ATTORNEY-AT-LAW ACT

("Official Gazette of FR Yugoslavia" No. 24/98, 26/98 – corr. 69/2000 – decision of the Federal Constitutional Court, 11/2002 and 72/2002 – decision of the Federal Constitutional Court)

I BASIC REGULATIONS

Article 1

Legal profession is an independent professional activity of providing legal aid in realizing and protecting of the constitutionally established freedoms and rights and other rights and interests established by the law of local and foreign physical and legal persons.

Article 2

Providing legal aid includes:

- 1) giving legal advice;
- 2) writing petitions, appeals, applications, and submissions;
- 3) writing contracts, testaments, statements and other documents;
- 4) representation and defense of physical and legal persons before the courts and other state bodies, companies and other legal persons;
- 5) representing physical and legal persons in their legal affairs by concluding contracts and settlements, receiving and paying off money and giving statements and dismissals;
- 6) performing other legal aid affairs in the name and for the benefit of a physical or legal person, according to which that person realizes a certain right.

II CONDITIONS FOR ENGAGING IN LEGAL PROFESSION

Article 3

Attorney-at-law acquires the right to work as an attorney-at-law by registering in the Register of attorneys-at-law and taking an oath.

Article 4

The following person is entitled to be registered in the Register of attorneys-at-law:

- 1) he/she has to be a citizen of Yugoslavia;
- 2) he/she has to be a graduate lawyer with passed bar exam;
- 3) he/she should have working ability;
- 4) he/she should not have a criminal record for criminal acts which make him/her unsuitable for legal profession;
- 5) he/she should not be employed;
- 6) he/she should not be engaged in another professional activity, except scientific, pedagogical, interpretational, artistic, publication, humanitarian and sport field;
- 7) he/she should be trustworthy for the legal profession.

Untrustworthy person for engaging in legal profession, according to Item 1 Paragraph 7 of this Article is a person according to whose conduct in acting previous professional activity or other procedures one can conclude that he/she will not conscientiously engage in legal profession and

preserve its good name. Trustworthiness for engaging in legal profession is established according to the generally accepted moral norms and codex of professional ethics of attorneys-at-law.

A foreign citizen who fulfills conditions for being an attorney-at-law in his/her country is entitled to be registered in the register of attorneys-at-law, with reciprocity.

Full professors of Faculties lecturing positive-legal subjects are entitled to being registered in the register of attorneys-at-law without passed bar exam.

Article 5

Authorized body established by the Articles of Association of the bar association founded for the territory of the Republic (hereafter referred to as "bar association of the republic) makes a decision about the registration in the register of attorneys-at-law within 60 days from the day the request is submitted.

An applicant must also submit evidence along with the request that he/she fulfills conditions of Article 4 of this Act and to determine the address of the law office.

Article 6

Applicant bears expenses of registration the amount of which is established by the bar association of the republic, up to the amount of three average net monthly salaries in the Republic the most, earned in the month preceding the month when the application for registration is submitted, according to the valid data of the Republic body authorized for statistics.

Article 7

A body determined by the Articles of Association of the Republic delivers a copy of decision according to which the registration was conducted in the register of attorneys-at-law and partnership law associations to the bar association founded for the territory of Federal Republic of Yugoslavia (hereafter referred to as "Bar Association of Yugoslavia") for the purpose of keeping unique records of attorneys-at-law and partnership law associations on the territory of Federal Republic of Yugoslavia.

The manner of keeping records of Item 1 of this Article is defined in detail by the Articles of Association of the Bar Association of Yugoslavia.

Article 8

Applicant for the registration in the register of attorneys-at-law can initiate an administrative dispute against the final decision of the bar association of the republic which denies the request for registration in the register of attorneys-at-law, as well as in the case when bar association of the republic has not made a decision about the submitted request for registration in the register of attorneys-at-law within deadline defined in Article 5 Item 1 of this Act.

Article 9

If investigation has been initiated against an applicant for an act which makes him/her untrustworthy for engaging in legal profession, deciding about the request can be postponed until the end of that proceedings, and authorized body determined by the Articles of Association of the Bar association will make a separate decision about that.

Article 10

If it is established after the registration in the register of attorneys-at-law that conditions for registering an applicant were not fulfilled, authorized organ determined by the Articles of Association of the bar association of the republic will annul the registration.

Bar association of the republic and Bar Association of Yugoslavia can initiate a procedure for annulment of the registration.

Authorized organ determined by the Articles of Association of the bar association of the republic is obliged to inform the Bar association of Yugoslavia immediately or within 3 days the longest about the initiated procedure for annulment of the registration, as well as the attorney-at-law against whom the procedure was initiated.

If procedure was initiated as the conditions of Article 4 Item 1 Paragraphs 6 and 7 of this Act have not been fulfilled, decision cannot be made if applicant is not able to give his/her reasons for the annulment of registration.

Article 11

Administrative procedure can be initiated against the final decision made by the bar association of the republic by which registration in the register of attorneys-at-law was annulled.

Article 12

Applicant registered in the register of attorneys-at-law has the right and obligation to take an oath within 30 days from the day decision was made about the registration, before the Chairman of the bar association of the republic in which he/she is registered or person authorized for that as follows:

"I hereby declare that I will conduct my duties as an attorney-at-law conscientiously and that I will follow the constitution, law and other regulations in my work, as well as articles of association of the Bar Association and Codex of professional ethics of attorneys-at-law and that I will preserve the honor of legal profession by my acts and conduct."

Article 13

Attorney-at-law who moves his office from the area of one to the area of another bar association on the territory of Federal Republic of Yugoslavia is registered in the register of attorneys-at-law without checking the conditions for registration.

Attorney-at-law who moves the office on the territory of the same bar association of the republic is obliged to inform the bar association of that within 7 days, and the bar will state this fact in the register of attorneys-at-law.

Regulations of Items 1 and 2 of this Article are applied in cases of a partnership law association as well.

Article 14

Attorney-at-Law – foreign citizen not registered in the register of attorneys-at-law according to the regulations of this Act can work as an attorney-at-law in certain cases on the territory of Federal Republic of Yugoslavia under the condition of reciprocity.

III RIGHTS AND DUTIES OF ATTORNEY-AT-LAW

Article 15

Attorney-at-law is obliged to really and continually engage in providing legal aid.

Attorney-at-law is obliged to provide legal aid to his/her client conscientiously according to the law, articles of association and Codex of professional ethics of attorneys-at-law.

Attorney-at-law is obliged to keep a secret as confided in him by the client.

Article 16

Attorney-at-law cannot engage in professions contrary to the honor and independence of legal profession.

Professions of item 1 of this Article are determined in the Codex of professional ethics of attorneys-at-law.

Article 17

Attorney-at-law is free to decide whether to accept to provide legal aid to the client who addressed him/her, except in cases according to the law, and in the case when refusing to provide legal aid would cause damages to client.

Attorney-at-law cannot refuse to provide legal aid if appointed by the court according to the law, except if there are reasons according to the law because of which he/she is obliged to refuse representation.

Attorney-at-law is obliged to refuse to provide legal aid:

- 1) if he/she represented the opposing party in the same legal matter;
- 2) if the opposing client was represented by attorney-at-law working in the joint law office or in the same partnership law association;
- 3) if he/she acted as a person with judicial function in the legal matter for which the client asks legal aid, as a judge, public attorney or deputy public attorney;
- 4) if within a year from the day of cessation of judicial function, legal aid is demanded by a client in whose legal matter he/she acted as a holder of judicial function;
- 5) and in other cases according to the law.

Article 17a**

(Not valid according to the decision of the Federal Constitutional Court)

Article 18

Attorney-at-law can cancel power of attorney for representation in any time, except if canceling the power of attorney would cause damages to the client.

Attorney-at-law must inform the authorized body leading the procedure about canceling the power of attorney immediately.

Attorney-at-law who cancelled power of attorney is obliged to continue providing legal aid, at the request of the client, even after the cancellation if it is necessary that damages be removed for the client incurred at that point, but not more than a month after the notification of cancellation sent to the authorized body leading the procedure.

Article 19

Attorney-at-law is obliged to present all the documents to the client if he/she cancels the power of attorney for further representation, and in other cases – at client's request.

Conditions and deadlines for keeping certain documents of clients are defined in the Article of association or another general act of the bar association of the republic, according to the regulations of keeping records.

Article 20

Attorney-at-law is obliged to sign and seal every document or submission he wrote himself or written in partnership law association.

Article 21

Another attorney-at-law can replace attorney-at-law in providing legal aid if not otherwise defined by the law.

Article 22

Court informs the bar association of the republic about confinement being sentenced to an attorney-at-law, against whom procedure was initiated for criminal act done in relation to conducting affairs as an attorney-at-law.

In the criminal procedure of Item 1 of this Article law office or office of partnership law association can be searched only according to a decision of the authorized court.

Article 23

Attorney-at-law is entitled to a reward for his work and reimbursement of expenses related to the work according to tariff about rewards and reimbursements for attorneys' work (attorney-at-law tariff).

For defending a client according to official duty the reward is determined by authorized federal body.

Regulations establishing rewards and fees of Items 1 and 2 of this Article are published in the "Official Gazette of FR Yugoslavia".

Article 24

Attorney-at-law is obliged to issue a receipt to client for amount received for reward and fees.

Article 25*

Bar association can organize providing free legal aid to people on the territory of district i.e. municipal court.

Attorney-at-law and partnership law association cannot advertise their activity by means of public informing or otherwise.

IV TEMPORARY PROHIBITION AND CEASING TO ACT AS AN ATTORNEY-AT-LAW

1. Temporary prohibition to act as an attorney-at-law

Article 27

Attorney-at-law will be temporarily prohibited to act as an attorney-at-law if confinement was sentenced to him/her.

Attorney-at-law can be prohibited to act as an attorney-at-law if criminal or disciplinary proceedings were initiated against him/her for an act that makes him untrustworthy to act as an attorney-at-law, or if disciplinary proceedings cannot be successfully realized without temporary prohibition.

Decision about temporary prohibition to act as an attorney-at-law can be made even when the procedure was initiated for annulment of registration in the register of attorneys-at-law due to reasons stated in Article 10 Item 1 of this Act.

Authorized body determined by the Articles of Association of the bar association of the republic makes a decision about temporary prohibition to act as an attorney-at-law.

Administrative dispute can be initiated against the final decision about temporary prohibition to act as an attorney-at-law.

Article 28

Decision about temporary prohibition to act as an attorney-at-law defines the duration of temporary prohibition.

Temporary prohibition to act as an attorney-at-law ceases when reasons cease for which prohibition was determined, which is established by decision of the authorized bar association.

2. Ceasing to act as an attorney-at-law

Article 29*

The right to work as an attorney-at-law ceases:

- 1) if he/she files a request for being erased from the register of attorneys-at-law as of the day decision about erasing is made;
- 2) if he/she loses Yugoslav citizenship, except if fulfills conditions of Article 4 Item 2 of this Act as of the day of losing citizenship;
- 3) if he/she is deprived of working ability as of the day when absolute decision is made about depriving of business ability;

- 4) if disciplinary measure is rendered to erase him/her from the register of attorneys-at-law as of the day this decision is final;
- 5) if a security measure is rendered which prohibits to act as an attorney-at-law in a criminal proceedings as of the day this decision is absolute;
- 6) if he/she is charged with criminal act which makes him/her untrustworthy of acting as an attorney-at-law by absolute decision as of the day decision becomes absolute;
- 7) if he/she is charged with criminal act for a prison sentence lasting longer than 6 months by absolute decision as of the day he/she starts serving the sentence;
- 8) if it is established that he/she has not been acting as an attorney-at-law for more than six months as of the day decision about erasing is final;
- 9) *if he/she is employed as of the day of employment;
- 10) If after insolvency procedure or liquidation procedure a partnership law association ceases to exist of if attorney-at-law leaves partnership law association, and he/she does not continue to act as an attorney-at-law within 60 days independently or in a partnership law association after the expiration of deadline of 60 days from the day of absolute finalization of insolvency procedure or liquidation procedure, i.e. day of leaving partnership law association.

Within 15 days of the day of any reason for ceasing to act as an attorney-at-law of Item 1 of this Article, authorized body determined by the articles of association of the bar association of the republic will erase the attorney-at-law from its register.

Article 30

Temporary absence of attorney-at-law lasting two years is not considered the cessation of acting as an attorney-at-law, nor is absence of attorney-at-law elected member of parliament or representative during the mandate, nor the absence of attorney-at-law elected or appointed for a public function in a federal, republic or provincial administrative body or local self-administration unit as long as he/she has the mandate.

Attorney-at-law who wishes to use the right to temporary absence of Item 1 of this Article is obliged to inform authorized organ of that determined in the Articles of association of the bar association of the republic.

Article 31

In the course of temporary inability of an attorney-at-law to act as an attorney-at-law due to illness, absence for another reasons which are not cessation to act as an attorney-at-law, authorized organ determined by the Articles of association of the bar association of the republic appoints temporary replacement.

In case of ceasing to act as an attorney-at-law, authorized organ determined by the Articles of association of the bar association of the republic determines a person who will take over the law

office, i.e. partnership law association, who will finalize all the affairs of the attorney-at-law, i.e. partnership law association which ceased to engage in legal profession.

If attorney-at-law stopped acting as an attorney-at-law at personal request, he/she can suggest a person to take over his/her law office.

Conditions and manner of determination of temporary replacement of Items 1 and 2 of this Article are determined by Articles of Association of the bar association of the republic.

V LAW TRAINEES

Article 32

Law trainee is a person who works for an attorney-at-law and thus learns to become an independent attorney-at-law.

Law trainee can start with his/her practice if registered in the register of law trainees.

In the course of law trainee practice, law trainee is entitled to salary, i.e. reimbursement for work, as well as other rights of employment established by the law and collective contract.

Article 33

A person fulfilling the following conditions has the right to be registered in the register of law trainees:

- 1) he/she has to be a citizen of Yugoslavia;
- 2) he/she has to be a Graduate lawyer;
- 3) he/she has to have working ability;
- 4) he/she must not be charged with criminal acts by absolute decision which makes him/her untrustworthy for acting as attorney-at-law;
- 5) he/she must not be employed;
- 6) he/she cannot engage in another professional activity, except for scientific, pedagogical, interpretational, artistic, publication, humanitarian and sport field;
- 7) he/she should be employed as a law trainee in a law office or a partnership law association.

Article 34

If after the registration in the register of law trainees it is established that law trainee did not fulfill conditions for the registration of the Article 33 of this Act, authorized body determined by the articles of association of the bar association of the republic makes a decision about annulment of registration.

In case as defined in Item 1 of this Article the time law trainee spent in a law office is not recognized as working experience necessary for taking the bar exam.

Trainee experience of law trainee ceases if he/she does not pass the bar exam even two years after he/she acquired the right to take the bar exam.

Article 36

Law trainee is obliged to work according to instructions and within authorities obtained from attorney-at-law he/she works for as a trainee on practice.

Law trainee can represent only the attorney-at-law at whose office he/she attends practice in courts and other bodies and organizations.

Law trainee can represent attorney-at-law at whose office he/she attends practice even when attorney-at-law is authorized to replace another attorney-at-law.

Law trainee cannot represent attorney-at-law at whose office he/she attends practice in cases defined by Article 17 Item 3 of this Act and in other cases according to the law.

Law trainee cannot independently act as an attorney-at-law for his/her benefit.

Article 37

Regulations of this Act about the procedure of registration in the register of attorneys-at-law, about rights and obligations of attorney-at-law, about temporary prohibition and cessation of rights to act as an attorney, as well as about rights of foreigners to act as attorneys in Federal Republic of Yugoslavia apply to law trainees.

VI LAW OFFICE AND PARTNERSHIP LAW ASSOCIATION

Article 38

Attorney-at-law does legal affairs in a law office or in a partnership law association.

Article 39

Attorney-at-law can have only one office.

Two or more attorneys-at-law can have a joint law office.

Article 40

Law office has its name and seal.

The name of the law office must be displayed clearly.

Article 41

Partnership law association can be founded by at least two attorneys-at-law.

Activity of partnership law association is limited to only affairs of attorney-at-law, and only attorneys-at-law provide legal aid in a partnership law association.

Partnership law association is a legal person.

Rights and duties of attorneys-at-law defined by this act regarding legal profession are to be applied to a partnership law association as well.

Article 42

Regulations of federal laws defining foundation, business and cessation of a company are applied to the work and business of a partnership law association, unless differently defined in this Act.

Article 43

For the foundation of a partnership law association, attorneys-at-law – founders are obliged to obtain previous approval of the bar association of the republic, which estimates whether the Memorandum of Association is in accordance with this Act.

Partnership law association is registered in the Court register if it fulfills conditions for founding that form of enterprise and with the approval of Item 1 of this Article.

Article 44

Partnership law association acquires the right to engage in legal profession when registered in the Court register.

Article 45

Partnership law association is obliged to inform the bar association of the republic about completed registration in the court register within three days the latest from the day of receiving the decision of the authorized court.

Bar association of the republic is obliged to register the newly founded partnership law association in the register of partnership law associations within three days the latest from the day of receiving notification about the registration in the Court register and to inform the Bar Association of Yugoslavia about that.

Article 46

Attorneys-at-law and partnership law associations can employ persons that will conduct administrative, technical, financial and other affairs, and partnership law associations can employ attorneys-at-law.

Regulations of act regulating working relations, as well as regulations of collective contract are applied to employees in a law office of a partnership law office.

Jobs defined in Item 1 of this Article can be performed by persons who concluded an employment contract with attorney-at-law.

Article 47

Attorney-at-law – founder of a partnership law association and attorneys-at-law employed in it can be disciplinary liable before the authorized organ defined by the Articles of association of the bar association of the republic.

Article 48

Authorized organ defined by the Articles of association of the bar association of the republic will initiate a procedure for erasing a partnership law association from the register of partnership law associations:

- 1) if a partnership law association is not engaged in providing legal services for more than a vear;
- 2) if a partnership law association besides legal profession starts engaging in another activity;
- 3) if disciplinary measures were rendered to a founder of partnership law association or to attorneys-at-law employed by the association, due to which the work and acting of partnership law association damages the good name of legal profession.

In the procedure of erasing a partnership law association from the register of partnership law associations the regulations of this Act are applied which define the rendering of disciplinary measure of erasing from a register of attorneys-at-law.

After rendering an absolute decision about erasing from the register of law associations, authorized body defined by the Articles of association of the bar association of the republic will initiate a procedure for erasing a partnership law association from the Court register.

Article 49

Partnership law association ceases to work by being erased from the Court register in a manner and due to reasons defined by this Act and federal law which regulates the cessation of companies.

The Court delivers decision about erasing a partnership law association from the Court register to the bar association of the republic and Bar Association of Yugoslavia.

VII DISCIPLINARY LIABILITY OF ATTORNEYS-AT-LAW AND LAW TRAINEES

Article 50

Attorneys-at-law and law trainees are liable for conscientious engaging in legal profession and preservation of its good name.

Disciplinary bodies of the bar associations of the republic according to their articles of association are formed for establishing the violation of duties of attorneys-at-law and legal profession in general, establishing liability and rendering measures for these violations.

Articles of association of the bar association of the republic establishes: the composition of disciplinary organs; conditions and manner of electing and dismissing members of disciplinary organs, heavy and light violations of duties of attorneys-at-law and honor of legal profession; procedure for establishing disciplinary liability and rendering disciplinary measures, as well as manner of realizing rendered measures.

Article 51

Measures that can be rendered for the violation of duties and good name of legal profession are:

- 1) fine;
- 2) erasure from the register of attorneys-at-law, from the register of law trainees, i.e. register of partnership law associations.

The fine cannot be less than five times the lowest reward nor exceed the five times amount of the highest reward defined by the tariff for attorneys-at-law.

Decision of authorized disciplinary body of the bar association of the republic which renders the fine has the power of executive document.

Means collected from fines represent the income of the bar association of the republic, and manner of their use is established by the articles of association of the bar association of the republic.

Article 53

Measure of erasing from the register of attorneys-at-law, register of law trainees, i.e. register of partnership law associations can be rendered only for the heavier violation of the duties of attorneys-at-law and good name of the legal profession.

Heavy violation of duties of attorneys-at-law and good name of legal profession is each violation of duty, good name and codex of professional ethics of attorneys-at-law, and especially obvious unconscious performing the job of attorney-at-law, providing legal aid in cases in which attorney-at-law is obliged to refuse legal aid, engaging in affairs contrary to the good name and independence of legal profession, violation of duty to keep a secret, asking for reimbursement higher than prescribed by tariff, as well as refusing to issue a receipt to client for the received amount of reward or reimbursement.

Measure of erasing from Item 1 of this Article cannot last shorter than six months nor longer than five years.

Administrative dispute can be initiated against final decision rendering the measure of erasing from the register of attorneys-at-law, register of law trainees, i.e. register of partnership law associations.

Article 54

Founder of partnership law association and attorney-at-law employed by the association erased from the register of partnership law associations cannot found a new partnership law association as long as the rendered prohibition to work is valid.

Attorney-at-law of Item 1 of this Article to whom measure of erasing from the register of attorneys-at-law has not been rendered can continue to act as an attorney-at-law.

Article 55

Expiration of initiation of disciplinary procedure goes into effect after one year from the day of learning about light and two years of learning about heavy violation of duty of attorney-at-law and good name of legal profession, and if that violation has characteristics of a criminal act – as of the day of learning about conducted criminal act.

Expiration of initiation of a disciplinary procedure for violation that has a characteristic of a criminal act goes into effect according to the regulations of criminal act.

Expiration of realization of disciplinary measures goes into effect after one year from the day decision becomes absolute.

Expiration ceases by each action which is taken for the purpose of initiating a disciplinary procedure or realization of disciplinary measure.

After each cessation of expiration, deadline is new, but expiration goes into effect when twice as much time passes as defined by this Act for expiration of initiation of disciplinary procedure, i.e. realization of rendered measure.

VIII VESTING PUBLIC AUTHORIZATIONS

Article 56

The following public authorizations are vested to the Bar association of Serbia and Bar Association of Montenegro: they decide about the request for registration in the register of attorneys-at-law and law trainees, about temporary prohibition to act as an attorney and about cessation of rights to act as an attorney; they estimate whether contract about founding a partnership law association is in accordance with the law; they establish the contents and manner of keeping and they keep registers of attorneys-at-law, law trainees, and partnership law associations for the territory of the republic; they lead disciplinary procedures and render disciplinary measures to attorneys-at-law and law trainees; they make a tariff about rewards and reimbursements of attorneys-at-law for their work.

Article 57

Bar associations of the republics and Bar Association of Yugoslavia regulate their internal organization and work by Articles of association and other general acts. Articles of association establish the manner of conducting public authorizations and internal organization and work of the bar association and its organs.

Authorized federal organ gives approval for the articles of association of the Item 1 of this Article in its part where it establishes the manner of conducing public authorizations.

Article 58

The following public authorizations are vested to the Bar Association of Yugoslavia: it realizes international cooperation in the field of legal profession, it represents attorneys-at-law from the territory of Federal Republic of Yugoslavia before the international organizations, it establishes the manner of keeping and it keeps unique records of attorneys-at-law and partnership law associations for the territory of Federal Republic of Yugoslavia and it makes a codex of professional ethics of attorneys-at-law.

Article 59

Registers and records of Articles 56 and 58 of this Act are public books. Excerpts from these registers and records and certificates issued according to their data are public documents.

IX TRANSITIONAL AND FINAL REGULATIONS

Article 60

Bar associations are obliged to coordinate their articles of association and other general acts with this Act within six months from the day this act goes into effect.

Bar association of Yugoslavia is obliged to organize unique record of attorneys-at-law and partnership law associations in Federal Republic of Yugoslavia and make a codex of professional ethics of attorneys-at-law within six months from the day this Act goes into effect.

Article 62

Bar associations of the republics are obliged to prescribe the contents and manner of keeping register of attorneys-at-law, register of law trainees and register of partnership law associations within 60 days from the day this Act goes into effect and make a tariff about rewards and reimbursements of attorneys-at-law.

Article 63

Requests for the registration in the register of attorneys-at-law, i.e. register of law trainees submitted before this Act goes into effect and not solved until it goes into effect, will be solved according to the regulations valid at the time the request was submitted.

Article 64

Disciplinary procedure initiated before this Act goes into effect and not finalized until it goes into effect will be conducted according to the regulations valid at the time of initiating disciplinary procedure.

Article 65

This Act goes into effect on the 60th day from the day of being published in the "Official Gazette of FR Yugoslavia".

Independent article of the Changes and Amendments Act of the Attorney-at-law Act ("Official Gazette of FR Yugoslavia" No. 11/2002)

Article 7

This act goes into effect on the eighth day from the day of being published in the "Official Gazette of FR Yugoslavia".
