

Serbia

Law on Registered Charges on Movable Assets (Adopted on 30 May 2003)

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International Economic Relations

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Basic Provisions

Purpose of the Law - Article 1

This law governs the creation of a non-possessory charge on movable assets and rights in order to secure claims, a charge contract, the rights and obligations of contracting parties, the entry of a charge in a register, its enforcement in favour of the chargee and the termination of a charge.

Movable assets and rights are charged by entering the charge in a register, as established in this law.

The legal relations that are not governed by this law shall be governed by the provisions that regulate obligations, property relations and other provisions.

Charge Contract - Article 2

The charge contract obliges the chargor to provide security for the chargee by entering the chargee's claim to the chargor's asset in the register.

The chargor may be the debtor or a third party.

The charge contract defines the rights and obligations of the the chargor and the chargee.

Content and the form of the Contract - Article 3

The charge contract shall in particular contain: the day of entering into the contract, the first and last name of the person or the name of the company; the permanent or temporary residence i.e the seat of the chargee and the chargor, as well as that of the debtor, if they are different persons; the charged asset with necessary characteristics; and information about the secured claim.

The charge contract shall be in written form.

Acquiring a Charge - Article 4

The chargee acquires a charge by the entry of the charge in the register (hereinafter referred to as: Charge Register), except if otherwise provided in law.

If the chargor charged an asset of which he does not have ownership or if the charge is otherwise invalid, entry in the Charge Register does not produce any legal effect.

Entry Into the Register - Article 5

The chargee or the chargor may request the entry of the charge in the Charge Register.

If the chargee requests entry of the charge in the Charge Register, an explicit declaration containing the chargor's consent is necessary.

Legal Effect of a Charge - Article 6

The chargee whose charge is entered in the Charge Register may, in priority over other creditors, enforce his claim from the value of the charged asset, should his debt not be paid when due.

The right mentioned in paragraph 1 of this Article also has effect against a third party, who acquired the charged asset from the chargor, as well as against the persons, who subsequently acquired the charged asset.

Secured Debt - Article 7

A debt expressed in money, whether in national or foreign currency, may be secured with a charge.

The charge shall secure the determined amount of the principal claim, the due interest and the expenses of enforcing the claim.

Future or conditional claims may also be secured by a charge.

In the case mentioned in paragraph 3 of this Article, the maximum amount of the Principal Claim up to which the charge secures conditional or future claims shall be entered in the Charge Register.

Legal Effects in Bankruptcy - Article 8

In case of bankruptcy procedure over chargor's property, the enforcement from the value of the object of the charge is governed by the law that regulates bankruptcy.

Charged Property

Movable Assets - Article 9

The charged asset may be a specifically identified thing that the chargor may transfer freely.

Movable things of the same type may also be charged, if their quantity or number and the way to distinguish them from other things of the same type are specified in the charge contract.

The charged asset may also be a pool of movable things, such as goods in a certain warehouse or store, or inventory used to operate a business and other things, in accordance with the charge contract.

Claims and other rights - Article 10

The object of the charge may be the chargor's claim against his debtor, as well, even in the case where the chargee is the debtor of the chargor, except in the case of claims, of which the transfer is prohibited by law, and claims that are linked to a person, or claims that may not be transferred to another person.

A charge over a claim shall be acquired by entering it in the Charge Register.

The object of the charge may be other property rights that may be freely transferred by their owner.

The provisions that govern a charge on things shall also be applied to charging claims and other rights, unless different provisions have been stipulated for them.

Effect of Creating a Charge over Claims - Article 11

The debtor of the charged claim may fulfill his/her obligation to the chargor until he/she is notified in writing that a charge has been created.

The chargor or the chargee may inform the debtor about the charge of the claim mentioned in paragraph 1 of this Article.

From the moment of being notified about the existence of a charge, the debtor of the charged claim may fulfill his/her obligation only to the chargee and not to the chargor, unless otherwise instructed by the chargee.

A certified copy from the Charge Register that the chargee has a charge on the claim is sufficient proof for the debtor of the charged claim to fulfill his/her obligation to the chargee.

Joint Ownership Share - Article 12

Charged assets may comprise a joint ownership share either of a movable thing or of a pool of movable things.

A share of a property right may be charged.

Future - Things and Rights - Article 13

Charged assets may comprise things or rights that the chargor will acquire in the future.

The charge mentioned in paragraph 1 of this Article is created when the chargor acquires the right of ownership of the asset or the secured right or other property right.

The chargee may request the entry of the charge on a future-thing in the Charge Register.

The application of special rules - Article 14

The provisions of this law shall not apply to charges on ships and aircraft, for which registers have been established by separate regulations.

The provisions of this law shall not apply to charges on securities ("valuable papers") for which a register has been established according to separate regulations, wherein the rights of third parties to the securities are entered.

The provisions of this law shall apply to charges on intellectual property rights, and the charges on such rights shall be entered in the registers of the relevant institution that deals with intellectual property rights: register of seals, register of patents, register of small patents, register of models, register of samples, register of geographic signs of origin and register of topography, and not in the Charge Register.

Contracting Parties

Chargee - Article 15

A chargee in the sense of this law is any creditor who has acquired a charge by the entry of the charge in the Charge Register.

The appointment of a third party - Article 16

A chargee or several chargees may appoint a third party or one among them to take legal action to protect and enforce the secured claim.

In the case mentioned in paragraph 1 of this Article, the third party has the rights of the chargee in relation to the chargor.

The name of the third party mentioned in paragraph 1 of this Article shall be entered in the Charge Register instead of the chargee's name.

Chargor - Article 17

The chargor, according to this law, is a debtor who has the property right to a movable thing or possesses a certain right that he/she may freely transfer.

The chargor may also be a third party who provides security for the debt of another person.

Effects of the Charge Contract

Obligations of the Chargor

Preserving and Maintaining the Charged Asset - Article 18

After entering into the charge contract, the chargor is obliged to take good care of the charged asset as a *bonus pater familias*, and reasonable man of business.

The chargor is obliged to maintain the charged asset in good condition and make the necessary repairs on it.

Insuring the Charged Asset - Article 19

The charge contract may stipulate the obligation of the chargor to insure the charged asset.

Rights of the Chargor

Possession and Use - Article 20

The chargor has the right to keep the charged asset in his possession even after the charge is entered in the Charge Register.

If the chargor does not fulfill his obligation to the chargee when it falls due, the chargor loses the right to possession.

The chargor is authorised to use the charged asset for its regular purpose.

Right to Receive Fruits - Article 21.

If any fruits arise from the charged asset, the chargor has the right to receive them.

The charge contract may stipulate that, instead of the chargor, the chargee shall be entitled to receive the fruits from the charged thing or right.

Rent - Article 22

The chargor has the right to rent the charged asset and enter into other contracts, which allow a third party to use and receive the fruits from the charged asset, unless otherwise provided in the charge contract.

Transfer of the Charged Asset - Article 23

The chargor may transfer the charged asset and the ownership right to a third person.

The chargor is obliged to submit without delay a request for entering the charge in the Charge Register against the new owner.

The new owner has the obligation mentioned in paragraph 2 of this Article, as well.

The chargor and the new owner of the charged asset are jointly liable to the chargee for any damage they may incur due to their failure to register the charge against the new owner.

The acquirer shall acquire the right of ownership encumbered by the registered charge.

If the chargor sells the charged assets within his/her regular business activity, the buyer shall acquire the right of ownership without any encumbrance.

Exclusion of Transfer - Article 24

The charge contract may deny the chargor the right to transfer the charged asset.

Recharging - Article 25

The chargor may recharge a charged asset, unless otherwise provided in the contract.

Limiting the Right to Use - Article 26

The charge contract may limit the use of the charged asset and determine the way in which the chargor may use it in the future.

The charge contract may exclude certain ways of using the charged asset.

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Special Provisions of the Contract about Enforcement

General rule - Article 27

If the chargor is a commercial entity (a person who is professionally engaged in commerce), the charge contract may provide that the chargee may sell the charged asset in an out-of-court public sale if his claim is not settled when due.

If the asset has a market or stock market value, the charge contract may provide that the chargee may sell the charged asset at that price, or keep it for himself at that price.

The term commercial entity shall include companies, commercial entities, shop owners and other individuals that perform commercial activities as their regular occupation.

The rules mentioned in paragraphs 1 to 3 of this Article apply to other legal persons according to private or public law, as well.

If the charged asset has no market or stock market value, the chargee may sell the asset in a manner in which a reasonable and careful person would, protecting the interests of the debtor and the chargor, if it is not the same person.

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Exception - Article 28

If the chargor is a physical person, who is concluding a charge contract that is not in the scope of his commercial activity, the charge contract may not envisage that the charged asset shall become a part of chargee's property, if his claim is not settled when due.

In the case mentioned in paragraph 1 of this Article, the charge contract may not envisage that the chargee may sell the charged asset at a previously designated price or keep it for himself if his claim is not settled when due.

The charge contract may envisage that the chargee will be entitled to the possession of the charged asset if his claim is not settled when due.

As soon as the claim falls due, the chargee and the chargor may agree that the charged asset will become a part of the chargee's property instead of the repayment of debt, or that the chargee will be entitled to sell it at a designated price or keep it for himself at the same price.

The chargee is obliged to pay the amount exceeding the value of the claim to the chargor, without any delay.

Order of Charged Rights

Priority in Enforcement - Article 29

The chargee may, from the price obtained by selling the charged asset, enforce his claim before any other creditors unless otherwise provided in this law.

Priority - Article 30

If one asset has been charged, by registering it in the Charge Register, to secure the debts of several chargees, the priority of settling their claims from the value of the charged asset is determined according to the time of entering their secured rights in the Charge Register.

Precedence Priority of Different Charges - Article 31

The priority between a charged entered in the Charge Register and charge that is created by transferring the charged asset to the possession of the chargee shall be determined according to the time of creating a particular charge.

If the entry of the charge in the Charge Register precedes the transfer of possession, the registered charge shall have priority.

If the chargor first hands over the asset to one of the creditors and then requests the entry of the charge in the Charge Register in favor of another creditor, the chargee having possession of the charged asset has priority.

The charge acquired by the transfer of possession has priority over a subsequently entered charge if it is based on the charge contract that was concluded in written form and certified by the court, or another body authorized for certification of signatures.

Burden of Proof - Article 32

The creditor claiming that the asset was transferred to his possession, before it was entered in the Charge Register in favor of another creditor, is obliged to prove that the transfer of possession occurred before it was entered in the Charge Register.

Liens in Contracts - Article 33

Carrier liens, agent liens, transporter liens and warehouse's liens based on carrying, safe-keeping or transport on charged assets, according to the law regulating obligation relations have priority over charges entered in the Charge Register.

The lien of a contractor for the supply of services for claims of remuneration for the work performed on the charged assets, reimbursement of expenses for the used materials and other claims pertaining to his work in conformity with the contract for the supply of services created on the basis of the law regulating obligation relations has priority over the charges entered in the Charge Register.

Privilege of the State - Article 34

The priority of claims arising from taxation and other levies is determined according to the time of entry in the Charge Register.

Enforcement

General Rules - Article 35

If the debtor does not fulfill his/her obligation when due, the chargee acquires the right to possession by the force of law.

As soon as the obligation falls due, the chargee acquires the right to enforce his principal claim, due interest, and expenses of enforcing the claim from the value of the charged asset.

The chargee is obliged to pay back the chargor the amount of the price obtained by sale exceeding the value of the claim, without delay.

If the chargee within eight days does not pay back the chargor the amount of the price obtained by sale exceeding the value of the claim, the chargee is obliged to pay the chargor the legal interest rate.

Starting Enforcement - Article 36

If the chargee intends to enforce his due claim from the value of the charged asset, he is obliged to notify the debtor and the chargor when it is not the same person, as well as the third person, who is in possession of the charged asset, by registered mail, about his/her intention to enforce his/her claim out of the value of the charged asset.

The enforcement procedure starts when the chargee notifies the debtor and the chargor, when it is not the same person, by registered mail sent to the addresses indicated in the Charge Register.

Entering the Enforcement Procedure in the Charge Register - Article 37

The chargee is obliged to request an entry to be made in the Charges Register, indicating that he has started the enforcement procedure.

Duty of Cooperation - Article 38

From the moment of receiving of the chargee's notice, the chargor has the duty to cooperate with the chargee in the procedure of enforcing the chargee's claim from the charged asset.

The chargor is obliged to give the chargee the necessary information for conducting the enforcement.

The obligations of the chargor mentioned in paragraphs 1 and 2 of this Article are also assumed by the debtor, if it is not the same person.

Should the chargor, or the debtor, if it is not the same person, violate any of the obligations stipulated in this Article, he is obliged to indemnify the chargee for all damages he has incurred.

Duties of the Chargor - Article 39

From the day of the chargee's notice, the chargor is obliged to allow the chargee to enforce his claim from the value of the charged asset.

At the chargee's request, the chargor has to hand over to the chargee the charged asset or the document necessary for acquiring possession.

Until the transfer of the possession to the chargee, the chargor is obliged to refrain from any actions that could reduce its value.

The chargor is obliged to also take other action necessary for the chargee to enforce his claim.

Should the chargor violate any of the obligations mentioned in this Article, he is obliged to indemnify the chargee for the damages he has incurred.

The Chargee's Right to Possession - Article 40

After notifying the debtor, or the chargor, if it is not the same person, as well as a third person, who is in possession of the charged asset, the chargee is entitled to take possession of the charged asset.

Special procedure for taking possession of the charged asset - Article 41

If the chargor does not voluntarily fulfill his obligation to hand over the charged asset, the chargee may submit a request to the court to issue a decision to take the object of the charge from the chargor or other person holding the object and to hand it over to the possession of the chargee.

In addition to the request mentioned in paragraph 1 of this Article, a certified copy from the Charge Register and the charge contract shall be submitted.

The certified copy from the Charge Register, according to this law, is considered to be the same as the enforcement document.

The court is obliged to decide on the request mentioned in paragraph 1, no later than three days after the request was submitted.

The procedure for the confiscation of the object of the charged is carried out no later than three days from the day of issuing the decision whereby the request from paragraph 1 of this Article was adopted.

The enforcement procedure shall be performed within three days of the court decision.

If it is not appropriate to transfer the object of the charge into the possession of the chargee, due to its nature, or, if it is in the interest of the chargee, the chargee may request the court to appoint an administrator to take care of the object of the charge until the moment of enforcement.

In order to appeal against the decision on removing the object of the charge from the chargor or other person holding the object, within three days of the date he received the decision, the chargor may submit a claim that the charge or secured right does not exist or that the debt has been paid, for which he is obliged to submit written proof.

The claim mentioned in paragraph 6 does not delay the enforcement.

The court issues a decision on the claim mentioned in paragraph 6, in accordance with the rules of the Law on Enforcement.

The law that regulates enforcement applies to the procedure of acquiring ownership of the object of the charge, unless otherwise provided in this law.

Prohibition of Disposal - Article 42

After the delivery of chargee's notice, the chargor may not legally dispose of the charged asset without the chargee's permission.

If the chargor sells the charged asset in the regular course of business, the prohibition of transfer has no legal effect on the acquirer in good faith and he shall acquire the right of ownership without encumbrance.

Manner of Enforcement

Court Sale of the Charged Asset - Article 43

After requesting the start of enforcement to be registered in the Charge Register, the chargee may request the court issues a decision to sell the charged asset either at a public sale or at the current price, if the charged asset has a stock market or market value.

If the expenses of the public sale are extremely high compared to the value of the charged asset, the court may issue a decision for the chargee to sell the charged property at a price determined according to the assessment of an expert or, if he prefers, to keep it for himself at the same price.

Out-of-court Sale - Article 44

The chargee may initiate the out-of-court sale of the charged asset after a 30 day period has expired since the entry of the start of enforcement in the Charge Register.

The debtor may pay his debt at any time prior to sale of the asset.

Within this period, the chargor may, even though it is not his debt, fulfill the obligation of the debtor.

Subsequent Agreement - Article 45

After the notice of the start of enforcement is delivered to the chargor, the chargee and the chargor may agree to make the 30-day period.

Public Sale by Auction - Article 46

The chargee may start an out-of-court public sale through auction, if this manner of enforcement is stipulated in the charge contract.

Exceptionally, where the chargor is a physical person, who is concluding a charge contract that is not in the scope of his business activity, the chargee may only start an out-of-court public sale by auction if the chargee and the chargor agreed on it when the claim has fallen due.

The chargee may entrust the public sale to an expert that regularly performs these activities.

Sale at a Market or Stock Market Price - Article 47

The chargee may sell the charged asset at a market or stock market price if this manner of selling is stipulated in the charge contract.

Exceptionally, when the chargor is a physical person, who is concluding a charge contract that is not in the scope of his business activity, this is possible if the chargee and the chargor agree on it when the chargee's claim has fallen due.

The market price is the price at which the same or similar assets are usually sold under normal circumstances in the place and at the time of selling the charged asset.

If, in the place and at the time when the charged asset should be sold, the charged asset does not have a market price, the price at the nearest market shall be used.

The stock market price is the price at which same or similar assets are usually sold at the nearest stock market.

If the charged asset has no market or stock market price, the chargee may sell the asset in a manner in which a reasonable and careful person would, protecting the interests of the debtor and the chargor.

The chargee may entrust a person, who is in the business of giving secured loans, or a person, who is in the business of selling those assets, with the sale of the charged asset on his behalf and for his account.

The chargee and the person entrusted with the sale of the charged asset shall be jointly responsible to the chargor if they incurred any damage to him in the course of the sale.

Duty of Notice - Article 48

The chargee is obliged to notify the debtor and the chargor, if it is not the same person, as well as the person who is in possession of the charged asset, of the place and time of holding a sale.

If any sale of the charged asset has taken place without the presence of the debtor and the chargor, if it is not the same person, the chargee is obliged to inform each of them without delay of all the relevant circumstances, and particularly about the completion of the sale, the manner in which the sale was conducted, the price obtained and the costs.

The Chargor's Claim to the Court - Article 49

The chargor may contest the right of the chargee to enforce on out-of-court enforcement procedure if he/she, within 30 days of entering the start of enforcement in the Charge Register,

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submits a claim to the court with evidence that the charge or creditor's claim does not exist, or that the debt has not fallen due or has been paid.

Submitting a claim to the court does not halt the procedure of enforcement except if the chargor submits an official document, or a private document certified as prescribed under the law, which contains evidence that the chargee's claim does not exist, or that his charge does not exist, or that the claim is not due, or that the debt has been paid.

When determining deadlines and scheduling hearings, the court shall always pay special attention to the need for issuing decisions swiftly in these cases.

Acquiring Right of Ownership at a Public Sale and Other Types of Sale - Article 50

A person in good faith, who buys the charged asset at a court or an out-of-court public sale acquires the right of ownership without encumbrance.

The buyer's acquisition of the right of ownership in good faith may not be contested because of possible irregularities in the course of the sale.

The rules mentioned in paragraphs 1 and 2 of this Article shall also be applied to a sale in enforcement procedure, if a person buys a charged asset at the market or stock market price, or at the price at which a reasonable and careful person would, protecting the interests of the debtor and the chargor.

Termination of a Charge

Satisfaction and Other Ways the Debt Ceases to Exist - Article 51

If the chargee's claim ceases to exist due to payment of the debt or in some other way, the charge shall be terminated and deleted from the Charge Register at the request of the chargee, debtor or chargor, when it is not the same person.

However, the chargee may settle his claim from the value of the charged asset even after the expiration of the limitations period.

Ceasing of the Asset - Article 52

The charge shall be terminated and deleted from the public Charge Register when the charged asset ceases to exist.

If the charged asset was insured, a charge will automatically (by force of law) be created on the claim for the amount (or compensation) obtained from the insurance.

Sale - Article 53

The charge shall be terminated on the basis of the public sale or any other sale of the charged asset, which is conducted in order to enforce the chargee's claim.

After the court decision on enforcement becomes final, the court will issue a decision ordering the deletion of the charge from the Charge Register.

In the case of an out-of-court sale the chargee is obliged to issue a document based on which the charge shall be deleted from the Charge Register.

The right to request such document from the chargee also applies to the buyer, who acquired the asset in an out-of-court sale.

Other Cases - Article 54

Deleting the charge from the public Charge Register may also be requested when the chargee renounces the charge in written form, when the chargee and the debtor become the same person, and when the chargee acquires the ownership of the charged asset.

Chargee's Consent or Court Decision - Article 55

If the debtor or the chargor, when it is not the same person, requests the deletion of the charge, he is obliged to submit to the Charge Register a written statement by the chargee that he consents to the deletion or a court decision determining the termination of the charge.

Charge Register

General Provisions - Article 56

The Charge Register is a public register of charges on the assets of individuals or legal entities and other information that is entered in the Charge Register according to this law.

The Charge Register is a unique electronic database, which is based on the central database where all information entered in the Charge Register is stored.

Local units of the Charge Register shall be established on the territory of the Republic of Serbia. The central database shall be accessible through the local units for entry or searches into the Charge Register.

Authority for Managing the Charge Register - Article 57

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The Charge Register shall be managed by the authorized organization, which is determined according to the law.

Accessibility of the Charge Register - Article 58

The Charge Register shall be accessible to all persons, regardless of the place and territory where they access the Charge Register. All persons may refer to any unit of the Charge Register for entry or searching in the Charge Register, without any limitations.

The Charge Register is accessible at any time within the Charge Register's working hours.

Publicity - Article 59

All information stored in the Charge Register is public.

All persons have the right to request access to the information registered in the Charge Register.

All persons may, in accordance with the rules, request a certified copy of information stored in the Charge Register.

All persons may request a statement certifying that there is no record of a charge in the Charge Register.

Registration Fees - Article 60

Registration fees are paid, in accordance with the law, especially for:

- 1) entering or changing the information in the Charge Register;
- 2) searching that includes issuing a copy;
- 3) receiving the certified copy.

Effects on Third Parties of Entering the Charge in the Charge Register - Article 61

It shall be considered that third parties are informed of the existence of a charge on the basis of registration in the Charge Register. No one may call upon the fact that he/she was not aware of the information in the Charge Register.

The entry of the data in the Charge Register may not serve as proof of the chargor's property rights or other rights to the assets, or that the secured claim or charge is valid.

Content of the Entry of Charged Rights in the Charge Register - Article 62

The request for entry of the charge in the Charge Register shall include:

- 1) Information necessary to identify the chargor, and the debtor, when it is not the same person, and the chargee or persons from the Article 16, paragraph 1 of this law;
- 2) A brief description of the charged asset;

- 3) A brief description of the secured claim, including the principal amount or maximum principal amount;
- 4) The signature of the person submitting the request for entering the charge in the Charge Register;
- 5) A declaration by the chargor that he consents to the chargee entering the charge in the Charge Register;
- 6) The date and reference information of the court decision or other state body's decision if the charge is based on such a decision.

On the grounds of a legally submitted request for entering the charge in the Charge Register, the entry clerk enters the data in the Charge Register, the moment the request is submitted.

Changes and Additions to the Registered Charge - Article 63

Changes and additions related to essential elements of the registered charge have the character of a new registration.

On copies from the Charge Register, the entered changes shall be marked as special entries.

Other Entries in the Charge Register - Article 64.

The chargee is obliged to request an entry on starting of enforcement in the Charge Register.

The chargor may request the entry of a notice on the existence of a dispute, in the Charge Register if he files a lawsuit for the deletion of the charge from the Charge Register.

The chargee and the chargor may request the entry of a dispute notice in the Charge Register if they file a lawsuit related to charged movable things or other relations between parties, pertaining to the charge.

Refusing an Entry in the Charge Register - Article 65

The entry clerk shall refuse the entry of information in the Charge Register in the following cases:

- 1) if all the information necessary for entering the charge in the Charge Register is not provided in the manner prescribed by law;
- 2) if the person who submitted the request did not supply adequate proof of his identity and authorization to seek the entry, change or addition of the registered charge at the request, and for the account of a third person;

- 3) if the chargee who submitted the request did not provide an explicit statement by the chargor that he consents to the chargee entering the charge in the Charge Register, except if entry of the charge is required on the grounds of a court decision or other state agency's decision;
- 4) if the costs of entry are not paid.

The decision on rejection is issued within three days of the day of receipt of the request for entering the charge.

Final and Transitional Provisions –

Article 66

Until special provisions are adopted, regulating in greater detail the entry of charges in intellectual property registries, as mentioned in Article 14, paragraph 3 of this law, charges on intellectual property rights shall be entered in the Charge Register in accordance with this law.

Article 67

If, by a competent court decision, a non possessory charge has been constituted in accordance with the law that regulates executive procedure or other law before the January 1st 2004, the priority in enforcement is calculated from the day of the court's decision, if the creditor submits a request for entering his charge in the Charge Register before January 15th 2004.

If the creditor submits a request for entering the non-possessory charge, according to paragraph 1 of this Article, in the Charge Register after January 15th 2004, the priority in enforcement is calculated from the day of entry in the Charge Register.

The creditor is obliged to submit the court's decision on the constitution of the non-possessory charge, with the request mentioned in paragraphs 1 and 2 of this Article.

Article 68

If the non possessory charge was constituted directly on the grounds of the law, or it was constituted by decision of a state agency in accordance with the law by January 1st 2004, the priority in enforcement is calculated from the day of the constitution on the grounds of the law, or from the day of the state agency's decision, if the creditor submits a request for entering the charge in the Charge Register by January 15th, 2004.

If the creditor submits the request for entering the non-possessory charge as mentioned in paragraph 1 of this Article in the Charge Register, after January 15th 2004, the priority in enforcement is calculated from the day of entry in the Charge Register.

The creditor is obliged to submit the state agency's decision on the constitution of the non-possessory charge, with the request mentioned in paragraphs 1 and 2 of this Article.

Article 69

As an exception to the provision laid down in Article 34 of this Law, until January 1st 2005 the Republic of Serbia has priority in enforcement of the financial resources of the taxpayer on his/her accounts in banks or other financial organisations, regardless of entry of the charge in the Charge Register.

Article 70

This law shall enter into effect 8 days after it is published in the Official Gazette of the Republic of Serbia and shall be applied from 1st January 2004.