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Act LXXX of 2003

On Legal Aid

In order to encourage the creation of institutions for the socially disadvantaged in which they will be able to receive professional legal advice and representation in court in the course of asserting their rights and resolving legal disputes, Parliament hereby adopts the following Act:

Part I

AID PROVIDED UNDER LEGAL AID AND THE CRITERIA FOR ELIGIBILITY

Chapter I

EXTRAJUDICIAL AID

Forms of Aid

Section 1.

(1) The State shall, within the framework of providing legal aid, provide assisted persons (hereinafter referred to as the "party") extrajudicially with the right to have recourse to legal aid as provided for herein (for the purposes of this Chapter, hereinafter referred to as "aid").

(2) Legal aid providers shall give the Parties legal advice or prepare submissions or other papers for them, and - if so authorized - inspect the documents of their case (hereinafter referred to as "providing legal services"), and the State shall pay or advance the legal aid providers in lieu of the Parties for the pertinent costs and fees in the amounts specified by law (hereinafter referred to jointly as the "legal services fee").

(3) The hourly fees of legal aid providers shall be established by Parliament in the Central Budget Act in such a manner that the amount will be the same or higher than the fee established for the previous year.

Section 2.

(1) If, owing to their income and financial situation, a party becomes entitled to have the State assume payment of the legal services fee (Section 5), the party shall have recourse to legal services without cost.

(2) If, owing to their income and financial situation, a party becomes entitled to have the State assume advance payment of the legal services fee (Section 6), the party shall repay the State the advanced fee within the period stipulated in the resolution authorizing the aid. A period of not more than one year may be granted for repayment, and repayment in installments within this term may also be authorized.

Conditions for Receiving Aid

Section 3.

(1) Aid may be granted to a party if

a) the party is involved in a legal dispute in relation to which a lawsuit might be instituted at some time in the future and it is necessary to provide legal advice in order to inform the party of their procedural rights and obligations or it is necessary to prepare a submission in order to make a subsequent deposition;

b) the party is involved in a legal dispute that can be settled out of court and it is necessary to provide the party with information regarding the possibilities of an out-of-court settlement or to draft a document for the party that will help settle the dispute;

c) the party is taking part in an out-of-court mediation to settle a legal dispute and the party is in need of legal advice prior to signing the agreement terminating the mediation;

d) the party's knowledge of the law in matters directly affecting their day-to-day livelihood (in particular, issues related to housing, labor law, or the public utilities) is necessary;

e) the party takes part in an administrative procedure and is in need of legal advice in order to understand their procedural rights and obligations or a petition has to be prepared in order to make a legal statement;

f) the party requires legal advice as to what type of proceedings should be instituted in order to protect his/her rights, and at which authority or organization, or if a petition has to be prepared in order to be instituted or in the course of such proceedings, or to make a legal statement;

g) the party is the victim of a crime and is in need of legal advice or requires assistance for the preparation of a petition (statement of claim, request, complaint, indictment etc.) in order to file charges, understand their procedural rights and obligations, or institute a lawsuit for compensation for the damage caused by the crime or for any injury, legal or otherwise;

h) the party asks for help in the preparation of a petition for extraordinary legal remedies in civil or criminal proceedings.

i) the drafting of legal instruments is required on behalf of a young adult recently released from temporary or extended institutional care, for securing adequate housing or obtaining his/her first home.

j) the party is involved in a court proceeding pending and in need of legal advice in order to understand his procedural rights and obligations, to reach a settlement out of court so as to conclude the dispute, or to prepare a petition with a view to making a deposition, provided that the party has no legal counsel available in the proceeding and the appointment of a litigation friend would not be justified.

(2) Legal aid may be provided to a party in a case or in connection with a case that falls within the jurisdiction of a Hungarian court or a Hungarian authority, and in connection with a legal dispute, where the subject matter of the case is located in Hungary. Persons domiciled or having a habitual and legal residence in Hungary may obtain legal aid even if the civil or commercial case in which they are involved has been instituted in front of the court of another Member State of the European Union (hereinafter referred to as "other Member State") or if such court has jurisdiction to conduct the proceedings.

(3) In the cases referred to in Paragraphs a)-h) of Subsection (1) no aid may be granted:

a) for drafting contracts unless the signatories thereto jointly apply for the aid and all of them are equally eligible;

b) for legal advice concerning:

1) the conditions for raising loans disbursed by a financial institution,

2) legal transactions, in which no legal statement may be made unless drawn up in a document countersigned by a lawyer or in a notarial document, except when the alienation or encumbrance of the real property used by the party and the party's family as a residence is the subject matter of the legal transaction;

c) for complaints concerning constitutional law;

d) in cases connected with entrepreneurial or investment activities conducted by private persons, with the exception of:

1) the cases referred to in Paragraph g) of Subsection (1), if the crime committed is related to this activity;

2) cases relating to the enforcement of charges made in connection with the activity, if the contract for the entrepreneurial conduct pertains to activities which are to be performed by a natural person without the involvement of any subcontractors, and if the place where the work is performed is specified and if there is a clause stipulating payment of the fee in instalments,

- e) in cases connected with the establishment or operation of social organizations;
- f) for customs matters.

(4) General information relating to the rights and obligations of crime victims in criminal proceedings shall be conveyed in accordance with another act by the victim protection service.

Section 4.

(1) Aid may be granted to a party if

a) the party is a Hungarian citizen;

b) the party is requesting legal aid in connection with obtaining a visa, obtaining authority to reside or permanent resident status, or in a naturalization case, if the party's ascendant is or has previously been a Hungarian citizen, furthermore, if the party is engaged in repatriation or an asylum procedure,

c) the party is not a Hungarian citizen and their state has concluded an international agreement to this effect with the Republic of Hungary or reciprocity exists between their state and the Republic of Hungary;

d) the party has the right of free movement and residence in accordance with the Act on Admission and Residence of Persons with the Right of Free Movement and Residence;

e) the party falls under the scope of the Act on the Admission and Residence of Third-Country Nationals who is domiciled or has a habitual and legal residence in the territory of the Republic of Hungary, in any Member State of the European Union, or in any State that is a party to the Agreement on the European Economic Area, furthermore, in any other country whose citizens are enjoying the same treatment as nationals of States who are parties to the Agreement on the European Economic Area by virtue of an agreement between the European Community and its Member States and a State that is not a party to the Agreement on the European Economic Area;

f) the party has been granted residence permit on humanitarian grounds.

(2) The statement of the minister in charge of the judicial system (hereinafter referred to as "minister") shall be authoritative in regard to the existence of reciprocity.

(3) The provisions of this Act pertaining to the Member States of the European Union shall not apply to Denmark.

Section 5.

(1) The State shall pay a party's legal services fees if the party's monthly net income (wage, pension, or other regularly paid cash allowances) does not exceed the current minimum retirement pension (hereinafter referred to as the "minimum pension") established on the basis of the period of employment, and the party has, in consideration of the provisions of Section 9, no property.

(2) Irrespective of their income and financial situation, the following persons shall be considered in need:

a) a party who is eligible for benefits provided to persons of active age, or if living in the same household with the close relative - as specified in Act III of 1993 on Social Administration and Social Welfare Benefits - of a party who is eligible for benefits provided to persons of active age;

b) a party who receives public healthcare or whose entitlement to medical services has been established;
or

c) a party who is a homeless person spending nights at temporary lodgings;

d) a party who is a refugee or temporarily protected person, or a person seeking refugee status or temporarily protection or stateless status and, on the basis of their statement regarding their income and financial situation, is entitled to the care and benefits they have been granted,

e) any party who is requesting legal aid in connection with obtaining a visa, obtaining authority to reside or permanent resident status, or in a naturalization case, whose ascendant is or has previously been a Hungarian citizen, furthermore, if the party is engaged in repatriation procedure.

f) a party who cares for a child in his/her family who has been declared eligible to receive regular child welfare subsidies.

(3) Furthermore, the State shall pay a party's legal services fees if the party in question is single, and considered poor according to the criteria contained in Section 9, and his/her available income does not exceed one hundred and fifty per cent of the prevailing minimum pension.

Section 6.

The State shall advance the party's legal services fees if the monthly net income available to the party does not exceed 43 per cent of the national average of the gross monthly wage published by the Central Statistical Office for the second year prior, and the party has - in consideration of the provisions of Section 9 - no property.

Section 7.

(1) When calculating available income, the income of persons living in the same household with the party shall be included in the monthly income, except when such persons are adverse parties in a legal dispute or government procedure with the party and that amount shall be divided by the number of persons living in the same household with the party.

(2) The following shall be deducted from the aggregate income of persons living in the same household when determining available income:

- a) the amount of alimony or allowance payable by them pursuant to legal regulation; and
- b) the amount of the monthly payment they have paid on loans disbursed by a financial institution (employer) for housing purposes if, at the time the loan was taken out, the dwelling satisfied the criteria stipulated in specific other legislation for reasonable housing requirements.

Section 8.

(1) Need must also be established in cases in which the party's available income exceeds the amount limit prescribed for persons in need, but

- a) the party is prevented from exercising the right of disposal of their income to an extent that makes it impossible to use legal services;
- b) it is impossible for the party, even with such an income, to use legal services because of their other personal circumstances - such as their disability or the high costs of living in the state of their domicile or habitual residence; or
- c) the party is compelled to spend their income for purposes other than legal services whose neglect would provide an imminent threat to the life, limb, health or livelihood of the party or other persons living in the same household.

(2)

Section 9.

(1) Need cannot be established if the party's available income does not exceed the amount limit prescribed for persons in need and the party has a property that could be used (sold, mortgaged etc.) to cover the costs of legal services. Property whose use would entail a loss that disproportionately outweighs the advantages to be derived from using legal services cannot be considered for the purpose of this rule.

(2) The following, in particular, may not be considered property as specified in Subsection (1):

- a) customary necessities and furnishings;
- b) real properties of the party that serve as housing for the party and their dependants;
- c) vehicles used by motor-disabled persons and vehicles without which the party would not be able to practice their profession; and
- d) property necessary for earning the income not exceeding the amount limit prescribed for persons in need.

Section 9/A.

If a party presenting a request for aid under Paragraph g) of Subsection (1) of Section 3 has been declared a crime victim upon the proceedings governed in specific other legislation, and that he/she is therefore eligible for victim protection services, the provisions on need for aid as set out in Sections 5-9 shall apply subject to the exception that the Government shall cover the costs of legal services instead of the party if the available net monthly income of the party does not exceed 86 per cent of the national average of the gross monthly wage published by the Central Statistical Office for the second year prior.

Disallowance of Legal Aid

Section 10.

(1) Aid may not be given if the party has already received the necessary aid in a particular case or if the state administrative agency proceeding in the party's case has helped the party prepare their submission.

(2) No aid may be granted to a party:

a) for a period of five years from the date of withdrawal if any previously granted aid (including the aid provided under Chapters II and III) had been withdrawn on account of the disclosure of false data;

b) if, despite of being obliged to do so, the party failed to repay to the State the fee for legal services previously provided to him/her, or to another person; or

c) if the party obstructs an investigation intended to verify the information provided in his application.

(3) In the event described under Paragraph b) of Subsection (2), a party may be granted legal aid in exceptional cases if the party can credibly prove that their income and financial situation or other personal circumstances have deteriorated to such an extent that they will not be able to repay the fee for the legal services received through no fault of their own.

Chapter II

AID IN CIVIL PROCEEDINGS

Forms of Aid

Section 11.

The State shall, within the framework of providing legal aid, grant the plaintiff, defendant, intervenor (third party), petitioner and respondent representation through a litigation friend in judicial and nonjudicial civil proceedings (hereinafter referred to as "legal proceedings") as defined in specific other legislation, and shall advance the costs thereof or pay them on behalf of the party.

Section 11/A.

(1) The fee of a legal aid provider acting as a litigation friend on behalf of a party who has been granted exemption from costs under the Act on the Code of Civil Procedure (in this Chapter hereinafter referred to as "exemption from costs") to be borne by the State shall be paid in accordance with this Act - in connection with partial exemption, up to the amount approved -, and the State shall advance the fee of the said litigation friend as laid down in specific other legislation.

(2) If the State guarantees representation through a litigation friend to the party under Paragraph *a)* of Section 14, and if the adverse party is not required by way of court order to cover the fee of the attorney acting as a litigation friend, the fee of the attorney acting as a litigation friend shall be paid by the State. Otherwise the provisions of Subsection (1) shall apply to the fee of the attorney acting as a litigation friend.

(3) If, according to the court ruling, the adverse party is required to cover the fee of the attorney acting as a litigation friend, this party shall be liable to reimburse the State for the fee of the attorney acting as a litigation friend as advanced.

Section 11/B.

(1) If the State provides representation through a litigation friend to a party according to Section 15, it shall advance the fee of the attorney acting as a litigation friend as well.

(2) If, according to the court ruling, the adverse party is not required to cover the fee of the attorney acting as a litigation friend, the party shall be liable to reimburse the State for the fee of the attorney acting as a litigation friend as advanced.

(3) If, according to the court ruling, the adverse party is required to cover the fee of the attorney acting as a litigation friend, this party shall be liable to reimburse the State for the fee of the attorney acting as a litigation friend as advanced.

Conditions for Receiving Aid

Section 12.

Legal aid shall be available to a party who is considered in need under Section 13:

a) who, because of their lack of knowledge in legal matters and the intricacy of the case, would not, by proceeding personally, be able to successfully represent their interests in the suit or effectively exercise their procedural rights, or

b) in whose lawsuit legal representation is obligatory.

Section 13.

Legal aid may be made available to:

a) a party who is in conformity with the conditions set out in Subsection (1) of Section 4;

b) persons who file petitions for court review of decisions made within the framework of an asylum procedure;

c) a foreign party in the cases where right to a record of material costs has been granted;

d) priority public-benefit organizations and trade unions in connection with the aid referred to in Section 15 in legal proceedings instituted by them in the public interest pursuant to authorization by specific other legislation.

Section 14.

The following persons shall be considered in need:

a) the party to whom the conditions set out in Sections 5 and 7-9 apply;

b) the party who is granted personal exemption from costs, if the exemption covers the costs of representation through a litigation friend, as well as the party to a case where the proceedings are exempt from charges.

Section 15.

The following persons shall be considered in need in addition to those described in Section 14:

a) the party to whom the conditions set out in Sections 6 and 7-9 apply;

b) the party to whom the conditions set out in Section 9/A apply, if declared a crime victim upon the proceedings governed in specific other legislation, and that he/she is therefore eligible for victim protection services and for compensation for the damage caused by the crime, or if he/she files charges to initiate a

lawsuit for the prevention of any injury, legal or otherwise, stemming from the crime in question, except if the party in question is considered in need according to Section 14;

- c)* the party in the cases where right to a record of material costs has been granted;
- d)* the bodies referred to in Paragraph *d)* of Section 13 regardless of their financial situation.

Disallowance of Legal Aid

Section 16.

(1) No aid may be granted, even if all criteria have been properly met, in the following cases:

a) the party has already received the costs of legal representation or effective legal representation has already been provided for the party in a particular case as aid granted within the framework of another state aid system;

b) the case is regulated under Subsection (2) of Section 10 unless the provisions of Subsection (3) of Section 10 can be applied.

c) the party is requesting aid for a lawsuit defined under Paragraphs *d)-f)* of Subsection (3) of Section 3.

(2) Paragraph *a)* of Section 14 and Section 15 notwithstanding, under which the party's need is determined, aid may not be authorized in the following cases:

a) the party's litigation appears to be malicious or completely without merit from the outset;

b) the party appears as an assignee and it is likely that the purpose of the assignment is to make it possible for the party to litigate with the use of the aid;

c) the procedure is for prior discovery;

d) the party is requesting aid in connection with the proceedings of notaries.

Chapter III

AID IN CRIMINAL PROCEEDINGS

Forms of Aid

Section 17.

(1) The State shall, within the framework of providing legal aid, grant the following aid on condition that the criteria set forth in Sections 18-20 have been satisfied:

a) personal exemption from costs for alternate private prosecutors [Subsection (3) of Section 343 of Act XIX of 1998 on the Code of Criminal Procedure (hereinafter referred to as "CCP")];

b) representation through a litigation friend for injured parties, private prosecutors, private parties and other interested persons [Subsection (3) of Section 57 of the CCP] as well as for substitute private prosecutors [Subsection (3) of Section 343 of the CCP] (for the purposes of this Chapter, hereinafter referred to jointly as "aid").

(2) The CCP shall determine the content of the personal exemption from costs and representation through a litigation friend.

Conditions for Using of Aid

Section 18.

The representation of injured parties, private prosecutors, private parties and other interested persons through a litigation friend as well as personal exemption from costs and the representation of substitute

private prosecutors through a litigation friend may be authorized subject to the fulfillment of other criteria as set forth herein, regardless of their citizenship.

Section 19.

(1) With the exception set out in Subsection (3), injured parties, private prosecutors, private parties and other interested persons shall be considered in need of the aid if:

- a)* they satisfy the criteria set forth in Sections 5 and 7-9 in terms of income and financial situation, or
- b)* they satisfy the criteria set forth in Section 9/A in terms of income and financial situation, and if declared a crime victim upon the proceedings governed in specific other legislation, and that he/she is therefore eligible for victim protection services.

(2) No aid may be granted if:

a) the case is regulated under Subsection (2) of Section 10 unless the provisions of Subsection (3) of Section 10 can be applied; or

b) the party has already received the costs of legal representation or effective legal representation has already been provided for the party in a particular case as aid granted within the framework of another state aid system.

(3) Minor injured and private parties shall be eligible for aid regardless of their income and financial situation; no aid, however, may be granted to them if the party has already received the costs of legal representation or effective legal representation has already been provided for the party in a particular case as aid granted within the framework of another state aid system.

Section 20.

(1) The right to representation through a litigation friend shall be due to injured parties, private prosecutors, private parties and other interested persons who are in need in accordance with Section 19 and who, because of the intricacy of the case, their lack of legal expertise or other personal circumstances would not, by proceeding personally, be able to effectively assert their procedural rights.

(2) The right to representation through a litigation friend shall be due to the following parties without consideration of the circumstances described in Subsection (1):

- a)* minor injured and private parties;
- b)* substitute private prosecutors who have been granted exemption from costs and have not passed the bar examination.

Part II

USE, DISBURSEMENT AND REPAYMENT OF AID

Chapter IV

COMMON PROCEDURAL RULES

Section 21.

Application for Authorizing Aid

Section 22.

(1) Parties shall submit applications for the aid specified in this Act (hereinafter referred to collectively in this Chapter as “aid”) to the legal assistance service by filling in the form prescribed for this purpose in one copy and indicating the following data:

a) particulars necessary for the establishment of eligibility for aid (name, date of birth, mother's name, residence; data relating to job, income, and property status; and the same particulars for persons living in the same household with the party);

b)-c)

(2) Applicants shall have attached the documents and/or official certificates in proof of eligibility for aid, or shall present the official card evidencing their eligibility for aid.

Time limit for Evaluating Applications

Section 23.

(1) The legal assistance service shall make decisions - where possible - immediately, or within three working days maximum regarding applications submitted in person (if it can be determined on the basis of the application that the conditions for granting aid have been met); decisions regarding applications submitted in writing shall be made within ten working days.

(2) In proceedings for the authorization of aid the following shall be considered as decisions adopted on the merits of the case:

a) granting the aid or refusal of the application for aid;

b) withdrawal of the aid;

c) setting the amount of the aid;

d) order for the repayment of aid;

e)

Reporting Changes in Data

Section 24.

Parties shall be required to report to the legal assistance service any changes in the data used to authorize the aid within three days before receipt of the legal assistance service resolution authorizing the aid.

Verification of Data Indicated in Applications

Section 25.

(1)-(2)

(3) For the purpose of examining the conditions for granting aid, the tax authority shall, on request, provide the legal assistance service with confidential tax information, and the appropriate competent authorities shall give the legal assistance service information on the party's eligibility for the aid indicated in Subsection (2) of Section 5.

Section 26.

Review and Withdrawal of Aid

Section 27.

(1) During a review procedure, the legal assistance service shall verify compliance with the requirements necessary for authorizing aid.

(2) The legal assistance service shall withdraw the aid and order the party to repay the amount thereof if

a) in the course of the review, the party fails, in spite of being duly notified, to report the data necessary for authorizing aid or to attach the certificates requested;

b) the conditions for receiving aid were not even fulfilled at the time the application was filed, or the party provided false data in the aid application;

c) the party is subject to any of the grounds for exclusion specified in Subsection (2) of Section 10.

Assistance in Using Aid, Other Counseling

Section 28.

(1) The legal assistance service shall, free of duty and charge, provide Parties who come to them with information on aid; the conditions for authorizing, reviewing, withdrawing and repaying it; and legal aid providers and their contact data; legal assistance service shall also provide the necessary aid application forms and help the Parties fill out the forms.

(2) The legal assistance service shall, free of duty and charge and without investigating the party's income and financial situation, inform the Parties who come to them concerning the court or authority that has the competence to evaluate their applications and the costs of initiating and conducting the procedures; legal assistance service shall, furthermore, provide brief information on less complicated legal matters. The legal assistance service shall convey the information verbally, in person or over the phone if the party appeared in person, without recording the conversation in any way or form, or in writing if the party communicated the question in writing. Information to any person who has been injured or victimized by a crime relating to the criminal proceedings to be launched or in progress in connection with the crime shall be provided by the victim protection service in accordance with specific other legislation.

Section 29.

Sections 30-31.

Court Review

Section 32.

(1) The court shall decide on the petition for review of the resolution in non-judicial administrative proceedings within thirty days, and may require additional proof apart from documentary evidence. The court may reverse the resolution if found illegal.

(2)

Aid Records

Section 33.

(1) In the interest of judging the applications for aid and checking due discharge of repayment obligations, the legal assistance service shall keep a record of the aid that is granted.

(2) The records kept by the legal assistance service shall be integrated into a nationwide database.

Section 34.

Each record shall contain the following data:

- a) name, date of birth, mother's name and domicile of the party;
- b) relevant data required for judging the application:

- 1) content of the resolution (authorization, rejection),*
- 2) date on which the resolution is issued,*
- 3) judgment of petitions for legal remedy, the date when the resolution becomes legally valid,*
- 4) data of duplicated proceedings (in accord with points 1-6),*
- 5) form of the aid,
- 6) data pertaining to any review of the aid.*

Section 35.

(1) The legal assistance service shall keep and manage the data on record for a period of 10 years from the date on which the aid application is submitted and shall protect such data against unauthorized access, publication or unlawful use.

(2) The legal assistance service shall provide information pertaining to the recorded data in response to requests from courts acting in criminal or civil proceedings, public prosecutors or investigating authorities acting in criminal cases, authorities carrying out attachments and, in the case specified in Subsection (3) of Section 43, legal aid providers.

Repayment of Aid

Section 36.

When a party is required to repay aid, the legal assistance service that originally authorized the aid and keeps a record of the outstanding debt by virtue of the final resolution shall oblige the party to do so by resolution.

Section 37.

In the event of failure to meet the repayment obligation, the legal assistance service may, at the party's request in justified cases, grant a one-time delay of repayment or installment repayment for a period of not more than six months unless repayment is to be fulfilled in accordance with the provisions of Subsection (2) of Section 27.

Section 38.

(1) If a party fails to meet the terms of payment established on the basis of Section 37, the legal assistance service shall call upon the party, in writing, to pay the arrears in full within 30 days.

(2) The outstanding amount of the aid shall be repaid to the targeted appropriation entitled "Legal Aid" (hereinafter referred to as "targeted appropriation") managed by the legal assistance service; the legal assistance service shall report to the minister concerning the appropriation of funds quarterly.

(3) Aid that has not been repaid shall be classified as public debts to be collected as taxes, and, in the case of failure to perform, the legal assistance service shall request the authority with jurisdiction to collect the outstanding debt.

Equitable Considerations Relating to the Repayment of Aid

Section 38/A.

The legal assistance service may reduce or cancel the party's outstanding debt upon the party's request submitted between the time when the resolution on the repayment obligation becomes enforceable and the last day of the time limit for repayment - unless the repayment obligation results from the withdrawal of the aid -, if the party's need has changed to the extent and under the conditions described in Section 5 and in Sections 7-9, and if the party is able to verify the changes in his circumstances by way of the means specified in Section 22. The decision adopted for reducing or canceling the amount of aid to be repaid may not be appealed.

Other Procedural Regulations

Section 39.

(1)

(2) The application of a client shall be construed as a request for urgent legal aid if it shows that if the legal aid is not provided immediately, or at most within eight days the client is likely to miss a certain specific deadline prescribed for a legal statement, or if urgent need for the aid is otherwise justified by the nature of the case.

(3) In the proceedings under this Act the client's right shall not apply to a court or an authority in whose proceedings or in connection with which the aid is provided.

(4) In aid related proceedings no legal succession is allowed, with the exception where repayment of the aid is demanded.

(5) In connection with the proceedings conducted under this Act, unless otherwise prescribed in an international agreement, documents made out in a language other than Hungarian shall be accepted in a translation, whether or not certified, and no certified translation is required of Hungarian documents destined to be sent to abroad.

(6) The documents of a case may be reviewed by the persons and authorities referred to in Subsection (2) of Section 35.

(7)

(8)

(9) No duty or fee shall be required for submitting an application for proceedings under this Act; however, the party is required to cover the costs of interpretation and translation services as they may be necessary in the course of the proceeding, except:

a) in connection with bearing the costs of translation of a decision adopted in connection with a petition submitted by a person acting on behalf of a minority organization or by a natural person falling within the scope of the Act on the Rights of National and Ethnic Minorities, furthermore, where an authority opens *ex officio* proceedings which require immediate action involving a person who is not a Hungarian citizen and who does not speak the Hungarian language - including any natural person acting on behalf of a legal person or an unincorporated body - during their stay in Hungary, or if a natural person requests urgent legal protection from an authority,

b) if the client was informed according to Subsection (2) of Section 28;

c) if the client has been granted aid, or if application for aid was rejected for reasons other the lack of need;

d) if expressly prescribed in this Act.

(10) The provisions on the repayment of aid shall duly apply to the payment of interpretation and translation charges as well.

(11) The official decisions of the legal assistance service adopted in connection with the register of legal aid providers may not be appealed.

Chapter V

SPECIAL RULES ON AID GRANTED FOR EXTRAJUDICIAL PROCEEDINGS

Application for Aid

Section 40.

(1) In their applications for aid, Parties shall indicate the aid applied for (legal advice, drafting legal instruments) or, at least, describe briefly the matter or problem for which they are seeking help.

(2) The party who is ordered to repay the aid shall be required to notify any changes in his domicile, habitual residence or accommodations in accordance with Section 24, until this obligation is discharged.

Passing Resolutions

Section 41.

A resolution that entertains an application shall include:

- a) an indication relating to the cause or legal dispute serving as the underlying grounds for the application;
- b) the subject matter and aim of the legal services;
- c) the form of the subsidized legal services and the number of working hours spent by the legal aid provider on the provision of legal services that are to be paid or advanced by the State rather than the party;
- d) the period during which the legal services will be used;
- e) a stipulation imposing upon the party the obligation to repay the amount of the aid if, instead of the party, the State only advances the legal services fee.

Using Legal Services

Section 42.

A party may start to use subsidized legal services within the period specified in the resolution authorizing the aid, upon handing over the resolution to the provider of legal aid. This period may vary from one to three months.

Section 43.

(1) If the legal services require no more than two hours or if the party has an immediate need for legal services that require no more than four hours, the party may, in order to avail themselves of legal services, contact a legal aid provider directly (using legal services that require subsequent authorization of aid).

(2) In order to use legal services, the party shall act in accordance with the rules on aid authorization and give the legal aid provider the documents that prove eligibility for aid. If the legal aid provider finds, on the basis of the documents proving eligibility for aid and the party's statement, that the requirements for eligibility have been met, the legal aid provider shall provide the party with the legal services defined in Section 3.

(3) In order to establish whether aid is disallowed, the legal aid provider may directly contact the legal assistance service for information on whether the party has already received aid for the same case, whether the aid has been withdrawn, or whether the party has repaid previously granted aid.

(4) If legal services cannot be used in the manner described in this section or if the legal aid provider does not find, on the basis of the documents produced and the party's statement, that the requirements for

eligibility have been met, the legal aid provider shall inform the party that the legal services can only be used pursuant to a resolution from the legal assistance service authorizing aid.

Section 44.

(1) If the legal assistance service authorizes legal services as subsequent aid, the resolution concerning it shall also specify the amount of the fee due to the legal aid provider.

(2) Where the application for aid is rejected, the legal aid provider shall receive the amount of remuneration specified in the resolution if the delay in preparing submissions would result in missing any of the time limits the party has specified for making legal statements. In such cases, the legal assistance service shall issue a resolution compelling the party to repay the amount of the fee paid to the legal aid provider.

Section 45.

After performing the legal services, the legal aid provider shall, in the interest checking the conditions for using aid at a later time, send to the legal assistance service the documents they have received from the party. The legal assistance service shall treat such documents as an application for aid. The legal assistance service shall also send its resolution to the legal aid provider, who may resort to legal remedy in the case of rejection (Sections 29-32).

Section 46.

If the period specified in the resolution authorizing the aid has already expired, the legal aid provider shall inform the party that they may only continue to proceed in the party's case pursuant to a resolution from the legal assistance service authorizing additional time or, should the conditions therefor be met, they will provide legal services according to the rules on the subsequent authorization of aid (Sections 43-45).

Section 47.

The legal aid provider shall inform the party who has contacted them for legal services or information of the eligibility criteria and the conditions for authorizing, reviewing, withdrawing and repaying aid. The legal aid provider shall provide the party with the necessary aid application forms and assist the party in filling them out. The legal aid provider may not charge a fee for these activities.

Review of Aid

Section 48.

The legal assistance service may check on whether the conditions for using aid exist at any time within one year from the final authorization of the aid.

Cover for Legal Services Fees

Section 49.

(1) The legal services fee must be paid to the legal aid provider from the targeted appropriation. The targeted appropriation may only be used for paying the fee.

(2) Payments from the targeted appropriation should be expenditures that can be made without modifying the targeted appropriation.

Payment of the Fee to the Legal Aid Provider

Section 50.

(1) If legal services are used on the basis of a resolution authorizing aid, the legal aid provider shall, after the resolution has been passed, notify, in the manner stipulated in specific other legislation, the legal assistance service that shall arrange for the fee to be paid.

(2) If the use of legal services requires a subsequent check on the eligibility criteria, the legal aid provider shall send the documents necessary for payment along with the documents proving eligibility for aid to the legal assistance service. Simultaneously with the authorization of the aid, the legal assistance service shall take measures for paying the fee according to the provisions of the final resolution.

(3) Legal aid providers shall present their bill for fees to the legal assistance service within 6 months from the conclusion of legal services; in the event of missing this deadline no application for extension shall be accepted.

Section 51.

The legal assistance service shall manage the targeted appropriation from which to make payments of the fees of legal aid providers and other expenditures specified in this Act.

Chapter VI

SPECIAL RULES ON AID GRANTED FOR CIVIL PROCEEDINGS

Application for the Authorization of Aid

Section 52.

(1) The party may request aid in the form of representation through a litigation friend until the hearing preceding the delivery of the ruling of the case is adjourned (closure of nonjudicial proceedings).

(2) The aid shall be granted for the period beginning on the operative date of the resolution on the authorization of aid and ending when the case is closed with a final decision.

Section 53.

In the application, the party shall indicate:

a) the aid applied for;

b) the court conducting the proceedings and the subject and file number of the case for which the aid is requested or, if the proceedings have not yet been initiated, the name, home address (registered office) of the adversary, the subject matter of the legal dispute and the competent court for conducting the proceedings.

Section 54.

The party's obligation of notification of changes shall remain in force until the case is closed with a final decision; henceforward, the party who is ordered to repay the aid shall be required to notify any changes in his home address, habitual residence, place of accommodations or employment within three working days, in so far as this obligation is discharged.

Resolution Authorizing Aid

Section 55.

The resolution authorizing aid shall also contain the following:

- a)* data relevant to the proceedings (competent court, file number (if known), names and addresses of the parties, the subject of the case);
- b)* an indication of the specific reason of need justifying grounds for the party the receive aid;
- c)* the time from which the party is authorized to receive aid.

Review, Modification and Withdrawal of Aid

Section 56.

(1) The legal assistance services shall review whether the conditions for aid authorization are met:

- a)* every two years (after the date of authorization) until the case is closed with a final decision;
- b)* any time during the period of eligibility for aid if any information should emerge to indicate that the conditions did not exist at the time of authorization or that they ceased to exist at a later time;
- c)* at the request of a party who is receiving aid under Section 11/B, and for whom the court has granted personal exemption from costs covering the costs of representation through a litigation friend as well;
- d)* based on the court decision granting partial exemption from costs, at the request of a party who is receiving aid under Section 11/B, if the court has subsequently authorized full exemption or increased the ratio of partial exemption.

(2) In connection with what is contained in Paragraphs *c)* and *d)* of Subsection (1), the legal assistance service shall make available the aid under Section 11/A from the effective date of the exemption from costs and shall notify the court and the attorney acting as a litigation friend concerning the revision of the aid.

Section 57.

(1) If aid is withdrawn for reasons of non-compliance with the conditions for receiving aid at the time the application was filed, or the party provided false data in the aid application, the party shall be compelled to repay the aid. The legal assistance service shall order the party to repay the fee of the attorney acting as a litigation friend as advanced by the State within eight days following the date when the resolution becomes final.

(2) If the legal assistance service withdraws aid because the conditions for authorization have subsequently ceased to exist or did not exist at the time of authorization, but the party did not provide any false data in the aid application, the party shall, as of the date of withdrawal, be required to repay the fee of the attorney acting as a litigation friend as advanced.

Section 58.

The legal assistance service shall notify the competent court and the attorney acting as a litigation friend of the withdrawal of aid by final decision.

Record of Aid

Section 59.

The register of aid shall contain the following data:

- a)* the competent court, file number of the case, names of the parties and subject of the case;
- b)* the amount of the fee of the attorney acting as a litigation friend paid on behalf of the party;
- c)* particulars of the adverse party liable to repay the aforesaid fee (name, mother's name, date of birth, home address; in connection with organizations, name, registered office, the body where registered, registration number).

Procedure for Submitting Applications for Legal Aid Provided in European Union Member States

Section 60.

(1) If a party who has a domicile or habitual legal residence in Hungary wishes to use legal aid in civil or commercial litigation before a court of another Member State of the European Union, the party may submit their application for such aid to the legal assistance service by filling out the forms - along with the appendices required - prescribed in Article 16 of Council Directive 2003/8/EC in the interest of improving access to justice in cross-border disputes by establishing minimum common rules relating to legal aid for such disputes and exemption from costs.

(2) The legal assistance service shall refuse to forward the application by resolution if it has not been submitted in the matter defined in Subsection (1), or if the information at hand offers undisputed evidence that the application is manifestly unfounded. The resolution shall provide the reasons for the rejection; legal remedy against such resolutions may be sought in accordance with the rules on resolutions rejecting aid applications.

(3) If the legal assistance service did not refuse to forward the application in spite of the fact that it was not submitted on the prescribed standard form or if it is incomplete, the legal assistance service shall supply the proper form to the party together with an indication of the discrepancies.

(4) If an application, and its appendices, is submitted in a language other than the language designated by the other Member State for receiving applications, the legal assistance service shall have them translated and shall inform the party regarding the rules for covering the costs of translation. The same procedure shall apply if the party fails to supply any missing information within the time limit prescribed in Subsection (3).

(5) The legal assistance service shall transmit the application and the supporting documents - translated where appropriate - together with the completed standard form to the authority of the other Member State indicated in the application.

(6) No duty or fee shall be required for the proceedings under this Section; however, the party is required to compensate for the costs of translation services if the application for legal aid is rejected by the authority of the other Member State.

(7) The party shall be required to submit the final decision of the authority of the other Member State on the approval of legal aid to the legal assistance service within 30 days of receipt. In the event of missing this deadline the party shall be charged default penalty on translation costs in accordance with Section 138 of the APA.

(8) The legal assistance service shall advance the costs of translation from the targeted appropriation; and it shall be repaid, including any default penalty, to the targeted appropriation.

Enjoying Representation Through a Litigation Friend

Section 61.

(1) The party may grant a power of attorney to a legal aid provider, enclosed with the binding resolution authorizing legal aid, within thirty days of receipt of the resolution to provide legal counsel in the lawsuit indicated in the resolution.

(2) If no legal aid provider undertakes to represent the party as a litigation friend and this could - with respect to the time limits - prejudice the party's rights, the party may, if he misses a procedural deadline, submit a petition for excuse in regard to the matter, and the legal assistance service shall, at the party's request, appoint a legal aid provider to act as a litigation friend, or an attorney or law firm. The legal assistance service shall notify the competent court concerning the appointment with a certified copy of the ruling therefor enclosed, or - if it subsequently gains knowledge of the court of jurisdiction and the case number - shall send the said certified copy immediately thereupon.

(3) If, having regard to the nature of the case or the circumstances of the party, it appears reasonably certain at the time the aid is authorized that representation to the party cannot be ensured under a power of attorney, the legal assistance service, at the party's request or upon his consent, shall appoint a legal aid provider to act as litigation friend or, in exceptional cases, an attorney or law firm.

(4) The legal aid provider shall:

a) inform the party who has contacted them for legal services or information of the eligibility criteria and the conditions for authorizing, reviewing, withdrawing and repaying aid, and, if necessary, for lodging an application for excuse specified in Subsection (2);

b) provide the party with the necessary aid application forms and assist the party in filling them out.

(5) The legal aid provider may not charge a fee for the activities specified in Subsection (4).

(6) The legal aid provider undertaking the representation of the party as a litigation friend shall be required to notify the court within eight days of the time of acceptance of the power of attorney concerning the appointment, indicating his name and office address; the legal assistance service shall be notified of having accepted the case, indicating the case number (if not indicated in the resolution authorizing the aid), and of any changes in the parties to the lawsuit and in the subject matter of the case.

(7) The attorney or law firm appointed to represent the party as a litigation friend shall be required to notify, within eight days of receipt of the ruling on the appointment, the legal assistance service concerning their bank account number, the case number (if not indicated in the ruling on the appointment), and of any changes in the parties to the lawsuit and in the subject matter of the case.

(8) Subsections (1) and (2) shall also apply where representation through a litigation friend is terminated during the period of eligibility for aid, but without the withdrawal of the aid.

Payment and Reimbursement of the Fee of the Attorney Acting as a Litigation Friend

Section 62.

(1) The legal assistance service that processed the request for the authorization of aid shall, at the request of the attorney acting as a litigation friend:

a) determine the amount of the fee of the attorney acting as a litigation friend, or the amount of the fee payable by the State on behalf of the party;

b) determine the amount of the fee payable to the attorney acting as a litigation friend to be advanced, if the conditions set out in specific other legislation are satisfied;

c) order the adverse party, if the State is not liable to cover the fee of the attorney acting as a litigation friend, to pay the fee of the attorney acting as a litigation friend, with the amount of fee of the attorney acting as a litigation friend advanced according to Subsection (3).

(2) If the party is liable to repay the fee of the attorney acting as a litigation friend, the legal assistance service shall order the party to repay the fee of the attorney acting as a litigation friend. A period of not more than one year may be granted for repayment, and repayment in installments within this term may also be authorized.

(3) The party receiving aid under Section 11/B, as well as the party receiving aid under Section 11/A pursuant to the court decision granting partial exemption from costs, may be exempted - upon request - by the legal assistance service under special and equitable circumstances from the liability to pay the fee of the attorney acting as a litigation friend, or a part of such fee, if able to verify that his need has changed in an extent described under Section 5 and Sections 7-9 following the effective date of the resolution for authorization of the aid.

(4) The provisions of Subsection (2) shall also apply where the adverse party is held liable to repay the fee of the attorney acting as a litigation friend. The time limit for repayment in this case is thirty days.

(5) The attorney acting as a litigation friend may lodge a request for determining the amount of his fee within six months of the definitive conclusion of the lawsuit. The request may be submitted subsequently if the attorney is able to verify of having received the final decision on court costs within six months. Where

there is more than one attorney acting as a litigation friend involved representing a party, the attorney acting previously as a litigation friend shall submit his request - upon being notified by the legal assistance service - for determining the amount of his fee within thirty days from the time of receipt of the notice, where such time limit applies with prejudice.

(6) The opening of the procedure for determining the fee shall not be notified to the parties of the case.

(7) Following the operative date of the resolution the legal assistance service shall take measures to effect payment of the fee of the attorney acting as a litigation friend (advance) payable by the State on behalf of the party; the fee shall be paid from the targeted appropriation.

Chapter VII

SPECIAL RULES ON AID GRANTED FOR CRIMINAL PROCEEDINGS

Different Rules on the Authorization and Use of Aid

Section 63.

(1) The rules contained in Chapter VI shall apply, subject to the exceptions set out in this Section, concerning the authorization of personal exemption from costs and representation through a litigation friend (for the purposes of this Section hereinafter referred to collectively as “aid”).

(2) Unless otherwise provided for in the Code of Criminal Procedure, applications for aid may be submitted to the legal assistance service during the litigation stage of criminal proceedings, before the divisional session of the court held for adopting a peremptory decision. The period of eligibility for the aid shall:

a) commence on the day when the application is submitted and shall end upon the definitive conclusion of criminal proceedings of the first, second and third instance;

b) commence on the day when the application is submitted and shall end upon the definitive conclusion of any remedy or special proceedings.

(3) In the application, the party shall indicate:

a) the aid applied for (representation through a litigation friend, personal exemption from costs);

b) the authority conducting the criminal proceedings and the case number.

(4) There shall be no hearing for persons involved in criminal proceedings other than the party when checking the content of aid applications.

(5) The resolution authorizing aid shall also contain the following information:

a) information concerning the criminal proceedings (the authority conducting the proceedings, case number, name of the defendant, description of the crime);

b) the form of aid (representation through a litigation friend, alternate private prosecutor’s personal exemption from costs);

c) the period of eligibility for aid.

(6) In connection with demanding payment of the fee of the attorney acting as a litigation friend and for effecting payment the provisions of Section 62 shall apply *mutatis mutandis*.

Chapter VIII

LEGAL AID PROVIDERS

Persons Performing the Functions of Legal Aid Provider

Section 64.

(1) Legal aid providers shall provide extrajudicial legal services and act as litigation friends (for the purposes of this Chapter hereinafter referred to collectively as "legal services") under this Act. The activities of a legal aid provider shall be authorized by the legal assistance service by way of admission into the register (hereinafter referred to as "register").

(2) As the data in the Register are public, the legal assistance service shall also publish them on the Internet.

Section 65.

(1) The Register shall contain

- a) the name of the legal aid provider (or, in the case of organizations, the names of their representatives);
- b) office and branch office addresses, telephone numbers;
- c) the legal aid provider's membership in the bar association;
- d) the scope of the legal aid provider's obligation to assist

1) professional field or fields,

2) the number of cases undertaken on a monthly basis;

- e) the language(s) indicated by the legal aid provider in which they provide legal services;
- f) the number of cases in which the legal aid provider has provided effective legal services.
- g) the number of the resolution for the legal aid provider's admission into the register;
- h) the time of expiry of the legal aid provider's contract for professional services.

(2) The legal aid provider shall be required to notify the legal assistance service of any changes in their data in the register within five working days.

Section 66.

(1) The following persons contracting with the legal assistance service for performing the functions of legal aid provider shall be entered in the Register:

a) non-governmental organizations, foundations, and minority local governments engaged in activities related to the provision of legal protection, and universities offering legal education (for the purposes of this Chapter, hereinafter referred to jointly as "organizations providing legal aid");

b) attorneys, law firms and European Community lawyers permanently working in Hungary (hereinafter referred to jointly as "attorneys");

c)

(2) An organization providing legal aid may, with the exception described in Subsection (3), request entry in the Register on condition that it has premises suitable for receiving clients and has concluded fixed-term agency contracts with attorneys under which the attorneys will, at least for the term of the contracts, provide legal services on behalf of the organization.

(3) A university providing legal qualifications (university) may apply for entry in the Register even if it does not have agency contracts with attorneys but its organizational unit, led by a lecturer who has passed the bar examination and has a Doctor of Law degree, is provided with premises suitable for receiving clients and engaged in activities related to legal protection.

(4) An attorney may apply for admission into the register if:

- a) he does not suspend his activities for the provision of legal services;
- b) no disciplinary procedure has been initiated against him for the suspension of his activities for the provision of legal services; and
- c) he is not under the effect of a disciplinary sanction.

(5) Providers of legal aid shall notify their current account number before concluding their service contracts.

Service Contracts

Section 67.

(1) In service contracts, legal aid providers shall assume the obligation to provide - within the scope of their obligation to assist - parties who turn to them under this Act with legal services free of charge. Legal aid providers may only refuse to provide such services on the grounds set forth in this Act.

(2) In service contracts, the legal assistance service, minister, shall undertake, in a manner described in specific other legislation, to pay legal aid providers the legal services fees for the services they have provided. Service contracts may be concluded only with persons and organization who meet the conditions set forth in Section 66; upon their request, the legal assistance service shall be required to enter into service contracts with them.

(3) A service contract may be concluded for a three-year term; amendments thereto are only possible if any of the legal aid provider's data in the Register has changed or if the legal aid provider intends to modify the professional area in which they are engaged or to increase their monthly case load.

(4) Upon expiry of the three-year term, the contract for professional services shall be extended if the legal aid provider provides a statement declaring that there are no grounds for refusal of admission into the register.

(5) The legal aid provider shall remain liable to continue to provide legal services as contracted in the cases undertaken during the term of the service contract, after the contract is terminated, for the entire length of the period of eligibility for aid, and the legal assistance service shall be liable to pay the fee for such legal services as contracted.

Legal Aid Provider's Obligation to Assist

Section 68.

(1) Attorneys who have been entered in the Register as legal aid providers as well as lawyers acting on behalf of organizations providing legal aid may only perform the legal services that, by virtue of legal regulations relating to their activities, fall within the scope of their competence. These legal regulations shall also govern the professional, ethical, disciplinary and financial obligations of legal aid providers.

(2) Attorneys and - with the exception specified in Subsection (3) - organizations providing legal aid that have been entered in the Register may provide litigation friend representation in civil proceedings. An organization entered in the Register may only act as a litigation friend for an injured party in criminal proceedings if it satisfies the conditions set forth in Subsection (3) of Section 58 of the CCP; it may not act as litigation friend for other persons in criminal proceedings.

(3) If a university has no retained attorney to conduct the activities of a legal aid provider, the provisions of this Act shall apply to its activities subject to the following deviations:

- a) it is only allowed to provide extrajudicial aid;
- b) it shall be liable under civil law for compensating for any damage that might arise from incompetent legal assistance;
- c) lecturers who have passed the bar examination and have Doctor of Law degrees may provide legal services under the supervision of the lecturer heading the organizational unit concerned.

Section 69.

(1) The obligation of a legal aid provider to assist for the period indicated in the service contract shall either be general or pertain to the area of specialization and the specific monthly case load indicated by the legal aid provider.

(2) Legal aid providers may indicate their areas of specialization in the Register as follows:

- a) civil and administrative cases,

- b) criminal cases,
 - c) other specializations within the areas stipulated in Points a) or b) (in the case of organizations providing legal aid).
- (3) Legal aid providers undertaking to provide legal aid in criminal cases shall furnish litigation friend representation in criminal proceedings, provide the services specified in Paragraph g) of Subsection (1) of Section 3, and draft petitions for extraordinary remedies in criminal cases.
- (4) Legal aid providers who undertake to provide legal aid in civil and administrative cases shall furnish litigation friend representation in civil proceedings and - with the exception of providing legal protection for injured parties [Paragraph g) of Subsection (1) of Section 3] and preparing petitions for extraordinary remedies in criminal proceedings - provide extrajudicial services.
- (5) Organizations providing legal aid may, within the areas set forth in Points a) or b), indicate the type of cases and the clientele for which they will provide legal services.

Section 70.

- (1) Legal aid providers shall be required to provide the parties who come to them with legal services within the period and in the area of the legal specialization indicated in the service contract, as long as the conditions for legal aid stipulated in this Act are met, unless
- a) the Attorneys Act or the code of ethics pertaining to them would compel them to provide such assistance as attorneys;
 - b) they have already fulfilled their obligation to assist in the number of cases specified in the service contract or the requested legal services do not fall within the area of legal specialization indicated in the service contract; or
 - c) the preparation of the document or submission requested by the party or authorized by the legal assistance service or the making of a statement is only possible by violating the rules of the profession.
 - d) the provision of legal services is impossible on account of his inability to cooperate with the party - for reasons beyond the legal aid provider's control -, and if the legal assistance service has consented to refuse service on such grounds.
- (2) Legal aid providers shall be required to inform the parties in detail if the circumstance specified in Paragraph c) of Subsection (1) prevails and - if legal aid can be provided in a particular case through the provision of other legal services - to provide those legal services.
- (3) Legal aid providers shall immediately notify the legal assistance service of the refusal to provide aid - and also provide the reasons for such refusal - and, at the request of the party, give the party a copy of this document.

Removal from the Register

Section 71.

- (1) The legal assistance service shall remove a legal aid provider from the Register upon expiry of the service contract concluded with them. The expiry of service contracts shall be governed by the provisions of Act IV of 1959 on the Civil Code, subject to the deviations provided for in this Act. A service contract may not be terminated or annulled.
- (2) The legal assistance service shall terminate a contract if the conditions for entering the legal aid provider in the Register have ceased to exist or if it has been determined that the conditions did not exist at the time the legal aid provider was originally registered; the legal assistance service may terminate the contract if the disciplinary or compensatory obligations of a legal aid provider - or, in the case of an organization providing legal aid that does not have a retained attorney, the attorney acting on behalf of the organization - in connection with the provision of legal services have been established or if the legal aid provider has groundlessly refused to provide legal services - under Paragraph b) of Subsection (1) of Section 70 - at least three times.

(3) A legal aid provider may terminate the service contract if the conditions for registering the legal aid provider no longer exist or if the attorney who has been entered in the register is able to prove that performance of the obligations entailed in the service contract could make it impossible for them to fulfill their other professional functions.

Admission into the Register

Section 71/A.

(1) Applications for admission into register must be made in writing and submitted to the legal assistance service.

(2) If the applicant meets the criteria set out in Section 66, the legal assistance service shall supply the draft version of the service contract within twenty-two working days for signature. If the returned contract contains all the necessary data and information, the legal assistance service shall enter the applicant into the register within ten working days from the date of signing. Admission into the register takes place without having to pass a resolution; the legal assistance service shall notify the legal aid provider by sending a copy of the signed contract with an indication of the date of admission.

(3) By way of derogation from the provisions of the Act on the General Provisions Relating to the Taking Up and Pursuit of the Business of Service Activities, if the legal assistance service fails to comply with its obligation to adopt a resolution within the relevant administrative time limit, the applicant shall not become entitled thereby to take up and pursue the activities of legal aid providers, and the general provisions of the Act on the General Rules of Administrative Proceedings relating to the omission of authorities shall apply.

(4)-(5)

Part IV

CLOSING PROVISIONS

Chapter IX

ENTRY INTO FORCE AND ENFORCEMENT OF THE ACT

Entry into Force

Section 72.

(1) With the exception of the provisions of Subsections (2)-(5), this Act shall enter into force on 1 April 2004.

(2) Subsection (3) of Section 1 and Subsection (2) of Section 86 of this Act shall enter into force on the day following the promulgation of this Act.

(3) Chapter VIII and Sections 74 and 75 of this Act shall enter into force on 1 January 2004.

(4) Paragraphs d) and e) of Subsection (1) of Section 4, Subsection (3) of Section 4, Section 60 and Subsection (1) of Section 87 of this Act shall enter into force on 1 May 2004.

(5) Chapters II, III, VI (except for Section 60), and VII, the provision enacting Paragraph *r*) of Subsection (1) of Section 57 of Act XCIII of 1990 on Duties (Duties Act) in Subsection (2) of Section 76, Sections 77-82, Section 85, and Subsection (1) of Section 86 shall enter into force on 1 January 2008.

Transitional Provisions

Section 73.

(1) This Act shall be applied in civil and criminal proceedings to applications for aid submitted after the entry into force of this Act.

(2) The aid specified in Paragraph g) of Subsection (1) of Section 3 may only be provided in the case of crimes committed subsequent to the entry into force of this Act.

(3) The provisions of Section 38/A of this Act, as established by Subsection (1) of Section 122 of Act XXXVIII of 2010 on Probate Proceedings, shall also apply to debts awarded by final decision before the time of this Act entering into force, which are still outstanding.

Authorizations

Section 74.

The Government is hereby authorized to designate in a decree the legal assistance service or services.

Section 75.

The minister is hereby authorized to decree

a) detailed rules pertaining to the submission of petitions to authorize the aid provided for in this Act, the manner in which the need for aid is to be substantiated as well as detailed rules for the disbursement and repayment of aid;

b) the fees for services furnished by legal aid providers out of court and the manner in which such fees are to be paid - done in agreement with the minister in charge of taxation;

c) detailed rules for keeping the Register that contains the data on legal aid providers;

d) the rules pertaining to the qualifications required by employees of the legal assistance service.

Chapter X

AMENDED LEGAL REGULATIONS

Sections 76-77.

Section 78.

26 and Subsection (2) of Section 27 of Act VI of 1954 on the Amendment of Act III of 1952 on the Civil Procedure, Section 30 of Act VIII of 1957 on the Amendment of Certain Provisions of the Civil Procedure, and Act I of 1986 on Duties shall be repealed.

Section 79.

Sections 80-82.

Section 83.

(1)

(2)

(3) The term "PSS" in Paragraphs c) and d) of Subsection (1) of Section 8, Subsection (3) of Section 11, Subsection (4) of Section 14/A, Subsection (1) of Section 33, Paragraph b) of Subsection (1) of Section

103/A, Subsection (1) of Section 104, Subsections (1) and (2) of Section 105 and Point 2 under the heading "Management Bonus" in Schedule 6 shall be replaced by the term "PSL".

Section 84.

Section 85.

(1)-(3)

(4) The exemption from material costs mentioned in connection with the judicial procedures provided for in specific other legislation shall be construed as the right to have a record of material costs.

Section 86.

Section 87.

Section 88.

On the basis of Section 3 of Act 1 of 1994 promulgating the European Agreement on the establishment of associated status between the Republic of Hungary and the European Communities and their Member States, signed in Brussels on 16 December 1991, this Act contains regulations that may be harmonized with the following legislation of the European Communities: Council Directive 2003/8/EC to improve access to justice in cross-border disputes by establishing minimum common rules relating to legal aid for such disputes.

Section 89.

This Act contains regulations that may be approximated with the following legislation of the Communities:

a) Article 12 (5) of Council Directive 2003/109/EC of 25 November 2003 on the status of third-country nationals who are long-term residents;

b) Article 24 of Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) No 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC.