

(3) If an application for an entry in the list of attorneys is rejected because the applicant does not possess the dignity to practice law for the reasons referred to in Section 2 of this Article, a new application cannot be submitted before the expiry of a period of two years from the finality of the decision by which the application was rejected.

Special Privileges of Practising Law

Article 50

Professors and Assistant Professors at Universities in the Republic of Croatia have the right to be enrolled in the list of attorneys without having completed the prescribed practice if they have passed the Bar Examination and if they have fulfilled all other conditions stipulated by this Law.

The Attorney's Solemn Oath

Article 51

(1) An attorney who is allowed to have his or her name enrolled in the list of attorneys shall take the following solemn oath before a body of the Association within three months from the day of receiving the notice about the permission:

"I swear hereby that I shall perform the duty of an attorney conscientiously and that I shall in my work abide by the Constitution of the Republic of Croatia, by the Law, by the by-laws of the Association and by the Attorneys' Code of Ethics, and that I shall in all my activities observe the reputation of the legal profession".

(2) If, without a justified reason, an attorney who is granted enrollment does not take the

solemn oath within three months and at the latest within six months from the day he was enrolled in the list of attorneys, a body of the Association determined in the by-laws shall decide on his or her being removed from the list of attorneys.

A Renewal of the Enrollment Procedure

Article 52

(1) If, after the enrollment, it is found that the conditions for the enrolment pursuant to Article 48 of this Law do not exist, the body of the Association, appointed on the basis of the by-laws, shall repeat the procedure of enrollment in the list of attorneys on its own initiative or on the proposal of the Ministry of Justice.

(2) In the procedure for a renewal, the provisions valid for the enrollment in the list of attorneys shall be applied in the appropriate way.

(3) On the basis of the performed procedure, a decision shall be made about whether the previous decision on enrollment shall remain valid or whether the attorney's name shall be removed from the list of attorneys.

Temporary Suspension and Inactivity of Practicing Attorneys

Article 53

(1) An attorney's legal practice shall be suspended during imprisonment.

(2) An attorney's legal practice may be temporarily suspended if a criminal procedure has been initiated against him or her for an act that by its nature makes him or her unworthy of the legal profession, if a disciplinary action has been initiated for a serious violation of the attorney's duty and reputation, or if the procedure of enrollment in the list of attorneys has been renewed.

Article 54

(1) If an attorney is elected or appointed to a paid public office, his or her legal practice shall be inactive while holding that office.

(2) If an attorney is elected or appointed to an unpaid public office, his or her legal practice may be inactive while holding that office.

(3) In the cases referred to in Section 1 and 2 of this Article, and in some other cases in which an attorney, due to some justified reasons, cannot practice law for a longer period of time, the Association shall appoint a temporary receiver of the office, unless the attorney has arranged a substitution with another attorney and has notified the Association.

Article 55

(1) The decision on the temporary suspension or on the inactivity of legal practice shall be made by a body of the Association laid down in its by-laws.

(2) If the suspended legal practice is caused by a disciplinary action conducted against an attorney, the duration of the suspension to practice law shall be added to the length of the punishment.

(3) Upon the termination of the inactive period or the temporary suspension to practice law, the attorney shall continue to carry out the legal profession.

Termination of the Right to Practice Law

Article 56

The attorney's right to practice law shall be terminated if the attorney:

1. loses Croatian citizenship;
2. loses his or her business capacity;
3. is permanently disabled to practice law;
4. is banned from practicing law as a result of a security measure being pronounced against him or her;
5. loses the right due to a disciplinary measure;
6. renounces his or her legal practice alone;
7. for more than six (6) months, without a justified reason, ceases to practice law;
8. obtains another employment, apart from the one in the law office;
9. receives a non-suspended prison sentence for the duration of more than six (6) months;

Article 57

(1) An attorney is not allowed to practice law:

1. in the case of loss of citizenship, from the day the decision establishing the loss of citizenship becomes final;
2. in the case of the loss of business capacity, from the day the decision establishing such a loss becomes final;
3. in the case of a pronounced safety measure to ban the practice of law from the day the court decision becomes final;
4. in the case of a pronounced disciplinary measure for the loss of the right to practice law, from the day the decision establishing such a loss becomes final;
5. in the case of becoming employed elsewhere, from the day of the beginning of this employment;
6. in the case of receiving a non-suspended prison sentence for the duration of more than six (6) months, from the day of the court decision becoming final,

(2) In all other cases, an attorney is not allowed to practice law from the day he or she receives a decision of the body of the Association laid down in its by-laws regarding the loss of the right to practice law.

Banishment of a Renewed Enrollment

Article 58

(1) An attorney who has lost the right to practice law may not be re-enrolled in the list of attorneys:

1. if a safety measure to ban the law practice has been pronounced, before such a measure is served or suspended;
2. if a disciplinary measure of losing the right to practice law has been pronounced against an attorney, before such a measure is served;
3. if an attorney has given up his or her legal practice, and if he or she has not practiced law for more than six (6) months without a justified reason, before these six months elapse, counting from the day the decision on the loss of the right to practice law was made.

In other cases, an attorney whose right to practice law has terminated may apply for a renewed enrollment in the list of attorneys when the grounds for losing the right to practice law have ceased to exist.

Notifying the Association about the Initiation of Proceedings

Article 59

The Court or any other governmental body shall notify the Association of the initiation of the criminal or penal proceedings and of the pronounced imprisonment for an attorney, of the

pronounced convicting judgment, and the decision by which the criminal or penalty proceedings against an attorney have become final.

Complaint

Article 60

(1) Against the decision made for the acquisition, inactivity, suspension or the loss of the right to practice law, the attorney may lodge a complaint with the Supreme Court of the Republic of Croatia. In the proceedings initiated on the basis of the complaint, the Supreme Court of the Republic of Croatia sits in a panel of five (5) justices, the President and two members being the judges of the same court and two members being attorneys from the list of attorneys made by the Association.

(2) The complaint must be lodged within eight (8) days from the day of the delivery of the decision referred to in Section 1 of this Article.

(3) In the procedure dealing with the complaint referred to in Section 1 of this Article, the rules on an administrative action are applied accordingly.

(4) More detailed provisions for the procedure of acquiring, suspending or losing the right to practice law are established by the by-laws of the Association.

VI. LAW TRAINEES

Conditions of Becoming a Law Trainee

Article 61

(1) The right to become a law trainee shall be acquired by being enrolled in the list of law trainees.

(2) The right to enroll in the list of law trainees shall rest with the person fulfilling the conditions from Article 48 of this Law, apart from Sections 5 and 7 of the same Article.

(3) A law trainee enters into a Contract on Employment with an attorney or a law firm.

Rights and Duties of Law Trainees

Article 62

(1) During his or her practice, a law trainee shall carry out any legal job entrusted to him or her by an attorney and shall follow the received instructions.

(2) A law trainee may not work independently or carry out any legal activities for his or her own account.

Professional and Practical Training

Article 63

(1) The Association, attorneys and law firms in whose offices law trainees work shall make provisions for the professional and practical training of law trainees, as well as for the adoption of the rules of the Attorneys' Code of Ethics.

(2) The Association shall establish a compulsory training programme for law trainees during their practical work in a law office.

Associations of Law Trainees

Article 64

- (1) Law trainees shall associate in the Law Trainee Association within the Bar Association.
- (2) Law trainees shall participate in the work of different bodies of the Association.
- (3) The by-laws of the Association shall establish the number of representatives of law trainees in different bodies of the Association, as well as their rights in these bodies.

Substituting an Attorney

Article 65

- (1) A law trainee may substitute before the courts and other agencies only for the attorney in whose office he or she practices.
- (2) A law trainee may substitute for the attorney in whose office he or she practices when the latter is authorized to substitute for another attorney.
- (3) A law trainee is not allowed to substitute for the attorney when this is prohibited by the Law.

Liability of Law Trainees

Article 66

- (1) An attorney or a law firm in which a law trainee works shall be liable for the damage the law trainee has caused in the course of his or her practice.
- (2) A law trainee shall be directly liable for the damage he or she has caused in the course of practice only if such damage was caused intentionally or out of wanton negligence.

Loss of Status of a Law Trainee

Article 67

A law trainee shall lose the right to carry out his or her training and will be removed from the list of law trainees if he or she fails to pass the Bar Examination within three (3) years from the time of the acquisition of the right to sit for it or if, without a justified reason, he or she fails to apply for an entry in the list of attorneys after having fulfilled the necessary conditions.

Appropriate Application of the Provisions of this Law

Article 68

- (1) The provisions of this Law regarding the enrollment in the list of attorneys, preservice of the attorney's secret, acquisition, suspension and termination of the right to practice law, as well as some other provisions regulating the attorney's position, shall also apply accordingly to law trainees, unless otherwise determined by this Law.
- (2) More detailed provisions regulating the enrollment, suspension and termination of the training, as well as its completion, shall be regulated by the by-laws of the Association.

VII. SPECIALIZATION OF ATTORNEYS AND LAW FIRMS

Specialization of Attorneys

Article 69

- (1) An attorney may request recognition of his or her particular knowledge of a legal branch.
- (2) The by-laws of the Association shall determine the areas in which an attorney may be recognized for his or her specialization.

- (3) The request for the recognition of a specialization shall be considered by a separate body of the Association determined in its by-laws.
- (4) An attorney shall be considered to have fulfilled the conditions for the recognition of a specialization if he or she has for at least five (5) years successfully worked on the legal matters in the field for which he or she seeks the recognition of a specialization, if he or she has published works for which the scientific title of a Master's Degree or a Doctoral Degree in Law has been acquired or if his or her other published works have made a significant contribution to the advancement of legal science or practice.
- (5) An attorney may appeal to the highest instance of the Association against a decision which rejected the request for the recognition of a specialization.
- (6) The recognized specialization shall be recorded in the list of attorneys and may be displayed in the name of the law office.

Specialized Law Firms

Article 70

- (1) Law firms may choose to render legal assistance in a particular legal field already at the time of registration. In that case, the specialization of the law firm must be indicated in its name.
- (2) A law firm shall be recognized for its specialization if it has been recognized pursuant to the provisions of Article 69 of this Law at least one attorney who is its member and works in it.

VIII. DISCIPLINARY LIABILITY OF ATTORNEYS AND LAW TRAINEES

Disciplinary Offences

Article 71

- (1) Attorneys and law trainees shall be liable for minor and more serious violations of the duty and reputation of the legal profession before the disciplinary bodies of the Association determined by its by-laws.
- (2) Substantial damage to the reputation of the legal profession as an independent service shall be considered a serious violation.
- (3) Substantial damage is also any violation of the duty, reputation and the Attorneys' Code of Ethics that has a particular impact because of the importance of the endangered goods, the nature of the violated duty, the level of the material damage or any other consequences, as well as the circumstances under which the act was done or omitted to be done.
- (4) Minor violations are damage to the duty, reputation and the Attorneys' Code of Ethics of lesser importance.
- (5) The by-laws of the Association determine what is considered to be a more serious violation of duty, reputation and the Attorneys' Code of Ethics.

Disciplinary Measures

Article 72

- (1) More serious violations of the duty and reputation of the legal profession are subject to the following measures:
 - censure
 - fine
 - loss of the right to practice law from six (6) months to five (5) years.

- loss of the right to practice law from five (5) to ten (10) years.

(2) For more serious violations of the duty and reputation of the legal profession, law trainees are subject to the following measures:

- censure

- removal from the list of law trainees for a period of six (6) months to three (3) years.

- permanent removal from the list of law trainees.

(3) For minor violations of the duty and reputation, An attorney is subject to a reprimand or a fine, and a law trainee is subject to a reprimand only.

(4) The execution of the measure of losing the right to practice law for a certain period of time or the measure of a name being removed from the list of law trainees for a certain period of time may be suspended from six (6) months to two (2) years.

Article 73

The amount and the purpose of fines referred to in Article 72 of this Law are established by the by-laws of the Association. The pronounced fine shall be paid to the Association.

Initiation of Disciplinary Proceedings

Article 74

A disciplinary proceeding is initiated by the disciplinary body determined by the by-laws, ex officio or upon the request of a body of the Association determined by the by-laws or at the request of the Ministry of Justice.

The Right to Appeal in Disciplinary Proceedings

Article 75

The Minister of Justice has the right to appeal in disciplinary proceedings for more serious violations of the duty and reputation of the legal profession.

The Appropriate Application of the Law

Article 76

In disciplinary proceedings against an attorney or a law trainee, the provisions of criminal substantive and procedural legislation shall be applied accordingly, unless otherwise determined by the by-laws and other enactments of the Association passed in accordance with this Law and the Association's by-laws.

Enforceability of Disciplinary Measures

Article 77

Final decisions of the disciplinary bodies of the Association which pronounce the fines are enforceable documents and the Association is authorized to seek for them to be enforced.

Appeal to the Supreme Court of the Republic of Croatia

Article 78

(1) There is a possibility of an appeal to the Supreme Court of the Republic of Croatia against the second instance decision pronouncing a disciplinary measure of losing the right to practice law from six (6) months to five (5) years, and of losing the right to practice law from five (5) to ten (10) years, the removal of names from the law trainee list for a period of six (6) months

to three (3) years, as well as the permanent removal from the list of law trainees.

(2) In the appellate proceedings referred to in Section 1 of this Article, the Supreme Court of the Republic of Croatia shall bring a decision in a panel of five judges, of which the President and two members are judges of that court and two members are attorneys from the list made by the Association. When the Supreme Court of the Republic of Croatia decides on an appeal against a decision pronounced to a law trainee, instead of one attorney, a member of the panel shall be a person from the list made by the Law Trainee Association.

Statute of Limitations

Article 79

(1) Prosecution for serious violations of the duty and reputation of the legal profession are limited to two (2) years and for minor violations to six (6) months starting from the day the violation was committed.

(2) If the committed violation results in criminal liability, the prosecution is limited to the same time as the prosecution for a particular criminal offense.

(3) The execution of a disciplinary measure is limited to six (6) months from the day the decision pronouncing the disciplinary measure becomes final or from the day of expiry of the period for which the execution of the disciplinary measure has been postponed.

IX PENAL PROVISIONS

Article 80

A legal person shall be guilty of an offense for rendering legal service contrary to the provisions of this Law (Articles 5 and 29) and will be ordered to pay a fine to the equivalent of DM 5,000 to 15,000.

For an offense referred to in Section 1 of this Article, the responsible person of the legal entity will be ordered to pay a fine to the equivalent of DM 500 to 2,500.

For an offense referred to in Section 1 of this Article committed for the second time, apart from a fine, the licence to practice law of the legal entity will be revoked for a duration of six (6) months, and for an offence committed for the third time, apart from a fine, the licence to practice law of the legal entity will be permanently revoked.

Article 81

For an offense of rendering legal service contrary to the provisions of this Law, a natural person shall be ordered to pay a fine to the equivalent of DM 1,000 to 5,000.

Article 82

The amount of the fines referred to in Articles 80 and 81 of this Law shall be revalued according to the medium exchange rate of the National Bank of Croatia on the day of the collection of the fine.

X. TRANSITIONAL AND CONCLUDING PROVISIONS

Deadline for Bringing Into Line the Enactments of the Association

Article 83

The Association shall bring into line its by-laws and other enactments with the provisions of this Law during the period of one (1) year from the day of entry into force of this law.

Pending Procedures

Article 84

(1) The procedures before the bodies of the Association that are pending at the time this Law enters into force shall be continued in accordance with the provisions valid at that time.

(2) Persons who graduated prior to October 8, 1991 at the Faculty of Law of any other Republic of the former Yugoslavia, as well as the persons who prior to that date had passed the Bar Examination in any other Republic of the former Yugoslavia, shall have the right to enroll in the List of Attorneys if they fulfill all other conditions referred to in Article 48 of this Law.

Exemption from the Obligation to Pay the Costs and the Enrollment Fee

Article 85

(1) Upon the request of the person whose right to practice law ceased because of appointment to a public office from May 30, 1990 to the entry into force of this Law, a renewed entry in the List of Attorneys shall be allowed without the obligation of paying the costs and enrollment fee.

(2) The request has to be submitted within 60 days from the day of entry into force of this Law.

(3) Persons who are allowed a renewed entry pursuant to Section 1 of this Article shall keep their legal practice inactive as long as they hold the office for which they have been elected or appointed pursuant to the provision of Article 54 of this Law.

Article 86

The provisions of Article 44 of this Law on insuring attorneys from liability shall be applied from January 1, 1995.

Termination of Validity of the Law

Article 87

With the entry into force of this Law, the Law on the Legal Profession and the Legal Service ceases to be valid ("Narodne novine" No. 53/72, 8/90 and 31/90).

Entry into Force of this Law

Article 88

This Law shall enter into force on the eighth day from being published in the official gazette "Narodne novine".

Class: 701-01/92-01/01

In Zagreb,

on the 27th day of January, 1994.

HOUSE OF REPRESENTATIVES OF THE PARLIAMENT OF THE REPUBLIC OF

CROATIA

President of the House of Representatives of the Sabor

Stjepan Mesic