

Questionnaire:

“Issues for non-US collection agencies and lawyers to answer”

Countries answered:

Poland

Ukraine

The Netherlands

Belgium

Spain

Italy

Greece

Cyprus

Israel

Bahrain

Denmark

Sweden

Norway

Canada

Brazil

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

- 1. Are there any problems with a US claimant pursuing a claim against a debtor in your country?**

No specific problems.

- 2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars?**

Yes - the claim may be filed in USD. A judgement is also issued for amount in USD. Collection through bailiff is done in PLN. Therefore the USD amount is exchanged to PLN on the day the bailiff collection starts. Due to currency exchange fluctuation the final collected amount after conversion to USD may differ from the USD amount on a judgement.

- 3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate?**

Depends on applicable law. If Polish law is applicable – yes. If foreign law is applicable – depends on foreign law. In a typical international file we need to apply foreign law to calculate interest rate.

- 4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates?**

According to bar rules, contingency fee is allowed but there must be some fix component. There are no typical rates.

- 5. How do court costs compare with the US?**

Court costs are very different to US standards. First, there is a separate fee for filing the claim to the court. In a typical claim it amounts 5% of claim value but not more than approx. USD 30k. In files, which qualify for simplified payment order proceeding, the court fee is 1.25% of the claim. Filing fee is paid by the losing party, provided that bailiff collection is successful.

On top of filing fees, the losing party covers attorney costs of the winning party, however the amount may be lower than true costs incurred by the party. The court decides on amount of costs to be reimbursed by the losing party.

- 6. What language would the court proceedings be in and do documents have to be translated?**

Polish. All documents need to be sworn translated to Polish.

7. Will witnesses be required to visit your country for depositions in the trial?

Not in a typical money claim file, however it may be requested or necessary in some situations. In a typical commercial case the court relates on written documents more than on witness accounts.

Additionally, in files which qualify for a simplified payment order proceeding, the court issues a verdict without depositions and trial.

8. What are the rules regarding enforcement of a US judgment in your country?

Judgements are automatically enforceable in Poland. Apart from the judgement itself, it is required to obtain an Apostille Clause at the Secretary of State Office. Before filing the judgement to the bailiff for collection, we need to obtain a so called "execution clause" from Polish court. It is a technical proceeding and the defendant is not notified about it.

9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured?

Apart from civil liability, this is considered as criminal offence (fraud).

10. What liability do officers of the corporation have if the corporation goes into bankruptcy?

The aim of bankruptcy is to avoid personal liability of officers of corporation. If the motion for opening of bankruptcy is filed within deadline, the officers are generally not liable for debts of company.

11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor?

Most lawyers operate "a client account", which is however nothing similar to US standards. Usually lawyers have one account for all payments for all clients (no separate client accounts). There may have accounts in different currencies, typically: PLN, EUR and USD.

The lawyer is not restricted in access to these accounts. These accounts are not obligatory. There are run for practical reasons, so that legal fees are not mixed with client's money.

12. Is this requirement mandatory or voluntary?

Not mandatory.

13. What fidelity or malpractice insurance do you have?

Obligatory insurance at bar association. Additional (not mandatory) insurance to extend liability coverage.

UKRAINE
ISSUES FOR NON-US COLLECTION AGENCIES
AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country?

NO.

2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars?

YES.

3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate?

YES. 3% of annual interest.

4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates?

Only licensed attorneys are allowed to represent claimant in the court. They usually work on fixed fee, sometimes fixed fee + contingency fee.

5. How do court costs compare with the US?

6. What language would the court proceedings be in and do documents have to be translated?

Ukrainian. Documents should be translated.

7. Will witnesses be required to visit your country for depositions in the trial?

NO.

8. What are the rules regarding enforcement of a US judgment in your country?

It should be recognized by Ukrainian court. Then enforcement according to general rules.

9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured?

For 10 years of practice we have never seen or heard about use of cheques. It is not used in Ukraine as payment instrument.

- 10. What liability do officers of the corporation have if the corporation goes into bankruptcy?**

Almost none unless it is proved bankruptcy is deliberate act of the officer. Then criminal liability applies.

- 11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor?**

No.

- 12. Is this requirement mandatory or voluntary?**

N/A

- 13. What fidelity or malpractice insurance do you have?**

None.

THE NETHERLANDS
ISSUES FOR NON-US COLLECTION AGENCIES
AND LAWYERS TO ANSWER:

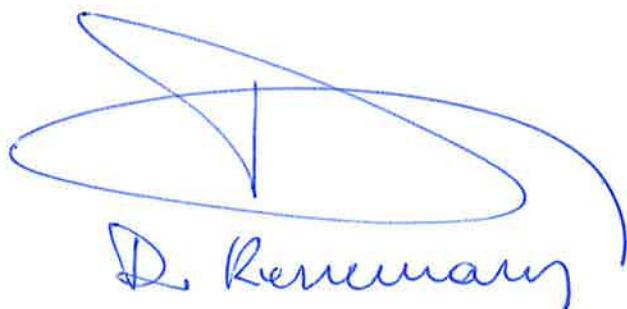
1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **No**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **Yes**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **Yes, rate depends on if it's B2B or B2C**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **No**
5. How do court costs compare with the US? **Don't know the US court costs so can't make a comparison at this time. Court fees are based on a scale.**
6. What language would the court proceedings be in and do documents have to be translated? **It has to be in Dutch: documents have to be translated.**
7. Will witnesses be required to visit your country for depositions in the trial? **Not necessarily, it depends on the case.**
8. What are the rules regarding enforcement of a US judgment in your country? **We would have to check with the bailiff.**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **?**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **If officers are responsible for the bankruptcy, there are possibilities to hold them liable. For example letting the company go bankrupt on purpose.**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **We use a trust/escrow account.**
12. Is this requirement mandatory or voluntary? **For lawyers this is mandatory.**
13. What fidelity or malpractice insurance do you have? **We have an insurance for malpractice and our third party account is always secured.**

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **No**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **YES**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **YES - 8%**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **SIMILAR TO OUR**
5. How do court costs compare with the US? **NO IDEA RATES**
6. What language would the court proceedings be in and do documents have to be translated? **NET DUTCH - YES
FRENCH**
7. Will witnesses be required to visit your country for depositions in the trial? **WRITTEN EXPLANATIONS ARE OK**
8. What are the rules regarding enforcement of a US judgment in your country? **YOU HAVE TO ASK FOR A NEW JUDGMENT**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **CRIMINAL LAW**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **ONLY FOR BAD GOVERNMENT**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **YES - SEPARATED ACCOUNT**
12. Is this requirement mandatory or voluntary? **VOLUNTARY**
13. What fidelity or malpractice insurance do you have?

**INSURANCE OF THE
BAR OF ANTWERP**



D. Remmey

SPAIN

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? *No one.*
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? *No, the money has to be changed into Euros because although our Law allows to claim an amount in foreign currency (supporting documents may be in USD) In the lawsuit the currency has to be changed into Euros.*
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? *Yes, in commercial claims it is settled in an specific law this interest changes every 6 months depending of the State Budget type approved.*
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? *Not a contingency fee basis but less fees than the one settled by our Bar, a minimum fee for drafting lawsuit and then a commission in the amount collected in the judgment.*
5. How do court costs compare with the US? *Court costs are 100 Euros in monitory proceedings (when it is probably debtor did not oppose to the lawsuit) and 300 for declaratory proceeding (with preliminary hearing and trial)*
6. What language would the court proceedings be in and do documents have to be translated? *Always Spanish and it is enough with a simple translation (not official)*
7. Will witnesses be required to visit your country for depositions in the trial? *We always try this evidence is done by Rogatory Commission but this may take one year or more. We convince Judge in the preliminary hearing this evidence witness is not essential to issue the judgement (in collection claims the evidence is essentially orders, invoices and delivery notes..)*
8. What are the rules regarding enforcement of a US judgment in your country? *It is the exequatur settled in our Procedural Civil Law as there is not specific convention between US and Spain about this matter.*
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? *Depends on the case, in principle if it is not a crime there is not personal liability just a quick civil proceeding to seizure money.*

10. What liability do officers of the corporation have if the corporation goes into bankruptcy? *Depends on the case, liability of managers is just in case the bankruptcy is fraudulent.*
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? *We have an account for payments and transfer to the client immediately after the payment or when our partner tell us to transfer if the debt is paid by instalments*
12. Is this requirement mandatory or voluntary? *No.*
13. What fidelity or malpractice insurance do you have? *We have a compulsory insurance to work as a lawyer. Otherwise you cannot work as a lawyer.*

GREECE

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **NO**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **It will be the equivalent of dollars in euros as of the day of filing the claim and the day the judgment is issued**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **Yes, now at 8%**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **Yes, normally 20%**
5. How do court costs compare with the US? **Much less than US**
6. What language would the court proceedings be in and do documents have to be translated? **Greek. Documents have to be translated in Greek**
7. Will witnesses be required to visit your country for depositions in the trial? **In disputed claims, it can be likely to be requested to do so**
8. What are the rules regarding enforcement of a US judgment in your country? **A Greek judgment is prerequisite deeming that similar provisions of the Greek Civil Procedure Code were used for the issuance of the US judgment (i.e. serving of writs, possibility of the debtor to file an appeal in US, etc)**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **Civil as well as penal**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **Only if the bankruptcy was deliberate**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **It is not mandatory, some do**
12. Is this requirement mandatory or voluntary? **Same as above**
13. What fidelity or malpractice insurance do you have? **There is no such provision in Greece, insurance companies have no such products**

CYPRUS

ISSUES FOR NON – US COLLECTION AGENCIES - ANSWERS

1. No. There is not any issue with a US Claimant pursuing a claim against a debtor in our country. Since the debtor resides in Cyprus then under Order 6 of the Civil Procedure Rules the Cypriot jurisdiction applies.
- 2.
3. Yes. The claim will be made in Dollars; however, we will need to state in brackets the equivalent amount of Euros in order to proceed with the correct scale of expenses (i.e. from EURO10.000 to EURO50.000, EURO50.000 to EURO100.000 etc.).
4. Even if there is no contractual right to interest, we can still claim the legal interest which applies in our country and it is 4%.
5. Unfortunately our jurisdiction does not accept a contingency fee. The fees paid differ depending on the amount claimed and based on the scale of expenses.
6. The difference in Cyprus jurisdiction is that the losing side pays the expenses of the winning's side.
7. The official language accepted in Courts is Greek. Therefore, the documents need to be translated in Greek.
8. Yes. Witnesses will be required to fly to Cyprus in order to be present and provide witness at the trial. We usually inform witnesses 15 to 20 days prior to the hearing date.
9. The judgment is considered as a simple contract debt between the parties. The UK courts will then enforce the debt. New proceedings will need to be issued, but generally speaking the court will not re-try the merits of the case. Unfortunately, the judgment cannot be enforced directly via execution or any similar direct enforcement process, e.g. bailiffs and sheriff under a warrant of execution initially.
10. The corporation will be charged with the offense of issuing a cheque that has not been honoured, and the Director of the Corporation is liable for signing that cheque. Both of them will be charged at the Criminal and the Civil Court.
11. An officer can be held personally liable for corporate debts if: 1) The officer has signed a personal guarantee, 2) knowing the company is insolvent, the officer continued to prioritise shareholders over creditors, 3) the officer disposed of company assets below their market value or for free, 4) the officer overpaid himself from the company account, creating an overdrawn director's loan, 5) the officer have raised funds to repay creditors via fraudulent means, i.e. obtaining finance via inaccurate information, or accepting money for goods which you know won't be delivered.

12. Yes. Our office provides a client's account in order for the collected money to be sent via bank transfer.
13. This is a voluntary requirement and it is considered the practice of our office to do so for every case of debt collection.
14. We have the Professional indemnity insurance.

ITALY

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? - No
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? - Yes
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? - Yes due to the delay; Rate changes (at the moment 0.30% yearly)
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? - Yes; No typical rate
5. How do court costs compare with the US? - I do not know
6. What language would the court proceedings be in and do documents have to be translated? - Acts (ie writ of summons) must be in Italian; Documents can be in foreign language and the court decides if translation is necessary (good strategy suggested to start proceedings with translations of all or part of the documents before court's decision)
7. Will witnesses be required to visit your country for depositions in the trial? - No (or if voluntary); Depositions are made by rogatory at his Country authority
8. What are the rules regarding enforcement of a US judgment in your country? - The judgement must has some requirements that just eventually (ie to start execution procedure) must be verified by the court
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? - Generally speaking the corporation is liable
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? - In some cases civil and criminal liability
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? - Not suggested and I suppose many collectors do not do it. Anyway generally speaking, on the basis of a specific agreement (not simple) yes for any funds (ie for money recovered), but carefully studing all the matters (ie in some cases rules against money laundry suggest the payment by the debtor directly to the client)
12. Is this requirement mandatory or voluntary? - As above
13. What fidelity or malpractice insurance do you have? - Full cover

ITALY
ISSUES FOR NON-US COLLECTION AGENCIES
AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **NO**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **YES, AT ITS COUNTERVALUE IN EUROS**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **YES, ALWAYS**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **YES**
5. How do court costs compare with the US? **CHEAPER**
6. What language would the court proceedings be in and do documents have to be translated? **ITALIAN-YES: DOCUMENTS IN ANY OTHER LANGUAGE MUST BE DEPOSITED WITH THEIR SWORN TRANSLATION**
7. Will witnesses be required to visit your country for depositions in the trial? **NOT ALWAYS, IT DEPENDS ON THE CASE**
8. What are the rules regarding enforcement of a US judgment in your country? **RULES ARE VERY COMPLICATED. ITALIAN COURTS ARE RELUCTANT TO AUTHORIZE THE ENFORCEMENT OF A US JUDGMENT**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **NONE**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **TO BE SEEN CASE PER CASE, BUT IN GENERAL THEY ARE NOT LIABLE**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **NO**
12. Is this requirement mandatory or voluntary? /
13. What fidelity or malpractice insurance do you have? **FULL INSURANCE**

Att. Mannari
Law Office Mannari

BAHRAIN

ISSUES FOR NON-US COLLECTION AGENCIES & LAWYERS:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country?

No, it depends on the country of the debt or where the case can be raised as per the jurisdiction mentioned on the agreement.

2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars?

The amount has to be converted by an officially registered Exchange Company and a certificate will be issued showing the converted amount.

3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate?

If interest is mentioned within the claim it can be claimed, but if not mentioned, this is solely based on the Judge's decision in Civil courts. If interest is not included, it cannot be added in Sharia Law courts.

4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates?

Yes, some Lawyers are willing to work on a contingency basis and the rate usually starts at 10% and can go higher or less depending on the amount of the case. This does not include the charges such as court fees, legal administrative fees and so on that has to be paid upfront before registering the case.

5. How do court costs compare with the US?

There is not much significant difference between the cost of both courts.

6. What language would the court proceedings be in and do documents have to be translated?

Arabic is the official language of the court in Bahrain. Yes, all documents have to be translated and all court sessions are recorded in Arabic. Translators are available in courts, if needed.

7. Will witnesses be required to visit your country for depositions in the trial?

Witnesses are required to attend the court as per the Judge's request. In rare cases, a witness may give testimony abroad.

8. What are the rules regarding enforcement of a US judgment in your country?

Since the US is a member of The Hague Apostille Convention, a judgement from the US can be enforced in Bahrain, but applying for the apostille stamp which is a specialized certificate issued by the Secretary of State and attached to the original judgement to verify it is legitimate and authentic and can be applied in another member country.

9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured?

If a corporate has issued bounced cheques, the cheques can be registered at the police station as bounced cheques are considered a criminal offence.

In such situations, a personal case can be registered against the individual who signed on the cheque.

10. What liability do officers of the corporation have if the corporation goes into bankruptcy?

If the corporation registers in the court for bankruptcy, the officers will not be liable, only the company bank account is blocked and the assets of the company are frozen.

11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor?

Any monies collected are directly transferred to the Client based on the contractual arrangement for transferring funds to the Client. If monies are received directly by the court, the lawyer will have to retrieve the money from the court and accordingly the collected monies will be transferred to the client.

12. Is this requirement mandatory or voluntary?

This requirement is based on contractual relation between the parties.

13. What fidelity or malpractice insurance do you have?

NCS MENA currently has fidelity and money insurance on all employees handling and dealing with cash collections.

**ISSUES FOR NON-US COLLECTION AGENCIES
AND LAWYERS TO ANSWER:**

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **NO**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **YES**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **5.7%**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **AMICABLE - 10% 12%. / COURT BY AGREEMENT WITH THE CLIENT OR 10% 15%.**
5. How do court costs compare with the US? **USA - 250 USD ISRAEL: 2.5% from court**
6. What language would the court proceedings be in and do documents have to be translated? **Hebrew yes-translation. UNLESS THE LAWYERS AGREE WITHOUT TRANSLATION**
7. Will witnesses be required to visit your country for depositions in the trial? **IF THE LAWYER OF THE DEFENDANT ASKS IT.**
8. What are the rules regarding enforcement of a US judgment in your country? **WE HAVE TO FILE SPECIAL MOTION TO THE COURT**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **No personal LIABILITY ON CORPORATION.**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **LIAIBILITY IF THEY MADE FRAUDULENT OR PAYABLE TO THE CORPORATION.**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **YES.**
12. Is this requirement mandatory or voluntary? **MANDATORY.**
13. What fidelity or malpractice insurance do you have? **According to the ISRAELI BAR 1.100,000,- USD.**

YECHEL YARON, ADVOCATE

DENMARK

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? - NO
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? - YES
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? – 8 %
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? – DON'T UNDERSTAND THE QUESTION
5. How do court costs compare with the US? – PERCENT OF THE SIZE OF THE CLAIM
6. What language would the court proceedings be in and do documents have to be translated? – WOULD BE IN DANISH – YES TO TRANSLATATION OF DOCUMENT
7. Will witnesses be required to visit your country for depositions in the trial? – YES AND NO (depends on the case)
8. What are the rules regarding enforcement of a US judgment in your country? – SEE PAGE 2

9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? - THERE ARE MANY VARIATIONS OF COMPANY COMPOSITION IN DK, WITH AND WITHOUT PERSONAL LIABILITY
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? – ALSO DEPENDS ON THE COMPANY STRUCTURE
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? - YES
12. Is this requirement mandatory or voluntary? - MANDATORY
13. What fidelity or malpractice insurance do you have? – DON'T UNDERSTAND THE QUESTION

Answer to question 8:

By far most, if not all, EU countries as well as most European countries outside EU cooperation have acceded to one of three conventions which commit us to recognize and enforce each other's decisions. The United States has unfortunately not acceded to any convention that allows our courts / courts to enforce a verdict issued by a US court so the short answer is no.

SWEDEN

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **No**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **Yes**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **No**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **Not at Lindorff**
5. How do court costs compare with the US? **Generally cheaper in Sweden**
6. What language would the court proceedings be in and do documents have to be translated? **Court proceedings are in Swedish, and sometimes documents can be in English, but if the debtor does not understand English, the documents have to be translated to Swedish.**
7. Will witnesses be required to visit your country for depositions in the trial? **It is not always necessary for a witness to participate, it depends on the case. A witness can sometimes testify via phone or video, although this testimony might not always be considered as equally strong as if the witness is present at the trial.**
8. What are the rules regarding enforcement of a US judgment in your country? **You need to start a new legal action process in Sweden. There is no convention to convert an American Judgment to go for Distraint in Sweden.**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **Do not know**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **It depends. If it is limited company, and the board of the company/ someone has been careless, or acted wrongfully with intent, hiding property or money etc.**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **No, money is transferred to the clients for B2C, B2B cases.**
12. Is this requirement mandatory or voluntary? **?**
13. What fidelity or malpractice insurance do you have? **Lindorff has a fidelity insurance.**

NORWAY

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country? **Normally no problem.**
2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars? **Yes.**
3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate? **Yes, 8,50 % per year.**
4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates? **Regulated by law what the court / bailiff gets in fee and what we as debt collector can add in fee (depends on the amount).**
5. How do court costs compare with the US? Cheaper than US, especially in undisputed files. **Fixed tariffs to the court and to the debt collector in undisputed files. Per hour if disputed and summons for court.**
6. What language would the court proceedings be in and do documents have to be translated? **Documents needs normally to be translated to Norwegian. Although it for the judge / court normally is not a problem with English. If debtor or the court require a translation it must be translated.**
7. Will witnesses be required to visit your country for depositions in the trial? **Very seldom or never.**
8. What are the rules regarding enforcement of a US judgment in your country? **We must have a certificate that the judgment is final (not appealed) in the United States. In Norway we use the US verdict as a legal basis for obtaining a mortgage in the debtor's values or deductions in salary etc.**
9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured? **Checks have not been used for a generation, so this is difficult to answer on. But probably it is only the company that is responsible.**
10. What liability do officers of the corporation have if the corporation goes into bankruptcy? **To a relatively small extent. We must be able to prove that management deliberately defrauded / withheld funds from its creditors.**
11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor? **This is regulated by the law. All client money must be credited to a client account, immediately.**

- 12. Is this requirement mandatory or voluntary? Mandatory!**
- 13. What fidelity or malpractice insurance do you have? Also regulated by the law in order to at all times, to get the debt collection license and to be able to carry out debt collection activities. Everyone must be insured for large amounts in relation to, for example, single-employee mistakes.**

The answers in this form cannot be used to sue the person who, in the best sense, tried to answer the questions as shortly as possible. There are exceptions and other interpretations on some of the questions.

CANADA (1)
ISSUES FOR NON-US COLLECTION AGENCIES
AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in Canada?

Any foreign claimant is unable to have its debt listed with Canadian credit bureaus until the debtor is sued and the Plaintiff has won its case. This severely limits collections against individual debtors. Additionally, if a foreign claimant has a foreign judgment, it must be domesticated into Canada before it can be acted upon. I will defer to my Canadian legal colleagues to answer expand upon this point.

2. The outstanding invoices are in dollars. Can the claim made in Canadian court proceedings be in dollars?

No. When our firm sues a claim on behalf of a foreign customer, we convert the debt to CAD based upon the Bank of Canada Exchange rate on the day the original transaction occurred. The courts have been fine with this.

3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate?

4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates?

5. How do court costs compare with the US?

Please see the attached article we published back in the spring 2018.

6. What language would the court proceedings be in and do documents have to be translated?

Everything must be in either English or Quebec French

7. Will witnesses be required to visit your country for depositions in the trial?

8. What are the rules regarding enforcement of a US judgment in your country?

9. What personal liability is there on the officers of a corporation that has issued cheques which have not been honoured?

IF the creditor can prove that the officer knowingly issued a cheque that wold not be honoured, then that officer could be prosecuted criminally; however, that is a big IF.

10. What liability do officers of the corporation have if the corporation goes into bankruptcy?

None.

11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor?

In Canada, all licensed agencies must maintain a client's trust account as well as post a client's trust bond.

12. Is this requirement mandatory or voluntary?

In Canada, a licensed agency must have a client's trust account.

13. What fidelity or malpractice insurance do you have?

Priority Credit maintains \$2,000,000 in Professional Liability insurance as well as \$1,000,000 in Fidelity insurance.

CANADA (2)

ISSUES FOR NON-US COLLECTION AGENCIES

AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country?

A US collection agency may face regulatory issues with Provincial Ministries as they are not licenced to collect debt in any of those provinces. A collector / lawyer can try to get around the Ministries by claiming jurisdiction, but are at risk of fines and regulatory enforcement.

2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars?

Yes. A claim can be made in US dollars.

3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate?

Yes. If interest is not specified in a contract, interest runs at the legislated rate of pre-judgment interest which is posted quarterly. In order to collect on a contracted rate of interest, the interest rate must be stated in annual terms on the contract / invoice.

4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates?

Yes. Lawyers can work on contingency. We typically charge between 20 – 25% for debt collection and litigation services.

5. How do court costs compare with the US?

I do not know what court costs are in the US and I assume they vary based on region. In Canada, court costs vary based on region and whether the claim is at the Small Claims or Superior Court level.

In Ontario, Small Claims Court is capped at \$25,000. The cost of filing a claim in Ontario Small Claims Court is \$95. Then a claim must be served, which can cost money if a process server is involved. The court costs are pretty limited after that stage. Seeking a default Judgment costs \$55. There may also be additional charges for enforcement proceedings and engaging the Sheriff's office.

In Ontario, filing a claim at Superior Court costs \$220. There are usually additional costs associated with serving the claim. The proceedings often involve motions which are costly. There is also a discovery stage which typically requires that the parties rent court reporter facilities. Mediations are encouraged and often require that the parties retain a mediator and a court reporter facility. A default Judgment is obtained by way of a motion proceeding. Retaining the Sheriff for enforcement will also include court fees.

6. What language would the court proceedings be in and do documents have to be translated?

Court proceedings in Ontario are available in English and French. The vast majority of proceedings are in English and usually a special request has to be made for French. This

is likely the case in most Canadian provinces other than Quebec and some of the other maritime provinces.

7. Will witnesses be required to visit your country for depositions in the trial?

We are able to perform Small Claims settlement conferences as well as depositions by teleconference or videoconference. I expect that at the trial stage a court would strongly prefer that a witness be present at the court.

8. What are the rules regarding enforcement of a US judgment in your country?

US Judgments are enforceable in Canada. The Supreme Court has confirmed this in several cases (i.e. *Saldhana v. Beals*). Some jurisdictions have legislation regarding foreign Judgment registration. The procedure for registering the Judgment will differ in different provinces.

9. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured?

Issuing a cheque that returns as NSF is technically cheque fraud. You may be able to include a claim in a lawsuit and bring an individual director into the action. Practically, this is not done and you likely would not succeed on such a claim.

In certain industries individual directors are liable for the debts of corporations under legislated Trust provisions. The Ontario Construction Lien Act mandates that parties higher up the construction chain are personally liable for debts owing to sub-contractors as the money is passed on in Trust for the final sub-contractors. Also, the Highway Traffic Act creates personal liability for the individual directors of transportation brokerage companies for remittance of funds from a shipper owing to a carrier (or factoring company that purchased the invoice).

10. What liability do officers of the corporation have if the corporation goes into bankruptcy?

Typically none, unless there is some sort of personal guarantee or obligation to the debt.

11. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor?

Yes.

12. Is this requirement mandatory or voluntary?

If you are taking in funds on behalf of your client it is mandatory. Lawyers Trust Accounts are regulated by the Law Society. Collection Agencies are regulated by Provincial Ministries.

13. What fidelity or malpractice insurance do you have?

We have LawPro (Lawyers Professional Indemnity Company), which is the malpractice insurance provider for lawyers. We also have additional insurance coverage for certain types of potential losses / liabilities in addition to the required LawPro coverage.

BRAZIL

ISSUES FOR NON-US COLLECTION AGENCIES AND LAWYERS TO ANSWER:

1. Are there any problems with a US claimant pursuing a claim against a debtor in your country?

There is no problem to an international company litigate in Brazil against a local company.

2. The outstanding invoices are in dollars. Can the claim made in court proceedings be in dollars?

Generally, we are used to place the due amount in dollars and with the converted amount into Brazilian Reais.

3. If there is no contractual right to interest, can interest nonetheless be claimed and if so at what rate?

Yes! We are able to charge 1% interest per month.

4. Can agency lawyers in your jurisdiction work upon a contingency fee basis and if so, typically what are the rates?

Basically, we are used to work on a contingency basis to make extra-judicial attempts.

5. If litigation is necessary, an attorney will necessary propose a retainer plus a success fee. The percentage varies and will be based on the total due amount.

6. How do court costs compare with the US?

Every Brazilian State has a different court cost.

7. What language would the court proceedings be in and do documents have to be translated?

All documents to be translated into Portuguese and to be conducted by a sworn translator. Some documents to be apostiled as well.

8. Will witnesses be required to visit your country for depositions in the trial?

No need to have witnesses to visit the Country for depositions.

9. What are the rules regarding enforcement of a US judgment in your country?

A US judgment must be validated by the Brazilian Superior Court ,STJ, before its execution. The judgment cannot have its terms contrary to the local law.

10. What personal liability is there on the offices of a corporation that has issued cheques which have not been honoured?

Before a lawsuit, a creditor may protest the title and the debtor will certainly have difficulties to obtain a new credit due to it. After the protest, a creditor may file with an execution against the debtor with a good chance to succeed in court.

11. What liability do officers of the corporation have if the corporation goes into bankruptcy?

If a creditor proves that the bankruptcy occurred due to a fraud, the officers may suffer a criminal charge against them.

12. Do agencies and lawyers operate a trust or client account for monies recovered from a debtor?

This is not very common in Brazil. The best practice is having the debtors paying the clients directly and according to the invoices' instructions.

13. Is this requirement mandatory or voluntary?

This is voluntary. However and if the option is having the funds to be deposited in a different banking account, the clients will have to issue new documents. This is certainly a very bureaucratic procedure.

14. What fidelity or malpractice insurance do you have?

Attorneys are not obliged to have malpractice insurance.