

BUDZOWSKA FIUTOWSKI I PARTNERZY
Radcowie Prawni

31-041 KRAKÓW, UL. SIENNA 11/1, TEL (48 12) 428 00 70, 428 00 71, FAX: (48 12) 431 01 00
01-004 WARSZAWA, UL. ŻELAZNA 41 LOK. 10, TEL. (48 22) 890 01 04-05, FAX: (48 22) 890 20 85

INTERNATIONAL LITIGATION GROUP MEETING
KRAKOW
MAY 2008

POLISH LIMITATION

I. Introduction.

According to the Polish Civil Code the subject of limitation are pecuniary claims with exceptions provided by statutory law.

When a period of limitation expires, one against whom a claim can be enforced is entitled to evade oneself from satisfying a claim. Carrying out the above authority causes, that a claim cannot be effectively enforced.

A statute-barred claim **does not expire**. It changes into an incomplete obligation (natural obligation) that cannot be carried out under constraint.

A limitation of the right of action cannot be taken into consideration by a court without a proper plea of a debtor. The situation in which a statute of limitation can be set up is qualified as subjective right. For this reason it cannot be taken into consideration by a court if it is contrary to principles of community life.

Carrying out a right by a debtor and evading from satisfying a claim obligates a court to dismiss an action covering a statute-barred claim.

II. Period of limitation.

1. In Polish Civil Law System the period of limitation mustn't be shortened nor prolonged by legal actions. Any provisions that would shorten or prolong the subject terms stipulated in a contract are absolutely invalid.

2. The general limitation periods provided by the Polish Civil Code are as follows:

- **three (3)** or
- **ten (10)** years

2.1 **three-years (3)** period of limitation - regards claims for periodical performances and claims related to business activity (individual or legal person that conducts a business activity and a claim is related to the scope of that activity);

2.2 **ten-years (10)** period of limitation – regards to any other claims not mentioned above.

3. Special limitation periods regarding tortuous actions:

3.1 **three-years (3)** period of limitation for indemnification for tortuous actions. The period of limitation is from when an injured person has learnt about a damage and about a person responsible for indemnification. Nonetheless, that period cannot be longer than **ten years** from when the cause of action arose.

3.2 **twenty-years (20)** period of limitation – when a damage arose from a crime; a claim for indemnification is a subject to period of limitation regardless of when an injured person has learnt about a damage and about a person responsible for indemnification.

4. Apart from the above mentioned rules, there are other periods of limitation regulations provided by the Polish Civil Code, e.g.:

4.1 **six-months (6)** period of limitation – regards claims of a credited party for producing a subject of a loan from when a subject of a loan was to be produced;

- 4.2 **one-year (1) period of limitation** – for claims of a rightful owner against owner-like possessor on reward for enjoyment of an object, refunding of profits, as well as indemnification for deterioration of an object from when an object has been returned. It is also applicable to an owner-like possessor against a rightful owner; it is also applicable to claims arising from a contract on carriage;
- 4.3 **two-years (2) period of limitation** – for claims arising from a contract of sale related to business activity of a seller;
- 4.4 **three-years (3) period of limitation** – regarding claims of an employer and an employee arising from employment relationship.

Krakow, May 5th, 2008

Benedykt Fiutowski

BUDZOWSKA FIUTOWSKI AND PARTNERS.