

November 1, 2011

Increased Court Fees Become Effective on 1 November 2011

Law of Ukraine "On Court Fees", dated 8 July 2011 (the "Law"), which becomes effective from 1 November 2011, raises the court fee amounts payable for submission of claims and other procedural documents to Ukrainian courts and for obtaining certain documents from a court. The Law also abolishes the requirement to pay an additional fee for informational and technical support of the court proceedings by introducing respective amendments into the Civil Procedural and Commercial Procedural Codes. Thus, starting from 1 November 2011, a claimant in a civil and commercial case is required to pay only a court fee for filing a claim, appellate or cassation complaint challenging court decisions.

Particularly, the Law sets forth that filing a monetary claim in the courts of the general jurisdiction is charged one per cent of the amount claimed but no more than UAH 2,823.00* (as against a previous ceiling amount of UAH 1,700.00), while seeking monetary relief in the commercial courts will be charged two per cent of the amount claimed but no more than UAH 56,460.00* (as against previous one per cent and ceiling amount of UAH 25,500.00). At the same time, the amount of court fees payable for filing a non-monetary claim in the administrative courts increased from only UAH 3.40 up to UAH 28.23*.

The Law replaces respective provisions of the Decree of the Cabinet of Ministers of Ukraine "On State Duty", dated 21 January 1993, which currently establish the amounts of the court fees payable to the courts and the process of payment of such fees. The Law instructs the Cabinet of Ministers of Ukraine to bring its acts into compliance with the provisions of the Law within a month from the date the Law becomes effective. Accordingly, the enactment of the Law will most likely lead to cancellation of the Regulation of the Cabinet of Ministers of Ukraine "On Procedure of Payment and Amounts of Fee for Informational and Technical Support of Civil and Commercial Proceedings", dated 21 December 2005.

In addition, the Law introduces court fees for filing an application on joining the appellate or cassation complaints and for submission of an application requesting reconsideration of a court default judgment rendered in the absence of the defendant, which were previously free of charge.

The abovementioned Law was passed by Ukraine's Parliament in order to increase the budget of the Ukrainian courts and to enhance the courts' logistical support. Additionally, the Law makes litigation in Ukrainian civil and commercial courts more expensive which may reduce the amount of new cases considered by overloaded Ukrainian courts*

* This amount should be calculated based on the rate of the minimum salary effective in Ukraine as of 1 January of the year in which a claim is filed to a court.

Our client alerts are for general informational purposes and should not be regarded as legal advice. If you would like additional information or have any questions, please contact:

For More Information:

Jaroslawa Z. Johnson

+380 (44) 461-75-75

jzjohnson@chadbourne.com

Olga Vorozhbyt

+380 (44) 461-75-75

ovorozhbyt@chadbourne.com

About Chadbourne & Parke LLP

Chadbourne & Parke LLP, an international law firm headquartered in New York City, provides a full range of legal services, including mergers and acquisitions, securities, project finance, private funds, corporate finance, venture capital and emerging companies, energy/renewable energy, communications and technology, commercial and products liability litigation, arbitration/IDR, securities litigation and regulatory enforcement, special investigations and litigation, intellectual property, antitrust, domestic and international tax, insurance and reinsurance, environmental, real estate, bankruptcy and financial restructuring, executive compensation and employee benefits, employment law and ERISA, trusts and estates and government contract matters. Major geographical areas of concentration include Russia, Central and Eastern Europe, the Middle East and Latin America. The Firm has offices in New York, Washington, DC, Los Angeles, Mexico City, São Paulo, London, Moscow, St. Petersburg, Warsaw, Kyiv, Almaty, Istanbul, Dubai and Beijing. For additional information, visit: <http://www.chadbourne.com>

www.chadbourne.com

New York Washington Los Angeles

Mexico City Sao Paulo London Moscow

Warsaw Kyiv Almaty Istanbul Dubai Beijing

CHADBOURNE
& PARKE LLP