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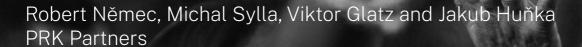
# Collective Redress & Class Actions 2022

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Czech Republic: Law & Practice

and

Czech Republic: Trends & Developments



# **CZECH REPUBLIC**

# Law and Practice

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# 1. Policy Development of Collective Redress/Class Action Mechanisms

# 1.1 History and Policy Drivers of the Legislative Regime

As set out in more detail in other sections, Czech legislators are currently discussing introducing the concept of collective redress into the Czech legal system following, and on the basis of, European Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers (the EU Representative Actions Directive). There is currently no uniform and comprehensive regulation of collective redress in the Czech Republic.

There have been some legislative attempts to introduce complex regulation of collective redress in the Czech Republic since 2017, leading to the draft Act on Collective Redress that was presented to Parliament by the Ministry of Justice in 2020. As a consequence of parliamentary elections in 2021 and the subsequent change in the government, this draft was withdrawn and the current government is now working on a new regulation of collective redress. The new draft is likely to take a slightly more conservative and limited approach to the introduction of this concept into the Czech legal system as opposed to the previously proposed text. It is expected that the new draft will only include representative actions and the opt-out system will not be included.

The general policy driver presented to justify the introduction of collective redress into the Czech legal system is to create a better balance between large corporations on the one hand and consumers on the other in matters where pursuing their rights individually would create a disproportionate burden on the consumers, often causing so-called rational apathy on the consumers' side. Cases of large-scale corporate fraud that went unpunished on the civil law front were often referred to as well.

Another driver behind the proposed introduction of class actions in the Czech Republic is the more frequent discussion of the issue on the European level, which ultimately concluded with the adoption of the EU Representative Actions Directive.

# 1.2 Basis for the Legislative Regime, Including Analogous International Laws

The Czech Republic currently does not have comprehensive regulation of collective redress; the current regulation consists of fragments of collective action principles dispersed throughout the legal system and is largely based on EU law. Certain elements of collective redress can be seen in the areas of insolvency, unfair competition and copyright law.

# 1.3 Implementation of the EU Collective Redress Regime

The specific manner of implementation of the EU collective redress regime is currently under discussion by Czech legislators and the final decision on the specific approach has not yet been adopted.

It is likely that the legislators will opt for an amendment to the Code of Civil Procedure rather than the adoption of a separate new act on collective redress. At the same time, however, it is expected that only those provisions of the EU Representative Actions Directive that are strictly required to be implemented will be reflected in Czech law. The scope of collective redress regulation is therefore likely to be relatively limited in the Czech Republic.

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With respect to eligible claimants, this will mean that the group seeking collective redress may only consist of consumers. Such claimants (consumers) should only be allowed to be represented by a vetted non-profit organisation. Similarly, the source of the funds used to finance the proceedings may be subject to verification. The aim of these restrictions is to prevent speculative class actions being filed, the sole objective of which would be to generate as much profit (for the funders) as possible.

Another alternative that is also being considered is to initiate proceedings concerning only the legal basis of the claim, ie, a pilot claim. A judgment issued in such proceedings, if successful, would then be followed by separate claims filed by individual consumers on the basis of such overarching decision. The courts would then only assess the amounts of damages to be awarded to individual claimants, while being bound by the original judgment regarding the legal basis of the claims.

The above option would appear to suit the Czech legal system in light of the fact that normally in claims for damages each party must prove the exact amount of damage incurred. In other words, Czech courts are generally not inclined to generalise when determining the amount of damages or to award the same amount to everyone who has a similar claim.

Czech law does not recognise the concept of punitive damages, which may, for example, be awarded in the USA. Punitive damages would be subsequently evenly distributed among the group of claimants and in effect provide for compensation often greatly exceeding the value of damage actually incurred.

Conducting proceedings only on the legal basis of a claim and then referring the successful claimants to potential subsequent individual proceedings therefore appears to be a more efficient option than requiring that the amount of damage incurred by each group member is determined in single class action proceedings. On the other hand, in some cases, where potentially thousands or tens of thousands of individual claims would be filed in a short period of time following a judgment regarding the pilot claim, this instrument could lead to overburdening of Czech courts which are already very busy as things stand.

The EU Representative Actions Directive requires that the relevant class redress regulation is implemented into national legislation, and becomes effective, by 25 June 2023. Considering the stage at which this legislative proposal currently finds itself, it seems very unlikely that this deadline will actually be met.

# 2. Current Legal Framework and Mechanisms Applicable

# 2.1 Collective Redress and Class Action Legislation

As already mentioned, the Czech Republic currently does not have a comprehensive legal framework that would regulate collective redress or class actions as such. Elements and instruments that at least remotely resemble the concept of representative or class actions can, however, be found in Czech law. These include, for example, the possibility of having multiple parties on either side of a dispute (see 4.1 Mechanisms for Bringing Collective Redress/ Class Actions) or in proceedings concerning copyright or protection against unfair competition, consumer protection claims or claims for

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damages or for adequate consideration arising in connection with mandatory takeover bids or squeeze-outs.

In the event of unfair competition practices, the Czech Civil Code allows for organisations authorised to defend the interests of competitors or customers to apply to the court for an infringer to be ordered to refrain from behaviour constituting unfair competition or to remedy the defective condition. To note, under Czech law, the term customer includes not only consumers but also entities or individuals who have purchased goods from competitors in connection with their business activities. Such claims (applications) are filed on behalf of all the competitors or customers affected by the infringer's actions; however, they are themselves not parties to the proceedings. Most importantly, this type of representative action cannot be used to claim damages or unjust enrichment. This principle also applies to claims filed by consumer protection organisations under the Czech Consumer Protection Act where the only remedy available is for the court to order the infringer to refrain from illegal activities.

The Czech Copyright Act allows collective administrators of authors' rights (private entities with relatively significant powers resembling those of public authorities) to seek collective redress against copyright infringers. While the scope of relief sought is not limited like in the above case of unfair competition, the range of persons protected by this regulation is relatively narrow.

The initiation of proceedings in relation to claims for compensation of damage or for adequate consideration in connection with takeover bids or squeeze-outs establishes a lis pendens obstacle with respect to claims brought by other claimants against the same defendant concerning the same matter - multiple proceedings initiated by multiple claimants in relation to the same matter cannot run simultaneously. The final decision in the matter is then therefore binding on the defendant (the majority shareholder) with respect to all other persons or entities involved (former minority shareholders). Consequently, if, for example, the defendant in such claim is ordered to pay a higher price to the claimant for their shares transferred during a takeover bid or squeeze-out, that defendant will be obliged to pay the same price to every other shareholder that transferred their shares to the defendant.

# 3. Scope and Definitional Aspects of the Legal Framework

## 3.1 Scope of Areas of Law to Which the Legislation Applies

Currently there is no comprehensive regulation of collective redress or class actions in the Czech Republic.

The limited areas where quasi-collective redress is available under Czech law have been described in other sections and include certain aspects of unfair competition, copyright law or disputes arising in connection with takeover bids or squeeze-outs.

As further discussed above, after the EU Representative Actions Directive is implemented into the Czech legal system, it appears likely that collective redress will be available to consumer actions only.

#### 3.2 Definition of Collective Redress/ Class Actions

There is currently no specific legal regulation of class actions or collective redress in the Czech

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Republic which would provide a definition of the concept under Czech law.

# 4. Procedure for Bringing Collective Redress/Class Actions

# 4.1 Mechanisms for Bringing Collective Redress/Class Actions

Since there is currently no comprehensive regulation of collective redress or class actions in the Czech Republic, it is necessary to proceed through ordinary civil proceedings even in cases where there are multiple claimants. In such proceedings, each of the claimants has the status of a party to the proceedings and has all associated rights and obligations; most importantly, they have the right to make their own decision on each procedural step and the obligations to pay the court fee and to pay the defendant's costs of proceedings should the lawsuit fail. It is, of course, also possible for the group of claimants to appoint a joint legal representative.

A possible alternative to the standard approach to collective redress is for persons who have identical (or very similar) claims against the same defendant to assign their claims to one individual or (the more likely option) to one entity that will then collectively enforce all the assigned claims in court. Such person or entity would pay claimants an agreed portion of the amount awarded (and actually paid) by the defendant in the event of a successful claim. All procedural rights and obligations lie with the single person or entity that files the claim with the court.

The enforcement of assigned claims may, however, be relatively challenging and uncertain as the validity of the assignment may be contested on various grounds, including the failure to sufficiently and appropriately specify the claims being assigned in the assignment agreement, which may ultimately result in the dismissal of the entire claim by the court. Moreover, not all types of claims may be enforced this way because not all types of rights are assignable (eg, personality rights).

#### 4.2 Overview of Procedure

As there is no special regulation under Czech law, it is generally necessary to follow standard civil procedure where either each claimant has the status of an individual party to the proceedings or, if the claimants decide to assign their receivables, the assignee acts as the sole claimant in the proceedings.

In the first case (ie, when all claimants are parties to the proceedings) the action may either be brought jointly, with the possibility of appointing a joint legal representative for all the claimants, or, if there are multiple individual proceedings pending regarding identical or similar claims against the same defendant, the court may, if deemed appropriate, decide to consolidate the multiple proceedings into one.

After the implementation of the EU Representative Actions Directive, it is expected that the procedure will consist of two phases. In the first phase, the court will assess the admissibility of the class action. If the class action is found to be admissible, the proceedings will continue into their second phase where the merits of the case will be assessed and ruled upon. If the class action is found to be inadmissible (in the first phase of the proceedings), the claimants will likely be invited to exercise their claims in court individually.

#### 4.3 Standing

As the concept of collective redress or class actions is still not generally recognised under

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Czech law, the standing to bring such actions is very limited.

As regards the concepts remotely resembling class action proceedings mentioned in 2.1 Collective Redress and Class Action Legislation, the following persons or entities may have standing to bring a claim:

- organisations authorised to defend the rights of customers or competitors in unfair competition claims;
- collective administrators of authors' rights in copyright claims; and
- the assignee of any number of individual claims against the same defendant with the same factual and legal basis.

As part of the implementation of the EU Representative Actions Directive into Czech law, one of the options being considered is the option for independent non-profit organisations to file collective actions on behalf of consumers.

# 4.4 Class Members, Size and Mechanism (Opt In/Out)

The current discussions concerning the implementation of the EU Representative Actions Directive into Czech law suggest that only the opt-in mechanism is being considered. Each individual consumer wanting to participate in the proceedings would therefore have to proactively join the claimant group.

This has been negatively received by consumer protection organisations who generally have a preference for the opt-out mechanism and will likely try to persuade the legislators to consider and ultimately include this option in the relevant regulation as well.

#### 4.5 Joinder

It is currently unclear how joining further parties to collective redress/class action lawsuits will work under the legislation implementing the EU Representative Actions Directive, or whether this will be available at all.

Under currently applicable law, additional claimants may only join proceedings upon the request of the original claimant; this may be granted or rejected by the court depending on the specific circumstances of the case.

In cases where the rights of a group are exercised in court by one person (eq. the assignee of the individual claims), it is possible to extend the claimant pool by adding more individual assigned claims until the end of the first hearing, ie, until the point in the proceedings after which claimants are generally (with certain exceptions) not allowed to submit new facts or evidence. The claimant also needs to make sure that the claims added during the course of the proceedings are not time barred as the limitation period for each individual claim is suspended only once that particular claim is enforced in court. In other words, filing a claim regarding certain identical or similar claims has no effect on the running of the limitation period of other identical or similar claims that may exist that have not yet been filed with the court.

## 4.6 Case Management Powers of Courts

It is currently unclear what the specific role and powers of the court will be in collective redress proceedings. However, it can be assumed that these will not differ significantly from their role and powers in ordinary civil proceedings in the Czech Republic.

The other sections have discussed the option, under currently applicable legislation, to have

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multiple claims heard individually by a court or together with other identical or similar claims. The determination of whether to allow the consolidation of similar claims or to decide that each (or any) individual claim should be heard and decided in separate proceedings (even though they were originally brought together) is ultimately in the court's discretion. The court's decision on this aspect of the proceedings will usually depend on the similarity of the factual and legal bases of the individual claims, ie, on the likelihood that the same decision on the merits can be reached with respect to all (or most) of the claims. Depending on the outcome of such assessment, the court may also decide that only specific individual claims are to be excluded into and tried in separate proceedings while the remaining claims will continue to be heard in the original single proceedings.

# 4.7 Length and Timetable for Proceedings

It is impossible to provide a meaningful estimate of the length or a standard timetable of court proceedings as these can vary greatly depending on the specific circumstances of the case. Generally, the average length of proceedings in the Czech Republic is around one year for a case to reach a first instance decision, though this also includes simple cases or cases where the defendant does not actively participate in the proceedings. However, considering the possibility of appeals in a generally three-instance court system, some cases can take more than ten years to reach final judgment.

At this stage, it is not possible to provide even an educated guess as to the expected length of collective redress proceedings or to assess any timetabling aspects that may be in play once the EU Representative Actions Directive is implemented into Czech law. However, it is probably safe to assume that class action proceedings will take longer on average than standard proceedings.

## 4.8 Mechanisms for Changes to Length/ Timetable/Disposal of Proceedings

At the moment, no legal framework governing any procedural mechanisms allowing for changes to length, timetabling or disposal of proceedings is available for collective redress proceedings or class actions. It remains to be seen whether any such procedural mechanisms will be introduced upon the implementation of the EU Representative Actions Directive into Czech law.

#### 4.9 Funding and Costs

It is expected that under the collective redress regulation currently being prepared, there will be special rules governing the amount of court fees to be paid by the class representative. It is also expected that these fees will be set as a lower percentage of the claimed amount than is the case for individual claims.

The current rules pertaining to the compensation of the costs of proceedings – generally based on the "winner takes all" principle – should also apply to collective redress. One of the reasons for the requirement that the class representative be an established organisation with the relevant authorisation is to ensure that defendants who succeed in the proceedings receive any awarded costs, ie, it is presumed that the class representative will have sufficient funds to cover any such costs.

The possibility for the court to be able to examine and verify the origin of funds used to finance the proceedings is also being considered by legislators.

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#### 4.10 Disclosure and Privilege

Generally, with certain limited exceptions, Czech law does not recognise or apply the concept of discovery or compulsory disclosure in civil proceedings as it is against the general principle that no one can be "forced" to incriminate themselves.

However, the relatively recently adopted Act on Compensation of Damage in the Area of Competition, which implemented Directive 2014/104/ EU of the European Parliament and of the Council of 26 November 2014 on certain rules governing actions for damages under national law for infringements of the competition law provisions of the member states and of the European Union, has introduced the concept of pre-trial discovery into Czech law, though again in limited circumstances. Prior to the commencement of proceedings concerning damage caused by the restriction of competition, the court will, upon the claimant's request, impose an obligation on the defendant (or a third party) to make documents which may help ascertain the true state of affairs available to the claimant, provided the claimant has established with certainty, on the basis of available facts and information, the plausibility of the existence of a right to compensation of loss caused by the restriction of competition

There is also an exception to the general rule in situations where the claimant is not in possession of evidence supporting their claim but they are able to specifically identify such evidence and demonstrate that such evidence is under the defendant's control. Upon the claimant's justified request, the court may order the defendant to present such evidence to the court. If the defendant refuses to do so or fails to prove to the court that such evidence is in fact not in their possession, the contested facts shall be assessed to the defendant's detriment, ie,

the facts alleged by the claimant will thereby be considered proven for the purposes of the proceedings. This can, of course, also work the other way around, though such cases are less common.

It is expected that the new regulation on collective redress, which is currently being prepared, will allow for a wider application of the above exception in order to satisfy the minimum requirements set out in Article 18 of the EU Representative Actions Directive. Under this provision, member states are required to ensure that, where the claimant has provided reasonably available evidence sufficient to support a representative action and has indicated that additional evidence lies in the control of the defendant or a third party, the defendant or a third party may be ordered to disclose such evidence.

#### 4.11 Remedies

As mentioned in 2.1 Collective Redress and Class Action Legislation, the current legislation regulating the limited instances of collective redress under Czech law only provides for limited remedies, including cease and desist orders in unfair competition or consumer protection actions. It is expected that the implementation of the EU Representative Actions Directive into the Czech legal system will also introduce new remedies, such as damages.

#### 4.12 Settlement and ADR Mechanisms

Every judge should, at least formally, attempt to assist and encourage the parties to reach a settlement. Where the judges see fit, they may even order the parties to attend a mediation session. It remains to be seen whether these general rules will also apply to collective redress if the new legislation is adopted.

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It is expected that the envisaged implementation of the EU Representative Actions Directive into Czech law will also introduce the requirement for any settlement reached out of court (through mediation or otherwise) after the initiation of collective redress proceedings to be approved by the court.

Under the currently applicable legislation, any dispute may be resolved by an out-of-court settlement resulting in a withdrawal of the claim by the claimant and the acceptance thereof by the defendant, without the option of the court to intervene in any way. This option may, however, be limited for collective redress in order to protect members of the claimant group.

# 4.13 Judgments and Enforcement of Judgments

The nature of judgments to be issued in the envisaged collective redress legislation should be the same as for any other judgment issued in regular civil proceedings; in most cases, this will be a judgment imposing a payment obligation on one of the parties and having a binding effect on the parties to the dispute only. Considering the current proposal to only adopt the opt-in regime, it is not expected for the judgments to be binding on or with respect to parties who did not join the claimant group. At the same time, a judgment issued in a class action lawsuit may be of relevance for the assessment of similar claims raised individually.

Similarly, standard means of post-trial enforcement should be available against parties who fail to comply with the obligations imposed on them by a final and enforceable judgment.

Judgments issued in cases of collective protection against unfair competition (see 2.1 Collec-

tive Redress and Class Action Legislation) are binding only on the defendant, with respect to all customers and/or competitors. Judgments concerning claims for damages or adequate consideration in takeover bids or squeeze-outs are binding on the defendant with respect to all the minority shareholders who were involved in the transaction, despite not being parties to the proceedings in question.

### 5. Legislative Reform

#### 5.1 Policy Development

Currently, the specific form of implementation of the EU Representative Actions Directive and the introduction of the institute of collective redress into the Czech legal system is being discussed at the governmental and academic level. However, there is no significant initiative calling for the regulation of collective redress in the Czech Republic.

#### 5.2 Legislative Reform

The reform currently being considered consists of an amendment to the current procedural rules that will implement the EU Representative Actions Directive and consequently introduce the possibility of collective redress in consumer disputes in the Czech Republic.

#### 5.3 Impact of Brexit

Brexit has had no impact on collective redress/ class actions or the implementation of collective redress regulation into Czech legislation.

#### 5.4 Impact of COVID-19

The COVID-19 pandemic has had no impact on the regulation of collective redress in the Czech Republic.

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ATTORNEYS AT LAW

# Trends and Developments

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#### **General Overview of Recent Developments**

Although Czech law does not currently provide for the general possibility to assert a collective claim in a manner other than through standard court proceedings, it is still possible to find certain elements of collective protection of rights in the Czech legal system. These are, however, only applicable to a limited range of claimants or to relatively specific matters.

In the case of a joint claim for payment made by a group of claimants, the only option formally recognised by Czech law is for the group to file the claim jointly. Each of the claimants has the status of an individual party to the dispute and therefore also has all the rights and obligations that come with that role. The second available option, though this is dependent on the discretion of the court, is the power of the court to join more proceedings into a single joint action, generally for reasons of procedural economy. However, this approach does not remove the issue of each of the claimants being an individual and separate parties to the proceedings, which may lead to complications with respect to procedural arrangements and ultimately may even render the effective enforcement of the claim impossible.

Introducing the concept of class or representative actions into the Czech legal system, together with relevant comprehensive and complex legislation, has been actively pursued by the past and present governments of the Czech Republic. The previous government took a more comprehensive approach to the issue of class

actions - it presented a proposal for a separate new act on class actions, which would introduce the possibility of filing a class action for a relatively unlimited range of claims. Similarly, the parties with standing to bring class actions were not significantly limited under this proposal. The draft legislation also provided for the possibility of both opt-in and opt-out mechanisms depending on the size of the group and the amounts claimed per group member. The proposal was, however, not positively received by experts or by the Chamber of Deputies of Czech Parliament and was consequently returned to the government in order to be redrafted. Moreover, the original proposal did not respect and adhere to the wording of the EU Directive on representative actions for the protection of the collective interests of consumers (the EU Representative Actions Directive) and would therefore have had to be amended shortly after it being adopted, if indeed it were to be adopted. Due to the change in governments at the end of 2021, this legislative proposal was no longer pursued.

The new government, appointed in December 2021, has taken a different approach to the issue of class actions. Instead of introducing and regulating the issue in a separate law, it proposes to amend the current Civil Procedure Code which would then include certain class action instruments and elements of collective redress as required by the EU Representative Actions Directive. Moreover, under the new proposal, class actions would only be available in consumer disputes through an established non-profit organisation that obtains special authorisation

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to represent consumers in such proceedings. The legislation currently being drafted foresees the introduction of an opt-in regime only; every consumer would, in practice, have to individually actively register their claim.

In the context of the above, it should, however, be borne in mind that the draft of the proposed class action legislation has not been made available by the Czech Ministry of Justice (which is working on its preparation) yet. Any information available at this stage is therefore still very general, limited and, to an extent, uncertain. Of course, it cannot be ruled out that the final version submitted to Parliament, or adopted by Parliament after additional amendments, will differ in some respects from the general outline that has been made public so far. It is very unlikely that the Czech Republic will meet the deadlines to implement the EU Representative Actions Directive into national law (25 December 2022) and to bring the new regulation into effect (25 June 2023).

#### Indirect representation

In recent years, the absence of a comprehensive legal framework for collective redress in regular civil disputes (especially damages claims or claims for payment relating to defective products) has led to various attempts of finding ways to file claims on behalf of large groups in a regime resembling class actions within the current legal framework. A few entities came up with the idea of indirectly representing thousands of customers against large corporations in proceedings regarding claims for compensation of material or immaterial damage on the basis of an agency agreement, ie, an agreement whereby the client may authorise the agent to arrange any matter for the client on the client's behalf for a reward. In line with this concept, limited liability companies were set up for this purpose and the individual customers signed an agreement whereby they authorised these companies to indirectly exercise their claims against the defendants in court - indirectly meaning that the companies are to exercise the rights in their own name as parties to the relevant proceedings, but they do so on the customers' behalf. These companies would then grant powers of attorney to counsel to represent them in the disputes. However, these attempts have been rejected by Czech courts, indicating that Czech procedural law does not generally permit indirect representation in civil court proceedings and that conditions justifying an exception have not been met in the relevant cases. Nevertheless, the issue is still under review by the Supreme Court of the Czech Republic and may still be subject to review by the Constitutional Court.

# Claimants' arguments to justify indirect representation

The claimants based their position mainly on the argument that indirect representation of any number of people in court proceedings is not prohibited by law and that civil law is based on contractual freedom as well as the principle that anything that is not forbidden is permitted. They also referred to cases where the Czech Supreme Court has previously accepted indirect representation of a third party by the claimant in court proceedings.

# Defendants' arguments against indirect representation

The defendants, on the other hand, argued that the claimants are attempting to circumvent the law, or more specifically the absence of comprehensive regulation of class actions in the Czech legal system, and that the structure of indirect representation used by the claimants cannot be accepted for numerous reasons. The reasons provided include, in particular, the following.

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- Both the relevant case law of the Czech Supreme Court as well as expert literature and commentaries are unified in the opinion that an agency agreement cannot establish standing in civil proceedings. The principles mentioned by the claimants, such as contractual freedom or the freedom to do anything as long as it is not prohibited, generally apply to matters of private law but do not transfer to public law civil court proceedings are governed by the Civil Procedure Code which is a public law instrument and its provisions generally cannot be derogated from.
- The relevant provision of the Czech Civil Code only allows the agent to enforce (in court) on behalf of the client solely such claims that have arisen from or in connection with the matter which the agent had originally agreed to arrange for the client on the basis of their agency agreement.
- The cases mentioned by the claimant where indirect representation was accepted should be considered as exceptions to the general rule, which will be allowed only in very specific and justifiable cases (eg, representation of an ex-husband by their ex-wife in the enforcement of the ex-husband's part of a claim that arose while they were still married).
- Allowing the claimants to file civil claims on behalf of thousands of customers without having any comprehensive regulation on col-

lective redress in place may set a dangerous precedent that may lead to widespread abuse of the concept. One of the main reasons is that the companies representing the customers are not subject to any requirements, nor do they need any authorisation in order to ensure that they will be able to compensate the defendants' costs should the claim not succeed. Indeed, publicly available registers showed that the relevant companies engaging in these instances of indirect representation were set up for the sole purpose of enforcing specific claims in court and all their funds went towards the organisation of the group and initiation of the proceedings, causing them to be in significant debt (according to their financial statements). This, together with the issue of transparent litigation funding, is also one of the issues that should be dealt with by the new legislation on collective redress.

#### Conclusions of courts

So far, Czech courts have concluded that, save for exceptions established by law, only the party whose rights are the subject of the proceedings in question have standing. Consequently, any attempts at filing a class action in the absence of a legislative framework permitting such actions to proceed have been dismissed thus far.

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