

## **Ensuring the Employee claims in case of the Employer account block**

The Agency for Ensuring Employee Claims (AORT) pays a part of the unpaid salary/ compensation of salary to an Employee and for the compensated sum takes the right of a bailiff in the enforcement process on funds instead of an Employee

In case of an Employer account block, due to the inability of the enforcement of unpaid salary/ compensation of salary, Employees have a right to a payment:

- up to three unpaid salaries/ compensations of salary up to an amount of a minimum salary for each month for which the salary/ compensation of salary has not been paid
- up to three unpaid compensations of salary for sick pay which an Employee was obliged to pay from his/her funds according to the regulations on health insurance, up to an amount of a minimal salary for each month spent using sick pay

Incomes are completely excluded from the enforcement.

Employee:

- natural person according to the general regulation on labour
- a person to whom an Employer has not paid a salary/ compensation of salary in employment due to the inability of the enforcement of unpaid salary/ compensation of salary

## **The process of ensuring claims**

The presupposition of acting of the Agency is the advanced filing of the claim for enforcement to the Financial Agency.

The Employer who has not paid the salary/ compensation of salary for the previous month until the final day of the month is obliged to deliver a claim for the enforcement as well as the payroll of unpaid salary/ compensation of salary (Form ZPN-01) for every Employee severally to the Financial Agency on the following working day.

If the Employer does not file the claim for enforcement as prescribed, the responsible inspection body will adopt a temporary measure of ensuring the charge by seizure of funds and a ban on using the Employer's funds. In case of inability to perform the enforcement process due to insufficient funds, the insurance of material rights is performed by ensuring the payment of the amount of a minimal salary from the Agency's funds.

The proceeding shall be initiated upon the Employer's claim in a special form (Form ZMP-01).

#### The term of delivering a claim:

In case of an account block due to unexecuted bankruptcy payment, the Employer shall immediately, and up to a maximum of three days of the establishment of the inability of unexecuted bankruptcy payment due to insufficient funds, file a collective claim for the payment of salary/ compensation of salary of an amount of minimal salary for all the Employees who have not been delivered a salary/ compensation of salary to the Agency.

The Employer shall with the claim attach the following documents:

- a list with a name and surname of the Employees who have not been delivered a salary/ compensation of salary, with the specification of the amount of a minimal salary for each individual Employee and the division of the salary and the related tax and fees to that amount with the adequate accounts and necessary payment information
- a list with a name and surname of the Employees who have been partly delivered a salary/compensation of salary in the amount less than a minimal salary, with the specification of the amount of the difference between the minimal salary and partly delivered salary/ compensation of salary for every individual Employee and the division of the salary and the related tax and fees to that amount with the adequate accounts and necessary payment information
- Transfer orders filled out according to the specification of point 1 and 2 and JOPPD forms which state the subsequent payment of salary with the confirmation of the electronic system of the public administration body responsible for the finances about the successful check
- the information about the delivered salary/ compensation of salary for the month for which the payment of minimal salary is required, if the salary/ compensation of salary is partly delivered and
- the confirmation of the Financial Agency that it has documented and unexecuted bankruptcy payment and that the accounts are blocked,

with the information about all the unexecuted bankruptcy payments from the logbook of the order of payment bases managed by the Financial agency, with the date of the establishment of the inability to pay the bankruptcy payment

The claim is submitted:

- by direct delivery
- by post
- online by the application on the AORT/ e-Građani/ e-Osiguranje radničkih tražbina webpage

## **AORT order and the payment of claims**

AORT order:

- seven (7) days since filing a valid claim

Appeal deadline:

- 15 days since the arrival of the order/ does not postpone the execution of the order

The payment is delivered to an Employee's bank account seven (7) days after the execution of the order at latest.

Agency takes over the claim of the Employee to Employer after the payment of the sum from the order and orders the Employer to pay the Agency the sum seven (7) days after the date of Agency's payment at latest.

If the Employer fails to fulfill the obligation to deliver the sum the Agency had paid to the Agency, the Agency shall deliver to the Financial Agency the executive order, the notice of payment and a request for a direct charge due to the enforcement of the sum which had been paid, enlarged by the statutory interests regulated by that order.

Exception to the exercise of rights:

- a member of management of an incorporation
- a member of a board of directors
- an executive director
- a cooperative manager

If at the time of the Employer's account block process due to the inability of the enforcement of salary/ compensation of salary were carrying out the aforementioned functions.