

NB: Unofficial translation, legally binding only in Finnish and Swedish.

Ministry of Justice, Finland

Enforcement Code

(705/2007 ; amendments up to 987/2007 included)

Chapter 1 — General provisions

Scope of application and definitions

Section 1 — *Scope of application*

The following obligations or injunctions in private law established in a civil or criminal case, based on a judgment or other grounds for enforcement referred to in this Act, are enforced in accordance with this Act:

- 1) an obligation to pay an amount of money or deliver goods (*payment obligation*);
- 2) an obligation to transfer real estate or specific chattels to another;
- 3) an obligation to transfer into the possession of another real estate, a building, accommodations, other premises or a part thereof or an obligation to move there from (*eviction*);
- 4) an obligation to do something;
- 5) an injunction against doing something and an obligation to allow another to do something.

A precautionary seizure or another precautionary measure referred to in chapter 7 of the Code of Judicial Procedure is enforced in accordance with chapter 8 of this Act.

An obligation referred to in paragraph 1 established in the application of administrative law and in administrative procedure is enforced in accordance with this Act if it involves grounds

for enforcement referred to in this Act and enforcement requires measures in accordance with this Act.

Section 2 — *Relationship to other legislation*

As provided thereon in another Act, a procedure in accordance with this Act shall be followed also in enforcement that concerns:

- 1) taxes, public payments and other public law or comparable claims;
- 2) fines and certain criminal law sanctions and compensation ordered by judgment to the State;
- 3) child maintenance or the transfer of a child to the person responsible for his or her care and custody and visitation rights;
- 4) a judgment, arbitral award or other grounds for enforcement given abroad;
- 5) judgments and decisions of certain bodies of the European Union;
- 6) chattels sold on instalment;
- 7) a precautionary measure other than one referred to in chapter 7 of the Code of Judicial Procedure.

Section 3 — *Parties and third parties*

As used in the present Act:

- 1) *applicant* refers to a person who has applied for enforcement;
- 2) *respondent* is a person against whom enforcement has been sought;
- 3) *creditor* refers to an applicant in the enforcement of a payment obligation or another person who has the right to receive payment from attached property;
- 4) *debtor* refers to a respondent in the enforcement of a payment obligation;
- 5) *party* refers to a person referred to in subparagraphs 1 through 4;
- 6) *third party* refers to a person other than one referred to in subparagraphs 1 through 5.

A person also refers to a corporation, institution or foundation. What is provided regarding a debtor applies in so far as appropriate to a person who is liable for the applicant's receivable only to the extent of the value of an object that he or she owns.

Section 4 — *The applicant's receivable*

The applicant's receivable refers to the capital established in the grounds for enforcement, the interest to be calculated on the capital in accordance with the grounds for enforcement and the costs with interest judged in the grounds for enforcement or the part of the foregoing to which the applicant has limited his or her application.

Section 5 — *Electronic message*

Unless provided otherwise in this Act, what is provided in the Act on Electronic Services in the Public Sector (13/2003) applies to an electronic message. If the identity of the person who had sent the electronic message is uncertain, the bailiff shall ensure the authenticity of the message.

Section 6 — *Delivery of a document*

A document may be sent to the bailiff by post at the sender's own risk.

The date on which the delivery arrives at the bailiff's office premises or post office box or the date on which a notice has been delivered to the bailiff regarding the arrival of the delivery at a postal company shall be deemed the date of arrival of the document.

The sender is responsible for ensuring that a document for which a time limit on delivery has been provided by law or has been set is delivered to the bailiff by the date due.

Enforcement authorities

Section 7 — *Bailiffs*

District bailiffs and their deputies serve as bailiffs. A deputy bailiff is responsible for the duties that the district bailiff assigns to him or her.

The district bailiff shall ensure that the deputy bailiffs and the other civil servants referred to in section 8 subordinate to him or her attend to the duties assigned them in accordance with the law and appropriately, and follow the orders given them.

The district bailiff may transfer to another subordinate civil servant a duty that he or she has assigned, or may attend to the duty himself or herself.

Section 8 — *Other civil servants*

The district bailiff may where necessary assign also to another civil servant subordinate to him or her enforcement duties belonging to the deputy bailiff, if this civil servant fulfils the qualifications for deputy bailiff. What is provided regarding the deputy bailiff then applies to said civil servant.

Section 9 — *Sole competence of the district bailiff*

The district bailiff shall himself or herself:

- 1) decide on enforcement of a non-final ground for enforcement referred to in chapter 2, section 8, reversal referred to in chapter 2, section 15, a set-off referred to in chapter 2, sections 22 and 23, enforcement in the absence of a debt instrument referred to in chapter 3, section 6, paragraph 1, acceptance of security referred to in chapter 3, section 43, an injunction referred to in chapter 3, section 92, use of an expert referred to in chapter 3, section 109, designation of an agent referred to in chapter 3, section 110, setting aside an artificial arrangement referred to in chapter 4, section 14, imposition of the injunction against decisions referred to in chapter 4, section 38, a payment injunction referred to in chapter 4, section 46, paragraph 2, the attachment of jointly owned property referred to in chapter 4, sections 73 and 74, and enforcement referred to in chapter 7, sections 12 through 17;
- 2) issue the directions to a party referred to in chapter 3, section 9;
- 3) decide on the imposition of the threat of being fetched referred to in chapter 3, section 59, paragraph 1 and on requesting that the police fetch a person;
- 4) decide on the imposition of the threat of a fine and apply for a judgment ordering that the fine be paid;

- 5) sell attached real estate, a vessel or mortgageable car referred to in chapter 4, section 3 and shares in a joint stock company entitling the bearer to possess accommodations or a building, a collectively owned object or other property referred to in chapter 5, section 82, if it is subject to mortgages, liens or other security rights;
- 6) distribute the sale price of the property referred to in subparagraph 5 and the sale price of other property when the party list referred to in chapter 5, section 32 or 44 has been prepared;
- 7) impose a payment or return obligation on the basis of chapter 2, section 16, chapter 3, section 46, chapter 4, section 47, chapter 5, section 25 or chapter 9, section 2, paragraph 2 or section 4;
- 8) decide on the imposing of a precautionary measure referred to in chapter 8, section 13;
- 9) decide on correction of one's own decisions, the issuing of instructions in contested enforcement, and stay of enforcement;
- 10) render an account between the seller and buyer in a sale-by-installment;
- 11) decide on enforcement of a decision on child maintenance and visiting rights; and
- 12) attend to other duties provided by law for the sole competence of the district bailiff.

Section 10 — Courts

General courts serve as appellate authorities in enforcement matters and consider the enforcement matters that have separately been assigned them by law.

Administration of enforcement matters

Section 11 — *Organization of the enforcement authorities*

The enforcement authorities consist of the central administration and its subordinate local enforcement offices.

Central administration is the responsibility of the national administrative office for enforcement (*Administrative Office*). The Administrative Office and the enforcement offices belong to the administrative sector of the Ministry of Justice.

The area of operations of an enforcement office (*enforcement district*) consists of one or more population register districts. Provisions on enforcement districts are contained in a Decree of the Government. The Ministry of Justice decides on the locations of enforcement offices.

Section 12 — *Administrative Office*

The Administrative Office is responsible for general administrative management, guidance and supervision. The Administrative Office is in particular responsible for the regional availability of enforcement services.

The Government appoints the Director of the Administrative Office. In other respects provisions on the name, functions, official positions and other management of the Administrative Office are provided separately by Act.

Section 13 — *Enforcement offices*

District bailiffs and their subordinate civil servants function in enforcement offices. The senior district bailiff serves as director of the office.

The director of the enforcement office approves the office regulations.

Separate provisions apply to the local enforcement authority in the province of the Åland Islands.

Section 14 — *Appointment and qualifications*

The Administrative Office appoints the senior district bailiff and the district bailiff.

A Finnish citizen who has completed the degree of Bachelor of Laws or Master of Laws, who is well familiar with enforcement or who has acquired in other duties the skill necessary for successfully managing the position and who has the personal qualifications necessary for the position may be appointed as district bailiff. In addition to the foregoing, a further qualification for appointment as senior district bailiff is good leadership skills.

Provisions on the appointment of and qualifications for district bailiff are contained in a Decree of the Government.

Disqualification and the requirement for appropriateness

Section 15 — *Disqualification grounds*

A bailiff is disqualified if:

- 1) the bailiff or a person close to him or her is a party in the enforcement matter or is a third party who has lodged a plea or claim in the matter;
- 2) the bailiff serves as a member of the board of directors, administrative board or other comparable body or managing director or in a corresponding position in a corporation, foundation or institution under public law or a public utility which is a party or a third party which has presented a plea or claim in the matter;
- 3) the bailiff or someone close to him or her stands to benefit or lose in the matter;
- 4) the bailiff is a party's adverse party in a trial or in a matter being considered by an authority, unless this has to do with an official matter incumbent on the bailiff or if the party has lodged the matter in order to cause disqualification or otherwise manifestly without grounds;
- 5) the bailiff has served as an agent to a party in the matter; or
- 6) the bailiff and a party stand, outside of the bailiff's official capacity, in an employment or commission relationship to one another or otherwise in a relationship to one another which, with consideration to the totality of the nature of and circumstances in the matter, gives rise to justified reason to suspect the impartiality of the bailiff in the matter.

The bailiff is also disqualified if some other factor comparable to factors referred to in paragraph 1 give justified reason to suspect his or her impartiality in the matter.

Section 16 — *Close persons*

A person close to a bailiff referred to in section 15 is his or her

- 1) spouse or former spouse;
- 2) child, grandchild, sibling, parent, grandparent or a person who is otherwise particularly close to the bailiff, or the spouse of said person, the child of the bailiff's sibling or the sibling of the bailiff's parent;
- 3) spouse's child, grandchild, sibling, parent or grandparent.

As used in paragraph 1, spouse means a married spouse and persons living in a joint household in marriage-like circumstances or in another conjugal relationship. Corresponding half-relatives are also deemed persons close to a bailiff.

Section 17 — *Effect of disqualification*

The bailiff may not undertake enforcement if he or she is disqualified nor may he or she continue enforcement if he or she later becomes or finds himself or herself to be disqualified. The bailiff is not required to separately clarify disqualification referred to in section 15, paragraph 2 in a simple matter where the procedure is routine.

Section 18 — *Plea of disqualification*

A plea that the bailiff is disqualified shall be presented as soon as the grounds for disqualification come to the attention of the person presenting the plea. The person presenting the plea shall provide justification for it.

The bailiff may himself or herself decide on a clearly groundless plea of disqualification. Other pleas are decided by the enforcement authority who appoints a deputy for the bailiff. If the plea of disqualification is accepted, a qualified bailiff shall continue consideration of the matter and shall examine measures taken up to such time and carry out a possible correction of one's own decision.

A decision of an enforcement authority rejecting a plea of disqualification is subject to appeal only at the same time as an enforcement measure that has been carried out is appealed. After a bailiff has carried out an enforcement measure, no plea may be made in respect of said measure without justified reason to a factor that had been known earlier and referred to in section 15, paragraph 2.

Section 19 — *Requirement of appropriateness*

In his or her official actions, the bailiff shall act properly and impartially. Enforcement measures shall be carried out with dispatch, efficiently and in an appropriate manner without causing a respondent or third party greater inconvenience than what is required by the purpose of the enforcement. The bailiff shall promote the self-initiative of the respondent and conciliation between the parties in a manner appropriate to an enforcement matter.

Section 20 — *Requirement of openness*

In response to an inquiry and when he or she determines that the situation so merits, the bailiff shall on his or her own initiative inform the debtor of the debtor's right to request limitation of the amount of the enforcement and when necessary give the parties other guidance in the enforcement matter and information on the progress of the enforcement, as well as of other matters of significance to the parties.

Section 21 — *Prohibition against seeking profit and inappropriate procedure*

A civil servant considering an enforcement matter may not use his or her position or information obtained therein for the benefit of himself or herself or of another or also otherwise act improperly in a manner that is against the interest of the parties or conducive to weakening confidence in the propriety or impartiality of enforcement matters.

Section 22 — *Restrictions on business activity*

A civil servant considering enforcement matters may not himself or herself or through intermediaries:

- 1) collect claims privately for another person, unless the claim is that of a close person referred to in section 16;
- 2) obtain claims for himself or herself or for a close person in order to collect on the claims;
- 3) carry out for separate compensation duties connected with enforcement procedures that can appropriately be assigned to outside persons;
- 4) obtain financial benefit for himself or herself or for a close person from activity conducted by another person and referred to in subparagraphs 1 through 3.

Section 23 — *Right to obtain attached property*

The bailiff may not, in a matter in which he or she has undertaken enforcement measures, himself or herself or through an intermediary obtain property for himself or herself or for another, where said property is attached or is otherwise subject to enforcement. A civil servant

considering enforcement matters may not obtain property subject to enforcement also in other cases if this may be deemed improper in the manner referred to in section 21.

Enforcement Register

Section 24 — *Enforcement Information System and Enforcement Register*

The Enforcement Information System is an information system maintained with the help of automatic data processing, established for the management of functions incumbent on enforcement authorities and intended for the national use of enforcement authorities. The Administrative Office manages the maintenance and development of the Information System.

The Enforcement Information System includes the Enforcement Register, which is maintained and operated for the performance of the tasks of the enforcement authorities. The Register consists of the national directory and the locally maintained registers.

The purpose of the Information System and the Enforcement Register is to promote the appropriate and debtor-based consideration of enforcement matters, electronic services as well as the performance of the management, guidance, inspection and supervision functions over the administration of enforcement as well as the keeping of statistics.

Section 25 — *Registrars*

The Enforcement Register is maintained by local enforcement authorities together. The authority entering data is responsible for the correctness of this data as well as the legality of the entry and use of data in the management of his or her own functions. The Administrative Office is responsible for the general maintenance of the Register and issues orders on the technical manner in which data are entered and processed.

Section 26 — *Information contents of the register*

The following may be collected and entered into parts of the local registers for the use of the Enforcement Register:

- 1) for the purpose of the administration of enforcement matters, identification and contact details of parties and their representatives and data on remittance addresses, the nature of enforcement or the receivable, the applicant's receivable, enforcement measures taken by the

bailiff and their time, amounts collected and remitted to the applicant, impediments to enforcement, registration of passive receivables, as well as other comparable information related to enforcement matters and enforcement measures (*docket information*);

2) for the purpose of arranging cooperation among authorities, information or requests for information on the place where a debtor is to be found or on his or her property (*cooperation information*);

3) information related to enforcement matters and received from a party or a third person or otherwise obtained by the enforcement authority, not however sensitive personal data referred to in section 11 of the Personal Data Act (523/1999), with the exception of data on social welfare benefits received by the debtor and that affect attachment (*special information*).

Docket information that is needed to locate a matter from the parts of the local registers may be entered into the directory part of the Register.

Section 27 — *Right to process data*

The Personal Data Act applies to the processing of personal data collected for and entered into the Enforcement Register, unless provided otherwise below.

Notwithstanding the provisions on secrecy, the district bailiffs, their subordinate civil servants and the appropriate civil servants in the Ministry of Justice and the Administrative Office may in an enforcement matter or in an enforcement administrative matter process data referred to in section 26, however, in respect of special information, only to the extent necessary.

Section 28 — *Data subject's right of inspection*

If the data subject's right of inspection in accordance with the Personal Data Act would significantly hamper enforcement, the right of inspection may to the extent needed be postponed until the necessary attachment or other enforcement measures have been carried out and property has been taken into the possession of the bailiff, at the most however six months from the presentation of the request relating to the right of inspection.

If the right of inspection has been postponed, the Data Protection Ombudsman may, in addition to what is provided elsewhere in the law, at the request of the data subject inspect the legality of data on the data subject entered into the register.

Section 29 — *Deletion of data*

The following shall be deleted from the enforcement register:

- 1) docket information 30 years after the matter has become pending;
- 2) cooperation information, when it is no longer necessary, but in any case at the latest when the matter is no longer pending or the time for passive registration has ended;
- 3) special information 10 years after the entry was made or earlier if the information is apparently no longer needed.

Special information may be retained longer than 10 years if there is justified reason for this, but in any case not for longer than 20 years after the entry was made.

Public access to and transfer of register data

Section 30 — *Public access to register data*

Data entered into the Enforcement Register which may be the basis for the issue of a certificate referred to in section 31, paragraph 1 are public, and the other data stored in the register are secret.

Section 31 — *Certificate from the enforcement register*

Every person has the right to receive from the local enforcement authority a certificate from the enforcement register concerning a person specified by him or her as a respondent in an enforcement matter. The following information recorded during the two years preceding the date of the request shall be entered into the certification:

- 1) the name of the applicant and the respondent as well as the date of birth and the place of residence of the respondent;
- 2) the enforcement matter, when it became pending, and the registration of passive receivables;
- 3) the amount of the applicant's receivable and the amount remitted to the applicant;
- 4) the nature and date of a certificate of impediment.

The certificate shall be given as a print-out from the Enforcement Information System. If there are no register notations referred to in paragraph 1, a certificate to this effect shall also be given.

A certificate may be given covering the four years preceding the request if the requester demonstrates that the information is necessary for his or her livelihood or otherwise for the safeguarding of his or her weighty personal interest or for an important public interest.

Before a certificate is issued, the name, profession and place of residence of the person requesting the certificate as well as the essential justification referred to in paragraph 3 shall be entered into the Enforcement Information System. At the request of the registered person, he or she shall be informed of who has been issued a certificate concerning him or her from the enforcement register during the preceding six months.

Chapter 3, section 113, paragraph 2 contains provisions on certificates regarding a minor.

Section 32 — *Right of a credit reference agency to receive data*

Notwithstanding provisions on secrecy, a credit reference agency has the right to receive docket information covering the two months preceding the request, concerning enforcement matters related to payment liabilities in which a certificate of an impediment has been issued.

Information regarding a certificate of impediment concerning limited enforcement may be given only on the condition that the credit reference agency deletes them in full from the register if the debtor pays the debt that was collected in limited enforcement.

If the receivable referred to in paragraph 1 or 2 is collected in full in enforcement after data have been transferred, the bailiff shall at the request of the debtor notify the credit reference agency thereof. If the ground for enforcement is cancelled, the bailiff shall on request notify the credit reference agency thereof for deletion of the register notations. The same procedure applies if it becomes apparent that for some other reason the enforcement is unfounded.

The information referred to in this section may be transferred in an electronic format.

Chapter 3, section 113, paragraph 2 contains provisions on the transfer of information concerning a minor.

Section 33 — *Transfer of data between authorities*

In addition to what is provided elsewhere in law on the right or obligation of an enforcement authority to provide information, an authority and another person attending to a public function has the right notwithstanding provisions on secrecy to obtain from the enforcement register docket information from the preceding four years necessary to attend to his or her duties as well as cooperation information. The data may be transferred electronically if the recipient of the data has the right, in accordance with provisions on the protection of personal data, to store and process such personal data.

The provisions of paragraph 1 do not limit the provision of information on the basis of chapter 3, sections 70 and 71. The recipients of information referred to in said sections have the right, in order to attend to the duties mentioned therein, and notwithstanding the provisions on secrecy, to receive information through a technical link also from the national directory that is part of the Enforcement Information System.

What is provided in chapter 3, sections 72 and 73 applies to the right of the bailiff on his or her own initiative to provide information and on the prohibition against providing information entered into the enforcement register.

Section 34 — *Print-out to be given to a party*

A person who is or has been a respondent or applicant in an enforcement matter shall on request be given a print-out from the information system containing the docket information, not including the social security number and contact details as well as remittance address, for the preceding four years and if necessary for a period longer than this. A guarantor and other person for whom the falling of the receivable under the statute of limitation and the amount of the receivable may be of significance in respect of their payment liability have the corresponding right in respect of the relevant receivable. What is provided herein does not affect the right of a party to receive information on the basis of the Act on the Openness of Government Activities (621/1999).

Unless this is manifestly unnecessary, parties shall be informed at regular intervals through the Enforcement Information System of the amounts collected and uncollected in the enforcement matter and of other corresponding factors as separately provided in a Decree of the Government. The information may be provided electronically. A party may be provided with the possibility to use the information referred to in section 31, paragraph 1 in order to follow the consideration of his or her matter.

Section 35 — *Provision of information through a technical link*

The Administrative Office may decide on the establishment of a technical link and the transfer of data from the Enforcement Register using such a link if the recipient of the data has under law a right to receive data electronically from the enforcement authorities. Before the technical link is opened the recipient of the data shall present an account indicating that the data is protected in an appropriate manner.

Chapter 2 — *Grounds for enforcement*

Grounds as prerequisite for enforcement

Section 1 — *General provision*

An enforcement matter becomes pending and is enforceable only if the applicant has a ground for enforcement referred to in section 2, where the respondent has been subjected to an obligation referred to in chapter 1, section 1 or to a precautionary measure, and the pertinent right has not expired owing to payment, the statute of limitations or some other reason. The bailiff shall ensure that the receivable has not become time-barred and shall request supplementary information from the parties if there is doubt as to the expiration of the right.

Chapters 4 and 5 contain provisions on the right of the holder of a security right to receive payment without a ground for enforcement. The bailiff may without a separate ground for enforcement execute obligations arising from enforcement proceedings, as provided in this Act.

Section 2 — *List of grounds for enforcement*

The following documents serve as grounds for enforcement:

- (1) a court judgment in a civil or criminal matter;
- (2) a court order on precautionary measures;
- (3) an arbitral award that has been handed down in arbitral proceedings under the Arbitration Act (967/1992) or some other Act, and a settlement certified by such an award;

- (4) a bailiff's protocol on the settlement of account in a sale-by instalment, a confirmed child support agreement, and an obligation or debt instrument the enforcement of which in accordance with this Act has been provided in some other Act;
- (5) an order of an administrative court and the decision of some other authority in a matter of administrative adjudication;
- (6) a decision of the Government, a Ministry, an agency in the central administration of the State and a State Provincial Office, as well as another administrative decision the enforcement of which in accordance with this Act has been provided in some other Act.

What is provided in this Act regarding a judgment applies also in so far as appropriate to a judgment, order or interim order of a court in a civil or criminal case and a settlement certified by a court.

Res judicata

Section 3 — *Final judgment*

A legally final judgment shall be enforced without the applicant being required to post security. The respondent cannot prevent enforcement by posting security.

Extraordinary appeal does not preclude the enforcement of a legally final judgment. However, the court seised of an extraordinary appeal may prohibit or stay the enforcement observing, in so far as appropriate, the provisions in chapter 10, sections 20 through 26.

Section 4 — *Non-final judgment*

Unless otherwise provided elsewhere in the law, a judgment that is still subject to appeal shall be enforced regardless of appeal as provided in sections 5 through 12. If the court, in accordance with the law, has issued a direction on the enforcement of its judgment while it is non-final, said direction shall be observed.

Section 5 — *District Court judgment on payment liability*

A non-final judgment of a District Court establishing a payment liability may be enforced, unless the debtor posts security for the claim of the applicant, the enforcement fee and the

possible costs of enforcement. Also a partial security may be posted, so that the security and the attached property combined cover the sum referred to above.

The attached assets may be liquidated without the consent of the debtor only if the assets are rapidly depreciating or costly to maintain and if the applicant posts security for the possible loss and costs arising from the liquidation. If the applicant fails to post security, the attachment may be reversed.

The funds thus collected may be remitted against security.

Section 6 — *District Court judgment on eviction*

A non-final judgment of a District Court on eviction may be enforced if the applicant posts security for any liability in damages arising from the annulment or amendment of the judgment, for costs and for the reversal of the enforcement.

The provision in paragraph 1 applies also to a non-final judgment of a District Court where the respondent is ordered to relinquish to the applicant real estate or shares or other instruments entitling the bearer to the possession of accommodations or other premises, if the enforcement of the judgment requires eviction.

Section 7 — *District Court judgment on the relinquishment of chattels*

A non-final judgment of a District Court where the respondent is ordered to relinquish to the applicant certain chattels may be enforced if the applicant posts security for the return of the assets and for costs. In other cases the bailiff shall at the request of the applicant ensure the preservation of the assets until the judgment becomes final, observing in so far as appropriate the provisions in chapter 8 on the precautionary seizure of chattels.

Section 8 — *District Court judgment on another obligation*

A non-final judgment of a District Court on an obligation other than one referred to in sections 5 through 7 may be enforced unless an appeal will become futile owing to the enforcement, and if the applicant posts security for any liability in damages arising from the overturning or amendment of the judgment, for costs and for the reversal of the enforcement.

Section 9 — *Judgment by default*

A non-final judgment by default shall be enforced in the same manner as a final judgment.

Section 10 — *Judgment of a court of appeal*

A non-final judgment of a court of appeal that is subject to appeal only if leave for appeal is granted, shall be enforced in the same manner as a final judgment. However, the funds thus collected may be remitted only against security.

A non-final judgment of a court of appeal acting as the court of first instance is subject to the provisions in sections 5 through 8.

Section 11 — *Interim order issued by a court*

An interim order issued by a court in accordance with chapter 5, section 7 of the Code of Judicial Procedure on the restoration of possession or a disrupted state of affairs or on the taking of some other measure shall be enforced without the applicant being required to post security. The respondent may not prevent enforcement by posting security.

Section 12 — *Settlement confirmed by a court*

A settlement confirmed by a court shall be enforced in the same manner as a final judgment.

Stay and reversal of enforcement

Section 13 — *Stay of enforcement*

When seised of an appeal or a petition to rehear a case, a court may prohibit the enforcement of a non-final judgment or judgment by default, or order that it be stayed (*stay of enforcement*). Where necessary, the court may at the same time order that enforcement measures already taken are to be reversed. An eviction that has been carried out may be ordered to be reversed only for an important reason.

Where necessary, the bailiff shall be heard regarding the stay of enforcement. In other respects, the provisions in chapter 10, sections 20 through 26 apply, in so far as appropriate, to the issue of a stay of enforcement and to its effects on enforcement.

Section 14 — *Remitting of a case*

When an appellate court remits or transfers a case to a subordinate court, it may order that enforcement measures already taken are to remain in effect until the subordinate court has decided the matter and enforcement has been sought on the basis of a new ground for enforcement.

The court to which the case has been remitted or transferred may for a special reason order the reversal of the enforcement before deciding the matter. If the case is struck from the docket, an order for the reversal of the enforcement shall be issued.

Section 15 — *Reversal measures after the overturning of the ground for enforcement*

If the judgment serving as the ground for enforcement is overturned or lapses, the pendency of the enforcement matter ceases. In this event, the bailiff shall carry out the reversal measures available to him or her even if the later judgment is appealed, unless the court has prohibited the reversal or ordered a stay. An eviction, however, may be reversed only when the later judgment becomes final.

If the judgment is amended to the detriment of the applicant, the bailiff shall carry out the necessary reversal measures.

Section 16 — *Creditor's duty of restitution*

If the judgment serving as the ground for enforcement is annulled or amended, the applicant or creditor who has withdrawn funds or received property shall repay the funds with interest or return the property with proceeds to the bailiff. If the funds are not repaid or the property is not returned, the bailiff shall at the request of the respondent collect the funds from the withdrawer or out of the security posted by him or her under this Act, or retrieve the property.

The amount withdrawn accrues interest in accordance with section 3, paragraph 2 of the Interest Act (633/1982). The interest accrues as of the date when the funds were received by the bailiff until one month after the date of the later judgment or after the earlier repayment of the funds. Following that period, the amount accrues interest in accordance with section 4, paragraph 1 of the Interest Act.

Section 17 — *Applicant's liability in damages and proceedings on the same*

If enforcement is reversed owing to the judgment being annulled or amended, the applicant shall compensate the respondent for any loss arising from the enforcement and the reversal of the same. In so far as appropriate, the compensation is assessed in accordance with the provisions of the Tort Liability Act (412/1974).

An action for damages shall be filed with the District Court in the jurisdiction of which the enforcement measures were taken. The action shall be brought within one year of the judgment in the matter relating to the ground for enforcement becoming final and the enforcement being reversed. The plaintiff shall notify the bailiff without delay of the filing of the action.

Enforceability of other grounds for enforcement

Section 18 — *Court order on precautionary measures*

Chapter 7, section 14, of the Code of Judicial Procedure contains provisions on the enforcement of a non-final court order on precautionary measures. The provisions on security in chapter 8 of this Act apply to a court order on precautionary measures regardless of whether or not it is final.

The provisions in sections 13 through 15 and in chapter 8 apply to the reversal of the enforcement of a court order on precautionary measures.

Section 19 — *Arbitral award*

An arbitral award the enforcement of which has been ordered by a District Court shall be enforced in the same manner as a final judgment. A superior authority or court seised of an action for the overturning or annulment of the arbitral award may for an important reason prohibit or stay the enforcement observing, in so far as appropriate, the provisions in chapter 10, section 20 through 26.

If the arbitral award is overturned or annulled, the provisions in sections 15 through 17 of this chapter apply.

Section 20 — *Certain other instruments*

The enforceability of a protocol on settlement of account, a child support agreement, an obligation and a debt instrument referred to in section 2, paragraph 1, subparagraph 4, is subject to the specific provisions in the relevant other Act.

Section 21 — *Order in administrative adjudication and administrative decision*

A non-final court order in administrative adjudication or a non-final administrative decision imposing a payment liability, as referred to in section 2, paragraph 1, subparagraphs 5 and 6, respectively, shall be enforced in accordance with the provisions in section 5. If some other obligation has been imposed, the order or decision may be enforced only after it has become final. If, however, a direction under section 31, paragraph 2, of the Act on Administrative Judicial Procedure (586/1996) has been issued in the order or decision to the effect that it can be enforced as non-final, the provisions in sections 6 through 8 apply in so far as appropriate. If some other Act contains a specific provision on the effects of finality on the enforcement of a court order in administrative adjudication or an administrative decision in a given type of matter, said provision applies.

The issue of a stay of enforcement or another similar order regarding enforcement is subject to the provisions in sections 32 and 66 of the Act on Administrative Judicial Procedure. If the administrative decision or court order in administrative adjudication is overturned or amended, the provisions in sections 15 through 17 of this chapter apply.

Set-off

Section 22 — *Set-off claim by the debtor*

Enforcement may not be carried out to the extent that the debtor claims a set-off of the applicant's receivable against a counter-receivable on which the debtor, before the attachment, had a final judgment or some other ground for enforcement that can be enforced in the same manner as a final judgment. In this event, also the other prerequisites for set-off must have been met before the attachment.

The set-off takes effect when the debtor notifies the bailiff of the claim. The notification shall be given at the latest when the debtor has been informed of an attachment that has been carried out. The bailiff shall notify the applicant of the claim for set-off.

Section 23 — *Set-off claim by a third party*

Unless otherwise provided elsewhere in the law, a third party who has been served with a withholding notice regarding a debt has the right of set-off of the debt against a counter-receivable on which the third party, before the attachment, had a final judgment or some other ground for enforcement that can be enforced in the same manner as a final judgment. In this event, also the other prerequisites for set-off must have been met before service of the withholding notice. However, there may be no set-off to the detriment of a creditor with a preferred claim.

The set-off takes effect when the third party notifies the bailiff of the claim. The notification shall be given at the latest when the third party has been served with the withholding notice. The bailiff shall give the debtor service of the claim for set-off.

If the debt is sold by way of enforcement, the third party has a right of set-off against the purchaser only if the third party has notified the bailiff before the sale of the claim for set-off.

Time limit of enforcement

Section 24 — *Time limit of enforcement*

A ground for enforcement referred to in this Act, imposing a payment liability on a natural person, remains enforceable until the expiry of a time limit of 15 years (*time limit on grounds for enforcement*). The time limit is 20 years if the creditor referred to in the ground for enforcement is a natural person or if the payment liability relates to damages arising from a criminal offence for which the debtor has been sentenced to imprisonment or community service.

If the debtor shows that, before the issue of the ground for enforcement, the debt had been transferred to a natural person by someone other than a natural person, the time limit referred to in paragraph 1 is 15 years.

If attachment has been carried out within the time limit on the collection of a debt, or the receivable has been declared in a sale referred to in chapter 5, the expiry of the time limit does not preclude the payment of the receivable out of the attached assets.

Section 25 — *Calculation of the time limit*

The time limit is calculated from the date of issue of the judgment by default, final judgment or other final ground for enforcement.

If the payment liability does not begin until after the date referred to in paragraph 1, the time limit is calculated from the beginning of the payment liability. However, the provisions in paragraph 1 apply in respect of a payment schedule confirmed by a court.

Section 26 — *Extension of the time limit*

The creditor may bring an action against the debtor and request that the court extend the time limit. The court may extend the time limit by ten years as of the expiry of the original time limit. A prerequisite for the extension is that the debtor, within the time limit, has essentially hampered the collection of the debt by the creditor by:

- 1) hiding or giving away his or her property;
- 2) unjustifiably increasing the amount of his or her debts;
- 3) concealing information or giving false or misleading information regarding his or her financial position in bankruptcy, enforcement, the adjustment of the debts of a private person or the arrangement of the debts of a company; or
- 4) arranging, through other corresponding, clearly inappropriate measures, his or her financial position to the detriment of creditors.

The time limit on grounds for enforcement may however not be extended if this could be deemed unreasonable to the debtor.

The action for extension of the time

‘limit of the grounds for enforcement shall be brought no later than two years after the expiry of the original time limit.

Section 27 — *Time-barring of a receivable and judgment on the extension of the time limit*

A receivable becomes time-barred if the time limit on the grounds for enforcement expires. After this, the provisions of the Act on Time-Barring of Debts (728/2003) on time-barred debts apply to the receivable.

A judgment extending the time limit on a ground for enforcement after the time limit has expired shall set the creditor's payment liability as it was when the time limit had expired, unless called for otherwise due to a subsequent payment or other corresponding factor. The debtor's payment liability enters into force immediately and remains in force until the end of the extended time limit. A non-final judgment thereon is enforceable in accordance with the foregoing provisions of this chapter.

A judgment extending the time limit on a ground for enforcement before the time limit has expired shall order that the ground for enforcement is enforceable until the end of the extended time limit. On the basis of a non-final judgment on this, the original ground for enforcement is enforceable in the manner of a non-final judgment.

Extension of the time limit for a ground for enforcement does not affect the position of other persons liable for the same debt.

Section 28 — *Notice by the court and certification given by the bailiff*

A court where the action referred to in section 26 has been brought shall immediately notify the local bailiff thereof in order for the matter to be registered in the Enforcement Information System.

The bailiff shall on request give the debtor and the creditor a certificate that the time limit for the grounds for enforcement and the time limit for bringing the action referred to in section 26 has expired and the action has not been brought. The certificate shall be given if the necessary information can be obtained from the Enforcement Information System or otherwise without any special investigative measures. The parties shall provide the bailiff with the necessary information and documents.

Chapter 3 — General provisions on procedure

Initiation of an enforcement matter

Section 1 — *Application for enforcement*

An application is made for enforcement with:

- (1) a written application delivered to the bailiff in whose district the respondent resides or is domiciled or to another local enforcement authority;

- (2) an electronic message delivered to a local enforcement authority equipped with a system for the reception of electronic messages;
- (3) an electronic message transmitted through a technical link to the nationwide Enforcement Information System, if the Ministry of Justice or a party designated by the Ministry has granted a license for the same (*EIS licensee*).

A written application shall be signed by the applicant or, if not prepared by the applicant, by the preparer.

Section 2 — *Contents of the application for enforcement*

The application for enforcement shall contain the following information:

- (1) the applicant's name, personal identification number or business or corporation identification number, the address for service as referred to in section 38, telephone number and, for the enforcement of a payment liability, the applicant's address for remittances;
- (2) the attorney's name, address and telephone number, if an attorney is being used, as well as the attorney's personal identification number or business or corporation identification number, if the attorney is entitled to withdraw funds or to take possession of assets;
- (3) the respondent's name and, if known to the applicant, the respondent's personal identification number or business or corporation identification number, address and telephone number;
- (4) the amount of the applicant's receivable and, for the calculation of interest, the amounts and dates of debt service instalments paid after the issue of the ground for enforcement or the preceding instance of enforcement; and
- (5) the information for identifying the ground for enforcement, if this is not attached to the application by virtue of section 5, paragraph 2, or if the ground is to be delivered later by virtue of section 7.

If there are several debtors liable for the creditor's receivable or a part thereof, and another enforcement matter relating to the receivable is already pending or is filed at the same time, the application shall contain a note of who is the deputy bailiff in the other matter or where the matter is pending or who is the debtor in that matter.

If the applicant is seeking only limited enforcement as provided in section 105, this shall be expressly requested in the application. An applicant who has not asked for limited enforcement may ask for the passive registration of the matter as provided in section 102; this may be done in the application or later while the matter is pending. If the application requests enforcement of an administrative decision, the application shall contain a note of the provision on which the enforcement is based. The applicant may specify that his or her contact details are confidential.

Section 99 contains provisions on a certificate of lack of means to be issued without a prior enforcement application.

Section 3 — *Applicant's duty to give notice of changes*

If information contained in the application changes at a later time, the applicant shall notify the bailiff without delay about the change.

The applicant shall notify the bailiff about payments received other than through enforcement. A failure to do so may result in a stay or reversal of the enforcement.

Section 4 — *Advice and supplementary application*

Where necessary, the enforcement authority shall advise the applicant on how to file an enforcement application. If the application is not complete, the applicant shall be exhorted to supplement the application within a set time limit, if this is necessary for the processing of the matter.

Section 5 — *Attachment of the ground for enforcement to the application*

The ground for enforcement referred to in chapter 2, section 2, shall be attached to the application in the original or, if the applicant has been issued with a copy as the official instrument, as the copy issued by the authority. Enforcement may be carried out on the basis of some other copy or a facsimile, if the bailiff deems that there is no danger of multiple enforcement. Where necessary, the respondent shall be heard. An EIS licensee may deliver the information on the ground for enforcement as an electronic message, if the pertinent license allows the same.

There shall be no need to attach to the application a judgment carrying a direction of the same. Unless the bailiff requires otherwise, also a judgment, a decision on a precautionary measure or, if so provided in a Decree of the Ministry of Justice, any other ground for enforcement that has served as the basis for an earlier enforcement matter need not be attached.

A part of a judgment that under the direction of the court is to be kept secret need not be attached to the application, unless the bailiff requires otherwise.

Section 6 — *Attachment of a debt instrument to the application*

A negotiable promissory note, a bill of exchange or a cheque serving as the basis for the payment liability referred to in the ground for enforcement shall be attached to the application in the original. If the reliability of enforcement so requires or if the debtor so requests, the bailiff shall take possession also of an ordinary promissory note. The bailiff may carry out the enforcement even if an ordinary promissory note has been lost or if it for some other reason cannot be attached to the application. In this event, the debtor shall be heard before the enforcement.

Once the payment liability has been fulfilled, a debt instrument in the possession of the bailiff shall remain in his or her possession, unless the debtor asks for it for himself or herself. If an ordinary promissory note has been left in the possession of the applicant, the applicant shall deliver it to the debtor once the amount on the note has been paid. Where necessary, the bailiff may postpone the remittance of the funds until the note has been delivered.

Section 7 — *Later delivery of the ground for enforcement or the debt instrument*

If the application has been filed electronically, but a written ground for enforcement or debt instrument is to be attached to it, the missing document may be delivered later. The document shall be delivered to the bailiff or to another local enforcement authority referred to in section 13 within three weeks of the filing of the application. At the same time, notice may be given of to which application the document pertains.

No measures other than the interim measures referred to in sections 18 and 19 may be taken before the document has arrived.

Section 8 — *Date of pendency*

An enforcement matter becomes pending when the enforcement application arrives to the local enforcement authority or into the Enforcement Information System, unless it is later discovered that the prerequisites for enforcement had not been met.

If a document to be attached to the application arrives after the expiry of the time limit referred to in section 7, but before the application documents have been returned to the applicant, the enforcement matter becomes pending on the date when the document arrives.

Section 9 — *Lack of clarity of the ground for enforcement*

If the bailiff discovers that a judgment to be enforced is so unclear or incomplete that the obligation imposed on the respondent cannot be ascertained from it, the party shall be directed to file a complaint about the judgment. For other grounds for enforcement, the party shall be directed to contact the issuer of the ground for enforcement.

If the ground for enforcement contains a typographical or arithmetical error, the party shall be directed to request that the issuer of the ground of enforcement correct the error.

Where necessary, the bailiff giving the direction may at the request of the applicant impose precautionary measures under chapter 8, section 13.

Attorney and counsel

Section 10 — *Right to use an attorney or counsel*

An attorney or counsel may be used in enforcement proceedings, unless otherwise provided elsewhere in law. If a proceeding is held without the issue of a summons, the respondent shall upon request be reserved the opportunity to send counsel to attend the proceeding, if the counsel can arrive without delay.

A person close to the bailiff, as referred to in chapter 1, section 16, may not serve as an attorney or counsel.

Section 11 — *Power of attorney*

An advocate, a public legal aid attorney and an attorney designated in the application of an EIS licensee is competent to represent their client without a power of attorney, unless the bailiff requires otherwise. Other attorneys shall produce a signed power of attorney, unless there can be deemed to be no doubt about their right to represent the client. A specific power of attorney shall be required from all attorneys for the purpose of withdrawing funds or taking possession of assets; this right may also be indicated in the application for an EIS licensee.

A power of attorney may also be issued by a verified electronic message, and a power of attorney may be issued by facsimile for purposes other than the withdrawal of funds and taking possession of assets.

The Administrative Office or a party designated by the Administrative Office may at the request of the creditor decide that a power of attorney be recorded in the Enforcement Information System in order to indicate the right of the attorney to represent the client, if it is evident that the reliability of enforcement is not impaired by the same. In this event, the attorney need not produce another power of attorney, unless the bailiff requires otherwise. At the request of the issuer of the power of attorney, a power of attorney recorded in the information system shall be immediately revoked.

Section 12 — *Attorney of a applicant not resident in Finland*

If the applicant resides abroad and has not indicated an address for service in Finland or abroad, the applicant shall have an attorney who is resident in Finland and is entitled to accept notifications on his or her behalf relating to enforcement.

Debtor-centred processing of enforcement matters

Section 13 — *Bailiff-in-charge*

The same district bailiff and deputy bailiff shall process all enforcement matters relating to the same respondent (*bailiff-in-charge*). The bailiff-in-charge has jurisdiction throughout the country.

An enforcement application that has been received shall be forwarded to the bailiff-in-charge as soon as possible after the necessary initial measures.

Section 14 — *Designation of the bailiff-in-charge*

Provisions on the basis for designating the bailiff-in-charge are contained in a Decree of the Government. The basis shall take into consideration the location of the residence or domicile of the respondent or the respondent's other factual opportunities to look after his or her interests. If there are several alternatives meeting these criteria, the bailiff-in-charge shall be designated on the basis of where the enforcement may most appropriately be carried out. Enforcement matters requiring special measures may be allocated to certain bailiffs, who will then serve as bailiff-in-charge in this respect.

The designation as bailiff-in-charge is not subject to appeal.

Section 15 — *Change of the bailiff-in-charge*

The bailiff-in-charge shall transfer the matter to a new bailiff-in-charge, if there is a change in the circumstances forming the basis for the designation under the Decree of the Government. A proceeding that is incomplete or enforcement that will otherwise soon be concluded may, however, be completed by way of official assistance, unless it is more appropriate to transfer this to a new bailiff-in-charge.

Co-operation among bailiffs

Section 16 — *Mutual official assistance*

At the request of the bailiff-in-charge, other bailiffs shall provide him or her with official assistance and necessary information. The bailiff-in-charge may request official assistance, if this is appropriate in view of the efficacy of the enforcement, the distance between localities and other comparable circumstances. However, funds that have been collected shall not be remitted by way of official assistance. The authority requesting official assistance shall ensure that the amount collected does not exceed the debtor's payment liability and shall issue binding directions to this effect to the other bailiffs.

Section 17 — *Simultaneous enforcement*

If the ground for enforcement or the debt instrument concerns several debtors, the bailiff to whom the common ground for enforcement first arrives for measures or who has possession

of the debt instrument shall ensure that the amount collected does not exceed the debtors' payment liability and shall issue binding directions to this effect to the other bailiffs. Each bailiff shall himself or herself remit the funds that he or she has collected.

Interim measures

Section 18 — *Prerequisites for interim measures*

If the attachment cannot be carried out at once owing to disqualification, a hearing, the lack of a document, uncertainty as to ownership, or some other reason, the bailiff may take interim measures, if this is necessary to ensure the continuity of the enforcement. Interim measures may not be taken if it is probable that the debtor's payment liability has expired. Interim measures may be taken in a pending matter and in a matter entered into the passive register. Interim measures may also be taken conditionally when searching for assets belonging to the debtor, if there is a justified reason for such interim measures.

No unnecessary impediments to the business or livelihood of the debtor or a third party may be caused by way of interim measures. Those concerned shall be notified of interim measures that have been taken and the reversal of the same.

Section 19 — *Taking interim measures*

The bailiff may take interim measures in order to take possession of assets, to ban the debtor or a third party from relinquishing assets, to issue a prohibition on payments notice or a similar notice, to request that necessary entries be made into a register, to arrange for the guarding of assets or to carry out other similar actions.

Also a bailiff other than the bailiff-in-charge may take interim measures, and the deputy bailiff may take interim measures in a matter within the exclusive competence of the bailiff.

Interim measures have the same effect as an attachment. Interim measures are not subject to appeal.

Section 20 — *Reversal of interim measures*

Interim measures shall be reversed immediately when they are no longer necessary, and no later than three weeks after having been taken. In the case of conditional interim measures, the

measures shall be reversed no later than a week after the bailiff is informed of a receivable or some other assets of the debtor. If the assets subject to interim measures are attached, the interim measures shall be deemed to have been reversed by the decision on attachment.

Enforcement proceeding

Section 21 — *Requirement for expediency*

An enforcement proceeding shall be held and other enforcement measures shall be carried out without undue delay. However, enforcement may be postponed if this is to be deemed in the best interests of the respondent and if the postponement does not cause more than insignificant inconvenience to the applicant. If a time limit has been provided for a proceeding, said time limit shall be observed.

Section 22 — *Location of the proceeding*

Unless otherwise provided, the proceeding shall be held in the office of the bailiff, the place where the assets are located, the premises subject to the proceeding or in some other premises or location deemed suitable by the bailiff. An attachment proceeding may be held or interim measures taken in the home of the respondent or a third party without the consent of the same as provided in sections 49 and 51, as may another proceeding referred to in this Act if this is necessary for the carrying out of the enforcement.

The location of the proceeding covers the premises or location referred to in paragraph 1 with the immediate adjacent areas to the extent necessary for the appropriate carrying out of the enforcement.

Section 23 — *Public access, presence and maintenance of order*

There shall be no public access to an enforcement proceeding, unless otherwise provided.

The respondent, a person summoned to the proceeding and a third party whose interests may be affected by the proceeding have the right to be present. Absence of a person summoned to the proceeding does not prevent it from taking place.

If a person present in an enforcement proceeding prevents it from being appropriately conducted, the bailiff may exhort him or her to leave the location of the proceeding; however,

other than in an eviction, no one shall be exhorted to leave his or her permanent residence. If the exhortation is not heeded, the bailiff may request official assistance from the police or may himself or herself escort the party from the location. Section 83 contains provisions on forcible measures.

Section 24 — *Duty to identify oneself*

If necessary for the carrying out of the enforcement, the bailiff may ascertain a person's identity. Everyone present in the location of the proceeding shall at the request of the bailiff give his or her name and address. If the information is not given, the bailiff may request official assistance from the police for the ascertainment of the person's identity.

Section 25 — *Protocol*

A protocol shall be kept of the proceeding, if pleas or claims are made in the proceeding or if there otherwise is reason for the same. In other events, the necessary notes shall be taken of the proceeding.

The protocol shall contain any pleas, claims, responses by the adverse party and evidence obtained, so that it provides a view of the significant circumstances relating to the rights of the parties and third parties. In other respects, the entries considered necessary in view of the nature of the matter shall be made. Instead of a written protocol, the statements may be audio recorded. The person in question shall be notified of audio recording before it is started. In simple matters, the protocol entries may be made on the attachment decision or other document.

Section 26 — *Monitor witness*

The bailiff may summon a monitor witness to the proceeding, if he or she deems this necessary. In other events, the proceeding may be held without a monitor witness, unless the respondent who is present in the proceeding requests that a monitor witness be summoned. In the absence of the respondent, the bailiff may not enter the home of the respondent without a monitor witness. What is provided here regarding the respondent applies also to a third party whose rights may be affected by the proceeding.

The monitor witness shall not have any interest in the matter. His or her name shall be entered in the protocol or other document.

Section 27 — *Signing of documents*

The bailiff shall sign the protocol and the decisions, exhortations and notices issued by him or her. The signature may be technically reproduced, in which event a document printed from an IT system shall bear the name, title and contact details of the official in question.

Decision of the bailiff

Section 28 — *Duty to give a written, reasoned decision*

The bailiff shall give a written decision in the matter, if specifically so provided in the law. In addition, the bailiff shall give a written decision when he or she imposes on someone a payment or restitution obligation or a threat, or accepts security, or if the nature of the matter for some other reason so warrants. If the matter is unclear or open to interpretation, reasons shall be supplied with the decision, as provided in section 29.

A written, reasoned decision shall be given also in the event that a plea or claim is rejected and the matter is unclear or open to interpretation. In other cases, the decision shall be given orally to the party making the plea or claim. If, however, the plea or claim is made in writing and the bailiff is requested to decide on it, the bailiff shall give a written, reasoned decision in the matter.

The written decision shall be given either as a separate instrument or, in a simple matter, entered in the protocol or some other document to be drawn up during the enforcement.

Section 29 — *Contents of a reasoned decision*

A reasoned decision shall list the statements and accounts procured and received in the matter, the facts and provisions underlying the decision, an adequate statement of reasons in view of the nature of the matter and its significance to the parties, as well as the outcome.

Section 30 — *Date of the decision and appeal*

A decision on the basis of a plea or claim shall be given without delay after the plea or claim has been made. If the plea or claim concerns a given enforcement measure or proceeding, the bailiff may postpone the decision so that it is given in the same context.

Appeal is sought of the enforcement measure or proceeding to which the plea or claim pertains.

Section 31 — *Procurement of evidence and validity of the decision*

In order to give a decision in enforcement proceedings, the bailiff shall on his or her own motion procure the evidence that can reasonably be obtained, to the extent necessary for the matter. The party making a plea or claim shall produce the documents and other evidence on which the plea or claim is based.

The decision of the bailiff is valid in the enforcement matter in which it has been given. Chapter 10, sections 1 through 5 and chapter 11, section 12 contain provisions on correction of one's own decisions.

Hearings and notices

Section 32 — *Hearing*

Where this Act provides that the bailiff shall hear someone, the person in question shall be reserved an opportunity in advance to be heard in a suitable manner. An inability to ascertain the contact details of the person in question or the inability to hear him or her for another corresponding reason shall not prevent continuation of enforcement.

Also in situations other than those specifically mentioned in law, the bailiff shall hear the parties and third parties if the matter is deemed to be of considerable significance to the person to be heard and if there is no impediment to the hearing.

The person in question shall be reserved an opportunity to be heard anew, if essential new evidence is obtained in the matter.

Section 33 — *Notice of filing*

When the application has arrived to the bailiff-in-charge, the respondent shall be notified of the filing without delay. A notice shall not be necessary if the whereabouts of the respondent are unknown or if there is reason to believe that notification will cause considerable difficulty for the enforcement. The following information shall be supplied in the notice:

- (1) the date of filing and the necessary docket information;
- (2) the deputy bailiff-in-charge and his or her contact details;
- (3) the statutory right of the debtor to prevent the enforcement by providing security;
- (4) a demand for payment, to move from a residence or to comply with some other obligation imposed in the ground for enforcement;
- (5) an exhortation to contact the bailiff and the opportunity to be heard;
- (6) a note to the effect that attachment other than of recurring income can be carried out without prior notice, and that the debtor may indicate which assets are to be attached or, alternatively, the possible prior notice of attachment and a summons to the proceeding; and
- (7) the other information and notes deemed necessary.

A notice of filing containing the information referred to in paragraph 1, subparagraphs 1, 2 and 7 above shall be given also to the applicant, if the matter is processed in a local enforcement authority other than the one where he or she had filed the application. An EIS licensee shall be notified of the filing and given other comparable notices in accordance with the relevant license.

Section 34 — *Prior notice of attachment and summons to the proceeding*

An attachment may not be carried out without giving prior notice to the debtor. The notice need not be given if the notice of filing has been given and the matter does not concern the attachment of recurring income, or if the debtor is present in the attachment proceeding. The notice need likewise not be given if the whereabouts of the debtor are unknown or there is reason to believe that notification will cause considerable difficulty for the enforcement. Provisions on the contents of the prior notice are contained in a Decree of the Government. When given prior notice, the debtor shall at the same time be summoned to the proceeding,

except if the attachment proceeding is to be held in the office of the bailiff or if the date or location of the proceeding cannot be set in advance.

The applicant shall be summoned to the attachment proceeding if this is necessary for the procurement of information or for some other reason; however, the applicant may be summoned to the home of the respondent only if this is unavoidable for the carrying out of the enforcement. Unless there is an impediment to the same, a summons to the proceeding shall be sent also to a third party who has made pleas or claims or whose interests are otherwise found to be affected by the enforcement.

Separate provisions apply to summonses to proceedings for purposes other than attachment.

Section 35 — *Delivery of the protocol*

A copy of the protocol shall be handed out in the proceeding or after it, if a party or a third party whose interests may be affected so requests. If the copy is delivered after the proceeding, it shall be delivered without delay and well in advance of the expiry of the time limit for appeals. If there was no need to draw up a protocol of the proceeding, the bailiff shall deliver the corresponding information. Even if not requested, the protocol shall be delivered to such third parties whose interests are found to be affected by the proceeding.

Section 36 — *Notice after the fact*

If a copy of the decision instrument has not been delivered in the proceeding, a notice after the fact, containing a copy of the decision instrument or the corresponding information, shall be given to the party and to a third party whose interests are found to have been affected by the decision. Notice shall be given to the applicant of an attachment decision, if this can be deemed necessary.

A notice after the fact of a decision or measure elsewhere than in a proceeding shall be given if there is a specific provision to this effect, if a plea or claim has given rise to a written, reasoned decision or if the bailiff otherwise deems that a notice after the fact is necessary.

If the debtor has been given neither a notice of filing nor prior notice, he or she shall be reserved the opportunity, in the context of the notice after the fact or otherwise, to indicate other assets to be attached or to provide possible security. The notice after the fact shall be given without delay so that the person in question has the opportunity to apply for a stay of

enforcement or to appeal against the decision as early in the enforcement proceeding as possible.

Service of documents

Section 37 — *General provision*

Unless otherwise provided in this Act, the provisions in sections 56 through 58 and 68 of the Administration Act (434/2003) apply, in so far as appropriate, to the addressee of a document to be served. Steps shall be taken to ensure that information to be kept secret remains secret when service is being effected.

A document is served by reading it out aloud or in some other suitable manner, if it is known that the addressee cannot receive other forms of service owing to visual impairment or some other disability.

Service shall be effected abroad in accordance with this Act or the relevant foreign legislation, unless otherwise provided in the international treaties and obligations binding on Finland.

Section 38 — *Address for service*

The applicant, a party providing security and a third party making a plea or claim shall declare to the bailiff a postal address in Finland or abroad and, if they so wish, an e-mail address or other address to which all documents relating to the enforcement matter or enforcement appeal matter can be sent (*address for service*). If this address changes, the change shall likewise be declared. An address declared by the respondent may be used as the address for service if the respondent consents to the same.

A return address on a document sent to the bailiff by a person referred to in paragraph 1, as well as an electronic interface referred to in a license issued to an EIS licensee, shall be deemed valid addresses for service.

Section 39 — *Regular service*

A document shall be served on the addressee by handing it over or by mailing it to the address for service. If no address for service has been declared, the document shall be mailed to the address recorded in the Population Information System, unless it is known that the addressee

does not live at that address. In the latter case, or if the Population Information System does not indicate any address for the addressee, the document shall be mailed to any other domestic or foreign address ascertained in accordance with section 48, paragraph 2, or otherwise known. Instead of mailing, the document may be left at a location intended for postal deliveries. If service cannot be effected by other means, the document may be served by reading it out aloud to the addressee.

Unless proven otherwise, service shall be deemed to have been effected when an electronic message has been sent or after seven days from the mailing of the document or the leaving of the document at a location intended for postal deliveries. The date of mailing or leaving shall be indicated on the document.

Section 40 — *Verifiable service*

Service shall be effected in accordance with one of the procedures laid down in section 41, if so provided elsewhere in this Act and the addressee is believed to reside in Finland. On discretion, verifiable service may be effected also in other events, if it is important for the later stages of enforcement or for the party that the finality of a decision or proceeding is not in dispute or is resolved quickly.

If service cannot be effected in accordance with section 41 within a time that is reasonable in view of the matter, surrogate service of the document shall be effected observing, in so far as appropriate, the provisions in section 61 of the Administration Act.

If service cannot be effected even in accordance with paragraph 2, a copy of the document shall be mailed to the address of the addressee, if one is known. No other service measures need be taken. Subsequently, the documents shall be kept in the office of the bailiff-in-charge so that the addressee can access them.

Section 41 — *Forms of verifiable service*

A document to be verifiably served shall be:

- (1) mailed against a postal receipt;
- (2) mailed as a letter, if it may be assumed that the addressee is informed of the document and returns a certificate of receipt by a deadline;

- (3) given to the addressee or the addressee's courier in person against a signature;
- (4) given to the addressee in person by a process server; or
- (5) with the consent of the addressee, sent as a certified electronic message.

The postal service shall be informed of the date by which service against a postal receipt must be effected. Service against a certificate of receipt may on the consent of the addressee be effected also by facsimile. The service shall be deemed to have been effected when the certificate of receipt is returned by facsimile or other means.

A party or a third party who is present at a proceeding shall be deemed to have been verifiably served with the information thereon.

Section 42 — *Service of a judgment by default*

If it can be conveniently combined with enforcement, the bailiff shall at the request of the applicant serve on the respondent a copy of a non-final judgment by default which serves as the grounds for enforcement. If necessary, the applicant shall deliver a copy of the judgment to the bailiff.

Security

Section 43 — *Acceptance of security*

If someone in accordance with this Act is to post security and the adverse party does not accept the security, the bailiff shall make a decision on the acceptance of the security.

The security may take the form of collateral or guarantee. A guarantee shall be absolute and, if there are many guarantors, their liability shall be joint and several. Assets given as collateral to the bailiff shall be subject to the same provisions as collateral given to the adverse party.

Section 44 — *Exceptions to the obligation to post security*

No security shall be required of a applicant or creditor which is a public corporation or public institution, an asset management corporation referred to in the Act on the Government Guarantee Fund (379/1992), or a credit or insurance institution whose capital adequacy is subject to public supervision in Finland or in another State of the European Economic Area,

nor of the Finnish Centre for Pensions. However, the bailiff may, if necessary, require that a credit or insurance institution post security.

Section 45 — *Safekeeping and return of the security*

Collateral shall be surrendered to the bailiff or deposited under his or her instructions at a credit institution or with a reliable person for safekeeping and maintenance. The deposit certificate and the letter of guarantee shall be surrendered to the bailiff. The collateral or the letter of guarantee shall be returned to the party posting it, once the right or claim covered by the security has been fulfilled or rejected by a judgment or otherwise lapsed.

Section 46 — *Liquidation of the security for payment*

If

- (1) a creditor who has posted security for the return of funds that have been withdrawn or assets that has been obtained,
- (2) a debtor who has posted security for the fulfilment of a non-final payment liability,
- (3) a buyer who has posted security for the payment of the purchase price or
- (4) someone else who has posted security in accordance with this Act,

becomes liable for return or payment under this Act or a final judgment, the bailiff shall make a decision on the return liability or payment liability. Service of the decision shall be given to the person liable and to anyone posting security on his or her behalf. Where necessary, these persons shall be heard before the decision is made.

The bailiff shall exhort a person referred to in paragraph 1 to fulfil his or her return liability or payment liability. If the liability is not fulfilled, the bailiff may liquidate the security as provided in chapter 5 and, at the request of the party entitled to a payment, collect the payment from the guarantor in accordance with this Act.

Section 47 — *Liquidation of the security for the payment of damages*

If someone has given collateral for the costs incurred by the adverse party because of enforcement, and he or she has been rendered liable in damages by a judgment, at the request

of the recipient the collateral may be liquidated for the payment thereof, as provided in section 46.

Search for assets and evidence

Section 48 — *Duty to search for assets and ascertaining the whereabouts of the debtor*

The bailiff shall search, to the extent warranted by the circumstances, for assets belonging to the debtor in order to obtain payment for the applicant.

Provisions on the minimum measures towards a search for assets and the ascertainment of the whereabouts of the debtor are contained in a Decree of the Government. Section 57 contains provisions on the duty of the bailiff to carry out an enforcement inquiry.

In the enforcement of an obligation other than a payment liability, the object of the enforcement shall be sought to the extent deemed reasonable in view of the matter as a whole and observing, in so far as appropriate, the provisions below on the enforcement of a payment liability.

Section 49 — *Search of premises*

In order to carry out attachment, assets may be sought in buildings, storage sites, vehicles and other indoor or outdoor premises owned or used by the debtor. The above provision on the debtor applies also to a third party, if there is reason to believe that premises owned or used by him or her contain assets belonging to the debtor. Section 82 contains provisions on forcible measures.

A search may be carried out also in the residence of the debtor without his or her consent, if there is justifiable reason to believe that attachable assets can be found there and the bailiff has not otherwise located sufficient distrainable assets belonging without dispute to the debtor. The above provision on the debtor applies also to a third party if there is a very good reason to believe that the residence contains assets belonging to the debtor. The third party shall first be reserved the opportunity to surrender such assets, unless immediate search measures are to be deemed unavoidable.

Section 50 — *Search of person*

The bailiff may exhort the debtor to surrender assets of not insignificant value that he or she is wearing or keeps in his or her clothes. If the exhortation is not heeded, the bailiff may take possession of the assets if he or she knows or there is justifiable reason to believe that the debtor is wearing or is keeping such assets in his or her clothes, and if possession of the assets can be taken without an undue invasion of the debtor's personal integrity, and the bailiff is not aware of other sufficient assets belonging without dispute to the debtor. The bailiff may compel the debtor to surrender such assets also under threat of a fine. Section 83 contains provisions on forcible measures.

The provision in paragraph 1 applies also to assets belonging to the debtor that the bailiff knows is being worn by a third party or kept in the clothes of a third party.

Section 51 — *Search and seizure of evidence*

The provisions in section 49 apply, in so far as appropriate, also to the search for evidence necessary in an enforcement matter.

The bailiff may seize evidence that has been found observing, in so far as appropriate, the provisions on attachment. The evidence shall be returned at once after it is no longer necessary in the enforcement matter. The taking possession of the evidence may not unnecessarily hamper the business or livelihood of the debtor or a third person.

Obligation of the debtor to provide information

Section 52 — *Information to be provided to the bailiff*

The debtor shall at the request of the bailiff in an enforcement matter truthfully provide the following information that the bailiff needs for enforcement:

- (1) the debtor's personal and contact details, as well as in so far as necessary for the enforcement matter information on his or her family and persons maintained by him or her;
- (2) information on his or her property and other assets, income and debts, and shareholdings and memberships in other corporations with a bearing on his or her financial status;

- (3) information on any likely changes to the information referred to in subparagraph (2) anticipated for the following year;
- (4) information on how wages, salary or other recurring income is determined, as well as information on his or her place of employment and the contact details of the employer or other payer of wages or salary;
- (5) information on the whereabouts of an object or document subject to a relinquishment liability or a statutory duty of relinquishment to the bailiff;
- (6) information on contracts and commitments affecting his or her financial status as well as on assets administered or used by him or her on the basis of an assignment or a comparable basis, arrangement or contract;
- (7) information on assets conveyed, payments made and transactions concluded against consideration or without consideration, if the information is necessary in order to determine whether an action for recovery can be used to recover assets for enforcement, as well as on procedures, arrangements and other measures that have effects comparable to such transactions;
- (8) other comparable information on his or her financial status and operations.

Section 53 — *Obligation of a natural person to provide information*

A debtor who is a natural person shall himself or herself provide the information. If the debtor has a guardian, as provided in the Guardianship Services Act (442/1999), the guardian shall provide the information in so far as assets are being administered by the guardian. Also an individual who is or has been the effective manager of the debtor's business or manages or has managed the debtor's assets is subject to the obligation to provide the information.

With regard to a decedent's estate, an individual in charge of the estate is subject to the obligation to provide information. If the shareholders of the estate are jointly in charge thereof, every shareholder is subject to the same obligation.

Section 54 — *Obligation to provide information on behalf of a corporation*

Information shall be provided on behalf of a debtor corporation or foundation by:

- (1) an individual who is a member of the board of directors or a comparable organ, or is the chief executive officer or has a comparable position;
- (2) an individual who is personally liable for the commitments of the corporation;
- (3) an individual who is entitled to sign for the corporation or foundation alone or jointly with another individual;
- (4) an individual who in view of the circumstances is effectively managing the operations of the corporation or foundation or seeing to its administration or the administration of its assets.

Also an individual who has held a position referred to in paragraph 1 during the year preceding the request for information is subject to the obligation to provide information.

If there are no individuals subject to the obligation to provide information under paragraph 1 or 2, the individual who has last held a comparable position is subject to the same obligation.

Section 55 — *Employees of the debtor and auditors*

An employee of the debtor and the auditor of a corporation or foundation shall, upon request, provide information referred to in section 52 and relating to their tasks, if the bailiff considers that the information is essential for the enforcement and cannot be obtained in any other manner.

Section 56 — *Method of procuring the information*

The bailiff may procure information from a person subject to the obligation to provide it, as referred to above, informally or by carrying out an enforcement inquiry. An enforcement inquiry may be carried out on an individual referred to in section 55 only for a special reason. If said individual refuses to provide information, the bailiff may compel him or her to do so at once or within a time limit, under threat of a fine.

In an enforcement inquiry and, where necessary, also when information is being procured informally, the individual subject to the obligation to provide information shall be reminded of the duty to keep to the truth and be notified that the provision of false information or the concealment of information may result in punishment.

Enforcement inquiry

Section 57 — *Duty to carry out an enforcement inquiry*

The bailiff shall carry out an enforcement inquiry, if the creditor's receivable cannot be collected in full and the financial situation of the debtor has not been credibly ascertained in some other manner. In the event that an enforcement inquiry has already been carried out before the pendency of the matter and

- (1) no more than six months have passed since the inquiry, there shall be no need to carry out a new enforcement inquiry, unless it is known that the circumstances have changed;
- (2) more than six months but no more than one year have passed since the inquiry, a new enforcement inquiry shall be carried out if this is to be deemed justified in view of the circumstances;
- (3) more than one year has passed since the inquiry, a new enforcement inquiry shall be carried out unless this is manifestly unnecessary.

If the wages, salary or other recurring income of the debtor have been attached, an enforcement inquiry shall be carried out if necessary owing to new applications or some other reason. At least once a year, the bailiff shall verify the amount of the recurring income paid to the debtor, unless this is manifestly unnecessary.

Section 58 — *Summons to the enforcement inquiry*

The bailiff shall serve the summons to the enforcement inquiry on a person subject to the obligation to provide information no later than two days before the inquiry. The person subject to the obligation to provide information shall attend in person.

The inquiry may be carried out without a summons with the consent of the person subject to the obligation to provide information or if there is a justified reason for the same. Also in this situation, the person subject to the obligation to provide information shall be reserved the opportunity to verify in an appropriate manner the accuracy of the information to be provided.

Section 59 — *Forcible measures to ensure attendance*

If there is justifiable reason to believe that a person subject to the obligation to provide information will not otherwise heed the summons and the enforcement inquiry is essential for

the purpose of the enforcement, the bailiff may require that the person attends the inquiry under threat of being fetched there. The decision to this effect shall be served on the person subject to the obligation to provide information as provided in sections 40 and 41. If service cannot be effected in this manner, the decision may be served on an attorney, if the attorney has acted on the person's behalf in the matter.

If the person subject to the obligation to provide information does not attend the enforcement inquiry, the police shall fetch him or her on a written request by the bailiff.

Instead of fetching, the bailiff may require that the person attends the enforcement inquiry under threat of a fine.

Section 60 — *Method of carrying out the enforcement inquiry*

The enforcement inquiry shall be carried out by drawing up a protocol of the responses of the person subject to the obligation to provide information to the questions put by the bailiff. In addition, said person may be required to draw up a list of the debtor's property and assets, income and debts, or to provide the information needed for drawing up such a list. Counsel may be prohibited from attending or his or her attendance may be subject to conditions, if the attendance of counsel would considerably hamper the enforcement.

The protocol and list shall be given for review to the person subject to the obligation to provide information, and the corrections and additions mentioned shall be noted in them. The person subject to the obligation to provide information shall sign a statement to the effect that the information he or she has provided is correct, and this statement shall be taken into the protocol and list.

In a simple matter, the enforcement inquiry may be carried out by putting questions over the telephone or in some other suitable manner to the person subject to the obligation to provide information. In this situation, the necessary entries concerning the enforcement inquiry shall be written down in a document.

Section 61 — *Duration and postponement of the enforcement inquiry*

An enforcement inquiry shall last no longer than necessary for the procurement of the necessary information nor, unless the person subject to the obligation to provide information consents to this, for longer than six hours without interruption.

A person who has been fetched to the enforcement inquiry or who attends under threat of fetching may be prevented from leaving from the inquiry, if the inquiry is essential for the purpose of the enforcement. Also another person subject to the obligation to provide information may be prevented from leaving from the inquiry, if there is a very important reason for this that is related to the enforcement and if the prevention cannot be deemed unreasonable in view of the circumstances.

If the bailiff deems that the person subject to the obligation to provide information cannot reasonably do so owing to illness or some other comparable reason, the inquiry shall be postponed in full or in part.

Section 62 — *Obligation to submit accounting data*

A person in possession or in charge of accounting data belonging to a debtor liable to keep accounts shall submit the following, at the request of the bailiff and for purposes of the enforcement inquiry:

- (1) accounting journals, receipts and other accounting material;
- (2) documents and other records relating to the management and agreements of a corporation or foundation;
- (3) other documents and records pertaining to the business or professional activity of the debtor.

Section 63 — *Threat of a fine in an enforcement inquiry*

If a person subject to the obligation to provide information refuses to do so in an enforcement inquiry or a person referred to in section 62 refuses to submit data referred to in said section, the bailiff may require him or her to fulfil the obligation at once or within a time limit under threat of a fine.

Obligation of third parties and the authorities to provide information

Section 64 — *General provision*

In addition to what has been provided elsewhere in the law, the bailiff has the right, notwithstanding the provisions on secrecy, to obtain free of charge the information, documents and materials provided below if they are necessary for enforcement in a given enforcement matter. The bailiff shall assess the necessity. The information may be provided by way of an electronic interface. The Ministry of Justice may make reimbursements for the establishment and maintenance of the electronic interface.

Section 65 — *Sensitive personal data and information pertaining to third parties*

When information is being procured from third parties, efforts shall be made to avoid a situation where the bailiff is in possession of personal data not relevant to the enforcement matter at hand and considered sensitive under section 11 of the Personal Data Act, except as regards information on social welfare benefits received by the debtor.

The bailiff has the right to obtain the information laid down in the law even if information on the financial status of a third party would be disclosed at the same time, unless the information can be obtained in some other manner.

Section 66 — *Obligation of third parties to provide information*

Upon being asked, a third party shall state to the bailiff:

- (1) whether he or she is in possession of or otherwise in charge of assets belonging to the debtor, and what kind of assets are involved;
- (2) whether he or she has receivables from, or debts due to, the debtor, and the basis and amount of the receivable, the transactions in the accounts relating to the receivable, as well as the right of the debtor to dispose of said accounts;
- (3) whether he or she has concluded a transaction with, or to the benefit of, the debtor that may have significance in the search for the debtor's assets, and the contents of the transaction;
- (4) information concerning the income and emoluments in kind received by the debtor, information concerning working hours, the basis for the payment of income and the contact details of the debtor that the third party has as employer or as the party paying the income;

- (5) the address and telephone numbers of the debtor as well as the other contact details of the debtor in the possession of the third party as a telecommunications or postal enterprise.

The provision in paragraph 1, subparagraph 2 applies also to receivables and debts falling due in the future, if the commitment has already been given or the other legal basis arisen, as well as to receivables and debts whose basis or amount is unclear or subject to conditions. The provision in paragraph 1, subparagraph 3 applies also to procedures, arrangements and other measures the effects of which are comparable to a transaction.

On the exhortation of the bailiff, a third party shall produce the contract or other document and the other immediately relevant material that concern a circumstance referred to in paragraph 1. The bailiff has the right to have copies made of the documents and materials. A credit, financing, or insurance institution may not disclose to parties other than the authorities whether the bailiff has put questions referred to in this section.

Section 67 — *Obligation of the authorities to provide information*

An authority and a party performing a public task shall upon request provide the bailiff with all information in its possession relating to:

- (1) the debtor's property and assets, income, debts and other financial status, as well as banking information;
- (2) the debtor's employment and service relationships, pensions and economic activity;
- (3) the debtor's address, telephone numbers and other contact details.

If the party subject to the obligation to provide information is linked to the debtor in a manner referred to in section 66, the party shall provide information also in accordance with the said provision.

Section 68 — *Threat of a fine imposed on a third party*

If a third party referred to in section 66 refuses to provide information, the bailiff may compel him or her to provide the information at once or within a time limit under threat of a fine. If information cannot be obtained from the third party in any other manner, the bailiff may

compel him or her, under threat of a fine, to arrive at the bailiff's office or at another suitable location to provide the information.

Right of the enforcement authority to disclose information

Section 69 — *General provision*

Access to the documents of the enforcement authorities shall be governed by the provisions in the Act on the Openness of Government Activities. In addition to the right or duty of the enforcement authority to disclose information provided in the said Act or some other Act, the enforcement authority has the right to disclose information notwithstanding the provisions on secrecy, as provided in sections 70 through 73. Information may be disclosed also to another enforcement authority for the carrying out of an enforcement matter and to the Ministry of Justice and the Administrative Office for the performance of administrative tasks. Chapter 1 contains provisions on access to information in the Enforcement Information System and disclosure of such information.

Section 70 — *Pre-trial investigation authorities, certain other authorities, and courts of law*

In any given case, the enforcement authority may on request disclose information from its documents pertaining to the respondent's identity and contact details, as well as to the respondent's financial status and operations, to:

- (1) prosecutorial and pre-trial investigation authorities for the clearing up and pre-trial investigation of criminal offences, the consideration of charges, court proceedings and the prevention of serious offences;
- (2) the Money Laundering Clearing House for the performance of its statutory duties;
- (3) prosecutorial authorities for the evaluation of conversion sentences;
- (4) the security police and the General Defence Staff for the preparation of an extended background check, as provided in the Act on Background Checks (177/2002);
- (5) prosecutorial and pre-trial investigation authorities for investigations relating to the imposition or extension of a prohibition to pursue a business and to the police for the monitoring of compliance with such a prohibition;

- (6) the customs authorities for the performance of tasks referred to in the Customs Act (1466/1994);
- (7) the Bankruptcy Ombudsman for the performance of his or her statutory duties (987/2007);
- (8) the Immigration Office for the performance of tasks referred to in the Nationality Act (359/2003) (987/2007).

The bailiff may disclose to a court of law the necessary information on an enforcement matter for the hearing of a matter referred to in paragraph 1, an enforcement appeal, contested enforcement or a recovery matter. The provision in section 73 shall not prevent the bailiff from disclosing the necessary information to a court of law for the hearing of an enforcement appeal or contested enforcement even in the event that the party who provided the information invokes his or her right to refuse to testify.

For the purposes of this section, a serious offence is defined as a criminal offence where the statutory minimum penalty is no less than imprisonment for four months.

The information referred to in this section may be disclosed by way of an electronic interface.

Section 71 — *Tax authorities and subsidising bodies*

In any given case, the enforcement authority may on request disclose from its documents information pertaining to the respondent's identity and contact details, as well as to the respondent's financial status and operations, if the information is needed by:

- (1) the tax authorities in the consideration of a tax matter; or
- (2) an authority, public body, other corporation or foundation involved in the granting or monitoring of unemployment benefits or other public allowances, subsidies or benefits in the consideration of such a matter.

In the absence of special reasons, the information shall not be disclosed if, at the time of the request, more than four years have passed since the document was drawn up. The information shall primarily be disclosed from the Enforcement Information System in the manner provided in chapter 1. The information may be disclosed by way of an electronic interface.

Section 72 — *Disclosure on own motion*

If there is reason to suspect that the respondent or a third party may have committed an offence subject to public prosecution and the offence has been committed in the context of the enforcement proceeding or otherwise essentially compromises the result of the enforcement, or is an accounting offence or another offence where the minimum punishment is no less than imprisonment for four months, the bailiff may on his or her own motion disclose information to an authority referred to in section 70, paragraph 1, subparagraph 1 for the purposes mentioned therein.

The bailiff may disclose information on his or her own motion also to an authority referred to in section 70, paragraph 1, subparagraphs 5 through 7 for the purposes mentioned therein, if there is reason to suspect that the respondent or a third party has committed an offence subject to public prosecution. The bailiff may report suspect business transactions to the Money Laundering Clearing House.

Information may be disclosed on one's own motion to an authority, body, corporation or foundation referred to in section 71 if there is reason to suspect that the respondent or a third party has committed an act referred to in chapter 29, sections 1 through 4, of the Criminal Code (39/1889) or the abuse of public benefits.

The recipient of the information shall erase information referred to in paragraphs 2 and 3 as soon as it no longer is necessary, unless there is justifiable reason for the retention of the information.

Section 73 — *Prohibition against disclosure of certain information*

The bailiff may not disclose information that has for an essential part been received from:

- (1) a person who as a witness in the proceedings in question is obliged or entitled to refuse to testify on the relevant circumstance, unless the person entitled to refuse to testify consents to such disclosure;
- (2) the debtor when questioned about a circumstance referred to in section 52, subparagraphs 6 through 8, if the answer indicates that the debtor has committed an offence outside of the scope of the enforcement proceeding, and the disclosure of the information would render the debtor liable to prosecution; or
- (3) a third party, if the information relates to wrongdoing by the third party.

Section 91 contains provisions on the right of the bailiff to disclose information to the applicant. The provisions above apply to information regardless of whether or not it is secret in other respects.

Threat of a fine

Section 74 — *Imposition of a threat of a fine*

A threat of a fine imposed by the bailiff in accordance with this Act shall be imposed either as a fixed amount or as determined by the lapse of time (*threat of an accruing fine*). A threat of an accruing fine shall be imposed as a fixed base amount plus an added amount for each period of time (*accrual period*) laid down in the decision when the ground for enforcement or the decision of the bailiff has not been complied with. If a threat of an accruing fine is imposed to prevent the breach of a prohibition, the added amount may be linked to each instance of a breach instead of to the lapse of time.

Unless otherwise ensues from this Act or the relevant ground for enforcement, the imposition of a threat of a fine is governed also in so far as appropriate by the provisions in section 6, paragraph 3, and sections 7 and 8 of the Act on the Threat of a Fine (1113/1990).

Section 75 — *Hearing and service of notice*

Before the imposition of a threat of a fine, the bailiff shall hear the party to be compelled, unless this will considerably hamper enforcement.

The document concerning the imposition of a threat of a fine on someone shall be served on him or her as provided in section 38 or sections 40 and 41. If service cannot be effected in this manner, the document may be sent to another address that is known or served on an attorney, if the addressee has been represented by an attorney in the matter. Nevertheless, the threat of a fine shall not be ordered to be enforced in so far as there is doubt as to whether the addressee has received service of the document in person.

Section 76 — *Imposition of a new threat of a fine*

The bailiff may impose a new threat of a fine even if a threat of a fine imposed earlier has not been ordered to be enforced. However, the threat of a fine imposed earlier shall lapse, unless

the bailiff in the notice on the imposition of the new threat of a fine states that he or she has decided to apply to the District Court for an order on the enforcement of the earlier threat.

Section 77 — *Appeal*

The decision of the bailiff on the imposition of a threat of a fine is subject to appeal. However, appeal does not suspend the duty of the person in question to comply with the obligation imposed by the bailiff. The bailiff may correct his or her decision, as provided in chapter 10, sections 1 through 5.

Section 78 — *Application for an order on the enforcement of the threat of a fine*

Upon application by the bailiff, the District Court referred to in chapter 11, section 2, of this Act shall issue the order on the enforcement of a threat of a fine imposed by the bailiff. If the threat of a fine has been imposed as a part of the relevant ground for enforcement, the bailiff may apply for an order for enforcement also from the court that imposed the threat of a fine.

Before filing the application referred to in paragraph 1, the bailiff shall hear the compelled party, if necessary. The bailiff shall notify the compelled party of his or her decision to file a application.

Section 79 — *Preconditions for a court order on enforcement*

The court where the bailiff applies for an order on the enforcement of a threat of a fine shall on its own motion assess the correctness of the bailiff's decision on the imposition of a threat of a fine. A court order on the enforcement of the threat of a fine shall be issued, if the obligation has not been complied with or if it has been breached without a valid reason. The court order on enforcement is governed also, in so far as appropriate, by the provisions in section 10, paragraph 2, and section 11 of the Act on the Threat of a Fine. If a threat of an accruing fine has been imposed by setting an added amount for each instance of breach, the added amounts lapse to the extent that they exceed three times the base amount, for those instances of breach that occurred prior to when the court issued the order on enforcement.

The threat of a fine may be ordered to be enforced even if the ground for enforcement or the decision of the bailiff relating to the imposition of the threat is not yet final.

Section 80 — *Consideration of the threat of a fine in court*

In considering in court the enforcement of a threat of a fine, the provisions of chapter 11, section 15, paragraphs 1 and 2, and section 19, apply in so far as appropriate. The District Court may also stay the enforcement of a threat of a fine imposed by the bailiff, applying, in so far as appropriate, the provisions in chapter 10, sections 20 through 26. If the application of the bailiff is rejected, the State may at the request of the party compelled be rendered liable to compensate him or her for his or her reasonable legal costs.

Before a court issues an order on the enforcement of a threat of a fine, the compelled party shall be heard.

Section 81 — *Carrying out a court order on the enforcement of a threat of a fine*

A non-final order of the District Court on the enforcement of a threat of a fine may be carried out at once, unless the appellate court orders otherwise, applying, in so far as appropriate, the provisions in chapter 10, sections 20 through 26. However, attached assets may be liquidated before the decision becomes final only in the situations referred to in chapter 2, section 5, paragraph 2. An order of the Court of Appeal on the enforcement of a threat of a fine shall be subject to the provisions in chapter 2, section 10.

Forcible measures

Section 82 — *Forcible measures to carry out enforcement*

When searching for attachable assets, another object of enforcement or evidence, or when trying to enter premises as needed for enforcement, the bailiff may open locks and doors or have them opened, as well as use other comparable forcible measures to carry out enforcement to the extent that can be deemed justified in view of the circumstances, as well as receive official assistance from the police. However, the person in question shall be reserved the opportunity to act on his or her own volition, unless this compromises the enforcement.

Section 83 — *Forcible measures against the person*

If the bailiff meets with resistance intended to prevent the enforcement or to cause considerable difficulty therein, the bailiff is entitled to receive official assistance from the police. When meeting with resistance, the bailiff is also himself or herself entitled to use such forcible measures to counter the resistance as can be deemed justified in view of the nature of the enforcement task, the dangerousness of the resistance and the situation in general.

Chapter 4, section 6, paragraph 3, and section 7, of the Criminal Code contain provisions on excessive forcible measures.

Recovery of assets

Section 84 — *Grounds for recovery and action for recovery*

A transaction detrimental to the interests of the creditor applying for enforcement and a procedure, arrangement or measure with comparable effects may on the action of the applicant be reversed by a court order, on the grounds laid down in the Act on the Recovery of Assets to a Bankruptcy Estate (758/1991). In this event, the date of pendency of the enforcement matter shall be taken as the operative date referred to in the said Act. The applicant and a third party may also file claims for compensation, proceeds and interest under the said Act and for the return of consideration or the cancellation of the duty to pay consideration. Unless otherwise provided below, the provisions in the said Act apply, in so far as appropriate, to the recovery in other respects.

Section 85 — *Plea of recovery*

The applicant may demand the reversal of a transaction or the cancellation of the duty to pay consideration also by entering a plea of recovery in contested enforcement or other legal proceeding where a third party claims an interest in the object of attachment. The applicant may enter such a plea of recovery also in an enforcement appeal where the reversal of the enforcement measure is being sought on the basis of the interest of a third party.

The provisions in this Act on an action for recovery apply, in so far as appropriate, also to a plea of recovery.

Section 86 — *Action for recovery when an enforcement matter is pending*

An action for recovery may be brought once the enforcement matter has become pending.

If the enforcement matter is pending when the action is brought, the applicant for enforcement who is bringing the action shall provide the court with the bailiff's notice of the date of pendency as well as the bailiff's statement on whether the applicant's receivable is likely to be covered by assets or income belonging without dispute to the debtor and attachable over the following six months. If full coverage of the receivable is anticipated over the said period, the action shall not be admitted.

Section 87 — *Action for recovery after a pending enforcement matter*

An action for recovery shall be brought within six months of the date of the impediment certificate referred to in section 95, paragraph 1. In the attachment of wages, salary or other recurring income, the operative date shall be two years after the date of pendency of the matter, unless the impediment certificate has been issued before that date. If an appeal is pending regarding the attachment, the action for recovery shall be brought within six months of the date when the decision on the reversal of the attachment has become final.

If the matter pertains to the distribution of matrimonial assets and no instrument of distribution has been deposited with the State Local Office, the action for recovery may be brought within six months of the date of deposit of the instrument with the Office.

Section 88 — *Recovery and lapsed insolvency proceedings*

If the creditor applies for enforcement within three months of the lapse of proceedings relating to bankruptcy, the restructuring of a company or the adjustment of the debts of a private individual before the issue of the bankruptcy judgment or the confirmation of the restructuring plan or payment schedule, or of the cessation of said proceedings for a reason not attributable to the creditor, the operative date of the recovery shall be determined in accordance with the respective procedural provisions.

Section 89 — *Attachment of recovered assets*

A third party shall surrender to the bailiff the assets pertaining to a reversed transaction, as well as the compensation, proceeds and interest ordered by the court. A deduction shall first

be made from these assets for the amount that according to the court order is to be paid to the third party. Attachment shall be carried out on the balance of the assets to an amount corresponding to those receivables on which the applicant had a ground for enforcement at the time of filing of the action for recovery and to the legal costs ordered payable to the applicant. Assets that require liquidation shall be liquidated as provided in chapter 5. The possible surplus funds shall be returned to the third party.

Section 90 — *Stay of enforcement*

A court seised of an action for recovery may prohibit enforcement measures directed at assets concerned by the action or order a stay of enforcement. The provisions in chapter 10, sections 20 through 26 apply, in so far as appropriate, to the prohibition or stay.

Section 91 — *Notification to the applicant*

The bailiff shall without delay notify an applicant for whom, with a view to the amount of the receivable, this matter would evidently be of relevance, of any circumstances that may give rise to the filing of an action for recovery, an application for a bankruptcy or some other special collection measures. The applicant shall also be provided with the protocol of the enforcement inquiry, if there is one, and the other necessary documents. The bailiff may provide the applicant also with information referred to in section 73, paragraph 1, subparagraphs 1 and 2. The applicant may not use this information to evade the restrictions on testimony in the Code of Judicial Procedure nor to have charges brought against the debtor. The bailiff shall remind the applicant of these restrictions.

Credit injunction

Section 92 — *Prerequisites for a credit injunction*

If it is observed that the debtor, for the evident purpose of avoiding enforcement, uses an overdraft facility or other credit arrangements in order to withdraw funds or additional funds on credit and directs his or her receivables or income into such a facility, the bailiff may prohibit the debtor from, to the detriment of the creditor in enforcement, repaying or otherwise servicing credit that has been withdrawn after the issue of the injunction. The injunction shall be served at once also on the issuer of the credit. The credit injunction on the

debtor pertains to funds or additional funds on credit that the issuer of the credit has authorised in the context or form of an overdraft facility or another credit arrangement to the debtor, after having been notified of the injunction.

The debtor and the issuer of the credit shall be heard before issuing an injunction referred to in paragraph 1, if this can be done without significantly hampering the enforcement.

Section 93 — *Legal effects of the injunction*

A payment made in contravention of the injunction referred to in section 92 shall be void. The issuer of the credit shall likewise not use payments towards a credit covered by the injunction for set-off, in so far as the payments correspond to funds or additional funds on credit authorised after the issuer was notified of the injunction.

The issuer of the credit shall remit to the bailiff any funds received through a void payment. Unremitted funds may be attached from the issuer of the credit on the basis of the bailiff's injunction.

End of pendency

Section 94 — *End of pendency through closing remittance*

The pendency of an enforcement matter relating to a payment liability ends when the bailiff remits the collected funds (*closing remittance*). Intermediate remittances end the pendency for the part of the funds remitted. If the funds have been withdrawn against security, the pendency of the matter ends only after the decision on the matter has become final. The same provision applies to a situation where the creditor has been released from the liability to post security.

Section 95 — *End of pendency through an impediment certificate*

If full payment has not been collected for the receivable (*impediment for lack of means*) or if the whereabouts of the debtor are also unknown (*impediment for lack of means and unknown whereabouts*), a certificate to this effect shall be issued to the applicant.

In addition, when the enforcement of a payment liability is concluded owing to an impediment not referred to in paragraph 1, a certificate to this effect shall be issued to the applicant.

The pendency of the enforcement matter shall end on the date of issue of the impediment certificate.

Section 96 — *Obligations other than a payment liability*

The pendency of an enforcement matter relating to an obligation other than a payment liability ends when the bailiff has completed the enforcement measures or issued a certificate of an impediment to the enforcement.

Section 97 — *Effect of bankruptcy on the pendency of enforcement*

When bankruptcy proceedings are initiated, an enforcement matter relating to a payment liability that cannot be enforced because of the bankruptcy remains pending at most for six months following the initiation of the bankruptcy proceedings. An enforcement matter shall be continued if the bankruptcy proceedings are reversed, lapse or otherwise expire before this.

Section 98 — *Contents of the impediment certificate*

The impediment certificate shall list the main measures carried out in the matter. The bailiff shall sign the certificate. The certificate may be issued in an electronic form.

Section 99 — *Certificate of lack of means without pendency*

A creditor who shows it probable that he or she has a receivable from the debtor has the right to a certificate, to be issued without need for an enforcement application, that an impediment certificate referred to in section 95, paragraph 1, has been issued on the debtor in question during the preceding six months and that no attachment has been carried out after that time. The certificate may be issued in an electronic form. The name of the party requesting the certificate, the receivable and the basis thereof shall be entered into the Enforcement Information System.

Section 100 — *Certificate of end of pendency*

Upon request, the respondent shall be issued a certificate, signed by the bailiff, to the effect that the pendency of the enforcement matter has ended. A certificate relating to a payment liability shall denote the collected and uncollected amounts and whether the matter has been registered as passive. The reason for the end of pendency shall be marked on certificates pertaining to other enforcement matters.

Chapter 2, section 28, paragraph 2 contains provisions on the certificate to be issued on the expiry of the time limit for the grounds for enforcement.

Section 101 — *Insignificant remainder*

If, after a remittance, only an insignificant remainder, as defined by a Decree of the Government, remains of the receivable of the applicant, the bailiff may desist from collecting the amount and instead make a closing remittance. The provision in this section shall not apply to maintenance payable to a child or to overdue interest accruing on such maintenance payments.

Passive receivables

Section 102 — *Registration of passive receivables*

If the pendency of an enforcement matter relating to a payment liability ends with an impediment referred to in section 95, paragraph 1, the matter may at the request of the applicant be entered into the Enforcement Information System as a passive receivable. Such request shall be made in the enforcement application or later during the pendency of the matter. Passive registration does not extend the pendency of the enforcement matter.

The passive registration of a receivable remains in effect for two years after the date of the impediment certificate. The applicant shall be notified of the end of the effective period, unless the applicant has otherwise requested.

The request for passive registration shall be deemed to cover all receivables simultaneously under enforcement, unless the applicant cancels the request for the part of a certain receivable. In simultaneous enforcement, the effective period shall be calculated from the latest impediment certificate.

Section 103 — *Attachment in order to collect on a passive receivable*

The bailiff is not under the duty to search for assets belonging to the debtor nor to determine the whereabouts of the debtor in order to collect on a passive receivable. If, however, attachable assets are found, they shall be attached in order to cover the passive receivable, unless there is a barrier to this procedure. The enforcement matter relating to the passive receivable shall become pending by the attachment decision or an interim measure. After the end of pendency, the receivable shall, if necessary, be re-entered into the Enforcement Information System, provided that the registration period has not yet lapsed.

Assets that have been attached solely to cover a passive receivable shall not, before the amount of the receivable has been verified, be liquidated nor the funds otherwise remitted in order to cover the passive receivable.

Section 104 — *Creditor's obligation to provide information*

After attachment has been carried out to cover a passive receivable, the creditor shall declare the amount of his or her receivable within a time limit imposed by the bailiff and as provided in section 1. Failing this, the attachment may be reversed. At the request of the bailiff, the creditor shall also in other situations declare the amount of his or her receivable. Failing this, the receivable may be erased from the passive register. The creditor shall, on his or her own motion, notify the bailiff if the passive receivable has been paid in full.

Limited enforcement

Section 105 — *Application and object*

If the applicant is content with limited enforcement, an express note on the same shall be made in the enforcement application. If several debtors are liable for the same debt, limited enforcement may not be used.

In limited enforcement, it is possible to attach recurring income or to attach tax advance refunds and other assets, as laid down in a Decree of the Government, where such assets need no liquidation. The bailiff shall search for such assets by checking information on the debtor's financial situation in public registers and by undertaking other comparable measures, as provided by a Decree of the Government.

The whereabouts of the debtor shall be ascertained and measures other than those referred in paragraph 2 undertaken in the same way as in a regular enforcement matter.

Section 106 — *Cancellation of the request*

The applicant may cancel the restriction to limited enforcement in his or her application, in which event the assets of the debtor shall be sought in the same way as in a regular enforcement matter.

If assets that need liquidation have been attached in another matter, and the bailiff deems that the receivable being collected by way of limited enforcement would be covered in full or to an amount that exceeds, in accordance with the applicable provisions on priority, the amount laid down by a Decree of the Government, the bailiff shall inquire whether the applicant cancels his or her restriction to limited enforcement.

Section 107 — *Legal effects*

The pendency of a limited enforcement matter has the same legal effects as a regular enforcement matter. Instead of an impediment certificate for lack of means, a certificate shall be issued to the effect that not enough assets validly subject to limited enforcement have been found on the debtor. If also the whereabouts of the debtor are unknown, also a certificate of unknown whereabouts shall be issued. After limited enforcement, the receivable may not be registered as a passive receivable nor may an action for recovery be brought.

Supplementary provisions

Section 108 — *Official assistance from other authorities*

The police and the other authorities shall extend to the bailiff the official assistance necessary for enforcement.

A deputy bailiff may request official assistance from another authority in an urgent matter.

Section 109 — *Experts*

The bailiff may retain the services of an expert, if so provided in this Act or if there is a special need for the same for the auditing of accounting materials or for the performance of some other comparable task.

A person shall not serve as expert if he or she stands in such a relationship to the matter or to a party in the enforcement matter that his or her impartiality or credibility may be deemed to be compromised as a result. Where necessary, the bailiff shall remind the expert of the statutory duty of non-disclosure.

The costs of an expert shall be governed by the provisions in chapter 9. However, for a special reason the costs may be ordered to be paid from State funds in full or in part.

Section 110 — *Agent*

In cases separately provided in law the bailiff may retain the services of an agent. The agent shall carefully maintain property given to his or her possession, follow orders given to him or her by the bailiff, and render an account on his or her actions.

In other respects the provisions in section 109 on experts apply to agents.

Section 111 — *Compensation from State funds*

Discretionary compensation may be paid from State funds to parties or third parties without court proceedings, if the liability of the State can be deemed clear or if the payment of compensation can be deemed reasonable. If a party receiving compensation from the State could have collected from someone else, the State may claim the amount of the compensation from the latter.

Section 112 — *Interpretation*

In addition to the provisions on interpretation elsewhere in the law, the enforcement authority shall arrange for interpretation, within the available resources, if a party or another person to be heard under this Act cannot be understood for reasons of language or a sensory or speech impediment, and the interpretation is necessary for the clearing up of the matter or for the securing of the interests of the person in question. The costs of interpretation shall be paid from State funds.

Section 113 — *Notice regarding a minor*

If the ground for enforcement is a court judgment given in a civil matter and the debtor is below the age of 18 years, the bailiff shall notwithstanding the provisions on secrecy notify the guardianship authority of the debtor's municipality of residence of the pendency, for possible measures referred to in section 91 of the Guardianship Services Act. No notice need be made of claims based on compensation. Enforcement shall be stayed for the time necessary.

If the debtor is below the age of 15 years, the certificate referred to in chapter 1, section 31 shall not be issued nor shall a credit reference agency be provided the information referred to in chapter 1, section 32.

Chapter 4 — Attachment

General provision and definitions

Section 1 — *Enforcement of a payment obligation*

A ground for enforcement establishing a payment liability specified as a sum of money is executed by attaching, in the manner provided in this chapter, the amount of assets belonging to the debtor that is sufficient to pay the applicant's receivable. The attached assets are liquidated and remitted as provided in chapters 5 and 6.

In order to ensure the continuity of enforcement the bailiff may, in cases provided for separately, attach property without the further measures referred to in chapters 5 and 6 (*precautionary attachment*).

If a payment liability is denoted as an amount of goods and such goods are not found, a certificate of an impediment shall be issued to the applicant, unless the ground for enforcement establishes a subsidiary payment liability denoted as an amount of money.

The provisions in this Act on the right of lien apply also to a right of retention where the possessor has the right to maintain possession of the security.

Section 2 — *Wages and salary*

”Wages and salary” refers to all forms of wages, salary, fees, emoluments in kind and other benefits and compensation received in an employment relationship in the private or the public sector as well as to the other benefit referred to in section 13, paragraph 1, subparagraph 2 of the Preliminary Tax Withholding Act (1118/1996). Reasonable compensation for travel expenses or for the use of one’s own tools and for other expenses required in the performance of the work shall be left outside the scope of the attachment. A benefit granted by the employer where the receivable or the value is based on the stock exchange quotation or on a random factor may be attached in full.

The provisions on wages and salary apply also to:

- 1) a pension and daily illness allowances and to other income benefits and compensation paid instead of wages and salary and the attachment of which is not prohibited by law;
- 2) compensation paid to a natural person for the transfer or use of a patent right, copyright and other corresponding right;
- 3) a scholarship and other corresponding assets granted by a public corporation or a charitable society or foundation to a natural person, unless the recipient shows that the assets have been granted for the purpose referred to in section 19, paragraph 1, subparagraph 6.

Section 3 — *Vessels and mortgageable cars*

“Vessel” refers to a vessel and to other subjects of a vessel mortgage and of the right of lien provided thereby referred to in the Ship Mortgage Act (211/1927). The provisions on a vessel also apply to aircraft and to other subjects of aircraft mortgage and of the right of lien provided thereby referred to in the Mortgage of Aircraft Act (211/1928).

“Mortgageable car” refers to an automobile and to other subjects of a motor vehicle mortgage referred and of the right of lien provided thereby referred to in the Mortgage of Motor Vehicles Act (810/1972).

Section 4 — *Scope of application of provisions regarding real estate*

The provisions on real estate also apply to a parcel and a fractional part in real estate and in so far as appropriate to such land rental right and other right of use that can be mortgaged in accordance with chapter 19, section 1 of the Land Rights Code (540/1995).

Demand for payment and time for payment

Section 5 — *Demand for payment*

Chapter 3, section 33 contains provisions on the issuing of a demand for payment. The demand for payment denotes the due date by which the debtor should at the latest pay the applicant's receivable to the bailiff. Interim measures and if necessary garnishment of a tax refund may be carried out before the due date.

If property has been attached without the issuing of a demand for payment and the property is to be liquidated, the debtor shall afterwards be provided the opportunity to pay the applicant's receivable.

If the debtor pays the receivable at the latest by the due date denoted in the demand for payment, the pendency of the matter shall not be noted in the certificate referred to in chapter 1, section 31.

Section 6 — *Time for payment*

If the debtor does not pay the applicant's receivable at the latest by the due date denoted in the demand for payment, attachment is carried out. However, the bailiff may for a special reason provide the debtor on request time for payment, if the debtor shall probably pay the receivable on being granted time for payment. At most three months may be given as time for payment, calculated from the due date in the demand for payment. If the debtor shows that the applicant has consented to this, the time for payment may be longer than this, although the time may not be longer than six months without the lapse of the application. Where needed the bailiff may carry out a precautionary attachment during the time for payment.

If the receivable being collected is a child maintenance payment, the bailiff may not grant time for payment without the consent of the applicant.

A decision on the time for payment is not subject to appeal.

Section 7 — *Allotment of assets in accordance with the request of the debtor*

If the debtor, on making a payment, has requested that the assets be used for the payment of a certain debt, the assets shall be allocated accordingly. However, the right of an applicant with a higher priority may not be violated without an important reason nor may the receipt of

payment by an applicant with the same priority be essentially endangered. After the debtor has paid the assets to the bailiff in accordance with section 83, they are otherwise in the same position as attached assets.

Subject of attachment and the position of third parties

Section 8 — *Subject of attachment*

The subject of attachment may be an object or right belonging to the debtor that can be specified and that has a net asset value, unless attachment of such property is separately prohibited in the law. Attachment also extends to constituent parts and appurtenances of the object, proceeds that fall due after attachment, and property that takes the place of attached property.

A receivable may be attached even if the creditor does not have a final right to a claim, if the receivable has been sufficiently specified in a contract or if the debtor has demanded payment from another on the basis of a contract or the law.

Section 9 — *Property belonging to a third party*

Property belonging to a third party may not be attached, unless in accordance with a ground for enforcement it stands as security for the applicant's receivable or it is a constituent part or appurtenance of an attached object belonging to the debtor.

Section 73 contains provisions on the attachment of jointly owned property.

Section 10 — *Chattels in the possession of the debtor*

Chattels in the possession of the debtor may be attached unless a third party shows or it otherwise becomes apparent that the property belongs to the third party. The same applies to chattels that have been entered into a public register as property of the debtor.

Section 11 — *Chattels in joint possession*

Chattels in the joint possession of the debtor and a third party are deemed to belong to them in equal parts, unless the third party shows or it otherwise becomes apparent that the property belongs solely or to a greater part to the third party.

Section 12 — *Chattels in the possession of a third party*

Chattels belonging to the debtor and in the possession of a third party may be attached.

If the debtor's right of ownership has not been clarified, but there are probable grounds for this, the property may be attached. In such case instructions for contested enforcement shall be issued.

Section 13 — *Significance of legal confirmation of the possession of real estate*

Real estate to which the debtor has received legal confirmation of possession may be attached together with constituent parts and appurtenances, unless a third party shows or it otherwise becomes apparent that the real estate belongs to the third party or that a certain object is owned by the third party and does not belong to the real estate.

What is provided in paragraph 1 regarding legal confirmation of the possession of real estate applies also to the registration of a right of tenancy or other right of use.

Section 14 — *Artificial arrangements*

A plea that property belongs to a third party does not prevent the attachment of the property if

- 1) it is observed that the position of the third party is based on a financial or other arrangement that has been given a legal form that does not correspond to the actual nature or purpose of the matter, taking into consideration the powers available to the debtor comparable to the authority as owner, measures comparable to those of an owner, the benefits received by the debtor from the arrangement and the other corresponding factors, and
- 2) such a legal form is apparently being used to avoid enforcement or to retain the property beyond the reach of the creditors, and
- 3) the applicant's receivable shall probably not otherwise be collected from the debtor within a reasonable time.

However, attachment shall not be carried out if the third party involved in the arrangement shows it to be probable that attachment would violate his or her actual right. The bailiff shall hear the debtor and the third party and if necessary the applicant in an appropriate manner, unless this would significantly hamper the enforcement.

The provisions in paragraph 1 on property apply also to income directed by the debtor into the arrangement. The provisions in chapter 3, sections 64 through 68 on information concerning the debtor apply also to information concerning a third party referred to in this section. The bailiff may inquire into information concerning a third party if there is a justified reason to suspect that an arrangement referred to in this section is involved.

Section 15 — *Conditionally received and relinquished property*

Property that the debtor has received conditionally on the basis of a contract may be attached. The right of the assignor is taken into consideration in the sale as provided in chapter 5, section 26. If the assignment is annulled, the attachment is deemed to apply to the rights of the debtor towards the assignor.

If the debtor has conditionally assigned real estate to a third party and the applicant does not have the right of lien against the real estate, only the debtor's receivable on the purchase price and other rights towards the assignee may be attached.

Prohibitions against attachment and the order of attachment

Section 16 — *Prohibition against unnecessary attachment*

Assets may not be attached if, with consideration to the value of the assets and to the other circumstances, and after payment of the enforcement costs, attachment and garnishment fees and the receivables secured by the assets, the amount accruing to the applicant or applicants would be deemed minor.

If the attachment is not found to be in vain until the assets are being sold, the bailiff shall reverse the attachment by correction of his or her own decision, if this is possible.

Section 17 — *Minimum collected amount*

If assets are attached in order to collect on another receivable and the bailiff assesses that the minimum amount specified in a Decree of the Government would not be collected from these assets to satisfy the applicant's receivable, the assets shall not be attached for the applicant's receivable. However, the assets shall be attached if failure to collect on the receivable could be

deemed unreasonable. In respect of the garnishment of a recurring income, said minimum amount shall be calculated over the following six months.

Section 18 — *Prohibition on fragmentation*

Constituent parts, appurtenances or income may not be attached separately from chattels or from real estate. However, constituent parts and appurtenances may be attached separately from chattels if the debtor and the creditors whose right is affected thereby consent to this. The entire object shall be deemed to have been attached until separation has taken place. Chapter 5, section 65 contains provisions on the sale of a parcel, constituent parts and appurtenances separately from real estate.

If chattels or real estate belonging to the debtor form a whole, parts thereof may not, without the consent of the debtor, be attached in a manner whereby the remaining property would become useless to the debtor or its value would essentially depreciate.

Section 19 — *Other prohibitions on attachments*

In addition to what is provided elsewhere in the law, the following may not be attached:

- 1) a benefit or compensation for expenses that has been granted for a specific purpose on the basis of pension or social welfare legislation;
- 2) compensation paid for pain, aches or other temporary impediment, a permanent handicap or suffering or for medical expenses, funeral expenses or other expenses caused by personal injury;
- 3) compensation paid by the State for suffering or expenses arising from the loss of liberty;
- 4) maintenance paid to a child or compensation paid on the basis of the death of a person responsible for maintenance;
- 5) property that under law cannot be assigned;
- 6) assets that a public corporation or a charitable society or foundation has granted to a natural person to be used to obtain property referred to in section 21 or for the expenses of studies, research or comparable activity;
- 7) assets that have been collected according to law from the public for a purpose mentioned in subparagraph 6.

Paragraph 1, subparagraphs 6 and 7 above does not apply to assets that are intended for living expenses. In addition, subparagraph 6 applies on the condition that the debtor is liable to render account to the grantor of the assets.

Section 20 — *Validity of prohibitions on attachment*

The prohibitions on attachment referred to above in section 19, paragraph 1, subparagraphs 1 through 3, 6 and 7 are valid for two years from receipt of the assets, with the exception of compensation paid for a permanent handicap, for which the prohibition on attachment is permanent. A condition for the validity of the prohibitions on enforcement is that the debtor has maintained the assets separately or can present books of account or a corresponding account on them. In the case of recurring payments the prohibition on attachment applies to the remaining period of payment. The prohibition on attachment in respect of maintenance and compensation for a child is in force as long as there is a need for maintenance.

Section 21 — *Benefit of separation*

If the debtor is a natural person, the following shall be separated from the attachment:

- 1) the customary household effects in the use of the debtor and his or her family and personal effects in accordance with reasonable need;
- 2) an object that is of particularly large sentimental value to the debtor or his or her family, if the separation can be deemed reasonable taking into consideration the value of the object;
- 3) tools needed by the debtor and the school and study material needed by the debtor or his or her family members;
- 4) objects comparable to tools, up to a sum established as reasonable by a Decree of the Government, and animals needed for the pursuit of a trade, up to a reasonable value, if they are necessary to ensure the livelihood of the debtor and the family members dependent on him and her for maintenance;
- 5) property referred to in subparagraph 4 regardless of value, if the debtor uses this to earn income that can be attached and is sufficient to pay the applicant's receivable and separation could not otherwise be deemed to be against the interests of the applicant, or if the applicant consents to separation;

6) one and a half times the protected portion of the debtor's cash assets or other property referred to in section 48 for a period of one month, unless the debtor has other, corresponding income;

7) a licence, benefit or right required for the use or utilization of property referred to in subparagraphs 1 through 5, and compensation that has been received in place of property referred to in said subparagraphs if this is used to obtain corresponding property.

In addition to what is provided in paragraph 1, also other objects shall be separated from attachment if the separation can be deemed acceptable on the basis of the illness or disability of the debtor or of his or her family member. A family member's right of separation applies also in a decedent's estate.

Property may not be separated from attachment if the applicant has a right of lien on the property and the receivable for which the property stands as security is being collected.

Section 22 — *Obtaining a substitute object*

If the value of the object referred to in section 21, paragraph 1, subparagraph 4 as comparable to tools clearly exceeds the amount specified in the Decree of the Government, the object may be attached and sold. The amount referred to in the Decree shall be returned to the debtor from the purchase price for the obtaining of a substitute object.

The debtor shall be heard before the sale. Service shall be given to the debtor of the decision on the amount to be returned.

Section 23 — *Precautionary attachment of a separated object*

Precautionary attachment may be taken of assets referred to above in section 21, paragraph 1, subparagraph 5 that the debtor has been allowed to separate, if this is necessary due to the value of the assets, the danger that the assets will be lost, or another reason. The attached assets may not be sold as long as income may be garnished in the manner indicated in said provision.

Section 24 — *Order of attachment*

Property is attached in the following order:

- 1) money or a claim for money or wages, salary, pension or other periodical income;
- 2) other chattels;
- 3) real estate;
- 4) property that the debtor needs as his or her permanent residence or for his or her necessary livelihood, and the means of production necessary in the debtor's business or trade activity.

If different pieces of property have the same order of priority in attachment, property is selected for attachment following what is provided in section 25.

Section 25 — *Deviation from the order of attachment*

An exception may be made to the order of attachment if:

- 1) the parties so agree;
- 2) this obviates the need to attach contested property or the attachment of property to the detriment of a third party;
- 3) the property has already earlier been attached or the applicant's receivable can be paid thereby without weakening receipt of payment by another creditor;
- 4) conversion of certain property into money is difficult or the proceeds would probably be poor or if otherwise following the order of attachment would result in essential endangerment of or delay in payment, special expenses or other significant detriment to the applicant; or
- 5) the debtor has allocated property for attachment and its attachment is not in violation of the provisions in subparagraphs 2 through 4.

If the applicant has a right of security to property of the debtor, the object that stands as security shall be attached if the attachment of other property would essentially hamper receipt of payment by another creditor.

Without the consent of the debtor, his or her permanent home may be attached before other property only for an important reason.

Procedure in attachment

Section 26 — *Attachment decision and identification of the subject*

Property is attached with an attachment decision made by the bailiff. The decision shall be noted in a document without delay.

Attached property shall be specified in the attachment decision. Chattels may be attached even if their location is not known, if the property can be sufficiently specified sight unseen.

Section 27 — *Validity of attachment and prohibition on payments*

The attachment of property becomes valid in respect of the debtor with the attachment decision.

Attachment of a receivable and other right becomes valid in respect of the person with the payment obligation when service has been made to this person of a written prohibition to pay the receivable or fulfil his or her obligation other than to the bailiff (*prohibition on payment*). The recipient of a prohibition on payment is obliged to follow this immediately. If the right is based on a negotiable promissory note or on a comparable document, the attachment of property becomes valid in respect of the person with the payment obligation when the prohibition on payment has been issued and the bailiff has obtained possession of the document.

More detailed provisions on the contents of a prohibition on payments are provided in a Decree of the Government.

Section 28 — *Continuous prohibition on payments and prohibition on payments abroad*

A prohibition on payments can be issued on a continuous basis when the attachment is directed at the debtor's wages, salary or other recurring trade income or other income that falls due in the future. The attachment becomes valid in respect of each instalment when said instalment has been paid to the bailiff in accordance with section 83.

The bailiff may send a request corresponding to a prohibition on payments also to a person abroad with a payment liability.

Section 29 — *Assessment and preparation of an inventory*

Attached property shall be assessed and inventoried in the attachment decision unless this has already been done in an earlier attachment or in connection with a precautionary measure.

Plentiful objects of negligible value may be assessed as a whole and inventoried in general terms. Technical means of recording may be used in the inventory and if needed experts may be used in the assessment.

Section 30 — *Attachment of real estate on the basis of a judgment*

If a judgment orders payment of a receivable from real estate that stands as security for this, said real estate shall be deemed to have been attached directly. The court shall immediately send notice of the judgment to the bailiff of the location of the real estate, or enter the judgment into the Enforcement Information System and send a notice to the register authority.

The creditor who has brought the action shall seek sale of the real estate as provided in chapter 3 in respect of the enforcement application. If the creditor has not applied for sale, the bailiff shall reverse the attachment at the request of the debtor if the debtor demonstrates that at least six months have elapsed from when the judgment became legally final in respect of him or her. The bailiff shall notify the creditor of the request for reversal and shall notify the register authority of the reversal of attachment.

Safeguarding attachment

Section 31 — *Taking of possession*

The bailiff shall take possession of attached chattels. If this does not cause the creditor significant detriment, the chattels may be left in locked premises with the debtor. If there is no manifest danger of loss, the objects may be left with the debtor marked or unmarked as having been attached. If attached property is in the possession of a third party, the bailiff shall take possession of the property or prohibit the third party from transferring the property other than to the bailiff.

The bailiff shall take possession also of documents belonging to the debtor that show the right of ownership to attached property, or an attached receivable, and contracts of pledge and other corresponding documents relating to attached property.

If the debtor or a third party does not surrender attached property or a document referred to in paragraph 2, the bailiff may set a threat of a fine to enforce the surrender.

Section 32 — *Declaration of documents as invalid*

The bailiff may apply for the declaration of documents as invalid if this is necessary to carry out or ensure the attachment.

Section 33 — *Register notices*

The bailiff shall immediately give notice:

- 1) to the appropriate register authority of the attachment of real estate, a registered special right as well as other mortgageable property;
- 2) to the appropriate authority of the attachment of a patent or other registered immaterial right;
- 3) to the registrar maintaining the business mortgage register of the attachment of assets subject to business mortgage;
- 4) to the appropriate registrar maintaining a book entry register of the attachment of a book entry and of rights directed at a book entry;
- 5) to the appropriate broker managing accounts of derivatives of the attachment of standardized options and futures, and in other cases to the appropriate option society;
- 6) to other registrars of other attached property as separately provided in the law.

If information regarding attachment can be entered into public registers other than those referred to in paragraph 1, the bailiff shall if necessary notify the appropriate authority of the attachment.

More detailed provisions on notices to registrars are provided in a Decree of the Government.

Section 34 — *Income and compensation*

The bailiff shall if needed collect rent and other income for attached property as well as compensation or other receivables within the scope of the attachment, by issuing a prohibition on payments notice to the person responsible for paying the amount. The provisions of section 67, paragraph 1 and section 68, paragraphs 2 and 3 apply in so far as appropriate to the collection of such income or receivable from the person to whom a prohibition on payments notice is issued.

The bailiff shall see to the harvesting of ripened crops unless provided otherwise in section 41, paragraph 2. Chapter 5, section 15, paragraph 2 contains provisions on the sale of crops.

The sale of property may be postponed if the applicant's receivable can probably be collected within a reasonable period from the income from the attached property.

Section 35 — *Appointment of an agent*

If required by the circumstances, the bailiff may appoint an agent to manage attached property, collect income or harvest a crop.

Section 36 — *Other safeguarding measures*

The bailiff shall arrange for the guarding of the attached property and also take the other safeguarding measures referred to in sections 31 through 35 if these are needed to preserve the value of the attached property, to ensure the sale or otherwise to realize the purpose of enforcement. However, the bailiff may not be a party in court, unless otherwise provided in law.

Legal effects of attachment

Section 37 — *Prohibition of disposition*

After the attachment decision the debtor may not destroy or without the permission of the bailiff alienate or pledge attached property or otherwise dispose of it. A measure in violation of the prohibition is invalid in respect of the creditors. However, the assignee or other third party may benefit from the protection provided by good faith as separately provided.

Section 38 — *Prohibition of disposition in a corporation*

After the attachment of a share or shares in a company or other corporation, the debtor may not decide in the corporation on such measures that are not part of ordinary business activities and that significantly decrease the value of the share or shares. What is provided here applies also to a corporation where the debtor has considerable authority on the basis of ownership. What is provided in section 37 applies to a measure in violation of the prohibition.

At the request of the debtor the bailiff shall decide if a specific measure is in violation of what is provided in paragraph 1.

Section 78 contains provisions on prohibition of disposition in a decedent's estate.

Section 39 — *Permission given by the bailiff*

The bailiff may grant the debtor permission to exchange attached property for other property or engage in another comparable transaction referred to in section 37. A condition for the permission is that the transaction is appropriate and apparently does not endanger receipt by the creditors of payment. If property is exchanged, the attachment is directed at the property that comes in its stead and to the possible difference in prices.

Section 40 — *Sale of goods in stock*

If goods in stock have been attached, the bailiff may grant the debtor permission to sell goods from the stock to the extent required by usual business practice, unless the receipt by the creditors of payment is apparently endangered. Should the bailiff grant such permission the attachment is directed at the receipts from the sale of the goods in stock as provided in section 65 and to what goods remain in stock at each time.

Chapter 5, section 77 contains provisions on the right of the debtor to sell attached property.

Section 41 — *Limitation on use and harvesting of crops*

If attached chattels have been left in the possession of the debtor, the debtor may use this for its usual purpose unless the bailiff in the attachment decision or subsequently orders otherwise.

The debtor may for domestic purposes use a forest on, and other constituent parts of, attached real estate as well as harvest a crop if this ripens before sale. In such a case the attachment is directed at the receipts from the sale of the crop as provided in section 65.

The relationship among creditors

Section 42 — *Successive attachment*

Attached property can be attached also for a receivable of another applicant until the meeting of parties has been held in accordance with chapter 5 or, if no meeting of parties is held, the sale has been held. Funds accrued other than through the sale shall be remitted to those applicants for whose receivables the assets had been attached at the time that they had been paid to the bailiff in accordance with section 83.

Section 43 — *Attachment and precautionary measures*

An effected precautionary seizure or other precautionary measure does not prevent attachment. However, if a precautionary measure has been ordered to secure the right of ownership of a third party, the property may not be sold until the decision on the enforcement of the precautionary measure has been reversed or has lapsed.

Section 44 — *Right of security and a special right*

A right of lien or other right of security on property of the debtor does not prevent attachment of said property for another receivable. A creditor who has attached property in his or her possession on the basis of a right of lien has the duty to transfer the property immediately to the bailiff. The right of security shall be taken into consideration in the sale and in the distribution of assets as provided in chapters 5 and 6.

A right of use or other special right on property does not prevent attachment. Chapter 5 contains provisions on the taking of a special right into consideration in sale.

The base income in the garnishment of wages or salary

Section 45 — *Calculation of the base income*

In the garnishment of wages or salary, the amount to be attached is calculated on the basis of the total amount of the debtor's income and subsistence benefits (*base income*). The base income includes all the wages, salary and emoluments in kind received by the debtor, as well as attachable and non-attachable pensions and other subsistence benefits paid instead of wages or salary. In so doing, an amount greater than usual may be garnished from an individual attachable income or benefit. Subsidies, compensation or other assets referred to in section 19 are not part of the base income.

Tax deducted at source as well as the employment pension fee and the unemployment insurance fee paid by the debtor are deducted from the base income. Assessed tax other than payroll tax, which the debtor has paid or has been debited shall be taken into consideration in a comparable manner.

Section 46 — *Emoluments in kind*

The value of emoluments in kind is determined in accordance with the general current value in the locality.

If the amount of emoluments in kind out of the wages or salary is apparently, in order to avoid enforcement, so high that the regular amount cannot be garnished from the monetary wages or salary, the bailiff may issue a prohibition on payments to the employer as if a sufficient amount of the wages or salary were to be paid in money, unless the debtor can demonstrate that the emoluments in kind are necessary to ensure his or her and his or her family's livelihood or that they otherwise are apparently justified. A factually gratuitous right of use granted by the employer to the debtor to property that is intended primarily for the private use of the debtor shall also be regarded as an emolument in kind.

Before taking the decision referred to in paragraph 2, the bailiff shall hear the debtor and the employer and if necessary the applicant.

Section 47 — *Assessment of wages or salary*

If the debtor, apparently in order to avoid attachment, is employed at a company owned by a third party without wages or salary or for clearly less compensation than what is usually paid in the locality for such work, the bailiff may determine the reasonable monetary value of the debtor's wages or salary. This amount shall be garnished in the same way as wages or salary. The wages or salary may be assessed except if the applicant's receivable can probably otherwise be collected from the debtor within a reasonable period.

What is provided in paragraph 1 applies also to a company owned by the debtor if the purpose of the arrangement is clearly to avoid attachment. However, the wages or salary may not be assessed if a dividend or other corresponding benefits may be garnished to an amount that corresponds to reasonable wages or salary.

Before assessment of wages or salary, the bailiff shall hear the debtor and the employer and if necessary the applicant.

Amount to be garnished from wages or salary

Section 48 — *Protected portion*

In the garnishment of periodically paid wages or salary, the debtor's protected portion is 19,90 euros per day for himself or herself and 7,15 euros per day for a spouse, a child of the debtor and a child of the spouse depending on his or her maintenance until the date of payment of the next wages or salary. In the calculation of the protected portion, a month corresponds to 30 days.

As used in paragraph 1, "spouse" means a married spouse and a person living in marriage-like circumstances. A person is deemed to depend on the debtor for maintenance if his or her income is less than the protected portion calculated for the debtor himself or herself, as well as such child regardless of whether or not also the spouse shares in his or her maintenance. Maintenance paid by the debtor can be taken into consideration as provided in sections 51 through 53.

The amount of the protected portion shall be reviewed annually by a Decree of the Ministry of Justice as provided in the National Pensions Index Act (456/2001).

Section 49 — *Periodically paid wages or salary*

The following shall not be garnished from the base income referred to above in sections 45 through 47:

- 1) the debtor's protected portion and in addition one-third of the amount of the wages or salary that exceeds the protected portion (*income limit garnishment*);
- 2) two-thirds of the wages or salary if the wages or salary are greater than twice the amount of the debtor's protected portion;
- 3) less than the amount referred to in subparagraph 2, but at least one-half of the wages or salary, if the wages or salary are greater than four times the amount of the debtor's protected portion.

More detailed provisions shall be issued by a Decree of the Government on the progressive scale based on the amount of the wages or salary in accordance with which wages or salary are garnished in the cases referred to in paragraph 1, subparagraph 3.

The amount to be garnished is calculated in accordance with paragraphs 1 and 2 (*regular amount*).

What is provided in paragraph 1 applies also to wages or salary that have already been paid to the debtor to the extent that the payment period is remaining.

Section 50 — *Other than periodically paid wages or salary*

In respect of other than periodically paid wages or salary, two-thirds of each instalment of wages or salary shall not be garnished. If the debtor's wages or salary over the course of a year shall probably be on the average greater than what is referred to in section 49, paragraph 1, subparagraph 3, attachment shall be effected in accordance with said provision. In such cases the debtor shall be heard.

Section 51 — *Essentially reduced solvency*

If the debtor's solvency has been essentially reduced as a result of illness, unemployment, maintenance paid by the debtor or some other special reason, an amount less than usual shall be garnished from the wages or salary for the time being or for a specific period.

If the debtor has been unemployed for a long period before the attachment, the garnishment of wages or salary may be postponed, unless receipt of payment by the applicant would be essentially endangered. The length of postponement may be at most four months calculated from the beginning of the employment relationship.

Section 52 — *Basis for payment-free months*

After garnishment of wages or salary has continued without interruption or almost without interruption for one year, attachment shall be stayed for a specific period (*payment-free months*) if:

1) the attachment has been effected as income limit garnishment referred to in section 49, paragraph 1, subparagraph 1;

- 2) the debtor's direct housing expenses or other living expenses are high in comparison with the amount left him or her after attachment; or
- 3) there is a special reason for the stay.

Section 53 — *Number of payment-free months*

In income limit garnishment, the debtor shall be granted two payment-free months each year. On other grounds a total of at most three payment-free months shall be granted to the debtor at his or her request each year. With the consent of the applicant at most six payment-free months may be granted each year without lapse of the application.

The debtor has the right to payment-free months even if the amount of attachment has been limited in accordance with section 51, paragraph 1. However, the granting of payment-free months and the limitation of the amount of attachment cannot both be done on the same basis.

Garnishment of other than periodically paid wages or salary may be stayed correspondingly in accordance, in so far as appropriate, with the provisions of this section.

Section 54 — *Maintenance*

If the receivable to be collected is maintenance for a child or a comparable compensation that falls continuously due (*continuous maintenance*), an amount greater than usual may be garnished if this is necessary for the payment of an amount of maintenance that corresponds to the period for the payment of wages or salary. If in addition to continuous maintenance also maintenance or other receivables that have earlier fallen due are to be collected, the regular amount to be garnished may be exceeded at most by the amount of maintenance that corresponds to the period for the payment of wages or salary. However, the debtor shall always be left with at least one-third of the wages or salary and the protected portion may not be garnished. At least one-third of each instalment of wages or salary shall not be garnished out of other than periodically paid wages or salary.

If wages or salary are garnished in order to collect continuous maintenance or maintenance that has fallen due or maintenance and other receivables, the debtor may be granted payment-free months or the postponement referred to in section 51, paragraph 2 only for an important reason.

Section 55 — *Patent and copyright*

Unless otherwise provided, two-thirds of each instalment of compensation paid to a natural person for assignment or use of a patent right, copyright or other comparable right shall not be garnished.

Procedure in the garnishment of wages or salary

Section 56 — *Prohibitions on payment*

A prohibition on payment issued in the garnishment of wages or salary shall provide how the amount to be garnished is to be calculated, and the recipient of the prohibition on payments is made liable to pay the amount to the bailiff. The prohibition on payment shall state the amount of other income and benefits that affect the base income, the debtor's protected portion and the other necessary information.

One prohibition on payments is issued on the basis of garnishment of wages or salary to be carried out at different times.

At the request of the bailiff the recipient of the prohibition on payment shall provide his or her address for service referred to in chapter 3, section 38.

Section 57 — *Validity and amendment of a prohibition on payments*

A prohibition on payments is valid for a determined period or for the time being, until the bailiff notifies the person paying the wages or salary in writing of the end of the prohibition against payment. If the circumstances that form the basis for the prohibition on payments change, the bailiff shall amend the prohibition on payments by issuing a new prohibition against payments.

A prohibition on payments is valid in the cases referred to in section 47 until it is shown to the bailiff that the conditions for the continuation of collection referred to therein no longer exist due to a change in circumstances.

Attachment and a prohibition on payments in order to collect continuous maintenance are valid until the debtor has paid the instalments due and in addition maintenance for the following month and shows it to be credible that he or she shall subsequently fulfil his or her liability for maintenance.

Section 58 — *Obligations of a person paying wages or salary*

A person paying wages or salary shall each payment period immediately and without separate remuneration withhold wages or salary in accordance with the prohibition on payments and remit the amount to the bailiff. The deposit fee may be deducted from the amount. Section 68, paragraph 1 contains provisions on the collection of an unpaid amount from the person paying wages or salary. If necessary, a Decree of the Government may provide the period within which the withholding of wages or salary shall be effected and the amount shall be remitted to the bailiff.

What is provided in paragraph 1, also applies to wages or salary determined on the basis of section 46, paragraph 2 and section 47.

The bailiff shall on request or when he or she observes that the situation requires this, advise the person paying wages or salary regarding adherence to the prohibition on payments.

Schedule of payments and payment agreement

Section 59 — *Schedule of payments*

Instead of garnishment of wages or salary, the bailiff may establish a written schedule of payments for the debtor if the debtor shows it credible that in accordance with the schedule he or she will remit a regular amount or the amount referred to in sections 51 through 54 to the bailiff. The bailiff shall require an account from the debtor at least once a year on income and benefits belonging to the debtor's base income.

If the debtor without an acceptable reason defaults on the schedule of payments or the rendering of an account and the default cannot be deemed to be insignificant, the bailiff may decide on the lapse of the schedule of payment and immediately garnish wages or salary.

Section 60 — *Agreement among parties on payments*

The bailiff may garnish wages or salary on the basis of a written agreement between the debtor and the applicant (*payment agreement*) if the agreement can be implemented in the enforcement proceedings and the agreement cannot be deemed unreasonable. The bailiff may

instead of garnishment of wages or salary give the debtor permission to remit payments in accordance with the agreement to the bailiff.

In the payment agreement the parties may agree on the amount to be garnished, limit the amount of the applicant's receivable or the duration of the garnishment or agree how the assets are to be allocated among the applicant's receivables or a part of a receivable. However, the protected portion referred to in section 48 shall be left to the debtor.

Section 61 — *Adherence to a schedule of payments*

If wages or salary are garnished for another receivable after the payment agreement has been made, the payment agreement shall not be followed during the collection for said receivable.

At the request of a party the bailiff may decided that the payment agreement shall no longer be followed if:

- 1) the other party has essentially defaulted on the agreement without an acceptable reason;
- 2) wages or salary have been garnished in accordance with paragraph 1 for another receivable and for this reason it is no longer justified to follow the agreement; or
- 3) there is another justified reason for this.

Section 62 — *Ensuring a schedule of payments or payment agreement*

The bailiff may if necessary effect precautionary attachment in order to ensure the schedule of payments and at the request of the applicant also to ensure the payment agreement when wages or salary are not garnished.

Assets that the debtor has paid in accordance with the schedule of payments or the payment agreement are deemed to have been attached immediately when they have been remitted to the bailiff in accordance with section 83.

Section 63 — *Postponement of sale*

The sale of attached real estate or chattels may be postponed if the debtor shows it to be credible that he or she shall pay the applicant's receivable to the bailiff within a reasonable period in accordance with the schedule of payments or the payment agreement. In such a case the attachment is valid as precautionary attachment.

Garnishment of business income

Section 64 — *Recurring business income of a natural person*

If the debtor is a natural person engaged in a trade, five-sixths of the recurring income that he or she receives shall not be garnished. The debtor may be left:

- 1) more than this if this enables the debtor to continue the trade or if the debtor's solvency has been essentially reduced for a special reason; or
- 2) less than five-sixths if this can be deemed reasonable with consideration to the financial position of the debtor or if the debtor has essentially defaulted on payment liabilities connected with his or her trade.

In addition, the provisions on protected portions, procedure, the schedule of payments and the payment agreement in the garnishment of wages or salary apply in so far as appropriate.

Support that a natural person receives from a public corporation for his or her trade is attached in accordance with paragraph 1. Section 19, paragraph 1, subparagraph 6 contains provisions on the prohibition of attachment of certain funds granted for specific purposes.

Section 65 — *Other business income*

When business income other than recurring income is garnished from a natural person or when business income is garnished from a corporation, the attached amount may be limited if this enables the debtor to continue his or her trade or business activity and the procedure cannot be deemed essentially against the interests of the applicant. In addition, what is provided in sections 59 through 63, and if the income is recurring, what is provided on the procedure on the garnishment of wages or salary, apply in so far as appropriate. What is provided in this section on the limitation of the attached amount shall also apply to the garnishment of support received by a corporation from a public corporation for its business activity.

Section 66 — *Integration of business income and wages or salary*

If a natural person receives wages or salary in addition to business income, the provisions on garnishment of wages or salary or business income apply in accordance with which income on

the average is greater. In the garnishment of business income, the portion that is wages or salary shall be taken into consideration through application, in so far as appropriate, of what is provided in sections 64 and 65. In the garnishment of wages or salary, the portion that is business income shall be taken into consideration through application, in so far as appropriate, of what is provided in section 45, paragraph 1.

Receivables and certain other rights

Section 67 — *Demand for payment and sale of a receivable*

The bailiff may demand that a person who has received a prohibition on payments pay a receivable that has fallen due and has been attached, unless the receivable has been contested or is not clear.

An attached receivable may be sold, if this is justified due to the lateness with which the receivable falls due or to another reason.

If a claim that is not to be sold has been pledged or is the subject of a mortgage on business assets, the provisions in chapter 5 on the auction of chattels apply in so far as possible to the clarification of claims and to priority rights.

Section 68 — *Collection from the recipient of a prohibition on payment*

If the recipient of a prohibition of payments in respect of wages or salary or recurring business income does not adhere to the prohibition, service of which has verifiably been given to him or her, the bailiff may garnish from the recipient of a prohibition of payments the amount that has not been remitted to the bailiff. Garnishment is on the condition that the payment liability of the recipient of the prohibition of payments is clear.

What is provided in paragraph 1 also applies to another receivable for which the debtor has a ground for enforcement or the veracity of which the recipient of the prohibition of payments does not contest. The applicant has the right to bring an action against the recipient of the prohibition of payments in order to certify the veracity of the receivable.

The recipient of the prohibition of payments shall be heard before the decision on his or her payment liability is taken. Service of the decision shall be given to the recipient of the prohibition of payments in the manner provided in chapter 3, sections 40 and 41.

Section 69 — *Right to income or to a benefit*

An attached right to receive, on the basis of an agreement, an income or benefit from another for an undetermined period may not be sold, and instead the bailiff shall collect the income or benefit. If the income or benefit is necessary in order to ensure the livelihood of the debtor and family members who depend on him or her for maintenance, an amount deemed reasonable shall be left from this to the use of the debtor.

Section 70 — *Life insurance and retirement pension insurance*

The attachment of a right based on life insurance or retirement pension insurance applies to insurance benefits and the repurchase value of the insurance. A prohibition on payments given regarding the attachment is valid for three years at a time. Attachment does not prevent the debtor from taking a paid-up free policy referred to in section 13 of the Insurance Contracts Act (543/1994).

What is provided in section 56 of the Insurance Contracts Act applies as appropriate to the reversal of insurance premiums in enforcement.

Joint ownership

Section 71 — *Attachment of a share*

A share that a debtor has in real estate or chattels divided into fractional parts may be attached. The other joint owners shall be notified of the attachment.

Separate provisions apply to attachment when the joint ownership is not based on fractional parts.

Section 72 — *Separation of a share*

The bailiff separates the attached share owned by the debtor from the property. If the share cannot be separated in the enforcement proceedings, the bailiff shall seek partitioning of the piece of real estate or initiate other proceedings for the partitioning of the property, as provided separately. The costs of the partition are taken from the debtor's share.

If the share cannot be separated and the property cannot be partitioned or if this would cause high expenses in view of the value of the property or would significantly depreciate the value of the property, the bailiff may sell the debtor's share.

Section 73 — *Attachment of jointly owned property*

Real estate or chattels owned in fractional parts may be attached even if it does not stand for the applicant's receivable, if:

- 1) its sale would probably result in considerably higher proceeds in respect of the debtor's part than would sale of the debtor's share;
- 2) the applicant's receivable would probably not be satisfied by the sale of the debtor's share; and
- 3) the significance of the attachment is not in clear disproportion to the inconvenience caused thereby.

Notwithstanding what is provided in paragraph 1, jointly owned real estate or chattels may be attached if all the joint owners consent to this. Jointly owned real estate may not be attached if an agreement on division of possession has been recorded.

Chapter 5, sections 81 through 83 contain provisions on the sale of a jointly owned object.

Section 74 — *Right based on securities*

What is provided in section 73 applies in so far as appropriate also to joint rights based on securities referred to in section 1, paragraph 2 of the Act on Certain Joint Ownership (180/1958).

Section 75 — *Hearing and the position of a joint owner*

The bailiff shall hear the debtor and joint owners before taking the measures referred to in section 72 or 73.

When property owned in fractional parts is attached, what is provided in this chapter and in chapter 5 in respect of the debtor apply in so far as appropriate to other joint owners.

Decedent's estate

Section 76 — *Debt of the decedent*

If attachment has been carried out for the debt of the decedent, property may not be sold before one month has elapsed from the inventory of the estate or the end of the period determined for such inventory, if property has been transferred to the administration of the estate executor before the agreement or the decision of the executor referred to in chapter 19, section 12(a) of the Code of Inheritance (40/1965) has been made regarding the payment of debts. However, property may be sold if:

- 1) the applicant has a right of lien on the attached property;
- 2) the administration of the decedent's estate agrees to the sale; or
- 3) the value of the property depreciates rapidly or the costs of the maintenance of the property are high.

Chapter 6, section 16, paragraph 1 contains provisions on the remittance of the assets collected.

Section 77 — *Attachment of a share in a decedent's estate*

The share of a joint owner in a decedent's estate may be attached for his or her debt. In such a case the decedent's estate shall be issued a written prohibition on payments in which the joint owners and administrator of the estate are prohibited from transferring property coming to the debtor in the distribution of the estate, other than to the bailiff.

Section 78 — *Prohibition of disposition in a decedent's estate*

After service of a prohibition on payments notice, property belonging to the estate may not be transferred nor may other dispositions be made in the estate without the permission of the bailiff. The provisions of section 37 apply to a measure taken in violation of the prohibition. The bailiff shall give the permission referred to above unless the disposition endangers receipt of payment by the applicant. The permission of the bailiff is not needed for liquidation of the estate. Chapter 23, section 3, paragraph 2 of the Code of Inheritance contains provisions on the permission of the bailiff for contractual distribution of inheritance.

Section 79 — *Measures after attachment*

An attached share in a decedent's estate may not be sold. Remittance is made from property that the debtor receives in the distribution of inheritance. If the debtor is the sole heir, remittance is made from property belonging to the decedent's estate, after the settlement of the estate has been completed. The property referred to above shall be deemed to have been attached immediately. Property received by the debtor may not be sold until the distribution is legally final or otherwise final.

The bailiff may if necessary request appointment of an administrator and an executor of the estate. Chapter 6, section 16, paragraph 2 contains provisions on the remittance of the assets that have been collected. Chapter 23, section 10(3) of the Inheritance Code contains provisions on the right of the applicant to contest the distribution of the inheritance.

Section 80 — *Bequest*

The right of a debtor to a bequest may be attached. A prohibition on payments shall be given to the person responsible for fulfilling the bequest. The provisions on attachment of a share in a decedent's estate otherwise apply in so far as appropriate.

Section 81 — *Renunciation of inheritance*

The right of the debtor to inheritance or a testament may not be attached if the debtor demonstrates that he or she has:

- 1) renounced his or her right to the inheritance in accordance with the Inheritance Code while the decedent was still living;
- 2) after the death of the decedent has given service of a written notice of renunciation to the decedent's estate as provided in section 57, paragraph 2 of the Administration Act; or
- 3) after the death of the decedent has deposited a notice of renunciation with the city administrative court of his or her municipality of residence for registration.

After the attachment decision has been taken the debtor may not renounce his or her right to inheritance so that this binds the applicant.

The debtor shall inform without delay the joint owners and the administration of the decedent's estate of the deposit of the notice of renunciation.

Section 82 — *Right to receive information and be present*

If attachment has taken carried out or the debtor's share in a decedent's estate has been attached for the debt of the decedent, the joint owners and the administration of the estate are required on request to provide the bailiff with information and to present documents on the inventory, settlement and financial situation of the estate.

The bailiff and the applicant have the right to be present at the distribution of the inheritance. The bailiff shall notify the applicant of the distribution.

Supplementary provisions

Section 83 — *Time of payment*

Payment shall be deemed to have been made to the bailiff on the day when it has been remitted to the account of a corporation managing State payment transactions or a giro transfer has been debited from the payer's account. A remittance paid as a postal order shall be deemed to have been paid on the day that the postal order has been left with the post office for delivery.

A cash payment shall be deemed to have been made when it has been remitted to the bailiff-in-charge or to another local enforcement authority.

Chapter 5 — *Sale*

General provisions

Section 1 — *Manners of sale*

Attached property is sold in the order provided in this chapter, at a public auction conducted by the bailiff (*auction*) or in another manner, such as on commission or retail (*free sale*).

The provisions elsewhere in the law on executive auction apply in so far as appropriate also to free sale.

Section 2 — *Selection of the manner of sale*

The bailiff shall seek a good result in the sale. In selecting the manner of sale, consideration shall be paid to the available sale price, the costs of the sale and the time required by the sale. The conditions for free sale are provided in sections 75 through 79.

If the manner of sale used is permissible in accordance with this Act, the sale may be reversed on the basis of the selection of the manner of sale only if real estate or valuable chattels have been sold and it is shown to be probable that another manner of sale would have resulted in a considerably higher selling price.

General terms of an auction

Section 3 — *Right of ownership*

The purchaser receives the right of ownership to and the right to dispose of property sold at an auction when the purchase price has been paid or, if a deed of sale is to be made in accordance with section 84, paragraph 1, when he or she has received this deed.

Section 4 — *Possession and use*

The purchaser may take possession of property when the purchase price has been paid. If a deed of sale is to be made in accordance with section 84, paragraph 1, the purchaser may not before receiving the deed use the property in a manner that depreciates its value.

The bailiff retains property until the purchaser may take possession of it. If the purchaser does not call for the property and pay the storage costs within a reasonable period thereafter, the bailiff may sell the property on behalf of the purchaser.

The purchaser has the right to examine the condition of the property before taking possession.

Section 5 — *Official assistance to the purchaser*

The bailiff shall provide the purchaser on request with the official assistance necessary to take possession of the property.

If the debtor uses sold premises after the purchaser has paid the purchase price, the bailiff shall effect an eviction at the request of the purchaser. What is provided in chapter 7, sections 1 through 8 apply in the eviction in so far as appropriate. The move day may be postponed for

an important reason if the debtor has requested this before the auction. The potential purchasers shall be informed how the move day is determined.

Official assistance may be given to the purchaser despite an appeal or contested enforcement, unless this is separately prohibited in a stay order issued by a court.

Section 6 — *Receivables and rights for which the purchaser is liable*

The purchaser or the sold property are not liable for other than those receivables and rights for which the purchaser had agreed to be liable or which had been announced to remain in force or be transferred to the liability of the purchaser through the sale.

If the purchaser wants to be released from an agreement on the rent of rooms or land which had not been retained in the sale, he or she shall give notice of its termination or cancel it in the manner provided separately. The purchaser has the right to receive the official assistance referred to in section 5, paragraph 2 if such notice or cancellation had been effected in a certifiable manner.

Section 7 — *Giving of notice of certain receivables*

Before the sale the bailiff shall notify the potential purchasers of possible unpaid maintenance charges and expenses referred to in sections 6 and 68 of the Housing Corporation Act (809/1991).

Notice shall also be given to the potential purchasers of the amount of such ascertained receivables and payments which are to be paid as a condition for receiving electricity or other corresponding services in the object of the sale.

Section 8 — *Plea of a better right*

No plea of a better right to the sold property may be presented against the purchaser after the right of ownership has been transferred in accordance with section 3, unless the purchaser knew of the third party's right of ownership. However, the property shall be returned to the owner in the cases referred to in section 11 of the Decree on the Implementation of the Criminal Code (39/1889).

Chapter 6, section 15 contains provisions on a stay of remittance.

Section 9 — *Liability of the State to pay compensation*

If a creditor, another holder of a right, the proper owner or the purchaser has lost his or her right or suffered a loss on the basis of section 6, section 7, paragraph 1, or section 8, he or she has the right to compensation from State funds.

However, there is no right to compensation if the person in question has neglected to:

- 1) present without delay to the bailiff a plea of a better right after he or she had been informed of attachment that had violated his or her right; or
- 2) secure his or her right in the meeting of the parties.

Compensation shall be ordered regardless of any negligence on the part of the bailiff, applying the provisions of the Tort Liability Act (412/1974). The State has the right to be indemnified by the party causing the damaging for the amount of compensation the State has paid, as provided in the Tort Liability Act.

Section 10 — *Obligation of the debtor to provide information*

The debtor is obliged on request to inform the bailiff of any rights of use and other rights, receivables and presented pleas of better rights directed at the property to be sold, and to provide information on such characteristics of the property and factors affecting its use which, with consideration to the nature of the property, can be deemed essential.

Section 11 — *Error in an object of sale*

Attached property is sold as is. However, real estate or valuable chattels that have been sold shall be deemed to have an error if:

- 1) there is an essential difference between the property and the information that the bailiff has given in the announcement of sale or otherwise before the sale regarding essential characteristics of the property or factors affecting use, and the erroneous information can be assumed to have affected the sale;
- 2) the bailiff has neglected to provide information on essential characteristics of the property or factors affecting use, and this can be assumed to have affected the sale; or

3) the property is in essentially poorer condition than what the purchaser has justified reason to assume in view of the circumstances.

Section 19 contains provisions on the correction of erroneous information.

Section 12 — *Reduction in price and annulment of sale*

On the basis of an error referred to in section 11 the purchaser may demand a reduction in price or annulment of the sale by lodging a complaint in the manner provided in chapter 11. The sale may be annulled on the basis of the error if it would be unreasonable from the point of view of the purchaser for the sale to remain valid. A question regarding an error may be submitted to the court as contested enforcement in accordance with the provisions in chapter 10.

The provisions of Chapter 6, section 15 apply to a stay of the remittance of assets.

Section 13 — *Constituent parts and appurtenances*

Parts attached separately from chattels on the basis of chapter 4, section 18 are sold separately. Constituent parts and appurtenances may be sold separately from real estate as provided in section 65 of this chapter.

If an enforcement complaint or contested enforcement concerns an object that may be part of the object of sale as a constituent part or appurtenance, the bailiff may sell the object in other respects if the contested part has only slight significance.

Section 14 — *Proceeds*

Rent and other proceeds from sold property that fall due after the day of sale belong to the purchaser. The purchaser may collect the proceeds against security until he or she takes possession of the property, or request that the bailiff collect the proceeds on the purchaser's account.

A crop harvested before the sale is sold with the real estate or separately. A crop harvested before attachment may be sold with the real estate, unless this would significantly hamper receipt of payment by another creditor.

General provisions on auctions

Section 15 — *Assessment of value and repair of an object*

If the property to be sold is real estate or valuable chattels, the bailiff shall inspect the condition of the property before the sale. In addition, the current value of the property shall be ascertained if this is possible. An expert may be used if necessary. The person who has possession of the property is required to permit inspection and assessment of value.

The bailiff may repair property to be sold without the consent of the parties, if this causes only slight expenses and delay.

Section 16 — *Manner of publication of the announcement of an auction*

An announcement of an auction shall be published in one or more newspaper with general circulation in the locality. In addition the notice may be published in a national newspaper, another publication or an information network if this is necessary. If there is a compelling reason for this, an announcement of an auction may be made in a sufficiently effective manner other than publication.

In addition, separate notice of the auction shall be given to the debtor and joint owner.

An announcement of the cancellation of an auction shall be made without delay in the same way as the announcement of the auction was made, if this is possible.

Section 17 — *Time of publication*

An announcement of an auction is published one week prior to the auction, unless a longer or shorter period of announcement is justified. An additional announcement may be published if necessary. If a meeting of the parties is arranged in the matter, the announcement of the auction shall be published after the meeting.

Section 18 — *Contents of the announcement of an auction*

The announcement of an auction shall describe the object to be sold with sufficient precision and shall mention that the property has been attached. Information on the parties may not be published. If necessary, more detailed provisions on the contents of the announcement of the auction shall be provided by a Decree of the Government.

Section 19 — *Error in announcement*

If an announcement of the auction has not been published as provided in sections 16 and 17 and the error can be assumed to affect the outcome of the sale or otherwise to be significant, the bailiff shall attend to a new announcement. The same applies to an announcement that contains false or incomplete information as referred to in section 11.

The error shall be deemed to have been remedied if the false information has been corrected or the missing information has been provided in a new announcement or at the beginning of the auction.

An auction may be annulled if the error in the publication of the announcement may have essentially affected the outcome of the sale. Section 12 contains provisions on the consequences of an error in the contents of the announcement.

Section 20 — *Sale brochure and presentation of the property*

A sale brochure shall be prepared on real estate and valuable chattels, indicating information essentially affecting the sales value of the property and the conditions of sale. The general conditions of the auction shall be attached to the sale brochure.

A presentation of the property to be sold shall be arranged before the sale, unless this is unnecessary. The person who has possession of the property to be sold is obliged to permit the presentation.

Section 21 — *Information to be provided to the potential purchasers*

At the beginning of the auction the bailiff shall describe the object of the sale. Valuable constituent parts and appurtenances shall be mentioned separately. In addition the following shall be announced:

- 1) the necessary docket information;
- 2) the manner in which bids are presented;
- 3) the order of sale;
- 4) the possible minimum acceptable bid;
- 5) possible obligations and rights binding on the purchaser that transfer to the purchaser;

- 6) receivables referred to in section 7;
- 7) period of payment and the other terms of payment;
- 8) other necessary information.

The general conditions of the auction and the sale brochure that has been prepared shall be kept on display and available for the potential purchasers.

Section 22 — *Presentation of bids*

Bids presented in an auction shall be successively higher. The bailiff may allow the presentation of successively higher bids by telephone or electronically, or arrange for the presentation of bids in several localities at the same time.

The bailiff may request written bids before the auction. These are taken in consideration in the auction as successively higher bids and they are binding on the presenter until the first auction has been held. The provisions of section 24 apply to down payments.

Section 23 — *Minimum price*

The bailiff may not accept the highest bid in an auction of real estate or valuable chattels if in his or her assessment that bid is clearly less than the current price of the property at the locality.

The highest bid may not be accepted if it is lower than the value of the precious metal or the corresponding daily price of the property. Securities or book-entry securities may not be sold at auction at less than the listed price most recently published before the day of auction.

If the highest bid is not accepted, a new auction or free sale shall be held unless the applicant prohibits this or the bailiff assesses that a new sale would not result in higher revenue, taking into consideration the additional costs. If no new sale is held or if the property is not sold also at the second sale, the attachment is reversed.

Section 24 — *Terms of payment*

The bailiff may if necessary provide the purchaser with at most six weeks time for payment. The purchaser shall immediately pay the portion of the sales price ordered by the bailiff, at

most 20 per cent (*down payment*). The bailiff need not demand a down payment from a purchaser that he or she deems to clearly be solvent. The down payment may be made in cash, a comparable means of payment, or security.

The purchaser shall pay interest on the purchase price for the period of payment in accordance with section 3, paragraph 2 of the Interest Act, beginning with the date of the auction. After the end of the time of payment interest shall be paid in accordance with section 4, paragraph 1 of the Interest Act until the purchase price has been paid or a new auction arranged.

Section 25 — *Compensation liability of the purchaser*

If the purchaser does not pay the purchase price during the period for payment, a new auction shall be arranged. If during the period for payment the purchaser demonstrates that he or she has been granted additional time for payment by the creditor or that he or she has assumed liability for receivables in accordance with section 36 or 57, the purchase price shall be deemed to have been paid in the enforcement to this extent.

The purchaser shall provide compensation for the difference if the highest bid in a new auction remains lower than the highest bid made in the previous auction, including the interest referred to in section 24, paragraph 2. If the bid is greater than this, the purchaser has no right to the surplus. The purchaser shall provide compensation also for the costs of the latter auction, unless these can be paid from the surplus.

The bailiff shall collect said compensation from the down payment or from other assets of the purchaser, if this can be done in a reasonable time. In other cases the compensation shall be collected later on the basis of a decision of the bailiff on the application of the creditor.

Section 26 — *Conditional title*

If the debtor has, in accordance with an agreement, received conditional title to property and the condition is the payment of the purchase price, the property shall be sold without retaining the condition. Sale of real estate without retaining the condition requires that the seller has required payment in a meeting of the parties. Sections 34 and 47 contain provisions on the seller's right to receive payment from the purchase price.

In cases other than those referred to in paragraph 1 property that the debtor has received conditionally shall be sold with retention of the condition, and the purchaser instead of the debtor is liable for obligations based on the transfer.

Property is sold without retention of the condition if the applicant has a right of lien over the property. The seller, the debtor and those creditors whose right is affected may agree that instead of sale, the property is returned to the seller.

Section 27 — *Agreement on the terms of an auction and on a right of priority*

With the agreement of those whose right is affected, the bailiff may proceed differently than what is provided regarding the general terms of an auction, the order of sale, a right of priority or the terms of an auction. However, no departure may be made from the general terms of an auction to the detriment of the purchaser.

Chapter 6, section 11 contains provisions on an agreement on the distribution of assets.

Auction of chattels

Section 28 — *Scope of application*

Sections 29 through 38 of this chapter apply to the auction of chattels other than a vessel.

Sections 72 through 74 apply to the auction of a vessel.

Section 29 — *Clarification of claims*

Before an auction of chattels the bailiff shall clarify:

- 1) rights of liens, mortgages and mortgages of business assets entered into the register in question if chattels are being sold which may be the subject of a registered right, and the amount of such claim;
- 2) the amount of a claim if the property is held as a pledge in someone's possession or an unregistered right of lien is directed at the property;
- 3) a seller's right to the purchase price based on a conditional transfer;
- 4) a condition to be retained in sale if the property is sold retaining this condition.

If the bailiff assesses that the remaining mortgaged property would be insufficient as full security in a mortgage on business assets, the bailiff shall inquire of the holder of the mortgage on business assets if he or she demands payment from the purchase price.

Section 30 — *Giving notice of claims*

Parties shall give notice to the bailiff of their receivables or of other claims referred to in section 29 within a reasonable period set by the bailiff.

Section 31 — *Meeting of the parties*

If the claims that have been presented are contradictory, a claim has not been lodged, a creditor secured by a mortgage has remained unknown or this is necessary for some other reason, the bailiff shall arrange a meeting of the parties. In this the provisions on a meeting of the parties in the auction of real estate apply in so far as appropriate. A public notice of a meeting of the parties shall be published only if one of the parties has remained unknown.

Section 32 — *List of parties*

If receivables or rights referred to in section 29 are to be taken into consideration in the sale or if this is necessary for some other reason, the bailiff shall prepare a list of parties. The receivables in their order of priority and the minimum acceptable bid shall be entered into the list. In other respects the provisions on a list of parties in the auction of real estate apply in so far as appropriate.

Section 33 — *Order of priority*

The costs of enforcement, the possible sales fee and the compensation referred to in chapter 17, section 7 of the Bankruptcy Act (120/2004) shall be paid first out of the purchase price of chattels. After this the claims shall be paid in the order of priority provided.

Section 34 — *Minimum acceptable bid*

The minimum acceptable bid in an auction of chattels shall cover the enforcement costs, the possible sales fee and the receivable of a holder of collateral or right of security to the extent

of his or her priority, if he or she has the right to possession of the property or the collateral has been registered in a manner that corresponds to possession of the property. The same applies to the sale of a fractional part belonging to the debtor.

If the property to be sold is that referred to in section 26, paragraph 1, the seller's purchase price receivable shall be covered.

What is provided in paragraphs 1 or 2 does not apply to the applicant's receivable.

Section 35 — *New sale*

If the minimum acceptable bid is not received, a new auction or free sale shall be arranged, unless the applicant prohibits this. In this last case or if the property is not sold also at the second time, the attachment is reversed.

Section 36 — *Assumption of liability*

The purchaser may agree with the creditor that the balance of a receivable secured by collateral is transferred as of the day of sale to become the liability of the purchaser as a deduction from the sales price. The receivable is transferred to become the personal liability of the purchaser, unless otherwise agreed by the persons in question. The debtor is no longer liable for the transferred receivable.

Section 37 — *Effects of the auction*

A right of lien and other rights to the chattels that have been sold lapse with the auction, unless the property has been sold on condition that the right is retained or the liability of the receivable is to be assumed.

Section 38 — *Appropriate whole*

Objects forming the chattels are sold one by one. However, an appropriate whole may be sold together or in instalments, unless different rights of pledge are directed against the property.

If the property to be sold is valuable, the bailiff shall hear the parties regarding the order of sale.

Clarification of parties in the auction of real estate

Section 39 — *Clarification of claims*

Before the auction of real estate the bailiff shall clarify:

- 1) rights of lien and special rights entered into the register of land ownership and mortgages;
- 2) unregistered special rights to be taken into consideration on the basis of possession;
- 3) a seller's purchase price receivable based on a conditional transfer;
- 4) a condition that is to be maintained in the sale, if property is sold with the retention of such a condition.

Section 40 — *Time of and invitation to a meeting of the parties*

A meeting of the parties shall be arranged at the latest two weeks before the auction of real estate.

The debtor, the applicant and the joint owners as well as all the known creditors and holders of a special right who have a right of lien or other right to be entered into the list of parties shall be invited to the meeting of the parties (*participants in a meeting of the parties*).

The invitation to the meeting of the parties shall be sent at the latest four weeks before the meeting.

Section 41 — *Contents of the invitation*

The invitation shall note:

- 1) the necessary docket information;
- 2) the basic information regarding the meeting of the parties and the public notice;
- 3) an exhortation to holders of a right to secure their receivable or other right in the meeting of the parties or in writing before the meeting (*securing of claims*);
- 4) an exhortation to present a promissory note or other debt instrument as well as a contract of pledge or other document that may constitute a right.

The invitation shall state the consequences of delay provided in section 53 and that observations or demands regarding the securing of claims, the conditions of sale or the order of sale shall not be taken into consideration after the meeting of the parties.

Section 42 — *Public notice*

A public notice regarding a meeting of the parties shall be published in a newspaper with general circulation in the locality at the latest four weeks before the meeting.

In addition the public notice shall be published in the Official Gazette within the period referred to in paragraph 1, unless all the rights to be entered in the list of parties have been clarified or it has not been possible to deliver the invitation to all of the participants in a meeting of the parties. Provisions on the publication of a public notice in the Public Notice Register are contained in a Decree of the Government.

The public notice shall provide the essential information referred to in section 41. The name and date of birth of the debtor or other owner may be published in the public notice referred to in paragraph 2.

Section 43 — *Arrangement of the meeting of the parties*

In a meeting of the parties the bailiff shall:

- 1) explain the necessary docket information, the clarification referred to in section 39 and the essential terms of sale;
- 2) state what is the applicant's receivable referred to in section 55;
- 3) report on the securing of claims presented in writing in advance and keep them available for examination;
- 4) exhort the parties to secure their receivables or rights and to provide the filing documents;
- 5) exhort the parties to present possible challenges;
- 6) exhort the parties to present possible comments and demands regarding the terms of sale, the object of the sale and the order of sale.

If this is necessary, a continued meeting of the parties may be arranged in a suitable manner.

Section 44 — *List of parties*

In a meeting of the parties or without delay thereafter the bailiff shall prepare a list of parties, in which the following are recorded:

- 1) the claims and other rights in the manner provided in sections 47 through 52;
- 2) the minimum acceptable bid;
- 3) the applicant's receivable referred to in section 55;
- 4) the fractional parts of joint owners, if jointly owned real estate is to be sold.

The list of parties shall be delivered to the participants in a meeting of the parties in good time before the auction.

Section 45 — *Written securing of claims*

The bailiff shall prepare a list of parties without the holding of a meeting of the parties, unless a need for a meeting becomes apparent. In such a case the bailiff shall determine a date and exhort the parties at the latest by this date to secure their rights, give service to the other parties of the securing of the right and at the same time announce a date at the latest by which possible challenges and comments regarding the sale shall be presented. In a simple matter in which all the parties are known, no public notice need be published.

A period of at least four weeks shall be reserved for the securing of claims, calculated from the delivery of the exhortation to secure claims, and a period of at least two weeks shall be given for challenges, calculated from the effecting of service of the securing of rights.

In other respects the provisions on the meeting of the parties apply in so far as appropriate to the written securing of claims.

Section 46 — *Clarification of parties in a new auction*

If a new auction is to be arranged, the receivables shall be entered into the list of parties in accordance with the earlier list. If however one of the holders of a right gives notice at the latest two weeks before the new auction that he or she wants to secure his or her right again or new claims are to be taken into consideration, a new meeting of the parties shall be arranged in this respect.

Section 47 — *Order of priority*

In an auction of real estate, receivables and special rights have priority (*priority receivable*) in the following order:

- 1) the costs of enforcement, the possible sales fee and the compensation referred to in chapter 17, section 7 of the Bankruptcy Act;
- 2) receivables that are secured by a registered statutory right of lien on the real estate, with the same priority among them;
- 3) receivables that are secured by right of lien on the real estate that is secured by a mortgage, and the special rights that have been registered for the real estate, with the priority among them as shown in the register of land ownership and mortgages;
- 4) unregistered pension rights, rental rights or other rights of use on the real estate, if the possessor of the right has taken possession of the real estate or a part thereof before the attachment, so that the earlier established right has priority;
- 5) the purchase price receivable based on conditional transfer referred to in section 26, paragraph 1.

After the payment of priority receivables, other receivables for the payment of which the real estate has been attached shall be paid (*non-priority receivable*). Non-priority receivables have the same priority among themselves, unless otherwise provided in the Act on the Order of Payment to Creditors (1578/1992).

Section 48 — *Receivable secured by lien*

The secured capital of a receivable secured by lien and the interest and other ancillary costs calculated to the day of auction shall be entered into the list of parties. They shall be recorded as receivables secured by lien, at the most at the amount recorded in the contract of pledge. The surplus portion shall be recorded as a non-priority receivable, if the real estate has been attached for this.

If the amount recorded in a contract of pledge is greater than the receivable secured by lien, the difference shall not be taken into consideration.

Section 49 — *Unsecured and conditional receivable and suspended recording*

An unsecured receivable secured by a mortgage shall be recorded in the list of parties to the amount shown in the register of land ownership and mortgages. A contract of pledge in the possession of the debtor shall not be taken into consideration.

A conditional receivable shall be recorded in accordance with what had been secured.

A receivable secured by lien shall be recorded in the list even if the application for mortgage has not been lawfully decided. No record shall be made if the application had been suspended as a result of the attachment or a precautionary measure.

Section 50 — *Contested claim*

The bailiff shall reject ex officio the securing of a claim if this is clearly unjustified. If in other cases the securing of a claim has been challenged, the bailiff shall decide on the amount of the receivable and enter it into the list of parties. If the decision differs from the securing of the claim, the receivable shall in addition be recorded conditionally in accordance with the claim that has been secured.

Section 51 — *Special right*

A registered special right to real estate is recorded in the list of parties in accordance with the registration, and other special rights are recorded on the basis of the securing of the right.

A special right is recorded in the list of parties without determining its value. A right registered to the real estate to receive a specific benefit in the form of money or goods shall be recorded in the list of parties assessed at its capital value, unless the right is part of the minimum acceptable bid.

What is provided in section 49, paragraph 3 and section 50, applies in so far as appropriate to a special right. However, a contested right may not be entered conditionally into the list of parties.

Section 52 — *Pledged right of use*

A pledged lease or other right of use of real estate is sold in accordance with the recorded agreement, along with the buildings and equipment belonging to it, even if the right of use has

changed or lapsed during the period of agreement in accordance with chapter 19, sections 4 or 5 of the Land Rights Code.

Section 53 — *Delayed securing of a right*

If a creditor does not secure his or her receivable secured by a mortgage in the meeting of the parties, the enforcement fee provided separately shall be collected from him or her. If another receivable or a non-registered right is secured after the meeting of the parties but at the latest one week before the sale, this securing of the right shall be taken into consideration if there is an acceptable reason for the delay. The securing of rights after this provides right only to the surplus.

The bailiff shall reserve the other parties in a meeting of the parties an appropriate opportunity to challenge delayed securing of rights.

Procedure in the auction of real estate

Section 54 — *Minimum acceptable bid*

The minimum acceptable bid in an auction of real estate shall cover the costs of enforcement, the sales fee and such priority receivables that have a better priority than the applicant's receivable referred to in section 55. Possible revenue collected from the real estate shall be deducted from this amount.

A receivable secured by lien that is also directed at another piece of real estate shall be taken into consideration at full value in the minimum acceptable bid.

Section 55 — *Applicant's right of prohibition*

The applicant has the right to prohibit the sale of real estate if his or her priority receivable would not be covered. The determining factor is the priority receivable of the applicant or applicants that has the highest priority and which constitutes a ground for enforcement justifying sale of the real estate.

Section 56 — *New sale*

If the bid is not accepted on the basis of section 54 or 55, a new auction or free sale shall be arranged, unless the applicant prohibits this. In this last case or if the property is not sold also the second time, the attachment is reversed.

Section 57 — *Assumption of liability*

The purchaser may agree with the creditor that the balance of a receivable secured by lien is transferred as of the day of sale to become the liability of the purchaser as a deduction from the sales price. The receivable is transferred to become the personal liability of the purchaser, unless agreed otherwise by the persons in question. The debtor is no longer liable for the transferred receivable.

Receivables referred to in section 49 or 50 may not be transferred to become the liability of the purchaser. A receivable secured by a collective mortgage may be transferred only if all of the collectively mortgaged pieces of real estate are sold together.

Section 58 — *Retention of a special right*

The real estate shall first be offered on condition that the special right is retained in force. If the highest bid does not cover receivables that have a higher priority than the special right, and the special right is not part of the minimum acceptable bid, the real estate shall be offered without retention of said special right. Even if the bid should thereupon be higher, the earlier bid shall be accepted if the holder of the right pays out of the difference the portion that belongs to the receivable with a higher priority.

Section 59 — *Effects of an auction*

A right of lien and other rights to the real estate lapse with the auction, unless the property has been sold on condition that the right is retained or liability of the receivable is assumed.

Sale of real estate belonging to several different debtors and other special situations

Section 60 — *Order of sale indicated by the debtor*

If several pieces of real estate belonging to the debtor are to be sold, the debtor may indicate in which order they are to be sold, unless provided otherwise on the basis of sections 61 and 62. The debtor shall indicate the order of sale at the latest in the meeting of the parties.

Section 61 — *Collectively mortgaged real estate*

Collectively mortgaged pieces of real estate belonging to the debtor shall be offered for sale at first together and thereafter separately. Separate bids are accepted if they exceed the collective bid or if the debtor demands this, and all priority receivables and the applicant's receivable are covered. A collective minimum acceptable bid shall be set for the pieces of real estate.

If no separate bid is made for a piece of real estate but the separate bids nonetheless exceed the collective bid, said piece of real estate shall remain unsold.

Section 62 — *Appropriate whole*

If the pieces of real estate belonging to the debtor form an appropriate whole, they shall first be offered for sale together, and thereafter separately. A collective bid shall be accepted if it is greater than the sum of the separate bids and when allocated among the pieces of real estate in proportion to the separate bids that have been presented, covers the minimum acceptable bid for each piece of real estate. However, the separate bids shall be accepted if the debtor demands this and all of the priority receivables and the applicant's receivable are covered.

Section 63 — *Sale of real estate as parcels*

Real estate belonging to the debtor may be offered for sale as parcels, applying in so far as appropriate what is provided in section 61.

Section 64 — *Sale of a fractional part*

If a fractional part that the debtor has in real estate is to be sold, the minimum acceptable bid shall include in full the liability secured by collateral that is directed against the entire real estate.

Section 65 — *Separate sale of a parcel, constituent part and appurtenance*

A parcel, constituent parts or appurtenances may be sold separately from attached real estate if this is appropriate or secures the residence of the debtor. Separate sale requires the consent of the debtor and of the holders of those rights affected.

Property sold separately shall be offered for sale free of encumbrances, and no minimum acceptable bid shall be determined. Chapter 6, section 8 contains provisions on the allocation of the purchase price.

After the real estate is sold it shall if necessary be kept attached for a reasonable period in order to secure the position of the purchaser. Before the sale of timber, the forest use notice referred to in section 14 of the Forest Act (1093/1996) shall be filed. Timber may also be sold as a transfer of the right to fell timber.

Section 66 — *Sale of a right along with real estate*

A right on which the availability of electricity on the piece of real estate depends or which otherwise directly serves the real estate may, in order to improve the result of the sale, be sold together with the real estate, unless this procedure would significantly hamper the receipt of payment by another creditor.

Sale of real estate belonging to several different owners

Section 67 — *Sale in order of liability*

If, as a result of the forming of real estate, a right of lien is directed against pieces of real estate belonging to different owners and that have been attached to pay for a collective receivable secured by the lien, the pieces of real estate shall be sold in the following order:

- 1) real estate owned by the debtor;
- 2) the main piece of real estate;
- 3) a parcel;
- 4) real estate indicated by the applicant, if the order referred to in subparagraphs 1 through 3 cannot be determined.

A parcel registered in the land ownership register shall be sold before a parcel registered earlier. If no registration of land ownership has been sought for any parcel or this registration has been sought on the same day, the parcel transferred later shall be sold first.

The provisions of this section on parcels apply also to parcels of a determined size.

Section 68 — *Acceptance of offers*

In the sale referred to above in section 67 the highest bids for each piece of real estate shall be accepted conditionally. The bids shall be accepted finally if the total amount of the bids cover the collective mortgages and special rights that have a higher priority than the applicant's receivable.

Section 69 — *Right of lien on a demand for recourse*

If the collective receivable secured by lien could not be covered in the order provided in section 67 due to the fact that a piece of real estate has been sold to cover another receivable, the person who owned the sold real estate receives without separate commitment a right of lien to the real estate with a higher liability. The right of lien stands as security for the demand for recourse for the amount that has been paid from the purchase price to cover the collective receivable secured by lien.

Section 70 — *Real estate collectively mortgaged on application*

If real estate collectively mortgaged on application belong to different owners, the real estate owned by the debtor shall be sold first, after which real estate indicated by the applicant shall be sold.

Section 71 — *Real estate owned in fractional parts*

Real estate owned in fractional parts shall be sold as a whole if a right of lien to the entire real estate stands as security for the applicant's receivable. What is provided in section 54 applies to the minimum acceptable offer.

The fractional parts shall be offered separately if a joint owner requests this or there is a special reason for this. Separate bids shall be accepted if they exceed the price offered for the entire real estate or if the collective owner demands this and the separate bids cover the priority receivables.

Section 82 contains provisions on other real estate owned in fractional parts.

Sale of a vessel on auction

Section 72 — *Application of the provisions on real estate*

The provisions in this chapter on the auction of real estate and on real estate apply in so far as appropriate to the auction of a vessel and to the vessel. However, no minimum acceptable bid shall be set. Separate provisions apply to the order of priority.

Chapter 4, section 3, paragraph 1 defines the meaning of the term “vessel”.

Section 73 — *List of parties*

Chapter 3 of the Maritime Act (674/1994) contains provisions on the recording of a right of maritime lien in the list of parties. In respect of receivables for which the liability of the ship-owner has been limited in accordance with chapter 9 of the Maritime Act, both the full amount of the receivable and the amount for which the ship-owner is liable shall be recorded in the list of parties.

Section 74 — *Share of a vessel*

A portion of a vessel shall be sold on condition that the rights of lien to the entire vessel remain in force.

Free sale

Section 75 — *Public auction arranged by a private person*

The bailiff may give chattels to a reliable auctioneer for sale at a public auction. The bailiff shall state the possible minimum price referred to in section 23 and the minimum acceptable bid referred to in section 34 and issue the other necessary instructions regarding the auction.

What is provided in chapter 3, section 110 regarding the agent applies to the auctioneer.

Section 76 — *Free sale arranged by the bailiff*

The bailiff may freely sell chattels or real estate with the consent of the debtor and of those creditors and holders of other rights whose right is affected by the sale. No free sale may be arranged if a holder of a right has remained unknown.

The bailiff may freely sell property without the consent referred to in paragraph 1 if:

- 1) the purchase price covers all the priority receivables and corresponds to the ascertained current price; or
- 2) the highest bid in an auction has been rejected and the purchase price in the free sale would be larger than this and would not be clearly lower than the current price and it would cover the minimum acceptable bid.

Section 77 — *Other free sale*

Free sale of chattels or real estate other than that referred to in section 75 or 76 may be assigned to a third party, a holder of a lien or the debtor, if the debtor and all of the creditors and those holders of rights whose right is affected agree to this, and none of the holders of a right have remained unknown. If the property has a current price, the property may be sold at such price in the customary and reliable manner used for the sale of such property.

The collected purchase price shall be remitted to the bailiff.

Section 78 — *Clarification of claims*

Before a free sale the bailiff shall clarify the receivables and the rights and arrange a meeting of the parties and prepare a list of parties, following in so far as appropriate the provisions on the sale on auction of such property.

Section 79 — *Conditions of sale*

The provisions of sections 3 through 15, 20, 21 and 24 through 26 apply in so far as appropriate in a sale referred to above in sections 75 and 76, unless the parties have agreed differently. However, the position of the purchaser may not be weakened.

What is provided in sections 6 through 9 applies also to free sale referred to in section 77. In other respects the conditions of sale agreed upon by the parties and the provisions elsewhere in law regarding a corresponding sale apply to this.

Section 80 — *Effects of free sale*

A right of lien and other rights to the property sold lapses in the sale referred to in sections 75 and 76 unless liability for the receivable is assumed or the property is sold with the retention of the right. Rights to the property shall remain in force in the sale referred to in section 77 unless the parties and the purchaser agree otherwise.

The purchase price shall be allocated in the same manner as the corresponding purchase price in an auction.

Joint ownership

Section 81 — *Sale of a share to a joint owner*

When a jointly owned object has been attached on the basis of chapter 4, section 73, the bailiff shall reserve the joint owners an opportunity to present offers on the fractional part owned by the debtor. The highest offer may be accepted if it covers the minimum acceptable offer provided in section 34 or 54 and 64 of this chapter and is not clearly less than the accrued proceeds that in the assessment of the bailiff would be allotted to the debtor's share in a sale of the jointly owned object.

Section 82 — *Sale of a jointly owned object*

If the debtor's fractional part is not sold in the manner referred to in section 81, the attached jointly owned object shall be sold as provided above in this chapter.

A condition of sale is that the purchase price corresponds to the ascertained current price. In the sale of real estate the purchase price shall cover the priority receivables encumbering the real estate and the fractional parts of the other joint owners as well as the receivables from the share of the debtor referred to in section 54, allocated to the respective fractional parts.

The costs of enforcement costs and the possible sales fee shall be paid from the debtor's share.

Section 83 — *Permanent residence*

If another joint owner used jointly owned pieces of real estate as his or her permanent residence, the bailiff may not sell the property without the consent of said joint owner. If

necessary the bailiff may initiate the procedure referred to in section 9 of the Act on Certain Joint Ownership, for the termination of joint ownership

Concluding measures

Section 84 — *Deed of sale*

When real estate or shares in a corporation that give entitlement to possession of rooms or a building have been sold on auction or in a free sale, the bailiff shall give the purchaser a deed of sale after the purchase price has been paid and the sale has become legally final. The shares are transferred to the purchaser together with the deed of sale. A complaint regarding the allocation or remittance of the purchase price shall not prevent transfer of the deed of sale. The purchase price, the receivables for which liability is assumed and the retained special rights and other necessary information shall be recorded on the deed of sale.

When the bailiff sells chattels other than that referred to in paragraph 1, the purchaser shall be given on request or if necessary a certificate of the acquisition of title after the purchase price has been paid.

Section 85 — *Discharge of a mortgage on a vessel or car*

Mortgages relating to lapsed liens on a sold vessel or car shall be discharged.

Section 86 — *Discharge of a mortgage on real estate*

Mortgages on sold real estate shall be discharged in respect of the receivables referred to in sections 49 and 50.

A collective mortgage shall be removed in respect of the sold real estate and discharged in respect of other pieces of real estate to the extent that the receivable secured by the collateral has been paid. A collective mortgage remains in force as security for the demand for recourse referred to in section 69. If all collectively mortgaged pieces of real estate have been sold together to the same purchaser, the collective mortgage remains in force. If the real estate has been sold as parcels, the mortgage against the real estate shall be discharged. Mortgages against real estate shall be discharged in respect of parcels sold, and a mortgage against the

main piece of real estate shall be discharged to the extent that the receivable secured by collateral has been paid.

Mortgages other than those referred to in paragraphs 1 and 2 shall remain in force and the contracts of pledge shall be transferred to the purchaser.

Section 87 — *Notices to registrars*

For the purpose of cancellation of the notation regarding attachment, the bailiff shall send notice of the lawful sale to the registrar which had been informed of the attachment. The notice shall be accompanied by information on lapsed rights of lien and recorded rights, rights of lien and recorded rights that remain in force, and the allocation of the purchase price.

The bailiff shall notify the registrars of the mortgages to be discharged and provide them with the contracts of pledge and other corresponding documents relating to these mortgages.

Section 88 — *Annulment of a mortgage deed*

The mortgage shall be discharged in the manner provided in sections 85 and 86 even if the contract of pledge or the corresponding mortgage deed has not been deposited with the bailiff. In such case the bailiff shall if necessary attend to the annulment of the mortgage deed.

Chapter 6— Distribution and remittance

Definitions

Section 1 — *Distribution and remittance*

Distribution of assets refers to the allocation of the accrued assets among the receivables, and remittance refers to the payment of assets to the creditors.

Distribution

Section 2 — *Distribution of assets among the receivables*

Assets collected through attachment shall be distributed according to the statutory order of priority. If a creditor has several receivables with the same priority, the accrued assets shall

first be allotted to the older ground for enforcement or to the oldest receivable without a ground for enforcement, unless the creditor requests otherwise.

Assets accrued other than through attachment shall be allocated in the manner requested by the debtor as is provided in chapter 4, section 7 and otherwise in accordance with paragraph 1.

Section 3 — *Exception from proportional distribution*

In the garnishment of wages or salary and other recurring income, a relatively larger proportion may be allocated to one receivable than to other receivables, but however at most the assets that accrue over a period of six months. The condition for this is that an exception from the proportional allocation is appropriate from the point of view of the means of collection, and the receipt of payment by another creditor is apparently not endangered.

An exception from the proportional distribution may not decrease the accrued assets allocated to a priority receivable.

Section 4 — *Allocation of assets to portions of a receivable*

The bailiff shall allocate accrued assets first to the interest on each receivable, after this to the capital and finally to the costs, unless the parties have agreed otherwise in accordance with chapter 4, section 60.

Section 5 — *Decision on distribution and its validity*

If a list of parties has been made for the sale, the bailiff shall prepare a distribution list for the allocation of assets, based on the list of parties, and service of this shall be given to the parties. In other cases the bailiff shall take the decision on distribution by entering the information regarding allotment into the Enforcement Information System.

The allocation made by the bailiff is binding on the parties and the creditor may not allocate assets he or she has received in another way. The allocation is binding also in private collection of debts.

Section 6 — *Discussion on distribution*

If the basis for the distribution is unclear or if this is needed for some other reason, the bailiff shall arrange a discussion on the distribution before the allocation of the assets. An invitation to this shall be sent at the latest two weeks before the discussion.

If all the parties are known, no public notice shall be published regarding the discussion on distribution. Otherwise the provisions in chapter 5 on a meeting of the parties in the sale of real estate at an auction apply in so far as appropriate.

Section 7 — *Joint ownership*

If a property owned in fractional parts is attached and sold, the accrued purchase price shall first be divided in proportion to the fractional parts.

Section 8 — *Separately accrued assets*

If constituent parts, appurtenances or a parcel has been attached or sold separately from property or if revenue has accrued from the attached property, the accrued assets shall be divided in the same way as the purchase price for unseparated property or property producing revenue.

Section 9 — *Surplus assets and compensation for difference in prices*

If the accrued assets are greater than the amount of the receivables on the day of sale or on the day when assets other than those accrued from the sale are paid to the bailiff, interest shall be paid on the capital sums in order of priority for the period from the day of sale or payment to the day of distribution.

The compensation for difference in prices collected from the purchaser referred to in chapter 5, section 25 shall be allocated in the same way as the purchase price.

Section 10 — *Small allocated share*

If the minimum amount referred to in chapter 4, section 17 is not allocated to a receivable in the distribution, this receivable shall not be taken into consideration in the distribution. What is here provided does not apply to a priority receivable.

Section 11 — *Allocation agreement*

If the debtor and all the creditors who receive a share in the distribution agree on the distribution of assets, the bailiff shall remit the assets in accordance with the agreement. The others may not agree on a distribution share to be allotted to an unsecured claim. A distribution list that includes a contested or conditional receivable requires the consent also of those creditors who have a subsidiary right to receive assets.

The provisions of sections 13 through 17 may not be set aside by agreement.

Section 12 — *Notice of distribution*

If no distribution list has been made of the allocation of assets, the bailiff shall on request notify the creditors of the distribution of the accrued assets.

The debtor shall be notified of:

- 1) the amount of assets accrued through attachment or sale;
- 2) the amount of the enforcement costs and enforcement fees;
- 3) the amount allocated to each receivable and the remaining amount, itemized according to the parts of receivables;
- 4) other necessary information.

Conditions for remittance and the remittance procedure

Section 13 — *Legal finality of a ground for enforcement*

If a ground for enforcement is not legally final, the accrued assets may be remitted only against security. However, no security shall be demanded if the law provides that a certain ground for enforcement or a ground for enforcement in a certain matter may be enforced in the same way as a legally final judgment or despite appeal.

Section 14 — *Enforcement appeal and contested enforcement*

If a list of parties has been prepared in the matter for sale or a deed of sale is given to the purchaser in accordance with chapter 5, section 84, paragraph 1, the purchase price may not be remitted without security until the sale and the distribution have become legally final. The

remittance may be made regardless of appeal to the extent that the appeal does not affect the distribution.

Chapter 10, section 16, paragraph 2 contains provisions on the effect of contested enforcement on remittance.

Section 15 — *Stay of remittance*

The bailiff shall stay the remittance if:

- 1) the person in question in a matter other than that referred to in section 14 appeals or gives notice of intent to appeal a measure that affects the distribution or remittance;
- 2) a third party claims that the attachment violates his or her right;
- 3) the purchaser demands a reduction in price or annulment of the sale; or
- 4) the bailiff finds that the remittance would frustrate the right of appeal of a person who is apparently unaware of a measure of enforcement that affects his or her rights.

The remittance may be continued if the person in question clearly has no right to appeal or if the claim or demand is clearly unfounded. The bailiff may require a written demand for a stay if in the circumstances this is merited.

Remittance is stayed for three weeks from the presentation of the demand for a stay or from the decision of the bailiff on the basis of paragraph 1, subparagraph 4, or for a longer period if the bailiff orders this for a special reason. The accrued assets may, however, be remitted against security. The persons in question shall be notified of the last day that the stay shall continue.

Section 16 — *Decedent's estate*

If attachment has been carried out for the debt of a decedent, assets may not be remitted until one month has elapsed from the estate inventory or, if property has been transferred to the administration of the estate executor, before the agreement referred to in chapter 19, section 12a of the Inheritance Code has been made or a legally final decision of the estate executor has been taken on the payment of debts. However, remittance may be made if the creditor had a right of lien on the attached property or the administration of the decedent's estate consents to the remittance.

If a portion of the estate has been attached and the distribution of the estate has not become legally valid or otherwise final, the accrued assets may be remitted only against security.

Section 17 — *Mortgage on business assets*

If a considerable amount of assets has accrued from the subject of a mortgage on business assets, a public notice of the sale that has taken place shall be published in the Official Gazette. Remittance may not be made until one month has elapsed from the publication of the public notice. A Decree of the Government contains provisions on the amount of assets that would require a public notice and on the publication of the public notice.

Section 18 — *Remittance procedure*

Provisions on the remittance procedure are contained in a Decree of the Government.

Section 19 — *Obligation of the creditor to return assets*

If a creditor who has withdrawn assets does not return the assets after the distribution or remittance of assets has been changed or annulled by a legally final decision, the assets may be collected from the creditor or the security. The provisions in chapter 3, section 46 apply to the collection. The provisions of chapter 2, section 16, paragraph 2 apply in so far as possible to the interest to be paid on the assets to be returned.

Section 20 — *Return of excess payment*

A payment that is not necessary to cover the applicant's receivable shall be returned. However, a negligible excess payment, the maximum of which shall be specified by a Decree of the Government, shall be remitted to the State.

Retention of assets

Section 21 — *Conditional distribution share*

If a receivable has been entered into the list of parties conditionally on the basis of chapter 5, sections 49 or 50, the maximum amount noted in the list of parties shall be allocated to this

receivable. After this the bailiff shall retain said conditional distribution share and decide on how the assets shall be distributed secondarily.

If a creditor's claim has been accepted with a decision that is not legally final, the assets may be remitted against security.

Section 22 — *Other assets*

If due to appeal or another reason nothing other than the distribution share referred to in section 21 can be remitted, the bailiff shall retain said assets. The same applies to assets that cannot be returned because the recipient is unknown or due to another reason. However, a negligible amount, the maximum of which shall be specified by a Decree of the Government, shall be remitted to the State.

Section 23 — *Separate deposit*

Assets that the bailiff retains in accordance with section 21 or 22 shall be deposited separately in a credit institution to collect interest if the assets exceed a considerable amount specified by a Decree of the Government. The interest on the deposited assets shall accrue to the person to whom the assets are remitted. The assets shall be deposited separately within six weeks of when they were paid to the bailiff.

What is provided in paragraph 1 applies also to financial security given to the bailiff.

Section 24 — *Period of retention of assets*

The bailiff shall retain assets that have been allocated to:

- 1) a receivable that has not been secured, for two years from the day the auction has become legally final;
- 2) a conditional receivable until the condition has been fulfilled or lapsed;
- 3) a contested receivable until the contested matter has been finally decided or has lapsed;
- 4) a receivable on which the mortgage or the registration is still in progress until the application for registration has been decided in a legally final manner;

5) a receivable referred to above in section 22, until the assets can be remitted, however at most ten years from the payment of the assets.

Section 25 — *Right to assets*

If a creditor demonstrates to the bailiff his or her right to the assets referred to in section 24, subparagraph 1 within the time period there provided, the distribution share shall be remitted to him or her. A public notice of the remittance shall be published in the Official Gazette at least six weeks before the remittance. Before this the bailiff shall hear the debtor and the subsidiary recipient of the assets. If the right to the assets is not shown with the time limit that has been set, the assets shall be remitted to the subsidiary recipient.

If the assets referred to in section 24, subparagraph 5 have not been remitted within the time period there provided, the assets go to the State. However, if before this it is shown that the right to the assets has not been decided in a legally final manner, a new ten year time period shall be calculated from that date.

Chapter 7 — Enforcement of obligations other than a payment liability

Eviction

Section 1 — *Evictees*

A ground for enforcement involving eviction may be enforced both as regards the respondent and as regards persons whose right to reside on the premises covered by the ground for enforcement or otherwise to dispose of them is based on the right of the respondent (*evictees*).

Section 2 — *Exhortation to move*

The exhortation to move shall contain a deadline for the move of the evictees from the premises and a statement of how any property left on the premises is to be disposed of under the law. The exhortation to move shall be sent to the evictee to the premises covered by the ground for enforcement and, in addition, to other possible known addresses, or left as a sealed or unsealed notice on the premises covered by the ground for enforcement.

Section 3 — *Notice to the housing and social welfare authorities*

If the bailiff is aware that children reside on the premises covered by the ground for enforcement and their further housing is unclear, or that persons in need of immediate care reside there, the local housing and social welfare authorities shall be notified as soon as possible of the pendency of the eviction matter and its circumstances, regardless of any secrecy provisions.

Section 4 — *Move day*

The bailiff shall not without an important reason set the move day earlier than one week nor later than two weeks from the receipt of the exhortation to move. The move day may be postponed, unless this would cause considerable inconvenience to the applicant. However, the eviction shall be carried out within two months of the pendency of the matter, unless there is an especially important reason for a longer postponement. With the consent of the applicant, the eviction may be postponed for at most six months from the pendency of the matter without that pendency lapsing as a result. The bailiff's decision on a postponement shall not be subject to appeal.

On the demand of the applicant, the evictee shall pay rent to the applicant for the period of postponement, beginning from the move day, under the earlier terms. Advance payment of the rent may be set as a condition for postponement, if this can be deemed reasonable from the point of view of the evictee.

If the matter pertains to the termination of cohabitation under the Marriage Act (234/1929) or a comparable eviction, the eviction shall be carried out as soon as reasonably feasible, without setting any given move day.

Section 5 — *Carrying out the eviction*

The eviction shall be carried out by removing the evictees and any property from the premises covered by the ground for enforcement.

If, at the time of the eviction, persons referred to in section 3 are present on the premises, the eviction shall not be carried out before the housing and social welfare authorities have been reserved the opportunity to arrange for housing or to determine the need for social welfare services.

Section 6 — *Property of the evictee*

If the evictee has not removed his or her property by the time the eviction begins, the bailiff shall see to the transport of the property away from the residential premises or other premises covered by the ground for enforcement and from any immediately adjacent areas. Property of more than insignificant value shall be taken into storage. Worthless property and property deemed to be of insignificant value shall be destroyed. The bailiff may contract the disposal work out or, on request of the applicant, allow him or her to proceed with the worthless property or property of insignificant value as he or she sees fit.

The eviction may also be carried out by retaining the property in place and preventing the evictee from accessing the premises. Within one month, the property shall be treated as provided in paragraph 1 or it shall be sold on the premises, unless the evictee before such time wants to transport the property away himself or herself. Property shall not be retained on residential premises, if this causes more than insignificant inconvenience to the applicant.

Animals, perishable and hazardous property and photographs, documents and comparable items discerned and distinguishable from the other property shall be treated by the bailiff in a manner reasonable in view of the circumstances.

Section 7 — *Attachment and liquidation of property*

Property subject to eviction may be attached even if the debtor would be entitled to exempt it from attachment. Property that has been attached or otherwise taken into storage shall be liquidated as provided in chapter 5. However, the evictee has the right to retrieve property subject to his or her right of exemption and property that has not been attached, no later than one day before the liquidation, provided that he or she pays the costs of the eviction and the distraint fee.

The possible surplus of the liquidation price shall be remitted to the evictee, if an address for remittances is known, and otherwise deposited on his or her behalf.

If the contact details of the evictee are known, he or she shall be notified immediately after the eviction of how the property belonging to him or her has been dealt with.

Section 8 — *Eviction under threat of a fine*

The bailiff may compel a respondent deemed solvent to move and to transport his or her property away under threat of a fine, if this can be deemed a more appropriate method than that provided above and if the respondent can be deemed capable of transporting the property away.

Obligation to relinquish property

Section 9 — *Enforcement of an obligation to relinquish property*

A ground for enforcement under which the respondent is to relinquish certain chattels to the applicant shall be enforced by the bailiff retrieving the property and handing it over to the applicant.

By the exhortation to comply with the obligation to relinquish property, the respondent shall be exhorted to relinquish the property to the applicant at once or within a time limit set by the bailiff.

Section 10 — *Obligation to relinquish property requiring eviction*

If the enforcement of a ground for enforcement relating to an obligation to relinquish property requires eviction, the provisions in sections 1 through 8 apply in so far as appropriate.

Section 11 — *Enforcement of an obligation to relinquish property under threat of a fine*

For a special reason, an obligation to relinquish property may be enforced by imposing a threat of a fine on the respondent.

Obligation to take measures

Section 12 — *Enforcement of an obligation to take measures*

A ground for enforcement to the effect that the respondent is to take measures under threat that the applicant may take the measures or have them taken at the expense of the defaulting respondent (*threat against default*) shall be enforced by the bailiff granting permission to the

applicant to take the measures or have them taken by someone else. Where necessary, the bailiff shall provide official assistance to the applicant.

By the exhortation to comply with the obligation to take measures, the respondent shall be exhorted to take the measures referred to in the ground for enforcement at once or within a time limit set by the bailiff.

The respondent shall be notified of the granting of a permission referred to in paragraph 1.

Section 13 — *Imposition of a threat against default*

If the ground for enforcement does not entail a threat against default, the bailiff shall first impose such a threat. Before the imposition, the respondent shall be heard, unless this would considerably impede the enforcement. The decision on the threat against default shall be served on the respondent as provided in chapter 3, sections 40 and 41.

A respondent who has been reserved an opportunity to be heard before the imposition of a threat of a fine shall be issued with an exhortation referred to in section 12, paragraph 2, if this is to be deemed necessary.

Section 14 — *Enforcement of an obligation to take measures under threat of a fine*

For a special reason, an obligation to take measures may be enforced by imposing a threat of a fine on the respondent.

Section 15 — *Obligation to take measures in person*

If only the respondent in person can fulfil the obligation, the bailiff shall impose a threat of a fine in case of default, unless one has already been imposed in the ground for enforcement.

A ground for enforcement imposing an obligation to sign a deed of sale or other document or to give consent, acceptance or other similar statement shall, when it becomes final, have the same legal effects as the fulfilment of the obligation in question.

Obligation to desist

Section 16 — *Enforcement of an obligation to desist*

A ground for enforcement entailing an obligation under threat of fine to desist from a given measure or to permit measures taken by someone else, shall be enforced by the bailiff applying for enforcement of the fine if the obligation has been breached and, where necessary, imposing a new threat of a fine. If the ground for enforcement does not entail the threat of a fine, the bailiff shall first impose one.

By the exhortation to comply with the obligation to desist, the respondent shall be exhorted to comply at once with the obligation imposed in the ground for enforcement.

Section 17 — *Prevention of breaches of the obligation*

If the bailiff can prevent further breaches of the obligation with suitable measures, such measures shall be taken if the obligation is breached. Before this, the respondent shall be reserved an opportunity to be heard, unless that this would significantly hamper enforcement.

The respondent shall be notified of the measures taken under paragraph 1.

Chapter 8 — *Enforcement of a decision on precautionary measures*

Scope of application and requirements

Section 1 — *Scope of application*

A precautionary seizure or another precautionary measure provided in chapter 7 of the Code of Judicial Procedure is enforced in accordance with this chapter.

Section 2 — *Security lodged by the applicant*

Enforcement of a precautionary measure requires that the applicant lodges with the bailiff security for loss that the respondent may incur as a result of the precautionary measure.

Chapter 7, section 7 of the Code of Judicial Procedure provides for the possibility of relief from the lodging of security.

Section 3 — *Security lodged by the respondent*

A precautionary measure referred in chapter 7, section 1 of the Code of Judicial Procedure may not be enforced and enforcement that has already been carried out shall be reversed if the

respondent lodges security for the receivable of the applicant. The same applies to other enforcement of a precautionary measure if the respondent lodges security that is approved by the applicant or that in an appropriate and sufficient manner corresponds to the need of the respondent for legal safeguards.

Section 4 — *Main claim*

The bailiff shall reverse enforcement of a precautionary measure at the request of the respondent, unless the applicant demonstrates that the main claim referred to in chapter 7, section 6 of the Code of Judicial Procedure had been initiated in time. Enforcement shall also be reversed if it is shown that the action on the main claim has been rejected on the merits, withdrawn, or dismissed without considering the merits.

Procedure

Section 5 — *Notice of pendency and prior notice*

An interim decision on a precautionary measure referred to in chapter 7, section 5, paragraph 2 of the Code of Judicial Procedure may be enforced without giving the respondent the notice of pendency referred to in chapter 3, section 33 or the prior notice referred to in chapter 3, section 34 of this Act.

Section 6 — *Subject of precautionary seizure*

If the attachment of property is prohibited, this property may also not be seized in order to ensure the receivable. In addition, provisions elsewhere in the law define property that may not be seized.

Section 7 — *Enforcement of precautionary seizure*

Precautionary seizure of chattels and real estate shall be effected following in so far as appropriate what is provided in chapter 4 on attachment.

If the value of property that has been seized for a receivable depreciates rapidly or the maintenance costs of the property are high, the property shall be sold following in so far as

appropriate what is provided in chapter 2, section 5, paragraph 2. The parties shall be heard before the sale.

The bailiff shall retain the seized funds in accordance with the provisions of chapter 6, section 23.

Section 8 — *Legal effects of precautionary seizure*

The enforcement of precautionary seizure has the same legal effects as attachment on the basis of chapter 4, sections 37 through 41 and section 78.

Section 9 — *Other enforcement of a precautionary measure*

The provisions of chapter 7 of this Act apply in so far as appropriate to enforcement of a precautionary measure referred to in chapter 7, section 3 of the Code of Judicial Procedure.

Section 10 — *Agent*

The agent referred to in chapter 7, section 3, paragraph 1, subparagraph 4 of the Code of Judicial Procedure or appointed on the basis of section 13 shall maintain and preserve property entrusted in his or her safekeeping and shall render an account to the bailiff on the termination of his or her function. The agent shall file the registry notice referred to in chapter 4, section 33 of this Act.

The bailiff shall provide the trustee with official assistance at his or her request.

Section 11 — *Enforcement costs*

Chapter 7, section 10 of the Code of Judicial Procedure contains provisions on the payment of the costs of a precautionary measure.

Section 12 — *Application of provisions elsewhere in the law*

In addition to what is provided above in this chapter, the provisions of chapters 1 through 3 and 9 through 12 apply in so far as appropriate in the enforcement of a precautionary measure.

Precautionary measures ordered by the bailiff

Section 13 — *Ensuring enforcement*

If it is probable that the danger referred to in chapter 7, sections 1, 2 or 3 of the Code of Judicial Procedure is present, the bailiff may order and carry out a precautionary measure referred to in said chapter if the applicant has a ground for enforcement but his or her application for enforcement cannot be accepted immediately.

A precautionary measure is in force at most six months from the date it was ordered. On application, the bailiff may extend the period of validity if there is a special reason for this.

Section 14 — *Ensuring recovery*

The bailiff may order and carry out a precautionary seizure if it is apparent that the debtor has transferred or pledged assets to a third party by a transaction that probably allows for recovery on the basis of chapter 3, section 84, and the matter allows for no delay. The applicant need not provide the security referred to in section 2 and enforcement cannot be prevented by the security referred to in section 3.

A precautionary measure referred to in this section is not subject to appeal.

Section 15 — *Validity of precautionary attachment securing recovery*

The precautionary seizure referred to above in section 14 is in force for two weeks from the order. If during this time the applicant presents the decision of the District Court on a precautionary measure relating to the matter, the precautionary seizure ordered by the bailiff is in force until the decision of the District Court can be enforced, but at the most two weeks from when the decision was issued.

The bailiff shall immediately reverse a precautionary seizure that he or she has ordered if the applicant gives notice that he or she does not intend to apply to the District Court for a precautionary measure, or if the District Court has rejected the application or dismissed it without considering the merits.

Chapter 9 — Enforcement costs

Section 1 — Liability to pay costs

The respondent is liable to pay the necessary costs caused in the enforcement of the payment obligation or other obligation, for the transport, storage or sale of property or the other enforcement measures taken by the bailiff. Secondly they are the liability of the applicant.

Separate provisions apply to fees that are to be paid to the State as compensation for the costs of enforcement.

Section 2 — Collection of costs

The costs shall be paid from the accrued assets first, and in other cases shall be collected from the respondent. If the costs cannot be collected from the respondent or he or she is not obliged to pay them, the bailiff shall collect the costs from the applicant. The person in question shall be heard before the costs are collected.

On the basis of a decision of the bailiff, the costs of enforcement or the reversal of enforcement can be taken from security lodged in an enforcement matter, if such security has been lodged to cover also such costs.

Section 3 — Advance on costs by the applicant

The bailiff may demand that the applicant pay an advance for the necessary enforcement costs, but in respect of a payment liability only for the costs of interim measures, measures to ensure attachment, sale, or the enforcement of a decision on a precautionary measure. No advance shall be demanded if the applicant is a natural person and the costs shall probably be covered by the accrued assets. No advance shall be demanded also of an applicant who in accordance with chapter 3, section 44 need not lodge security.

If the applicant does not pay the advance, the bailiff may order that the enforcement shall to this extent lapse.

Section 4 — Advance on costs by the respondent

In the enforcement of an obligation to take measures, the bailiff may at the request of the applicant demand an advance from the respondent for the necessary enforcement costs. Before

this the applicant shall present a credible estimate of costs and the respondent shall be heard. If the respondent does not pay the advance, the bailiff shall collect this from him or her.

Immediately after enforcement the applicant shall give the bailiff an account of the use of the advance. In other cases the advance may be collected back from the applicant. An excessively large advance shall be returned to the respondent.

Section 5 — *Unnecessary costs*

Costs of measures that have become unnecessary as a result of correction of one's own decision or that were caused by a cancelled interim measure shall not be collected from the respondent or applicant if, taking into consideration the circumstances, not collecting these costs can be deemed reasonable.

Chapter 10 — Correction of one's own decisions, contested enforcement and stay of enforcement

Correction of one's own decisions

Section 1 — *Correction of a substantive error*

The bailiff shall correct a measure taken or a decision made in the same enforcement matter if it is clearly based on an erroneous or insufficient investigation or a manifest misapplication of the law (*correction of a substantive error*).

The bailiff shall make the correction without delay on having observed the error. Those persons whose position is weakened as a result of the correction shall be heard unless for a special reason this is unnecessary.

Chapter 11, section 12 contains provisions on the correction of a substantive error in connection with an appeal.

Section 2 — *Barriers to correction*

The bailiff may not, on the basis of a substantive error, correct:

1) attachment, if an announcement of an auction has been published, unless there are important reasons for this;

- 2) a completed sale;
 - 3) a list of parties after a sale or a legally final decision on distribution without the consent of those whose position is weakened as a result of the correction;
 - 4) enforcement of a payment liability after the closing remittance without the consent of those whose rights are affected, nor other enforcement that has been completed and is legally final.
- If it becomes apparent that attached property belongs to a third party, the measure or decision may be corrected notwithstanding the provisions of paragraph 1, subparagraphs 1 and 3.

Section 3 — *Correction of a clerical error*

The bailiff shall correct a clerical or calculation error or other comparable clear error in a decision or other document made in an enforcement matter (*correction of a clerical error*) without delay on having observed the error.

Section 4 — *Decision on the correction and appeal*

A decision correcting a substantive or clerical error shall be made in writing. Correction of a substantive error shall in addition be justified in the manner provided in chapter 3, sections 28 and 29. A decision to reject a request for correction shall be made in writing, if the correction has been requested in writing.

Correction of a substantive or a clerical error is subject to appeal as provided in chapter 11. A decision to reject a request for correction is not subject to appeal.

Section 5 — *Service and enforcement of a decision on correction*

Service of a decision to correct a substantive or a clerical error shall be given to the person affected by the correction. The applicant shall be notified of a correction if the decision differs from what he or she had been notified earlier or such notice is otherwise necessary. The person requesting correction shall be notified of rejection of such a request.

Until the decision on correction has become legally final, the accrued assets may be remitted only against security.

The bailiff shall immediately recover assets that have been incorrectly remitted due to a clerical error or that have been paid in error to the wrong person. Before this, service of

decision on the obligation to return assets shall be given to the persons in question as provided in chapter 3, sections 40 and 41.

Contested enforcement

Section 6 — *Matters considered as contested enforcement*

A matter may be considered in court as a civil case on the basis of an action (*contested enforcement*) if:

- 1) a plea regarding payment or a plea of limitation of actions is lodged or another plea is lodged on grounds that did not arise until the ground for enforcement had become legally valid;
- 2) a payment liability or restoration liability ordered in enforcement, the right of the creditor to receive payment from security without a ground for enforcement, or a priority right is contested;
- 3) a third party objects to enforcement on the grounds that this violates his or her rights;
- 4) a plea or demand comparable to those mentioned in subparagraphs 1 through 3 is presented and enforcement or the continuation of enforcement requires that this be decided.

Section 7 — *Issuing of instructions*

The bailiff shall issue instructions for the lodging of an action for contested enforcement if probable grounds have been presented in support of the plea or claim and the enforcement matter has as a result become unclear and the matter cannot be clarified in the enforcement proceedings.

The instructions may also be issued by the court considering an enforcement appeal unless due to the scope of the matter or some other special reason, it would be appropriate to deal with this matter as an enforcement appeal. The appropriate bailiff shall be notified of the instructions.

The instructions are issued to the person presenting a plea or a demand. If however someone else is responsible for presenting an account in the matter, the instructions shall be issued to him or her.

Section 8 — *Parties and hearings*

The parties in contested enforcement are the applicant in the enforcement matter or the creditor and the respondent and a third party whose right is affected by the enforcement.

Before the issuing of instructions the recipient of the instructions and where necessary also the other parties to the contested enforcement shall be heard.

Section 9 — *Barriers to the issuing of instructions*

In the enforcement of a payment liability, instructions for an action for contested enforcement may not be issued after the closing remittance. In other enforcement, instructions may not be issued after enforcement has been concluded and is legally final. Instructions may also not be issued if:

- 1) the plea or demand concerns a factor on which there is a legally final decision of the bailiff or of the court in respect of the person in question;
- 2) the person in question has neglected to present the plea or demand in proceedings where according to the law he or she should have presented it;
- 3) the person in question has already received instructions for bringing an action for contested enforcement in the same question.

The bailiff may not issue instructions if the person in question has appealed in the same question.

Section 10 — *Contents and service of the instructions*

Instructions for contested enforcement shall be given in writing. The following shall be mentioned in the instructions:

- 1) the District Court where the action shall be brought and the time limit for bringing the action;
- 2) the parties in the contested enforcement against whom the action is to be brought;
- 3) the reasons for the issuing of the instructions and the subject of the dispute;
- 4) the present stage of enforcement if the instructions are issued by the bailiff;
- 5) consequences of a failure to lodge an action.

Service of the instructions shall be given to the recipient of the instructions and if necessary also to other parties.

Section 11 — *Appeal*

If the bailiff has issued instructions for contested enforcement, the recipient of the instructions may use his or her right of appeal instead of bringing an action.

Instructions for contested enforcement are not subject to appeal.

Section 12 — *Bringing of an action and failure to bring an action*

An action for contested enforcement shall be brought in accordance with the instructions within four weeks of the giving of service of the instructions. The authority issuing the instructions may on a written application extend the time limit if there is an acceptable reason for this. The application shall be made before the end of the original time limit. A decision to extend the time limit is not subject to appeal.

If an action is not brought in accordance with the instructions, the person in question may no longer refer in the enforcement matter to the plea or demand in question.

If the instructions were incorrect and the error had not been clearly noticeable, the action shall be deemed to have been brought correctly if the person in question has followed the instructions or what has been provided on the bringing of an action for contested enforcement.

Section 13 — *Action without instructions*

If the conditions provided in section 6 are filled and there are no barriers referred to in section 9, an action for contested enforcement may also be brought without instructions or the consideration of a pending civil case may be continued on request as an action for contested enforcement in the appropriate court.

The court shall notify the appropriate bailiff without delay of the action or request referred to in paragraph 1. If an action for contested enforcement is withdrawn, a new action may not be brought without instructions.

Section 14 — *Competent District Court*

An action for contested enforcement is considered in the District Court referred to in chapter 11, section 2.

Section 15 — *Consideration in court*

An action for contested enforcement shall be considered at all court levels as an urgent matter. A request for a stay shall be decided immediately. The court shall hear the bailiff, unless this can be deemed unnecessary.

Section 16 — *Effect on the consideration of the enforcement matter*

In accordance with what is required by the decision given in contested enforcement, the bailiff shall continue or reverse enforcement.

If an action for contested enforcement has been brought on the basis of instructions, the accrued assets may be remitted only against security until the judgment given in the case has become legally final. Notwithstanding an action brought without instructions, the bailiff may carry out the closing remittance, unless a stay order is issued. If a closing remittance is carried out, the action cannot be considered as contested enforcement. Chapter 6, section 15 contains provisions on a stay of remittance.

Section 17 — *Relationship between contested enforcement and a complaint*

A person who has lodged an appeal may not bring an action for contested enforcement on the basis of the same measure or decision and a person who has brought an action for contested enforcement may not appeal the same measure or decision.

Section 18 — *Legal costs*

If an action for contested enforcement is lodged on the basis of instructions, the parties are themselves liable for their legal costs. However, for a special reason the court may order that the party against whom the decision is made compensate his or her adverse party in part or in full for the costs incurred, applying in so far as appropriate the provisions of chapter 21 of the Code of Judicial Procedure.

If an action for contested enforcement has been brought without instructions, the provisions of chapter 21 of the Code of Judicial Procedure apply.

The provisions of chapter 11, section 20, paragraph 2 of this Act apply in so far as appropriate to the liability of the State to pay compensation.

Stay of enforcement

Section 19 — *Stay of enforcement ordered by the bailiff*

The bailiff may stay enforcement for consideration of correction of his or her own decision.

The bailiff shall stay enforcement if instructions have been given for the lodging of an action for contested enforcement. The stay is in force until two weeks have elapsed from the end of the time limit for the institution of proceedings.

Section 20 — *Stay of enforcement ordered by the court*

A court that is considering an enforcement appeal or contested enforcement may at the request of a party or on its own motion issue a stay. The order may be issued in a District Court by one judge acting in chambers and in a Court of Appeal by one justice. A request for a stay shall be decided immediately. A stay may be ordered temporarily without hearing the adverse party.

The appropriate bailiff shall immediately be notified of a stay order, an amendment of such an order and the decision given in the matter.

Chapter 2, section 13 contains provisions on the ordering of a stay in connection with appeal regarding a ground for enforcement.

Section 21 — *Grounds for a stay order*

In considering the issuing and the contents of a stay order, consideration shall be given to the stage of enforcement, the probability that the appeal or action shall be successful, the possible detriment to the parties resulting from a stay or continuation of enforcement and the other corresponding factors.

If the value of attached property depreciates rapidly or the costs of maintenance of the property are high or if an announcement has been published of the auction, the sale may be stayed only if there is an important reason for this or if in the first two cases security is lodged to provide compensation for the costs and loss.

Section 22 — *Contents of the stay order*

In a stay order enforcement may be stayed in part or in full as follows:

- 1) the order is limited to part of the obligations established in a ground for enforcement or to part of the amount of the demand;
- 2) the order is limited to certain property;
- 3) the order allows the attachment of property, but prohibits its sale or the remittance of assets;
- 4) the order is issued partially in another manner.

The court may for a special reason order that an enforcement measure that has already been taken shall be reversed or that a stay requires that security be lodged with the bailiff for the applicant's receivable or for costs and loss possibly caused to the adverse party.

Section 23 — *Validity of a stay order*

A stay order is valid for the period that consideration of the principal claim continues in the court that issued the stay. The period of validity may be shortened or extended, however at the most until the decision on the main action has become legally final or a superior court issues a new order in the matter.

The court that has issued the stay order may amend or reverse it or issue a new order.

Section 24 — *Effect on enforcement*

The bailiff shall stay enforcement on being informed of the stay order. The enforcement measures that have already been carried out shall remain in force unless the court has ordered that they be reversed.

If the bailiff observes that the value of attached property depreciates rapidly during the stay or that the costs of maintenance of the property are high, he or she shall if necessary notify the court that has issued the stay order about this.

Section 25 — *Appeal*

A decision of the bailiff or of the District Court on a stay is not subject to separate appeal.

Section 26 — *Prohibition or stay of reversal measures*

The provisions in this chapter on a stay order apply also to the issuing of an order prohibiting or staying reversal of enforcement. Also the court that decided the matter may issue such a prohibition order. In such case the order is valid until said decision has become legally final or a superior court issues a new order in the matter.

Chapter 11 — Appeal against measures taken by the bailiff

Appeal

Section 1 — *Right of appeal*

An enforcement measure or a decision of the bailiff is subject to appeal by the person whose right the measure or decision affects.

After the closing remittance, an appeal is allowed only for an error in the remittance.

Section 2 — *Competent court*

Appeal of an enforcement measure or a decision of the bailiff lies to the District Court.

Enforcement appeals are considered by the District Courts of the Åland Islands, Espoo, Helsinki, Joesensuu, Jyväskylä, Kajaani, Kotka, Kuopio, Lahti, Lappeenranta, Mikkeli, Oulu, Pori, Rovaniemi, Seinäjoki, Tampere, Turku, Vaasa and Vantaa. A Decree of the Government contains provisions regarding the jurisdiction of District Courts in these cases.

Appeal is sought to the District Court within the jurisdiction of which the enforcement measure had been carried out.

Section 3 — *Lodging and withdrawal of an appeal*

The letter of appeal shall be delivered to the office of the bailiff that had taken the measure or the decision, at the latest on the last day of the time period referred to in sections 5 and 6 before the end of office hours. The letter of appeal may be delivered in writing or as an electronic message. If the appeal is late, the right of appeal is lost.

A written letter of appeal shall be signed by the appellant or, if he or she had not drafted it himself or herself, by the person who had drafted it.

An appeal is withdrawn by delivering a letter of withdrawal in writing or electronically to the office of the bailiff or District Court in question.

Section 4 — *Pendency of an appeal*

An appeal becomes pending before the competent District Court when the letter of appeal has arrived at the office of the bailiff. The appeal documents and the copies of the enforcement documents that have accumulated in the matter shall immediately be delivered to the District Court. At the same time the bailiff shall deliver to the District Court an account of whether the letter of appeal has arrived within the set time limit.

If the letter of appeal has been delivered within the set time limit to a bailiff other than the one who had taken the measure or the decision or it has been delivered to the competent District Court, the appeal shall be deemed to have properly become pending. The letter of appeal or a copy thereof shall immediately be delivered to the bailiff who had taken the measure or the decision.

Section 5 — *Time limit for an appeal*

The time limit for the lodging of an appeal is three weeks.

An application may be made without a time limit for amendment of a valid prohibition on payments issued in the garnishment of wages, salary or other recurring income.

Section 6 — *Determination of the time limit*

The time limit for appeal is calculated for each person in question from the date on which the proceedings were held or a decision taken if he or she had been notified of this in advance or he or she has been present in the proceedings. The time limit is calculated for an appeal that concerns:

- 1) sale or the list of parties or other measures preceding the sale and related to the sale, from the date on which the sale was held;
- 2) the distribution of accrued assets, from the date when the decision on distribution referred to in chapter 6, section 5 has been taken;
- 3) remittance, from the date when the assets have been sent to the creditor.

In cases other than those referred to in paragraph 1, the time limit for appeal is calculated from the date on which the person in question was informed of the measure or decision.

Section 7 — New time limit

If the party in question, due to a legal obstacle or another acceptable reason, is not able to lodge an appeal within the set time period, the bailiff may on application set a new time period. If the bailiff deems that no new time period shall be set, the matter shall be transferred for a decision of the District Court.

A new time period shall be requested with a written application or an electronic message before the termination of the original time period for appeal.

Section 8 — Contents of the letter of appeal

A letter of appeal addressed to the respective District Court shall mention:

- 1) the enforcement measure or the decision of the bailiff which is appealed;
- 2) a specific request and the factors on which the request is based;
- 3) the evidence offered in support and what each piece of evidence is to demonstrate;
- 4) the contact details of the agent or counsel and the postal address and possible other address to which notices regarding the matter can be sent to the appellant.

Notice shall be given to the District Court in a suitable manner also of the contact details of the appellant and of a witness or other person to be heard. The written evidence to which the appellant refers shall be attached to the letter of appeal.

Section 9 — *Effect of appeal on enforcement*

The appeal does not stay enforcement unless provided otherwise in the law or the court orders a stay. Chapter 6, section 15 contains provisions on a stay of the remittance of assets.

If the attachment is annulled, the bailiff shall without delay take measures to reverse the attachment, unless the court orders otherwise.

Section 10 — *Statement of the bailiff*

If a stay of enforcement is requested in a letter of appeal, the bailiff in question shall immediately deliver his or her statement regarding the stay to the District Court. In other respects the bailiff shall deliver his or her statement regarding the appeal within two weeks of the arrival of the letter of appeal. The District Court may for a justified reason extend the time period.

Section 11 — *Contents of the statement*

In his or her statement the bailiff shall provide an account of the enforcement measures and a reasoned position on the claims made in the letter of appeal as well as the facts on which the claims are based. In addition, the statement shall indicate the parties in the enforcement matter, the present stage of the enforcement and a possible stay of enforcement as well as when the stay ends. The addresses for service and other contact details of the persons in question shall be annexed to the statement in the appropriate manner.

Section 12 — *Correction of one's own decision in connection with appeal*

The bailiff may correct a measure or decision referred to in a letter of appeal, as provided in chapter 10, sections 1 through 5. Correction of one's own decisions shall be done within the period provided in section 10 of this chapter.

Instead of a statement, a decision correcting an error shall be forwarded without delay to the District Court. The bailiff shall also forward to the District Court an account regarding whether the decision on the correction has become legally final. A party may commit himself or herself in writing to abiding by the decision of the bailiff to correct his or her own decision.

Section 13 — *Instructions for appeal*

Those present at the proceedings shall be informed whether a decision or measure is subject to appeal and what shall be done in respect of an appeal. Instructions for appeal shall be appended to a notice after the fact referred to in chapter 3, section 36 and to a copy given of a decision.

Section 14 — *Contents of the instructions for appeal*

The following shall be noted in the instructions for appeal:

- 1) the court where appeal is to be sought;
- 2) the time limit for the appeal and how this is calculated;
- 3) how the appeal is to be lodged;
- 4) provisions on the content of and annexes to the letter of appeal;
- 5) the contents of the principal provisions on the right of appeal, the effects of appeal and a stay.

If the instructions for appeal are erroneous and the error was not clearly manifest, an appeal shall be deemed to have been lodged in the proper manner if the person in question has followed the instructions or the provisions on the lodging of an appeal.

Consideration of the appeal in court

Section 15 — *Order of consideration in the District Court*

The provisions of chapter 8 of the Code of Judicial Procedure apply in so far as appropriate to the consideration of an appeal in the District Court.

The appeal shall be considered as an urgent matter. A request for a stay shall be decided immediately. The District Court shall in addition to the statement of the bailiff hear the bailiff also otherwise, unless this can be deemed unnecessary.

If the District Court has issued the appellant instructions for the lodging of an action for contested enforcement, the appeal shall lapse to the extent referred to in the instructions.

Section 16 — Scope of consideration

The District Court may consider the validity of the measure or decision of the bailiff more widely than in respect of the factors stated in the appeal and response.

The list of parties or the distribution list may be amended only to the benefit of the appellant.

Section 17 — Effect of a decision to correct one's own decision

An appeal may be decided after the decision referred to in section 12 correcting an error has become legally final. An appeal lapses to the extent that the correction has made the complaint pointless. If an appeal is lodged also against the bailiff's decision to correct his or her own decision, the appeals shall be considered together.

Section 18 — Instructions for lodging a complaint

If the letter of appeal states that the bailiff has erroneously carried out an official act or has neglected to carry out an act and the statement cannot be considered as an application for appeal, the District Court shall to this extent dismiss the appeal without considering the merits and shall direct the person in question to lodge a complaint to the Administrative Office referred to in chapter 1, section 12.

Section 19 — Continued appeal

The decision of the District Court is subject to appeal to the Court of Appeal, following in so far as appropriate the provisions of chapter 25 of the Code of Judicial Procedure. The District Court shall immediately send the letter of appeal to the Court of Appeal.

In so far as appropriate, what is provided above in section 15, paragraphs 2 and 3, section 16, paragraph 2, and in chapter 26 and 30 of the Code of Judicial Procedure applies in other

respects to the consideration of the case in the Court of Appeal and to appeal to the Supreme Court.

Section 20 — *Court costs*

The parties are themselves liable for the court costs in an enforcement appeal. For a special reason, however, the court may order that the party losing the appeal shall compensate his or her adverse party in part or in full the costs of the appeal, following in so far as appropriate the provisions of chapter 21 of the Code of Judicial Procedure.

If an appeal lodged by a third party succeeds, on the demand of the third party the State may be ordered to pay his or her reasonable legal costs in part or in full, if in view of the circumstances it could be deemed unreasonable for the third party to bear the costs. The State may be ordered to pay the legal costs also of a party in the enforcement if there has been a clear error in the matter which should have been corrected by the bailiff himself or herself. The Administrative Office referred to in chapter 1, section 12 shall be heard before the State is ordered to pay costs.

Chapter 12 — Miscellaneous provisions

Section 1 — *Detailed provisions*

More detailed provisions on the arrangement of the administration of enforcement and on other implementation of this Act shall be issued by a Decree of the Government.

Section 2 — *Orders*

The Administrative Office may issue administrative orders for implementation of this Act.

Chapter 13 — Provisions on entry into force and transition

Section 1 — *Entry into force*

This Act enters into force on 1 January 2008.

This Act repeals the Enforcement Act (37/1895) given on 3 December 1895 and the Decree on the Enforcement of the New Enforcement Act and on Related Measures (37/1895) given on 3 December 1895 as later amended (*previous Act*).

Section 2 — *Transitional provisions*

1. The law in force at the time applies to matters that become pending before 1 March 2004, as provided in paragraph 2 of the entry into force and transition provision of the Act on Amendment of the Enforcement Act (679/2003).
2. The law in force at the time applies to matters that become pending before 1 January 2007, as provided in section 2, paragraph 12 of the entry into force and transition provision of the Act on Amendment of the Enforcement Act (469/2006). Chapter 4, section 49, paragraph 1, subparagraph 3 of the present Act applies as of one year from the entry into force of the present Act, also to matters pending at that time.
3. A separate Act contains provisions on the entry into force of chapter 1, section 11, subparagraphs 1 and 2 and section 12 of this Act, as well as of other provisions of this Act regarding the Administrative Office. Until such time the functions of the Administrative Office shall be performed by the Ministry of Justice and in other respects the State Provincial Offices shall perform the functions incumbent upon them under the earlier law.
4. On the entry into force of this Act the personnel of Enforcement Service shall transfer to the Enforcement Office that corresponds to their present place of business. Transfer of the office does not require the consent of the civil servant, unless the office is transferred to another locality. An Enforcement Office that at the time the Act enters into force serves more than one enforcement district may temporarily have more than one position as senior district bailiff. One of these positions shall be responsible for serving as the head of the Enforcement Office, and the provisions of this Act on senior district bailiff apply to such senior district bailiff. The position of senior district bailiff serving as head of the Office shall be filled the first time without a public notice inviting applications for the position, if the senior district bailiff or the district bailiff whose place of business is located in the jurisdiction of said Enforcement Office at the time this Act enters into force is appointed to the position. Those senior district bailiffs for whom the jurisdiction of their office corresponds to the jurisdiction of the Enforcement Office shall continue in office.

5. What is provided above in chapter 1, section 14 applies to appointments to office made after this Act enters into force.
6. Provisions concerning the assistant bailiff apply, after the entry into force of this Act, to the deputy bailiff-in-charge.
7. Chapter 2, sections 24 through 28 of this Act apply also to a ground for enforcement given before the Act entered into force and to the receivable referred to therein and to an enforcement matter pending at the entry into force of this Act. If however a ground for enforcement has been given before 1 March 1993, the time limit for the ground for enforcement and the limitation of action on the receivable shall be calculated from said date.
8. Chapter 3, section 113, paragraph 1 of this Act applies to matters that become pending after the Act enters into force.
9. An appeal against an enforcement measure or a decision of a bailiff that had been taken before this Act enters into force shall be lodged and the appeal shall be considered in accordance with the earlier Act. An action for contested enforcement where the instructions for appeal had been issued or that had been lodged without instructions before this Act enters into force shall be considered in accordance with the earlier Act.
10. Measures necessary for the implementation of this Act may be taken before its entry into force.

Section 3 — Reference provisions

If another Act or Decree refers to the Enforcement Act, the corresponding provisions of this Act apply.

Entry into force and application of the amended enactments:

9 November 2007/987:

This Act shall enter into force on 1 January 2008.

Measures necessary for the implementation of the Act may be taken before its entry into force.