3.1.4 Implement bankruptcy legislation through alignment with EU acquis, simplification of procedures, insolvency policy measures and streamline processes through digital tools

Summary of checks performed by relevant authorities on the steps for which funding is requested, including weaknesses identified and any corrective actions taken

In accordance with the national legal framework on public internal control, financial management and internal audit, the RGF Regulation and the applicable Commission Implementing Decision, the competent authorities conducted a comprehensive verification process for this reform step.

This included the systematic collection and review of relevant evidence by the Ministry of Justice and Ministry of Industry, Entrepreneurship, Trade and Innovation (MIETI), with internal audit units exercising their functions in accordance with their mandate. The checks and verifications were performed through the relevant layers of the control system, including the units responsible for implementation of this reform step, the Reform Agenda coordination unit in MoJ and MIETI, as well as the Secretary Generals of the two Ministries.

The Reform Agenda coordination structures within the Office of the Prime Minister carried out additional checks and verifications to ensure the completeness and accuracy of the reported information and supporting evidence.

The step under review	Primary and secondary legislation related to bankruptcy and insolvency amended and aligned with EU acquis (Insolvency Regulation, Restructuring and Second Chance Directive, Late payment Directive).
Baseline	Primary Legislation on bankruptcy and insolvency not aligned to the EU acquis; Secondary legislation not developed
Deadline of the step	June 2025
Actual results	This step is composed of two elements (sub-steps): 1. Primary and secondary legislation related to bankruptcy and insolvency aligning with EU acquis on Insolvency Regulation, Restructuring, and Second Chance Directive; and 2. Primary and Secondary legislation related to late payments in commercial transactions aligning with Late payment Directive **1. Primary and secondary legislation related to bankruptcy and insolvency aligning with EU acquis on Insolvency Regulation, Restructuring and Second Chance Directive** Actual results achieved by June 2026 are as follows: The Law on Bankruptcy No. 08/L-256 was adopted by the Assembly of Kosova on 11 July 2024 and entered into force on 21 August 2024. It transposes the Insolvency Regulation and the Restructuring and Second Chance Directive. The Law on Bankruptcy foresees the 4 sublegal acts mentioned below, which have been approved by the Minister of Justice: 1.1 Administrative Instruction MoJ - No. 07/2025 on the Exam, the Procedure of Organization, the Content and Conduct of the Exam, the Evaluation of the Exam

	and the Program for the Exam of Bankruptcy Administrators, has been signed by the Acting Minister on 7.10.2025. 1.2 Regulation MoJ- No. 06/2025 on Reporting the Work of the Bankruptcy Administrator and Disciplinary Procedure against the Bankruptcy Administrator, has been signed by the Acting Minister 09.10.2025. 1.3 Regulation MoJ - No. 05/2025 on the Work of the Evaluation Commission for Assessing Candidates for Licensing Bankruptcy Administrators, has been signed by the Acting Minister on 13.10.2025. 1.4 Regulation MoJ – No. 01/2026 on the Fees of Bankruptcy Administrators and Monitors. The International Finance Corporation (IFC), a member of the World Bank Group, has provided technical assistance to the Ministry of Justice by engaging two national and two international experts. The national experts contributed with their expertise in the field of bankruptcy to support the alignment of Kosovo's legislation with the EU acquis and offered advice on the sub-legal acts. The international experts provided comments and recommendations to the draft law to help ensure its alignment with EU standards. The support was delivered in March 2025. **2. Primary and Secondary legislation related to late payments in commercial transactions aligning with Late payment Directive** The Government of Kosovo has included the drafting of a new Law on Late Payment in Commercial Transactions in its legislative programme, as part of efforts to align Kosovo's legal framework with Directive 2011/7/EU. The following concrete steps have been taken: 2.1. During 2025, through a LuxDevelopment-supported project within the Office of the Prime Minister, an international legal expert was engaged to conduct a legal analysis of the existing Law No. 05/L-110 on Late Payment in Commercial Transactions and to provide recommendations for the new draft law. 2.2. In April 2025, a dedicated workshop was organised with the working group members to initiate the drafting process. The working group's assessment concluded that the current law is largely aligned with Directive 2011/7/EU. However, gaps remain regarding the designation of the implementing and supervisory institution, as well as the specification of certain procedural deadlines. 2.3. Based on these findings, the working group initially recommended amending the existing law instead of drafting a completely new one. Drawing on regional practices and the findings of the legal analysis, the working group proposed introducing a new provision designating the Ministry of Finance, Labour and Transfers as the authority responsible for the implementation and oversight of the law. A meeting was held with representatives of the Legal Office of the Ministry of Finance, during which the working group's conclusions and recommendations were presented. Following the meeting, all relevant documents prepared by the working group were officially submitted to the Ministry of Finance for review. However, no official feedback was received from the Ministry during 2025. 2.4. In March 2026, a new inter-institutional working group was established to draft a new Law on Late Payment in Commercial Transactions, with the aim of transposing Directive 2011/7/EU and addressing the shortcomings of the current

	legislation. Following several meetings, the working group prepared a draft law which, among other improvements, designates the ministry responsible for finance and the Tax Administration as the main implementing institutions. A consultation meeting with private sector and business representatives was held in April 2026, prior to the submission of the draft law to the Government for further approval procedures. 2.5. The tables of concordance with Directive 2011/7/EU, EU–Kosovo and Kosovo–EU, as well as the declaration of compliance, were prepared and submitted to the Office of the Prime Minister for an opinion on compliance. The opinion has been received. 2.6. The budgetary impact assessment was submitted to the Ministry of Finance, and the opinion has been received. 2.7. The Draft Law on Late Payment in Commercial Transactions and its supporting documents are ready to be submitted to the Government for further approval procedures. The Lux Development project "Technical Assistance in the context of European Integration" supported the preparation of analysis on the existing Law (No. 05/L-110) on Late Payment, which also provided recommendations on amendment in line with the Reform Agenda. The support was delivered in March 2025. Based on the results achieved by June 2026, the first element of the reform, related to primary and secondary legislation on bankruptcy and insolvency, has been fully achieved. Law No. 08/L-256 on Bankruptcy has entered into force, and the required four (4) sub-legal acts provided for under the Law have been adopted. Progress has also been achieved towards the completion of the second element of the reform, related to late payments in commercial transactions. The drafting process for the new Law on Late Payment in Commercial Transactions has advanced, including the legal analysis of the existing framework, establishment of the inter-institutional working group, preparation of the draft law, consultations with the private sector, and completion of the required compliance and budgetary impact assessments. The draft law and supporting documents are ready to be submitted to the Government for further approval procedures.
Evidence Provided	1. Law on Bankruptcy, can be accessed here: https://gzk.rks-gov.net/ActDetail.aspx?ActID=12664; 2. Decision on the establishment of the working group for drafting and finalizing the Law on Bankruptcy; 3. Tables of concordance EU-KS_REGULATION (EU) 2015-848; 4. Tables of concordance KS-EU_REGULATION (EU) 2015-848; 5. Tables of Concordance EU-KS _Directive (EU) 2019-1023; 6. Tables of Concordance KS-EU _Directive (EU) 2019-1023; 7. Draft Law on Late Payment in Commercial Transactions; 8. Decision on the establishment of the working group for drafting law on late payment; 9. Decision on the establishment of the new working group for drafting the law on late payment; 10. Table of concordance EU - RKS with the Directive 2011/7/EU; 11. Table of concordance RKS - EU with the Directive 2011/7/EU;

	12. Decision on the establishment of the working group for drafting bylaws for law on bankruptcy. 13. Administrative Instruction MoJ - No. 07/2025 on the Exam, the Procedure of Organization, the Content and Conduct of the Exam, the Evaluation of the Exam and the Program for the Exam of Bankruptcy Administrators, https://gzk.rks-gov.net/ActDocumentDetail.aspx?ActID=111217; 14. Regulation MoJ- No. 06/2025 on Reporting the Work of the Bankruptcy Administrator and Disciplinary Procedure against the Bankruptcy Administrator, https://gzk.rks-gov.net/ActDetail.aspx?ActID=111352; 15. Regulation MoJ - No. 05/2025 on the Work of the Evaluation Commission for Assessing Candidates for Licensing Bankruptcy Administrators, https://gzk.rks-gov.net/ActDetail.aspx?ActID=111434; 16. Regulation MoJ – No. 01/2026 on the Fees of Bankruptcy Administrators and Monitors, https://gzk.rks-gov.net/ActDetail.aspx?ActID=121165;
Checks performed in the verification of the step and related findings	During the verification of this reform step, all relevant evidence was reviewed and summarised in the control checklist, while all supporting documents were properly stored to ensure a complete audit trail. The conducted checks and verifications confirmed that: • all required documents, as specified in Annex 1 of the Reform Agenda, were provided and attached to this report; • the submitted evidence is consistent with the description and requirements of the reform step set out in the Commission Implementing Decision; • the submitted documentation confirms the fulfilment of the reform step; • the submitted documentation confirms the period in which the reform step was fulfilled. Based on the checks and verifications conducted, the evidence provided confirms the achievement of the first element (substep) of the reform on the bankruptcy legislation and progress of the reform step and the relevant implementation period. No related findings were identified.
Compliance with general principles and DNSH principle	The implementation of this step does not contravene/contravenes the general principles outlined in Article 4 and 11(4) of Regulation (EU) 2024/1449 and Article 3 of the Facility Agreement. The implementation of this step does not contravene/contravenes the 'Do No Significant Harm' principle (DNSH).
Double funding	Based on the contributions identified and reported above, our assessment is that this support is in line with the RGF guidelines on double funding.
Clear conclusion on the achievement of the step	Based on the above, the bankruptcy and insolvency component of the reform has been fully achieved, whereas the late payment component remains in progress and still requires the Government approval procedure and subsequent adoption of the law.

LAW No. 05/L - 083

ON BANKRUPTCY

Assembly of the Republic of Kosovo,

Based on Article 65 (1) of the Constitution of the Republic of Kosovo,

Approves:

LAW ON BANKRUPTCY

CHAPTER I
GENERAL PROVISIONS

Article 1
Purpose

1. This Law regulates the all matters related to bankruptcy and insolvency of business organizations, provisions for the protection, liquidation and distribution of the assets of a bankrupt debtor to its creditors, and for the reorganization and discharge of debt for qualified business organizations.

2. This Law sets forth the conditions and provisions for:

2.1. initiating and opening a bankruptcy proceeding for insolvent debtors;

2.2. bankruptcy proceedings and the conduct of bankruptcy proceedings;

2.3. the legal consequences of the opening and closing of a bankruptcy proceeding;

2.4. reorganization of a debtor in financial difficulties when there is likelihood of insolvency; and

2.5. the consequences of a discharge of debt for the debtor upon the successful completion of reorganization and liquidation as provided for by this Law.

3. This Law is partially in accordance with the EU Regulation 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings.

Article 2
Scope

1. This Law applies to all Business Organizations, as defined in the Law on Business Organizations or any other future Law.

2. This Law does not apply to:

2.1. institutions of the Republic of Kosovo;

2.2. any governmental unit;

2.3. financial institutions as defined in Law regulating Banks, Microfinance Institutions And Non-Bank Financial Institutions; and

2.4. insurance companies and insurance intermediaries as defined in the law regulating the Licensing of Insurance Companies and Insurance Intermediaries;

2.5. pension funds or providers of pension schemes licensed and regulated by the Central Bank of the Republic of Kosovo;

2.6. socially owned enterprises under the administration of Privatization Agency of Kosovo;

2.7. publicly owned enterprises as defined by the Law on Publicly Owned Enterprises or any other future Law.

Article 3
Terms and Definitions

1. Terms and definitions used in this Law shall have the following meaning:

1.1. **Administrative expense -** those claims which are incurred by the bankruptcy estate from and after the opening of the case, and which were actual and necessary costs and expenses of operating or preserving the estate;

1.2. **Administratively insolvent** - an insolvency proceeding in which there are insufficient assets to pay all administrative expenses and priority claims in full;

1.3. **Administrator -** an entity appointed under Chapter VII of this Law as the representative of the bankruptcy estate;

1.4. **Affiliate**:

1.4.1. any entity in which the debtor owns, directly or indirectly, at least twenty percent (20%) of the equity interests; or

1.4.2. any entity which owns, directly or indirectly, at least twenty percent (20%) of the debtor's equity interests.

1.5. **Bankruptcy estate -** all of the property, entitlements, and privileges held by the debtor as of the commencement of insolvency proceedings, and all property acquired by the bankruptcy estate from and after the commencement of insolvency proceedings, including all property interests held regardless of whether they are tangible or intangible, contingent or fixed, liquidated or unliquidated, movable or immovable, including the

debtor's interests in encumbered property and in property in which third-parties also hold an interest. Such property includes but shall be not limited in:

1.5.1. all movable, immovable, tangible or intangible property, wherever located, whether in the custody of the debtor or third parties;

1.5.2. claims and legal actions of the debtor against third persons;

1.5.3. benefits from the actions that include the revenues collected from the dishonest or privileged transfers;

1.5.4. inheritance and other funds received within six (6) months of the petition submission date;

1.5.5. rent, income and proceeds generated from the use of the property of the estate or operation of the debtor's business; and

1.5.6. contractual rights, licenses, or other rights created or granted defined by the legal provisions into force;

1.6. **Burdensome property -** property that may have no value or an insignificant value to the bankruptcy estate or that are burdened in such a way that retention would require expenditures that would exceed the likely proceeds of realization of the property;

1.7. **Business activity** - any type of regular or repeated activity involving the offering, providing or producing of goods, services, property and/or works to or for any person or organization in return for or in expectation of any type of payment or compensation; provided, however, that an employee who provides services to his or her employer shall not be considered to be conducting "business activity" to the extent such services are required by and compensated pursuant to the employee's contract of employment with the employer;

1.8. **Business organization** - a general terms which includes any type of business organization established in Kosovo in accordance with the law regulating the establishment and functioning of business organizations, such as a an individual business, general partnership, limited partnership, limited liability company, joint stock company and branches of foreign businesses;

1.9. **Claim** - a petition or a right to payment, whether arising from a debt, a statutory liability, a contract, or any other type of legal obligation, regardless of whether such obligation is liquidated or unliquidated, matured or unmatured, disputed or undisputed, secured or unsecured, fixed or contingent:

1.9.1. a liquidated debt is a debt that has an amount not subject to reasonable dispute. A debt as determined by a court decision is presumptively liquidated;

1.9.2. a matured debt is a contractual debt that by its terms has become presently due, whether by the passing of time or by selection of parties. Matured debts include demand obligations for which demand has been made and is an installment debt for which a party has accelerated all installments to become presently due;

1.9.3. a disputed debt includes a debt subject to litigation or arbitration;

1.9.4. a secured debt is the debts secured with pledge or mortgage;

1.9.5. a contingent debt includes a debt for which all aspects of liability have not yet occurred. Contingent debts include a debt on a guaranty for which the principal debtor is not in default, and a claim on a product warranty for a product that has not yet malfunctioned. A debt subject to litigation or arbitration is not contingent; it is unliquidated until the court renders its decision;

1.10. **Close relative -** any individual related by consanguinity or affinity within the second degree;

1.11. **Commencement of bankruptcy proceeding**:

1.11.1. in cases when the debtor voluntarily commenced the bankruptcy proceeding, the date the debtor has filed a petition at the court regarding the commencement of bankruptcy proceeding; or

1.11.2. in any other case, the date two or more creditors submit a petition to commence a case against a debtor qualified according to this Law;

1.11.3. in a voluntary case, the date of the commencement of bankruptcy proceeding is considered the date in which the court shall commence the bankruptcy proceeding;

1.12. **Consumer activity** - any use or acquisition of goods or services primarily for personal, family or household purposes. Investing or saving money or other valuable property is not consumer activity;

1.13. **Contact information -** at a minimum, sufficient information to allow written or electronic communication to an entity. Contact information includes valid mailing addresses, email addresses, or a telephone number. For legal persons, contact information includes the name, title or capacity of a person whom the legal person has identified (either in court proceedings or in a method easily ascertainable by the general public) as authorized to receive notices, or, if no such person has been identified, the name, title or capacity of a person who has authority to respond to the content of the communication. Whenever an entity is required to provide contact information in this Law, it must provide whatever information it has, and refrain from providing information it knows to be obsolete or incomplete. The obligation to provide contact information with a court order is also valid towards public entities, especially for the Kosovo Civil Registration Agency and any other public entity which may have in its disposal any contact information for the party;

1.14. **Court**:

1.14.1. the Commercial Department of Pristina Basic Court; or

1.14.2. if the context indicates otherwise, such a reference shall be to any court in the Republic of Kosovo;

1.15. **Creditor-** an entity that has a claim against the debtor that arose on or before the commencement of the bankruptcy proceeding;

1.16. **Creditors committee –** the representative body of creditors appointed in accordance with this Law, and having consultative and other powers as specified in this Law;

1.17. **Day-** any calendar day;

1.18. **Debtor** - the entity towards which there is initiated the bankruptcy proceeding under this Law;

1.19. **Debtor in possession** - the debtor in reorganization proceedings in cases when the court has not appointed a Bankruptcy Administrator;

1.20. **Disinterested person** - an entity that:

1.20.1. is not a creditor, an owner or member of the debtor; or a insider of the debtor;

1.20.2. is not and has not been a director, officer, or employee of the debtor within last two (2) years from the date of the filing of the petition for initiation of the bankruptcy proceeding;

1.20.3. does not have any direct material interest towards bankruptcy estate or through creditors or owners or shareholders of the debtor, and no other relation, for any reason, with the debtor;

1.21. **Entity** – a natural or legal person, government and independent agencies of the Republic of Kosovo;

1.22. **Equity holder** - the holder or title holder of property rights on shares or other similar property rights in a business organization, that may be shareholder, owner, partner or similarly;

1.23.**Equity Interest** - the property on the capital or other property right to shares or parts of a legal person or other business organization, holder of which there may be shareholder, owner, partner or similarly;

1.24. **Governmental body** – only the government, ministries, municipalities, independent agencies and any other unit established according to the Constitution and Laws into force in the Republic of Kosovo;

1.25. **Insider**:

1.25.1. an affiliate;

1.25.2. a individual who is a member of the management or governing body of the debtor or who is in the position of substantial control of the debtor;

1.25.3. a person with access to information which in general is not available to the general public, concerning the decision making and financial condition of the debtor; or

1.25.4. a close family member or close relatives of persons mentioned in sub-paragraph 1, 2 and 3 of this paragraph;

1.26. **Insolvency and/or ''inability to pay'' -** the financial state in which an entity is generally unable to pay its claims as they mature or when its probable liabilities exceed the likely value of its assets;

1.27. **Bankruptcy proceeding** - voluntary or obligatory bankruptcy proceeding commenced pursuant to this Law;

1.28. **Individual** - any physical person that is registered in accordance with legal provisions on business organizations;

1.29. **Lien** - any right in property, whether full or partial, whether in rem or otherwise, and whether owned by the debtor or otherwise, held by a creditor to secure payment or other performance of one or more of the debtor's obligations. Liens include mortgages, pledges and security interests;

1.30. **Liquidation** - proceedings designed to sell and dispose of the debtor's property for distribution to creditors in accordance with this Law;

1.31. **Legal person** - any organization, including any business organization that has, as a matter of law, a legal identity that is separate and distinct from its members, owners or shareholders;

1.32. **Opening the case**:

1.32.1. in a voluntary case, the date upon which the debtor voluntarily filed its insolvency petition with the court; or

1.32.2. in an involuntary case, the date upon which the court enters its decision on a creditors' involuntary petition;

1.33. **Ordinary course of business** - transactions and action that:

1.33.1. have been regular for the debtor prior to the filing of the bankruptcy claim; and

1.33.2. ordinary business terms in which the debtor does the business;

1.34. **Pari passu -** the principle according to which similarly situated creditors are treated and satisfied proportionately to their claim out of the bankruptcy estate available for distribution to creditors of their rank;

1.35. **Party in interest** - debtors, bankruptcy administrators, creditors, equity holders,

creditor committees, and government units. Entities with remote or diffuse non-pecuniary interests are not considered parties in interest. Party in interest means any party:

1.35.1. whose pecuniary or monetary rights, obligations and other interests are affected by bankruptcy proceeding or particular matters in the bankruptcy proceeding; or

1.35.2. whose legal duties include monitoring or administering bankruptcy proceeding;

1.36. **Protection of value** - measures ordered by the court and directed at maintaining the economic value of encumbered property or property in which the debtor and a third party both hold an interest during the bankruptcy proceeding. The court may order the following relief as protection of value:

1.36.1. compensation by means of regular cash payments to the secured creditor equal to the decline in collateral value since the commencement of the bankruptcy proceedings, as well as compensation for actual or anticipated losses to the value of such collateral;

1.36.2. granting additional collateral of sufficient value to compensate for the decline in property value or compensation for losses;

1.36.3. delivery of proceeds generated from a sale, use, or lease of the collateral to the secured creditor, to the extent of its secured claim;

1.36.4. repair, maintenance, insurance coverage or physical security, as needed to remedy the problem;

1.36.5. other protective or compensatory measures as the court sees fit to protect the value of the secured creditor’s collateral;

1.37. **Prove or proof** - when used in connection with a potential fact or state of affairs, means that the entity who bears the burden of proof must establish, by competent evidence, that it is more likely than not that the fact or state of affairs is true;

1.38. **Reorganization** - the process by which the financial well-being and viability of a debtor’s business can be restored, jobs preserved, and the business continue to operate. Reorganization may use many take many different forms, including debt forgiveness, debt rescheduling, debt-equity conversions and sale of the business or parts of it as a going concern;

1.39. **Secured claim** - a claim for which the creditor has a lien registered at competent institutions (mortgage, pledge, lien);

1.40. **Secured creditor** - a creditor holding a secured claim;

1.41. **Transfer** - every manner, direct or indirect, of alienation, sale, exchange, grant, collection of means, availability, granting the pledge or mortgage, or other rights;

1.42. **Unsecured claim**:

1.42.1. a claim for which the creditor has no lien; or

1.42.2. if a creditor has a lien for its claim, that part of the claim representing the difference between:

1.42.3. the total amount of the claim; and

1.42.4. the value of collateral at the moment of the opening of the case;

1.43. **Unsecured creditor** - a creditor who holds an unsecured claim.

2. For the purpose of implementing Chapter IX of this Law, terms and notions in this Chapter shall have the following meaning:

2.1. **Foreign Court** - judicial bodies or other authority competent to control and supervise a foreign proceeding;

2.2. **Foreign proceeding** - a judicial or administrative proceeding in a foreign state, including an interim measure proceeding, pursuant to a Law treating the bankruptcy in which proceeding the assets and affairs of the debtor are subject to control or supervision by the foreign court with the purpose of reorganization or liquidation;

2.3. **Foreign main proceeding** - a foreign proceeding taking place in the foreign state where the debtor has the main centre of its activity;

2.4. **Foreign non-main proceeding** - a foreign proceeding, other than a foreign main proceeding, taking place in the state where the debtor has an establishment within the meaning of paragraph 1.6 of this Article;

2.5. **Foreign representative** - a person or body, including that one appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or to act as a representative of the foreign proceeding;

2.6. **Establishment** - any place where the debtor operates and carries out a non-transitory economic activity in saling the products or providing services.

Article 4

General principles of the Law on bankruptcy

1. In implementing and interpreting this Law, the court shall apply the general principles of the Law on bankruptcy, defined in this Article.

2. In liquidation proceedings, the court shall take steps to ensure that:

2.1. the bankruptcy estate representative seeks to maximize the overall return to all creditors;

2.2. all creditors of equal priority share in all distributions pari passu;

2.3. the debtor a legal person, shall not be the owner of its assets at the conclusion of the liquidation proceeding and shall be removed as active business from the registry of businesses with the designation ‘’liquidated’’;

2.4. the individual debtor shall not be the owner of its business assets administered in the bankruptcy proceeding, at the conclusion of the liquidation proceeding. The fact that the individual debtor has bankrupted shall be noted in the business registry in every new registration of a business by the debtor and close family members for five (5) years from the day of conclusion of the bankruptcy proceeding and the fact that the individual debtor has bankrupted shall be noted in the Credit Registry of the Central Bank of the Republic of Kosovo;

2.5. bankruptcy proceeding shall be an urgent proceeding;

2.6. there is not allowed any kind of suspension or interruption of bankruptcy proceeding.

3. In reorganization proceedings, the court shall take steps to ensure that the reorganization procedure, if successful will:

3.1. preserves or creates jobs; and

3.2. maintains or preserves asset values to the extent consistent with the reorganization.

4. In all proceedings, the court shall take steps to ensure that:

4.1. the obligations of debtors, and the rights and privileges of creditors, are not impaired or altered except as provided for in this Law;

4.2. the rights in rem of secured creditors or creditors with separate satisfaction shall not be impaired or altered except as provided for in this Law;

4.3. the bankruptcy estate representative, except as specifically provided for in this law, shall take all assets, tangible or intangible, subject to all rights, claims or obligations towards those assets, created as a result of other Laws;

4.4. in the case of a debtor who is an individual, only those assets used in, or pledged in support of, the debtor’s business may be liquidated to satisfy creditors’ claims;

4.5. subject to the provisions on reorganization, the opening of a case shall accelerate the maturity of all claims against the debtor which were unmatured as of the date of the opening of the case; and

4.6. the principle of limited liability of shareholders of the limited liability company, limited partners in the limited partnerships and shareholders in the joint stock companies shall respected in every case and owners, partners and shareholders shall not be liable for the obligations of their companies except in cases when there exists a legal work, a guaranty or a special Law that regulates otherwise this matter.

Article 5
Rules of interpretation

1. When interpreting the words and definitions in this Law:

1.1. the word “includes” or “including” means “includes, without limitation,” and thus indicates an illustrative list, and not a complete list;

1.2. when the plural of a term defined in the singular appears, it takes the same meaning as the singular term; and

1.3. when there is mentioned the entity in feminine, masculine or neutral, it does not present any change and has the same meaning.

Article 6
Debtor of bankruptcy

1. Subject to paragraph 2 of this Law any Business Organization may be a debtor.

2. The following entities may not be a debtor under this law:

2.1. the Republic of Kosovo;

2.2. public Institutions;

2.3. any “Financial Institution” as defined in Law regulating Banks, Microfinance Institutions And Non-Bank Financial Institutions;

2.4. any “Insurance company” or “Insurance intermediary” licensed and regulated by the Central Bank of the Republic of Kosovo;

2.5. any “Pension fund” or pension fund provider licensed and regulated by the Central Bank of the Republic of Kosovo;

2.6. socially owned enterprises and enterprises under the administration of the Kosovo Privatization Agency;

2.7. publicly owned enterprises as defined by the Law on Publicly Owned Enterprises or a future Law.

Article 7
Bankruptcy Estate Representative

1. The bankruptcy estate representative shall:

1.1. administer with all property of the bankruptcy estate;

1.2. have the power to sue and be sued in the estate's name; and

1.3. perform all duties specified in this law required to be performed by the bankruptcy estate representative.

2. In liquidation procedure, the bankruptcy Administrator shall be the bankruptcy estate representative.

3. In reorganization procedure, the debtor shall be the bankruptcy estate representative when acting as debtor in possession. In cases when the court appoints a bankruptcy Administrator, the Administrator should be the bankruptcy estate representative in reorganization.

Article 8
Jurisdiction of the court and legal remedies

1. Basic Court in Prishtina, Department for Commercial Matters shall be competent for the proceedings and review of the bankruptcy case and for all matters related to this Law.

2. The Court shall be composed of a single judge when proceeding a bankruptcy case.

3. Only one party in interest that is affected or aggrieved by a decision issued by the competent court shall have the right to appeal to the Court of Appeals of the Republic of Kosovo, Department for Commercial Matters.

4. Each party in interest shall have the right to appeal against the final decisions of the court that relate to final issues of the administration of the bankruptcy case, within seven (7) days from the day of receipt of the decision.

5. Unless the Court of Appeals decides otherwise, an appeal against a decision of the competent court does not interrupt any procedural action ordered by the competent Court.

6. Court of Appeals shall decide on the appeal within fifteen (15) days.

7. Use of extraordinary legal remedies shall not be allowed.

Article 9
Implementation of the Law on Contested Procedure

Provisions of the Law on Contested Procedure shall be applicable even to the bankruptcy proceeding, as long as they are not in contradiction with the provisions of this Law.

Article 10
Administration of Case

1. The court shall conduct the administration of the case through hearings, which shall be conducted on no more than seven (7) days from the day of the receipt of notice by the parties.

2. The court shall conduct a hearing when a party requests a decision, or when it is necessary

for the administration of the case.

3. If a party receives notice of a hearing, and does not object to the hearing or to the relief requested by a party, or does not appear at any hearing, that party shall be deemed to have consented to the relief requested to the extent that the notice of the hearing includes notice of the type of relief requested.

CHAPTER II
EXPEDITED PROCEEDINGS FOR FACILITIES TO SMALL AND MEDIUM ENTERPRISES (SME) AND FOR PRE-AGREED PLANS

Article 11
SME Definition

For purposes of this Law, Small and Medium Enterprise (hereinafter SME) shall be considered a business organization which has in annual turnover up to one million (1,000,000.00) Euro or has up to twenty-five (25) employees.

Article 12
SME Procedure

1. A case involving an SME debtor shall, unless specified in this Law to the contrary, be treated in all respects as a reorganization case.

2. In each SME case, the SME should file a reorganization plan within thirty (30) days from the day of initiation of bankruptcy proceeding.

3. If the debtor is an individual, then only the debtor may file the reorganization plan. If the debtor in a SME case is a legal person, then only the debtor may file a plan for the first thirty (30) days after the initiation of bankruptcy proceeding.

4. If a SME debtor's case does not produce a confirmed plan within sixty (60) of the opening of the case, the court shall dismiss the case upon the request of a party in interest.

Article 13
Monitor

1. In each case when an SME is a bankruptcy debtors, the court shall appoint a monitor.

2. The court may select the monitors from any eligible panel or listing of Administrators.

3. The court shall consider the monitor a professional person, and the monitor may apply for compensation from the estate as provided in Chapter IV of this Law.

4. After appointment, the monitor shall consult with the debtor regarding the debtor's business, its prospects, and its ability to formulate a plan that creditors will accept.

5. A monitor shall review each plan a SME debtor files to determine whether it proposes an economically feasible plan. The review may occur before or after the debtor files the plan with the court.

6. If the debtor intends to solicit votes on any plan, it shall inform the monitor of that decision, and the monitor shall then have ten (10) days it which it may file with the court a report containing the monitor's opinion on the feasibility of the plan.

7. If a monitor does not file a report according to paragraph 4 of this Article, the court shall consider that the monitor has agreed for the plan.

Article 14
SME Relief

1. An SME debtor may confirm a plan without meeting all the requirements of Chapter VI of this Law if the court finds each of these conditions are satisfied:

1.1. within ten (10) days from the initiation of bankruptcy proceeding, it files at the court a written request for the implementation of Chapter II of this Law;

1.2. the monitor appointed under this Chapter has filed at the court a report on the feasibility of the plan and the report has been delivered to all parties in interest before the commencement of voting procedure;

1.3. it has been delivered to all creditors affected by the plan for voting, and that the plan has been approved by:

1.3.1. seventy-five percent (75%) of all classes of secured creditors; and

1.3.2. at least 33.33% of all unsecured creditors vote in favour of plan;

1.4. The court concludes the plan is feasible when:

1.4.1. if the monitor has not submitted a report, then Article 13 of this Law applies;

1.4.2. at least fifty percent (50%) of all unsecured creditors voting on the plan accept the plan;

1.4.3. in all other cases, the debtor must prove that the plan is feasible;

1.4.4. or when all secured creditors who vote for reorganization approve the plan.

1.5. the debtor proves that the plan will pay all impaired creditors no less than they would have received had the debtor filed a liquidation case.

Article 15
SME Discharge

A SME debtor shall receive a discharge upon confirmation of its plan. A discharge under this Article shall have the same effect on claims against the SME debtor as would a discharge under Chapter VI of this Law.

Article 16
Pre-Agreed Plan Definition

A debtor may solicit its creditors for debt relief before commencement of bankruptcy proceedings. If the information given creditors in any such solicitation would have complied with the disclosure requirements of Chapter VI of this Law then that debtor may use the provisions of Article 17 of this Law to confirm its plan.

Article 17
Procedure for Approval of Pre-Agreed Plan

1. A debtor which has provided the votes of its creditors on a plan of reorganization before the filing of the bankruptcy claim may, at its choice, immediately request from the court the confirmation of the plan in hearing session. The request for confirmation of the plan shall be done immediately with the request on commencement of bankruptcy proceeding.

2. If a debtor makes such a request, the court shall hold an expedited hearing at which it shall determine whether the debtor's pre-filing solicitation of votes was accompanied by disclosure of information that would have been required by Chapter VI of this Law.

3. If the court determines that during the procedure before the initiation of the bankruptcy case, the debtor have given the required information to the creditors according to Chapter VI of this Law, and the conditions are fulfilled, the court shall immediately proceed with the confirmation of the plan if there is determined that the conditions on the confirmation of the plan according to Chapter VI of this Law have been fulfilled.

4. If the court determines that during the procedure before the initiation of the bankruptcy case, the debtor has not given the information required by Chapter VI of this Law, the court shall issue the ruling on denying the confirmation of the reorganization plan and the debtor shall proceed with its bankruptcy proceeding as there would not have existed at all the pre-agreed plan.

CHAPTER III
INITIATION OF THE PROCEDURE AND OPENING OF A CASE

Article 18
Opening of a Case

1. A case is opened when:

1.1. the debtor files a voluntary petition for either liquidation or reorganization; or

1.2. an involuntary petition is filed against the debtor and, after a hearing on notice to the debtor; the court shall issue a ruling finding that the petition meets all of the requirements of this Law.

Article 19
Voluntary Cases Opened by a Debtor

1. For voluntary initiation of a case, a debtor files either a petition in reorganization or a petition in liquidation.

2. A debtor does not need to be insolvent to be eligible to be a debtor under this law.

3. If a debtor files a petition for an improper purpose or in a manner intended to deceive, defraud or subvert the creditors, the court may fine the debtor or individual members of the debtor's management or governing body.

4. It is considered that a debtor has filed its petition for an improper purpose or with the intent to deceive or cause damage to creditors according to paragraph 3 of this Article, if a debtor:

4.1. files a case without listing its name properly;

4.2. does not list all prior material names under which it has conducted business;

4.3. does not list a material creditor and that creditor does not therefore receive knowledge of the proceeding; or

4.4. provides fraudulent information in any phase of the procedure or tries to manipulate the procedure in any way.

5. The Court shall impose fines to the debtor for cases foreseen in paragraph 4 of this Article, amounting from five hundred (500) to ten thousand (10,000) Euro, and such fines shall be paid to the Budget of the Republic of Kosovo.

Article 20
Involuntary Cases May Be Commenced by Creditors

1. Two (2) or more creditors may submit a petition to commence a case against an eligible debtor when:

1.1. that debtor has failed to pay a debt due to each of the petitioning creditors, and

1.1.1. each debt has been due and payable for at least ninety (90) days;

1.1.2. the total amount of the debt due is at least three thousand (3,000) Euro in amount; and

1.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; and

1.2. The debtor is generally not paying its debts as they become due, and the total of unpaid debts exceeded five thousand (5,000) Euro.

2. The court should promptly notify the debtor within three (3) days of the filing of the petition for initiation of the bankruptcy proceeding. The court should also set the term by which the debtor may respond to the petition and a hearing session on acceptability of the petition. The court should present all these information in the notice delivered to the parties. In the interim, the court shall issue and order to the parties with the purpose of protection of the petitions of debtor and creditors. Such order should be required and proved as necessary by the parties.

3. If the debtor responds to the petition for initiation of the procedure and its response does not object to the petition, the court shall promptly issue a ruling on the acceptability of the petition and orders the opening of the case.

4. If the date set for a hearing on the admissibility of the request to initiate bankruptcy proceedings:

4.1. if the debtor has not responded to the petition, the court shall promptly enter a decision opening the case;

4.2. if the debtor has objected to the petition, the petitioning creditors shall bear the burden of proving that:

4.2.1. the claims owed to them by the debtor qualify them as petitioning creditors; and

4.2.2. that the debtor is not generally paying its valid claims as they become due.

5. If the petitioning creditors succeed in bearing their burden of proof as set forth in the preceding Article, the court shall promptly enter a decision opening the case.

6. If a court does not order the opening a case after creditors have filed a petition for initiation of the bankruptcy proceeding, and the court separately finds that the creditors, or any of them, submitted the petition in bad faith or for an improper purpose, the court shall order the creditors, jointly and severally, to pay damages to the debtor to compensate it for any loss. The court in the justification of the ruling shall ascertain the reasons of non-opening of the case and eventual order for compensation. With the purpose of interpreting this paragraph, the purpose of creditors to provide a payment towards their petition cannot be considered an improper purpose or their action in bad faith.

Article 21
Rejection of Petition

1. The court rejects as unacceptable the request to initiate bankruptcy proceedings if:

1.1. the court lacks jurisdiction;

1.2. the debtor is not eligible to be a debtor under this Law;

1.3. the debtor is already subject to bankruptcy proceeding;

1.4. any entity filing the petition lacks the capacity to act, unless creditors filed the petition, and there are at least two (2) remaining competent petitioning creditors after removing the disqualified petitioning creditor; or

1.5. the entity filing the case has not paid the filing fees required by applicable law, or is not subject to an exception provided by the Court or under rules promulgated by the Kosovo Judicial Council.

Article 22
Form and Registration of Petition

1. Petitions under this Chapter may be on forms promulgated according to Chapter I of this Law, but if there are no such forms, such petitions must contain at least the following information:

1.1. the debtor's name, and all names under which the debtor has conducted business in the five years preceding the date on which the petition is filed;

1.2. the debtor's contact information, which at a minimum must include its address, telephone number or numbers, fiscal identification number, business registration number, email addresses and any web site address for any web site it maintains; and

1.3. if the debtor is a legal person, all known officers, directors, members, managers or any other entity with managerial or other control over the debtor's property, along with the contact information for each such entity required by the previous sub-paragraph.

2.Petitions filed by a creditor or a group of creditors shall include as much information about the debtor as is known by such creditor or creditors, but at a minimum shall include the debtor's name and sufficient contract information to give the debtor notice of the proceeding.

3. The court shall register a petition immediately upon its receipt. The court shall register the petition regardless of any defect and shall indicate the time and date of receiving the petition on its face.

4.The court shall notify the business registry, the pledge registry, commercial banks, credit registry of the Central Bank and the tax administration regarding the initiation of a bankruptcy proceeding.

Article 23
Treatment of Cases Involving Related Entities – Consolidation

1. The court shall order a joint administration of cases, in those cases when two (2) or more petitions are filed at the court by or against:

1.1. a husband and wife;

1.2. a general or limited partnership and one or more of its general partners;

1.3. two (2) or more general partners; or

1.4. a debtor and an affiliate, then the court may order a joint administration of the estates.

2. A joint administration decision of the court may contain such provisions as the court may consider necessary or desirable to ensure the efficient administration of the bankruptcy proceeding, provisions for common dockets, joint hearings, combined notice lists and any other provision that the court believes will tend to avoid unnecessary cost or delay.

3. Prior to entering a decision of joint administration, the court shall consider ways to protect creditors of different estates against potential conflicts of interest.

Article 24
Filing Fees

Each entity submitting a petition to the court shall, unless otherwise provided for in a court decision or by court rule, also provide the clerk of the court with the filing fee established by Law. If no filing fee is provided, and no valid exemption applies, the Court shall act in accordance with the applicable laws.

CHAPTER IV
LEGAL CONSEQUENCES UPON OPENING A CASE

Article 25
Legal Consequences of Opening a Case

1. The opening of a case:

1.1. creates the bankruptcy estate;

1.2. confers the court with exclusive jurisdiction over the bankruptcy estate and over the debtor;

1.3. operates as a stay of proceedings, as set forth in the next Article;

1.4. in a liquidation case, divests the debtor of control of all its property;

1.5. in a reorganization case in which an Administrator is not requested, vests in the debtor all of the powers and duties of a debtor in possession; and

1.6. in a reorganization case in which an Administrator is requested, divests the debtor of control of all of its property and vest control in the Administrator.

2. Upon opening of a case, the court shall:

2.1. within two (2) days notify the business registry, the pledge registry, commercial banks, the credit registry at the Central Bank and the tax administration of the case's opening. The form of notice must be in writing. Upon receipt of notification, the business

registry, pledge registry, commercial banks, credit registry and tax administration shall note the opening of the case in the registries;

2.2. publish the notification in Court's table of notices and in at least two (2) daily newspapers.

2.3. if a liquidation case, appoint an Administrator in accordance with this law;

2.4. set the time, date, and place of the first meeting of creditors for a date not later than fifteen (15) days after the opening of the case; and

2.5. issue a notice of the Administrator's appointment and of the date, time, and place of the first meeting of creditors.

3. The court may set a preliminary court hearing ten (10) days after the scheduled first meeting of creditors to determine the case status and the results of the meeting of creditors. The court orders the debtor, or its authorized representative, to attend.

Article 26
Imposition of a Stay of All Actions against Debtor

1. Except as provided in this Law, a petition filed for initiation of bankruptcy procedure initiated under Chapter III of this Law shall operate as a stay and injunction, without notice, applicable to all entities, of each of the following:

1.1. the commencement or continuation of any aspect of a judicial, administrative, or other action or proceeding related to the debtor's business activities against the debtor or its property including any freezing or locking of any bank accounts and that was or could have been commenced before the opening or commencement of the case;

1.2. the enforcement, against the debtor or against property of the bankruptcy estate, of a judgment obtained before the opening or commencement of the case to the extent related to the debtor's business activities;

1.3. any act to obtain possession of property of the bankruptcy estate or of property from the estate or to exercise control over property of the bankruptcy estate;

1.4. any act to create, perfect, or enforce any lien against property of the bankruptcy estate;

1.5. any act to create, perfect, or enforce against property of the debtor any lien to the extent that such lien secures a claim that arose before the commencement of bankruptcy proceeding, and to the extent it relates to the business activities of the debtor;

1.6. any act to collect, assess, or recover a claim against the debtor to the extent that it relates to the debtor's business activities and to the extent that such claims arose before the commencement of bankruptcy proceedings; and

1.7. the setoff of any claim owing to the debtor and related to the debtor's business activities that arose before the commencement of bankruptcy proceeding against any claim against the debtor.

Article 27
Exemptions from Stay

1. The commencement of bankruptcy proceedings under this Law does not operate as a stay or injunction against any of the following:

1.1. the commencement or continuation of a criminal action or proceeding against the debtor;

1.2. the commencement or continuation of any action or proceeding against an individual debtor related to any domestic or family matter, including, without limitation, any proceedings in or related to divorce except to the extent such action seeks to divide or allocate property used for business activities to satisfy or pay nonsupport debt or to effectuate a property settlement, for paternity, or for child or spousal support;

1.3. regulatory proceedings or actions with regard to the prevention or remediation of violations of health, safety, and the environment;

1.4. an audit or financial control by the tax administration to determine but not enforce a tax liability;

1.5. actions or proceedings filed against third parties which relate to any claim against the debtor, including, without limitation, actions against any entity which guaranteed any claim against the debtor or its property or against a general partner of a debtor that is a general or limited partnership;

1.6. the presentment but not the payment of a negotiable instrument and the giving of notice of and protesting dishonor of such an instrument;

Article 28
Limited Duration

1. The stay provided by this Law shall expire one hundred and twenty (120) days after the opening of a case, or after the debtor receives a discharge, whichever first occurs, unless extended as provided by this law.

2. The stay may be extended beyond one hundred and twenty (120) days, but only if the court finds that the bankruptcy estate representative has met the burden of establishing, by proof, the need for further time to effectuate the purposes of this law. In no event, however, may the stay extend beyond one (1) year after the opening of a case.

3. During the pendency of the stay provided by this Law, all limitation periods for legal actions against the debtor that are prohibited by the stay shall be suspended. The running of such periods of limitations shall resume when the stay no longer applies.

Article 29
Termination or Modification of Stay

1. At the request of a party in interest, the court may terminate, modify, condition, annul, or amend the stay provided by this Law before it expires in any of the following circumstances:

1.1. the debtor fails to provide any protection of value that the creditor proves was validly and reasonably requested by the creditor to protect its lien; or

1.2. the creditor proves that the amount secured by the lien exceeds the value of the property subject to the lien, and that either:

1.2.1. the case is a liquidation case; or

1.2.2. the bankruptcy estate representative fails to prove that the property subject to the lien is necessary to an effective reorganization under the law.

2. Upon request of a party in interest, the court, with or without a hearing, shall grant such relief from the stay provided by this Law as is necessary to prevent irreparable damage to the interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under this Article.

Article 30
Duties of Debtor

In addition to the specific disclosure requirements pursuant to Article 32 of this Law and cooperation requirements set in this law, the debtor shall have an overriding duty of good faith and complete disclosure when undertaking compliance with this law. The debtor shall not be allowed to provide any information to the court or to creditors that is false or misleading, or omit to provide any information if the omission of that information would tend to make the information provided misleading or inaccurate.

Article 31
Presentment of information

1. If a debtor files the petition in bankruptcy, the debtor shall also concurrently file:

1.1. a list of all known creditors, together with their contact information for each of them;

1.2. a list of all known claims against the debtor, together with the amount of the claim, the approximate date it was incurred, and whether the claim is disputed, contingent, or unmatured;

1.3. a list of all the debtor's assets, together with a good faith estimate of the value of each such asset. If an asset is tangible, the debtor shall indicate where the asset can be found; if the asset is intangible, the debtor shall indicate the obligor, if any, related to the asset and the obligor's contact information;

1.4. a list of all transactions out of the ordinary course of business, to which the debtor was a party or from which the debtor benefited, made or transacted within the two years preceding the commencement of bankruptcy proceedings. With respect to each such transaction, the debtor shall also indicate the date of the transaction, and the identity and contact information of all parties to the transaction (along with an indication of whether any such party is an insider); and

1.5. a list of all transactions involving the exchange of value more than nine hundred

and ninety-nine (999) Euro , to which the debtor was a party or from which the debtor benefited, made within the year preceding the commencement of bankruptcy proceeding. With respect to each such transaction, the debtor shall also indicate the date of the transaction, and the identity and contact information of all parties to the transaction along with an indication of whether any such party is an insider.

2. If creditors file a bankruptcy petition, they must also file with the petition as much of the information required by the previous paragraph of this Article as they know or can reasonably ascertain.

3. If a creditors' bankruptcy petition for opening of a bankruptcy case is accepted by the Court, the debtor is obliged shall provide the Court with all the information in paragraph 1 of this Article within ten (10) days of the opening of the case.

4. In case the reasonable consequences exist, the court may extend the term foreseen in paragraph 3 of this Article for another ten (10) days.

5. All lists and information required to be filed by this Article shall be a matter of public record and available to the public, although the court may, upon request of the debtor, seal or prevent the disclosure of such information as the debtor may prove to be:

5.1. trade secret or other confidential research, development, or commercial information, the disclosure of which would tend to reduce the value of property of the bankruptcy estate;

5.2. scandalous or defamatory materials; or

5.3. should be kept confidential according to an applicable Law.

Article 32
Cooperation

The debtor shall cooperate with the Administrator in all matters, and shall provide without delay access to all documents and information concerning the debtor's activity and resources, including all information regarding the claims, property, and transactions disclosed in the previous Article.

Article 33
Sale and Use of Assets

1. The bankruptcy estate representative may not make any transfer on account of or in satisfaction of any claim that arose before the commencement of bankruptcy proceedings except as may be authorized by the court or this Law.

2. According to the conditions set paragraph 1 of this Article, the bankruptcy estate representative may sell, use, or lease property which is part of the bankruptcy estate in the ordinary course of business, if the sale, use or lease of that property is a part of ordinary course of business, without the need to obtain court approval.

3. With court approval, the bankruptcy estate representative may sell, use, or lease property of the bankruptcy estate out of the ordinary course of business.

4. Subject to the provisions of this paragraph, the bankruptcy estate representative may sell estate property in which an entity other than the estate has an interest:

4.1. any sale of property of the bankruptcy estate in which an entity other than the debtor or the estate holds an interest is conditioned upon the estate's proof that it has provided protection of value to such non-debtor;

4.2. unless the court for cause orders otherwise, if the bankruptcy estate representative proposes to sell estate property in which another entity holds a lien, the estate must permit the entity holding the lien to bid at such sale, and, if the holder of such claim purchases such property, such holder may offset such claim against the purchase price of such property.

5. The bankruptcy estate representative may sell property of the bankruptcy estate so that the buyer takes it free and clear of any interest in such property of an entity other than the estate, but only if the bankruptcy estate representative proves:

5.1. applicable legislation permits sale of such property free and clear of such interest;

5.2. such entity consents;

5.3. such interest is a lien and lien holder's interest in such property attaches to the proceeds of sale; or

5.4. such interest is in bona fide dispute.

Article 34
Post-Filing Financing of the Bankruptcy Estate

1. Unless the court orders otherwise, the bankruptcy estate representative may obtain unsecured credit and incur unsecured debt in the ordinary course of business allowable as an administrative expense.

2. The court may authorize the bankruptcy estate representative to obtain unsecured credit or to incur unsecured debt other than under paragraph 1 of this Article which is allowable as an administrative expense.

3. If the bankruptcy estate representative is unable to obtain unsecured credit allowable as an administrative expense, the court may authorize the obtaining of credit or the incurring of debt as an administrative expense:

3.1. with priority over any or all administrative expenses;

3.2. secured by a lien on property of the bankruptcy estate that is not otherwise subject to a lien; or

3.3. secured by a lien on property which is part of the bankruptcy estate that is secured previously a lien, provided that the new lien not to have priority towards the existing lien.

4. Any credit extended in accordance with this Article shall not be declared void, voidable or unenforceable as an act detrimental to the general body of creditors at any later time.

Article 35
Contracts with Performance Still Due by Both Parties

1. Unperformed contracts referred to in this Article are those contracts of the debtor which, at the time of the opening of the case, have been unperformed by both the debtor and non-debtor party to the contract that the non-performance by either party would constitute a breach according to applicable Law in Kosovo.

2. The bankruptcy estate representative shall accept, reject, or assign an unperformed contract.

3. The bankruptcy estate representative must obtain court approval of its decision to accept, reject, or assign any unperformed contract. The court shall approve the bankruptcy estate representative's decision if the bankruptcy estate representative proves that the decision was made in the exercise of the bankruptcy estate representative's good faith business judgment, and that all other requirements of this article have been met.

4. If the bankruptcy estate representative:

4.1. accepts an unperformed contract, the estate becomes liable for all performance obligations under the contract, and any liability under the contract shall be an administrative expense; and

4.2. rejects or assigns an unperformed contract, the bankruptcy estate is no longer liable for any future performance obligations under the contract, and any liability under the contract shall be treated as if it arose immediately before the opening of the case. A rejection is only a breach of the unperformed contract; it does not rescind or other invalidate it.

5. The estate may assume or assign an unperformed contract under which the debtor was in default only if the estate promptly:

5.1. cures the default;

5.2. compensates the non-debtor party for any damages or injury that party sustained due to such default; and

5.3. provides proof of adequate assurance of any future unperformed obligations under the contract.

6. The estate may not assume or assign a contract if:

6.1. the contract was, or contained as a material part, a promise to make a loan or other financial accommodation;

6.2. an applicable law excuses a party, other than the debtor, from accepting performance from or rendering performance to an entity other than the debtor or the debtor in possession, and the non-debtor party does not consent to the assumption or assignment.

7. Any provision in an unperformed contract or applicable law that provides that a non-debtor party to the unperformed contract may terminate or modify it solely because of a provision in such unperformed contract that is conditioned on

7.1. the insolvency or financial condition of the debtor at any time before the closing of the case or

7.2. the commencement of bankruptcy proceedings under this law, shall not be effective against the estate or the bankruptcy estate representative.

8. Any provision in an unperformed contract or applicable law that prohibits, restricts, or conditions the debtor's assignment of the unperformed contract shall not be effective against the bankruptcy estate representative.

9. If the unperformed contract is a lease of real property or a license of intangible property, and the debtor is the lessor or licensor, then the non-debtor party, upon any rejection, shall have the option to continue in possession, or continue to use, the object of the unperformed contract.

10. Continued use or possession, however, shall be conditioned on the non-debtor's performance of its obligations under the rejected contract, such as the obligation to pay rent or a license fee.

11.The bankruptcy estate representative, however, shall be not be required to perform any unperformed obligations under such rejected unperformed contract, and the non-debtor party may offset any damages it may incur due to the rejection against any obligations it retains under the unperformed contract.

12. The bankruptcy estate representative shall make the determination to accept or reject an unperformed contract by the earlier term after the confirmation of a reorganization plan until the latest deadline that is the time before the closing of the case.

Article 36
Abandonment of Burdensome Assets to bankruptcy estate

1. Upon request of the bankruptcy estate representative, the court may allow the bankruptcy estate representative to abandon, to any party with an interest, any burdensome property.

2. On request of a party in interest, the court shall order the bankruptcy estate representative to abandon any burdensome property to bankruptcy estate.

3.Unless the court orders otherwise, any property scheduled by the debtor under Chapter IV of this Law and which is not otherwise administered at the time of the closing of a case is abandoned to the debtor.

4.Unless the court orders otherwise, property of the bankruptcy estate that is not abandoned under this Article and is not otherwise subject to disposition under the terms of this law remains property of the bankruptcy estate.

Article 37
Avoiding Power

The bankruptcy estate representative shall have the power to avoid transactions made, and recovery property transferred, before the commencement of bankruptcy proceeding in accordance with Articles 38,39,40,41,42,43,44 of this Law. For purposes of this law, avoidance is the setting aside or nullification of a transaction such that it is retroactively ineffective and that the transferee legally acquired nothing as a result of the transfer.

Article 38
Turnover

1. The bankruptcy estate representative shall have to power to recover by action, or to demand and receive the turnover of, any property of the bankruptcy estate held as of the opening of the case by an entity other than the debtor.

2. Any entity in possession or control of property of the bankruptcy estate shall deliver to the bankruptcy estate representative, and account for, such property or the value of such property, subject to the representative of the estate providing protection of value.

3. An entity that owes a debt that is property of the bankruptcy estate and that is matured, payable on demand, or payable on order, shall pay such debt to, or to the order of, the bankruptcy estate representative.

Article 39
Preferences

1. Subject to the defenses set forth in paragraph 3 of this Article, the bankruptcy estate representative may avoid a transfer to the extent it:

1.1. was made before commencement of bankruptcy proceeding;

1.2. was made to a creditor or for the benefit of a creditor such as payment that had the effect of reducing the exposure on a guaranty on account of a debt that was incurred before the transfer;

1.3. was made while the debtor was insolvent;

1.4. was made within one hundred and twenty (120) days of the commencement of bankruptcy proceeding, however, that if the transferee was an insider, it was made within three hundred and sixty-five (365) day period of the commencement of bankruptcy proceeding; and

1.5. enabled the transferee to receive more from the debtor and bankruptcy estate that it would have had the transfer not been made and the transferee had received only a dividend in a liquidation case.

2. The transfer shall not be qualified according to paragraph 1 sub-paragraph 1.5 of this Article, if it was made:

2.1. to a secured creditor at a time when the value of its collateral was more than the amount of the secured creditor's claim;

2.2. to a creditor holding a secured claim whose collateral is worth less than its total claims, but only to the extent that the amount of the transfer exceeded the value of the difference between the creditor's total claims and the value of the creditor's collateral; and

2.3. to a creditor with priority of payment over general unsecured creditors to the extent that the estate is not administratively insolvent.

3. A creditor has a complete defense to an action seeking to avoid a transfer under paragraph 1 of this Article to the extent that:

3.1. the transfer was made in the debtor's ordinary course of business;

3.2. the transfer was a lien, and lien was given to enable the debtor to acquire the property subject to the lien; or

3.3. the transfer was in the nature of court-ordered or approved child or spousal support, or court-ordered restitution.

4. For purposes of this Article:

4.1. the debtor shall be presumed to be insolvent during the one hundred and twenty (120) day period before the commencement of bankruptcy proceeding; and

4.2. the bankruptcy estate representative must prove the existence of all of the elements of paragraph 1 of this Article.

5. The creditor must prove the entitlement to a defense under paragraph 3 of this Article in order to establish its defense.

Article 40
Fraudulent or Uncommercial Transfers

1. The bankruptcy estate representative may avoid a transfer or an obligation of the debtor to the extent that it:

1.1. was made by the debtor with the intent to hinder, delay, or defraud creditors within two (2) years from the commencement of bankruptcy proceedings.

1.2. was made for less than reasonably equivalent value while the debtor:

1.2.1. was insolvent; or

1.2.2. had insufficient capital or reserves to pay reasonably anticipated obligations; and

1.2.3. was made within two (2) years of the commencement of the bankruptcy proceeding.

2. A transferee of a transfer or an oblige on an obligation that takes for value and in good faith has a lien on or may retain any interest transferred or may enforce any obligation incurred, as the case may be, to the extent that such transferee or oblige gave value to the debtor in exchange for such transfer or obligation.

3. For purposes of this Article, “value” means property, or satisfaction or securing of a present or antecedent debt of the debtor, but does not include an unperformed promise to furnish support to the debtor or to a close relative of the debtor;

Article 41
Improper or Incomplete Security Interests or Mortgages

1. The bankruptcy estate representative may avoid any creditor’s lien if:

1.1.an applicable law requires the registration of the lien in any public registry; and

1.2. the creditor had not, as of the commencement of bankruptcy proceeding, taken all steps necessary to provide such notice.

Article 42
Status of Execution Creditor

The bankruptcy estate representative shall have the status of a supposed execution creditor from the moment of commencement of the bankruptcy procedure, and shall have the supposed priority with respect to the claims of all creditors to the same extent as the debtor would have if he would not have commenced the bankruptcy proceeding.

Article 43
Unauthorized Transfers after the Filing of the petition for bankruptcy

1. Except as provided in sub-paragraph 1.2 of this Article, the bankruptcy estate representative may avoid a transfer of property of the bankruptcy estate:

1.1. that occurs after the commencement of bankruptcy proceeding; and

1.2. that was not authorized under this Law or by the court;

1.3. in a case commenced by creditors, the bankruptcy estate representative may not avoid a transfer made after the commencement of bankruptcy proceeding but before the case is opened to the extent the transferee gave any value in exchange for such transfer.

Article 44
General Defenses

1. To the extent that a transfer is avoided under this law, the bankruptcy estate representative

may recover, for the benefit of the estate, the property transferred, or, if the court so orders, the value of such property, from:

1.1. the initial transferee of such transfer or the entity for whose benefit such transfer was made; or

1.2. any transferee of such initial transferee, or anyone whose title to the property traces to or derives from the transfer to initial transferee.

2. The bankruptcy estate representative may not recover under sub-paragraph 1.2 of paragraph 1 of this Article from:

2.1. a transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith, and without knowledge that the transfer could be avoided under this Law; or

2.2. any good faith transferee of such transferee.

3. A good faith transferee from whom the bankruptcy estate representative may recover under paragraph 1 of this Article has a lien on the property recovered to secure the lesser of:

3.1. the cost, to such transferee, of any improvement made after the transfer, less the amount of any profit realized by or accruing to such transferee from such property; and

3.2. any increase in the value of such property as a result of such improvement, of the property transferred.

4. The bankruptcy estate representative is entitled to only a single satisfaction under paragraph 1 of this Article.

Article 45
Compensating Professionals

1. After notice to the parties in interest the court may award to a professional person employed under this Law:

1.1. reasonable compensation for actual, necessary services rendered by the professional person, or by any paraprofessional person employed by any such person; and

1.2. reimbursement for actual, necessary expenses.

2. The court may, on its own motion or on the motion of any party in interest, award compensation that is less than the amount of compensation requested by the professional person.

3. In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including:

3.1. the time spent on such services;

3.2. the rates charged for such services;

3.3. whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a bankruptcy proceeding;

3.4. whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and

3.5. whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this Law. The compensation of professionals may not be reduced because creditors may not be paid in full.

4. The court shall not allow compensation for:

4.1.unnecessary duplication of services; or

4.2. services that were not reasonably likely to benefit the bankruptcy estate or were not necessary to the administration of the case.

5. If the court grants the professional person's request for fees and reimbursements, the amounts so approved shall be administrative expenses.

CHAPTER V
CREDITORS' CLAIMS

Article 46
Acceleration of Maturity of All Claims

The opening of a case shall accelerate the maturity of all unmatured claims to the date the case was opened.

Article 47
Definition of Secured Claim

1. A claim is a secured claim only to the extent of the value of the collateral securing its repayment.

2. To the extent that a creditor's claim exceeds the value of the creditor's collateral, the creditor holds an unsecured claim for the excess.

3. If a party in interest disputes the amount of a secured claim the court:

3.1. shall value a creditor's collateral as of the opening of the case;

3.2. shall determine such value in light of the purpose of the valuation and of the proposed disposition or use of such collateral;

3.3. may determine the value in conjunction with any hearing on such disposition or use or on a plan affecting such creditor's interest.

Article 48
Setoff of claims

1. After the commencement of bankruptcy proceedings, a creditor may set off a claim against the debtor with a claim it owes the debtor only as provided in this Article.

2. Other than for setoffs involving bank accounts, a creditor may setoff a mutually held claim against the debtor if that claim:

2.1. was in existence within the six (6) months prior to the opening of the case; and

2.2. the creditor provides written notice of the setoff to the bankruptcy estate representative before the expiration of the period to file proofs of claim.

3. With respect to bank accounts:

3.1. a bank may not setoff, after the opening of the case, any claim the bank owes the debtor such as a bank account against any claim the debtor owes the bank;

3.2. if the bank set off any balance in a bank account against any claim owed to it by the debtor during the six (6) months prior to the opening of the case, the bank shall return to the estate the difference between:

3.2.1. the deficiency existing six months prior to the opening of the case defined as the amount by which the claim owed to the bank exceeded the account balance after setoff; and

3.2.2. the deficiency calculated as in the prior paragraph immediately after the setoff.

4. Claims that have arisen prior to the opening of the case shall not be set off against claims that have arisen after the case is opened.

Article 49
Creditors' Duty to File Proofs of Claim

1. Each creditor must file a proof of claim with the court to establish the validity and amount of its claim.

2. The court provides the parties with a specific form for registration of the claim and proves on existence of the claim. In absence of a specific form, the creditors shall file at the court a written statement which is considered statement under oath:

2.1. describing the claim, including whether it is claim as unsecured, priority, or secured;

2.2. setting forth its amount as of the date of the opening of the case;

2.3. appending, if available, accurate and complete copies of the documents related to the claim or to any security related to such claim.

3. Unless the creditor files a proof of claim, it will not be able to:

3.1. share in any distribution of property of the bankruptcy estate to creditors;

3.2. serve on any creditors' committee; or

3.3. vote on any plan of reorganization.

4. In a liquidation case, a creditor must file a proof of claim within sixty (60) days of the date of the notice of the opening of the bankruptcy proceeding.

5.In a reorganization case, unless the court orders otherwise according to the needs of the reorganization, a creditor must file a proof of claim within thirty (30) days of the date of the notice of the opening of the bankruptcy proceeding.

6. Within thirty (30) days of the deadline for filing proofs of claim as provided in paragraphs 4 and 5 of this Article has passed, the bankruptcy estate representative may file a proof of claim on behalf of any creditor. Such filing must be made in good faith.

7. The claims register shall be open to the public when the court is open, and the court shall allow for reasonable procedures for the inspection and copying of all documents contained in the register.

Article 50
Claim Procedure

1. A proof of claim filed in accordance with this law shall constitute presumptive proof of the validity and the amount of a creditor's claim, and of any security for that claim. If there is no objection to the claim, the creditor needs to take no further action to establish any part of the claim, and the claim shall be deemed allowed.

2. A party in interest may object to a proof of claim.

3. If a party in interest objects to a proof of claim, the court shall determine the validity and amount of the claim in euros according to applicable Laws, as of the date of the opening of the bankruptcy case. The objecting party shall prove its objection. Unless otherwise requested by the party objecting to a claim or as ordered by the court, the presumption of validity of a proof of claim persists until a court ruling to the contrary.

4. The court shall not allow a claim in addition to the grounds for objection of the claim defined in paragraph 3 of this Article that is based on:

4.1. unmatured interest as of the date of the opening of the case; or

4.2. a proof that has not been filed within the legal deadlines foreseen by this Law.

5. The court shall estimate for purpose of allowance under this Article:

5.1. any contingent or unliquidated claim, the fixing or liquidation of which, as the case may be, would unduly delay the administration of the case; or

5.2. the value of any right of performance arising from a right to a remedy for breach of performance.

6. The court shall disallow any claim for reimbursement or contribution of an entity that is liable with the debtor on or has secured the claim of a creditor, to the extent that:

6.1. such creditor's claim against the estate is disallowed;

6.2. such claim for reimbursement or contribution is contingent as of the time of allowance or disallowance of such claim for reimbursement or contribution; or

6.3. such entity asserts a right of subrogation or assignment at law to the rights of such creditor.

7. The court shall disallow any claim of any entity from which property or damages are recoverable under Chapter IV of this law, or that is a transferee of a transfer avoidable under Chapter IV of this Law, unless such entity or transferee has paid the amount, or turned over any such property, for which such entity or transferee is liable.

Article 51
Final Claims List

1. In a liquidation case, no later than ten (10) days after resolution of all claim objections, the Administrator shall compile and submit to the court a final list of claims, indicating their amount and status.

2. The Administrator shall also transmit the final claims list to the debtor and the creditors' committee, if one has been formed.

3. If no objection to the list is filed within thirty (30) days of submission to the court, then the list shall be deemed to be final for all purposes.

4. As a plan of reorganization deals with all claims, the confirmed plan of reorganization shall constitute the final list of claims and the bankruptcy estate representative does not need to file any additional final list of claims in a reorganization case.

Article 52

Distributions of Property of the Bankruptcy Estate to Creditors

1. The bankruptcy estate representative shall distribute property of the bankruptcy estate to creditors in respect of the claims as soon as the bankruptcy estate representative believes it to be prudent and cost effective to do so.

2. The bankruptcy estate representative may, with court approval, make such interim distributions as may be prudent and cost effective. In making such interim distributions, the bankruptcy estate representative shall maintain such reserves as it believes are reasonably necessary to provide for all claims that have or may be objected to, but for which there is no final court resolution.

3. The bankruptcy estate representative shall make all distributions in accordance with the priorities set forth in this Article.

Article 53

Distribution towards allowed claims

Only allowed claims may be fulfilled from the bankruptcy estate.

Article 54

Secured Claims and In Rem Claims of Other Entities

1. Subject to the provisions of this Article or court decision, the bankruptcy estate representative shall transfer any property of the bankruptcy estate in which another entity has an interest or a lien to the appropriate entity. If the bankruptcy estate has positive interests in that property, the bankruptcy estate representative may recover such positive value according to the applicable Laws in Kosovo.

2. In a reorganization proceeding, the reorganization plan shall govern the distribution of any property in which an entity other than the debtor has an interest.

3. If more than one (1) entity claims an interest in property of the bankruptcy estate, the bankruptcy estate representative may request that the court direct the transfer of the property to the appropriate party.

4. The bankruptcy estate representative may, in appropriate circumstances, request that the court order the sale or other disposition of property in which the estate and another entity has an interest, with the bankruptcy estate representative distributing the proceeds of such sale in accordance with the respective interests of the various entities in the property, or as the court may direct. Under this paragraph, “appropriate circumstances” include, but are not limited to, property which has a value in excess of the value of the interests of the entities other than the estate.

Article 55

Unsecured Claims

Unsecured claims have priority in liquidation over equity interests, and the Administrator may make a distribution for such unsecured claims after it has satisfied or reserved adequately against all secured claims.

Article 56
Priorities among Unsecured Claims

1. All unsecured claims are presumed to have the same priority for purposes of distribution in any case unless otherwise specified in this law. The following are the only priorities among unsecured creditors recognized by this Law:

1.1. administrative expenses are paid first;

1.2. second, Domestic Relations and Restitution of Victims Claims are paid;

1.3. third, employment claims are paid;

1.4. fourth to receive payment are tax claims;

1.5.the last, any other unsecured claim is paid

Article 57
Administrative Expenses

1. The Administrator shall pay administrative expenses as first priority claims among unsecured claims.

2. Administrative expenses may include, but are not limited to, claims for:

2.1. wages accrued after the opening of the case;

2.2. taxes accrued from the moment of the opening of the bankruptcy case;

2.3. claims related to loans or for credit for which the bankruptcy estate representative has received court approval; and

2.4. the fees and costs of professionals employed with court approval including, without limitation, the compensation of any Administrator or any professional whose employment the court approved to the extent that such fees or costs were incurred after the opening of the case;

3. The Administrator shall pay administrative expenses without court approval unless the bankruptcy estate is administratively insolvent.

Article 58
Domestic Relations and Restitution Claims

1. The Administrator shall pay domestic relations debts and debts arising from a domestic relation of a debtor or a restitution claim as second priority among unsecured claims.

2. Domestic relations claims shall be considered all those claims arising before the initiation of bankruptcy procedure related to the divorce, custody, alimentation or other issues regulated by the Law on Family.

3. Claims for restitution of victims shall be considered all those claims arising before the initiation of bankruptcy procedure and that relate to the restitution of victims of a criminal activity of the debtor.

4. The administrator may pay domestic relations or restitution claims without court approval unless the bankruptcy estate is administratively insolvent.

Article 59
Employment Relationship Claims

1. The Administrator shall pay labor claims as third priority claims among unsecured claims.

2. Employment relationship claims shall be considered all the claims employees raised before the initiation of bankruptcy procedure, for the employees that have been engaged for the debtor through the employment contract, in compliance with the provisions of the Law on Labour in Kosovo.

Article 60
Tax Claims

The Administrator shall pay tax claims which arose or accrued before the opening of the case as fourth priority claims among unsecured claims.

Article 61
Payment of General Unsecured Claims

After the Administrator has paid or reserved for all secured claims and all unsecured claims with priority, it shall make a distribution to remaining unsecured claims.

Article 62
Interests in Equity

1. Holders of the interests in equity have the last priority during the distribution, and the bankruptcy estate representative will not make any distribution until there are not paid fully the allowed claims and legal interests or fixed by the court towards those secured or unsecured claims.

2. The bankruptcy estate representative shall, before the distribution towards the bearers of equity, pay even those claims that are not allowed for the single reason that they are not registered in the court on time.

3. Only after the realization of all the conditions defined in this Article, the bankruptcy estate representative shall make the distribution towards the holders of equity.

Article 63
Making Distributions - Pari Passu Principle

1. No distribution to any class of unsecured claims or equity interests shall be made unless creditors holding allowed claims in all classes with a higher priority have been paid in full.

2. A realized distribution shall be considered any kind of payment a creditor has received on an obligation of a debtor from any other source towards the bankruptcy estate.

3. If there are insufficient funds to pay a class of creditors in full, the distribution shall be pari passu among class members.

CHAPTER VI
REORGANIZATION

Article 64
Debtor in Possession

1. The debtor shall serve as the debtor in possession in a reorganization case unless:

1.1. the debtor requests the appointment of an Administrator, either at the time of the commencement of the bankruptcy proceeding or later; or

1.2. if the court removes the debtor in possession as provided for in this Law.

Article 65
Engagement of Professionals by the Debtor in Possession

1. The debtor in possession, with the court's approval, may employ one or more lawyers, accountants, appraisers, auctioneers, or other professional persons to represent or assist the debtor in possession in carrying out its duties under Chapter VI of this Law.

2. To be eligible to be employed as a professional person under paragraph 1 of this Article the applicant must prove that it:

2.1. does not hold or represent an interest adverse to the estate; and

2.2. is a disinterested person.

3. If two or more debtors are affiliates, the court may approve the employment of common professional persons provided that the court is satisfied that the benefits of common employment outweigh any harm or injury that might result from any potential or actual conflicts of interest.

Article 66
Removal of Debtor in Possession

1. The court may remove the debtor in possession on its own motion or upon the request of a party in interest if there is proof that:

1.1. the debtor committed fraud, dishonesty or other malfeasance before or after the opening of the case;

1.2. the debtor cannot manage its financial affairs in a profitable manner;

1.3. a majority of creditors active in the case indicate that they wish the debtor removed as debtor in possession.

2. Upon removal, the court shall appoint an Administrator as bankruptcy estate representative. This Administrator shall promptly investigate the business affairs of the estate and make a recommendation to the court and any creditors' committee of the desirability of continuing the case as a reorganization case.

3. In the hearing session on determining the Administrator, according to paragraph 2, the court shall issue a ruling by which it:

3.1. authorizes the Administrator to continue the case as a reorganization case; or

3.2. ordering the case to be converted to a liquidation case.

Article 67
Creditors' Committee in the reorganization case

1. Within five (5) days of the filing of a reorganization case, the court shall solicit indications of interest from unsecured creditors to serve on a creditors' committee.

2. The court shall decide on the establishment of a creditors' committee if at least three (3) unsecured creditors indicate a willingness to serve in the creditors' committee.

3. The rights and duties of the creditors' committee are:

3.1. to receive a copy of the any report of the debtor in possession at the same time as the court;

3.2. to employ professional persons on the same basis and with the same restrictions as are binding upon the debtor in possession's employment of such persons;

3.3. to receive notice of motions and other requests for court action that are likely to substantially affect the rights of creditors;

3.4. to convene in a session the debtor or its representative that are obliged to answer questions of the creditors' committee regarding the case. Every answer of the debtor or its representative shall be considered declaration under oath;

3.5. to share access to information it has obtained with creditors who are not members of the committee;

3.6. to formulate a recommendation on any plan of reorganization upon which creditors will be asked to vote; and

3.7. any other rights and duties as the court may specify, so long as such rights are consistent with the provisions of this Law.

Article 68
Proposal of Reorganization Plan

1. A party in interest may propose a plan of reorganization only if authorized by this Article.

2. The debtor in possession has the exclusive right to file a plan of reorganization within one hundred and twenty (120) days after the opening of the case. This time limit is interrupted if the debtor in possession files a plan before the expiration of the time limit.

3. The court may shorten or extend the debtor's exclusive period under paragraph 2 of this Article on request of a party in interest if that party in interest proves that such shortening or extension will likely enhance the debtor's prospects for reorganization.

4. After the expiration of the term foreseen in paragraph 2 of this Article or extension or shortening of the term according to paragraph 3 of this Article, each party in interest shall file a plan of reorganization of the debtor.

Article 69
Mandatory and Permissible Contents of the Reorganization Plan

The court may consider for confirmation only those plans which comply with Articles 70 until 76 of this Law.

Article 70
Proposer of the Plan

The person, entity who proposes the reorganization plan of the debtor in compliance with this Law shall be known as "the plan proposer".

Article 71
Specification and Classification of Claims

1. A plan must classify creditors and holders of equity interests.

2. The plan must separate creditors and holders of equity interests into different classes according to their rights and obligations under applicable legislation, subject to the following:

2.1. a plan may place a claim or an interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests of such class. A plan may not place a secured claim in the same class as an unsecured claim or an equity interest, even if the holder of the secured claim also holds an unsecured claim or an equity interest;

2.2. a plan may place unsecured creditors in more than one (1) class so long as there is a business justification for such separate classification. Such a justification may include, but is not limited to, separately classifying a secured creditor's unsecured deficiency claim from the unsecured claims of creditors who supplied or supply the debtor or the estate with goods or services on credit; and

2.3. the proposer of the plan may designate a class.

Article 72
Uniform Treatment of Claims within Same Class

Within a class, all class members must receive the same treatment unless the plan proponent proves that a particular class member has consented to less favorable treatment than other class members.

Article 73
Claim Impairment

1. A plan of reorganization impairs a claim if it alters or affects any aspect of the claim, including, without limitation, by extending any maturity date, by lowering or eliminating interest or principal, or by providing that it should be exchanged for another claim or type of property.

2. A plan of reorganization leaves a claim unimpaired if it:

2.1. does not purport to alter or affect the claim in any way; or

2.2. pays the claim in full in cash, with any interest to the date of the case's opening; or

2.3. if the plan proponent:

2.3.1. cures any default existing as of the date the case was opened;

2.3.2. reinstates the original maturity date of the claim if the maturity date had been accelerated; and

2.3.3. compensates the holder of for any damages or injuries the creditor incurred as a result of any default.

Article 74
Mandatory Provisions that the Reorganization Plan should content

1. The provisions of a plan of reorganization must specify:

1.1. any class of claims or equity interests that is not impaired under the plan;

1.2. the proposed treatment for each class of claims that is impaired;

1.3. the debtor's proposal on appointment of its managements and proposal on compensation to be paid to that management;

1.4. the changes necessary to any organic documents of the debtor if the plan is confirmed.

Article 75
Optional provisions of the reorganization plan

1. The provisions of a plan of reorganization may:

1.1. impair or leave unimpaired any class of claims, secured or unsecured, or of equity interests;

1.2. provide for the assumption, rejection, or assignment of any unperformed contract on the same terms and conditions as under Chapter IV of this Law, to the extent that such contract was not previously rejected under such Chapter;

1.3. provide for the following treatment of claims held by the debtor:

1.3.1. the settlement or adjustment of any claim or interest belonging to the debtor or to the estate; or

1.3.2. the enforcement of such claim or interest by the bankruptcy estate representative;

1.4. provide the opportunity of the sale of all the property of the bankruptcy estate and the distribution of the proceeds collected from the sales to the creditors and holders of equity;

1.5. modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims; and

1.6. include any other appropriate provision not inconsistent with the applicable provisions of this Law.

Article 76
Adequate Means to Implement Plan's Fiscal Elements

1. All plans of reorganization must provide for adequate means for their implementation so that the debtor is not likely to require further financial relief after plan confirmation. Adequate means of implementation include, but are not limited to any one or more of the following:

1.1. retention by the debtor of all or any part of the property of the bankruptcy estate;

1.2. transfer of all or any part of the property of the bankruptcy estate to one or more entities, whether organized before or after the confirmation of such plan;

1.3. merger or consolidation of the debtor with one or more persons;

1.4. sale of all or any part of the property of the bankruptcy estate, either subject to or free of any lien, or the distribution of all or any part of the property of the bankruptcy estate among those having an interest in such property of the bankruptcy estate;

1.5. satisfaction or modification of any lien;

1.6. curing or waiving of any default;

1.7. extension of a maturity date, change in interest rates, other terms of financial instrument of credits, other credit securities; or

1.8. issuance of securities of the debtor, or of any entity referred to:

1.8.1. for cash;

1.8.2. for property;

1.8.3. for existing securities;

1.8.4. for newly issued securities; or

1.8.5. for any other appropriate purpose.

Article 77
Procedure for Plan Proposal Disclosure

1. A plan proponent must file a disclosure statement with any plan of reorganization filed.

2. The disclosure statement must contain sufficient information to allow creditors and holders of equity interest to make an informed vote on the plan. Such information will include, but not be limited to, short descriptions or summaries of:

2.1. why the debtor or the bankruptcy estate representative requested reorganization;

2.2. how the changes to be made by the plan of reorganization will benefit the reorganized debtor;

2.3. why distributions to creditors under the plan will exceed the distributions such creditors could reasonably expect in a liquidation; and

2.4. the reorganized debtor's prospective cash flow for the five (5) year period following the anticipated confirmation, or if creditors will receive all distributions under the plan before the passing of five (5) year period, a summary of prospective cash flow until the last proposed distribution under the plan.

3. Before the plan proponent may distribute the plan of reorganization to creditors for a vote, or solicit any votes on the plan of reorganization, the court must approve the disclosure statement. The court shall approve a disclosure statement if the plan proponent proves that it contains all material information necessary for a reasonable creditor to make an informed decision on whether to accept or reject the plan.

4. The court shall not count votes on a plan of reorganization that were solicited before the

approval of a disclosure statement.

5. If the court approves the disclosure statement, it will then order the plan proponent to distribute the plan of reorganization, disclosure statement, and ballot to all creditors or equity holders who are entitled to vote on the plan. The decision regarding distribution shall set the date for the return of ballots, the date for any objections to be filed, and the hearing on plan confirmation.

6. The plan proponent need not solicit votes, and need not provide a disclosure statement and plan of reorganization, to any class that is deemed to accept or to reject a plan.

Article 78
The Level Necessary for Acceptance of Plan

1. A class accepts a plan of reorganization if creditors holding at least fifty percent (50%) of all claims voting in that class accept the plan of reorganization.

2. A class is deemed to accept the plan of reorganization without the need to solicit it if it leaves the claims or equity interests in that class unimpaired.

3. A class is deemed to reject the plan of reorganization without the need to solicit it if it eliminates the claims or equity interests in that class.

Article 79
Requirements for Consensual Plan Confirmation

1. Except for confirmation of plans of reorganization in which all classes do not accept, covered in the next Article, a court may confirm a plan of reorganization only if the plan proponent proves:

1.1. the plan of reorganization complies with this Law, and the plan proponent has complied with all provisions of this Law;

1.2. the plan proponent proposed the plan of reorganization in good faith;

1.3. the plan of reorganization provides that each impaired creditor or equity holder will receive or retain at least as much under the plan as the creditor would have received if the case been a liquidation case;

1.4. the means for implementing the plan of reorganization are adequate, a showing which shall include, but not be limited to, proof that:

1.4.1. confirmation of the plan of reorganization is not likely to be followed by the need for the filing of a subsequent case under this Law; and

1.4.2. all payments and distributions under the plan of reorganization will be timely made; and

1.4.3. all classes of claims and equity interests have accepted the plan of reorganization or are unimpaired under the terms of the plan of reorganization.

Article 80
Requirements for Non-Consensual Plan Confirmation

1. A court may confirm a plan of reorganization that is not accepted by all classes only if the plan proponent proves that the plan of reorganization:

1.1. complies with all confirmation requirements set forth in the prior Article except for acceptance by all impaired classes;

1.2. does not pay any creditor more than in full;

1.3. does not provide for any distribution to a class of creditors or equity holders unless all classes of claims or equity holders which have priority are either paid in full or have accepted the plan.

2. For purposes of this Article, payment in full need not be in cash. A creditor is paid in full if the plan proponent proves that the plan of reorganization provides for distribution of property to a creditor that has a value, as of the date of confirmation, equal to the allowed amount of its claim. Property may be any of the following, or a combination of any of the following:

2.1. cash;

2.2. allowed securities;

2.3. moveable or immovable property; or

2.4. equity interests in the debtor or any other entity.

3. If a plan of reorganization proposes to distribute property to a secured creditor in payment in full of the secured creditor's claim, and some or all of the property consists of a note, then payment in full as anticipated by this Article requires that the secured creditor must retain the lien on the collateral securing its claim, or must have a lien on all sales proceeds of its collateral.

Article 81
Legal Consequences of the Plan Confirmation

1. The provisions of a confirmed plan of reorganization bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor or equity holder, whether or not the claim or interest of such creditor or equity holder is impaired under the plan of reorganization and whether or not such creditor or equity holder has accepted the plan.

2. Except as otherwise provided in the plan of reorganization or the decision confirming the plan, the confirmation of a plan of reorganization vests all of the property of the bankruptcy estate in the debtor.

3. Except as otherwise provided in the plan, after confirmation of a plan of reorganization the property dealt with by the plan of reorganization is free and clear of all claims and equity interests of creditors and equity holders in the debtor.

4. Except as otherwise provided in the plan, the confirmation of a plan:

4.1. discharges the debtor from any claim that might arose before the plan confirmation without taking into consideration:

4.1.1. if there is filed a proof under this Law;

4.1.2. if it is filed, it is accepted as allowed or it declared as disallowed under this Law;

4.1.3. the holder of such claim has accepted the plan; and

4.2. terminates all rights and equity interests of equity holders provided for by the plan.

5. A discharge under this Chapter does not discharge a debtor who is an individual who is denied a discharge under Chapter VIII of this Law, or from any debt excepted from discharge under Chapter VIII of this Law.

Article 82
Legal Consequences in Case of Failure to Perform the Plan

1. A party in interest may bring an action to revoke confirmation of the plan, but such an action may be brought only if the party in interest:

1.1.proves that the plan proponent committed fraud or deceit in obtaining the votes for a confirmed plan or in requesting confirmation of the plan; and

1.2. brings such action within six (6) months of the confirmation of the plan.

2. If a reorganized debtor or other party does not perform any of the material terms of a confirmed plan of reorganization, any party in interest may bring an action in the court to:

2.1. compel the defaulting party to perform or pay damages as if the plan of reorganization and damage compensation as the reorganization plan were a contract according to the provision of the Law on Obligational Relationships.

2.2. cancel the remaining unperformed obligations under the plan, revoke the debtor's discharge, and request the court to convert the case to a liquidation case; or

2.3. cancel the remaining unperformed obligations under the plan, revoke the debtor's discharge, and dismiss the case.

Article 83
Conversion of Reorganization into Liquidation

1. A court shall issue a ruling on conversion of a reorganization into a liquidation if a party in interest proves:

1.1. substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation;

1.2. gross mismanagement of the bankruptcy estate;

1.3. that more than one (1) year has elapsed since the opening of the case, unless the court finds that additional time is necessary to accomplish an effective reorganization, but in no even may such additional time extend beyond eighteen (18) months from the date the case was opened;

1.4. the debtor in possession's failure to maintain appropriate insurance policy that poses a risk to the estate or to the public;

1.5. the debtor in possession's failure to comply with a decision of the court;

1.6. the debtor in possession's failure timely to pay taxes owed after opening of the case or to file tax returns due after the opening of the case; or

1.7.the debtor in possession's failure to file a disclosure statement, or to file or confirm a plan, within the time fixed by a decision of the court.

Article 84
Closing of Case

The court shall decide by ruling to close a reorganization case when all obligations under a plan of reorganization have been performed or excused.

CHAPTER VII
LIQUIDATION

Article 85
Appointment of an Administrator

1. The court appoints an Administrator no later than in three (3) days, in the following cases:

1.1. after the filing of a liquidation case by a debtor;

1.2. after the opening of a liquidation case following the filing of a bankruptcy petition by creditors;

1.3. after the conversion of reorganization into liquidation;

1.4. after the court decides to remove the debtor in possession or a serving Administrator.

Article 86
Qualification, training and licensing of administrators

1. As a bankruptcy administrator there can be assigned the person that:

1.1. at least has completed the studies in the four (4) years system or Master in the field of justice or economy;

1.2. has knowledge in the operation, management or winding-up of businesses;

1.3. has completed professional trainings on operation of businesses, their management and winding-up;

1.4. at least has five (5) years working experience in the profession;

1.5. has knowledge about this Law; and

1.6. is provided with certificate by a competent institution regarding the knowledge about this Law and any sub-legal act issued for implementation of this Law.

2. A candidate for an Administrator shall be considered qualified according to this Law if he is a member of a professional association in Kosovo or a professional association in the European Union or in the United States of America, and such association should have bankruptcy and bankruptcy procedures as its focus.

3. A candidate for an Administrator is not needed to be a Lawyer or a licensed Accountant.

4. The register of bankruptcy administrators shall be maintained by the Ministry of Justice.

5. Candidates that fulfill the conditions to become part of the registry of bankruptcy administrators pursuant to paragraph 2 of this Article shall file a request together with evidence of membership in a professional association to the Ministry of Justice which is obliged that after verification of such request, to include the candidate in the registry of bankruptcy administrators.

6. Candidates that do not fulfill the requirements set in paragraph 2 of this Article will have to undergo a qualifying examination in order to prove the knowledge in the field of bankruptcy, organized by the Ministry of Justice.

7. The procedures for organization, content and holding of the exam shall be regulated by a sub-legal act issued by the Ministry of Justice.

8. As a bankruptcy administrator cannot be assigned:

8.1. persons that have family or business relations with the judge who is developing the bankruptcy procedure;

8.2. persons that have family or business relations with the debtors or officials, directors, employees, shareholders or creditors of the debtors;

8.3. persons that are officials, directors, employees, shareholders of the direct competitors of the business of debtor;

8.4. persons that have bankrupted at the time of appointment;

8.5. persons that, in compliance with other Laws of the Republic of Kosovo, cannot be appointed as directors of a business organization.

Article 87
Removal of an Administrator

1. If the court finds it as necessary and reasonable, it decides on removal of the Administrator upon the concrete case.

2. Cause for removal according to this Law shall be considered, but is not limited to:

2.1. proof that the Administrator does not meet the qualifications according to Article 86 of this Law; or

2.2. proof that the Administrator has conducted any criminal offence or fraud during the administration of the case, that calls into question the honesty and integrity of the Administrator;

2.3. by a majority vote of all creditors, with such vote being made at a meeting called specifically for the purpose of removing the Administrator, or if he does not have a satisfactory performance.

Article 88
General Duties of an Administrator

1. The Administrator shall:

1.1. collect income from the property of the bankruptcy estate which are under his administration and collect income from the bankruptcy estate as expeditiously as possible, in the interest of all parties in interest;

1.2. be accountable for all property received;

1.3. convene and preside over all creditor committee meetings;

1.4. investigate the financial affairs of the debtor;

1.5. if a purpose would be served, examine proofs of claims and object to the allowance of any claim that is improper;

1.6. if advisable, oppose the discharge of the debtor;

1.7. unless the court orders otherwise, furnish such information concerning the estate

and the estate's administration as is requested by a party in interest; and

1.8. make a final report and file a final account of the administration of the estate with the court.

2. An Administrator shall not be held personally liable for losses incurred by a creditor, the debtor, any shareholder or partner, the bankruptcy estate, or any other party for consequences or damages flowing from decisions made or actions taken or not taken within the scope of his duties if it has exercised ordinary care and diligence in the timely performance of those duties.

Article 89
Engagement of the Professionals by the Administrator

1. The Administrator, with the court's approval, shall engage one or more lawyers, accountants, appraisers, auctioneers, or other professional persons to represent or assist the Administrator in carrying out its duties under the Law.

2. In order to be eligible to be engaged as a professional, the person should prove that:

2.1. does not hold or represent an interest adverse to the estate; and

3. The court may authorize the Administrator to act as lawyer or accountant for the estate if such authorization is in the best interest of the estate.

4. If two (2) or more debtors are affiliated entities, the court may approve the engagement of common professional persons provided that the court is convinced that such engagement will be more beneficial for the bankruptcy estate than harm as a result from any conflict of interests.

Article 90
Administrator Compensation

1. An Administrator shall be paid based on the distributions actually made to creditors. Such payments shall be an administrative expense.

2. The court must approve the Administrator's fees and expenses before the Administrator is paid.

3. The court shall allow compensation to an Administrator for the Administrator's services, payable after the Administrator renders such services. Such compensation shall be:

3.1. twenty-five percent (25%) of the amount up to five thousand (5,000) Euro, in compliance with paragraph 4 of this Article;

3.2. ten percent (10%) of the amount from five thousand and one (5,001) Euro up to fifty thousand (50,000) Euro, in compliance with paragraph 4 of this Article;

3.3. five percent (5%) of the amount from fifty thousand and one (50,001) Euro up to one million (1, 000,000) Euro, in compliance with paragraph 4 of this Article;

3.4. three percent (3%) of the amounts over one million (1,000,000) Euro, in compliance with paragraph 4 of this Article.

4. The court shall make the payments according to paragraph 3 of this Article in compliance with the total value of distributions the Administrator makes to parties in interest, excluding the debtor, but including holders of secured claims.

5. An Administrator shall receive a minimum fee of one hundred (100) Euro for each case in which the Administrator serves and performs his duties.

Article 91
Creditors' Committee in the liquidation case

1. Within five (5) days of the filing of a liquidation case, the court shall solicit indications of interest from unsecured creditors to serve on a creditors' committee.

2. There shall be included at least three (3) and not more than five (5) creditors in the creditors' committee. The court shall give priority to the creditors with the largest unsecured claims that want to serve in the creditors' committee. If there are less than three (3) such creditors that want to serve in the committees, then the committee shall not be established.

3. The rights and duties of the creditors' committee are:

3.1. to receive a copy of all letters addressed to the court by the debtor in possession, at the same time with the court;

3.2. to employ professional persons on the same basis and with the same restrictions as are binding upon the Administrator's employment of such persons;

3.3. to receive notices from the Court and decisions of the Court which affect the rights of creditors;

3.4. to convene in a session the debtor or its representatives that are obliged to answer questions of the creditors' committee regarding the case. Every answer of the debtor or its representative shall be considered as a declaration under oath;

3.5. with court approval, after the Administrator indicates it will not do so, initiate an action to avoid a transaction under Chapter IV of this Law;

3.6. to share access to information it has obtained with creditors who are not members of the committee; and

3.7. any other rights and duties as the court may specify, so long as such rights are consistent with the provisions of this Law.

Article 92
Special Rules for Liquidation of Different Types of Business Organizations

1. In addition to the duties specified in Article 88 of this Law, an Administrator shall ensure that

after the debtor receives a discharge in accordance with Article 105 of this Law, the formal existence of each debtor other than a debtor who is an individual is terminated through the closing of the business organization, no later than the closing of the case.

2. Such termination shall be accomplished by compliance with the applicable provisions of this Chapter of this Law.

3.If an Administrator is still serving after the entry of a discharge for a debtor, that Administrator shall have the exclusive power and authority to pursue claims and to take actions on behalf of the debtor until the closing of the case.

Article 93
Joint Stock Companies

1. If the debtor is a joint stock company under the Law on Business Organizations, then on or before the closing of the case, and subject to the provisions of this Chapter, the Administrator shall take all steps and actions necessary under such law to dissolve and terminate the existence of that joint stock company:

1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity security holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders;

1.2. such actions related to the dissolution and termination include giving notice to the business and tax registries of the termination of the entity no later than the closing of the case.

2. Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the joint stock company.

3. The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened.

Article 94
Limited Liability Companies

1. If the debtor is a limited liability company under the Law on Business Organizations, then on or before the closing of the case the Administrator shall take all steps and actions necessary, under this Chapter and Law on Business Organizations, to dissolve and terminate the existence of that limited liability company:

1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity security holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders;

1.2. such actions undertaken by the Administrator related to the termination of limited

liability company shall include giving notice to the business and tax administration registries regarding the closing of the case.

2. Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the limited liability company.

3. The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened.

Article 95
General Partnerships

1. In cases when the debtor is a general partner in a general partnership established under the Law on Business Organizations, then at the moment of the closing of the case, in accordance with the provisions foreseen in this Chapter and according to the Law on Business Organizations, the Administrator shall take all actions necessary to terminate the existence of the general partnership.

1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders;

1.2 actions undertaken by the Administrator related to the termination of the partnership include giving notice to the business and tax registries regarding the closing of the case;

2. Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the general partnership.

3. The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened.

Article 96
Limited Partnerships

1. In cases when the debtor is a limited partnership established under the Law on Business Organizations, then at the moment of the closing of the case, in accordance with the provisions foreseen in this Chapter and according to the Law on Business Organizations, the Administrator shall take all actions necessary to terminate the existence of the limited partnership.

1.1. such actions termination shall not exclude all claims on calling the meetings of the partners in limited partnership. The exempted claims shall include the exclusion of the claims on calling of any required meetings or holding any kind of meeting related to the termination of limited partnership;

1.2 actions undertaken by the Administrator related to the termination of the limited

partnership include even giving notice to the business and tax registries regarding the closing of the case;

2. Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the limited company.

3. The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened.

Article 97
General Partners of General Partnerships and of Limited Partnership

1. The Administrator shall file a claim against the general partner in a general partnership or limited partnership, in cases when:

1.1. the debtor is a general or limited partnership; and

1.2. the properties of the partnership or limited partnership after being converted into cash, are insufficient to pay all claims of creditors in full; and

1.3. the general partner of the debtor would otherwise be personally liable for the payment of creditors' claims over and above the ability or the debtor to pay such claims.

2. The amount of such claim shall be limited to the amount for which the general partner has an unlimited personal liability for payment in compliance with other applicable Laws in Kosovo.

3. To the extent practicable, the Administrator shall first seek recovery of payment of the amount of creditors' claims from any general partner of the general partnership or limited partnership. Pending determination of such amount which needs to be paid for the creditors' claims and which can not be paid from the estate of the general partnership or limited partnership, the court may order the general partner to provide the estate as a security measure or to order the general partner not to dispose of property.

4. The Administrator has a claim against the estate of each general partner in such partnership that is a debtor in a case under this title for the full amount of all claims of creditors allowed in the case concerning such partnership. The claim of the Administrator under this subsection is entitled to distribution in such partner's case the same as any other claim of a kind specified in such section.

5. If the amount that the Administrator recovers from the estates of general partners under paragraph 4 of this Article is greater than any deficiency not recovered under paragraph 3 of this Article, the court, after notice and a hearing, shall determine an reasonable distribution of the surplus so recovered, and the Administrator shall distribute such surplus to the estates of the general partners in such partnership according to such determination.

Article 98
Cases with Assets of Small Value

If the Administrator determines that the property of the estate, when liquidated and reduced to cash, will not exceed two hundred (200) Euro, and such amount will not pay all allowed claims in full, the Administrator shall notify creditors of this determination and shall make a motion to abandon all property of the estate under Article 37 of this Law. If the court approves the abandonment, the Administrator shall promptly take all steps necessary to close the case, including all steps required by this Chapter. In this case, the Administrator enjoys the right on his remuneration, if he would have sold the abandoned properties and realized the distribution.

Article 99
Individual Businesses

1. Individual Businesses who are debtors are eligible for a discharge of claims related to their business activity under Article 105 of this Law.

2. Upon obtaining a discharge or closing of a case, whichever first occurs, unless the court shall order otherwise after notice and a hearing, an individual debtor who is an individual business shall cease trading under any assumed, fictitious, or “doing business as” names, or from using any trade dress or trade name similar to that used before obtaining a discharge.

3. After notice and a hearing, the court for cause may permit an Administrator to sell to the debtor or to any other entity the right to trade or do business under any trade name or style or dress the debtor used before discharge.

Article 100
Sale of the assets in the liquidation procedure

1. Administrator shall be responsible for organizing the sale of assets of business organization in the liquidation procedure.

2. During the procedure of sale of assets, the administrator may organize a public auction, may engage a house of auctions or may organize other methods of public offerings for the sale of assets of organization.

3. When fixing the minimum price of sale of assets of the organization, the Administrator shall take as basis the assessment of those assets by a professional engaged in compliance with this Law and shall make maximum attempts that the initial price of the assets to be at the level or close to the sum of the debts of the organization in the bankruptcy.

4. If the provisions of paragraph 3 of this Article can not be implemented, the Administrator shall require a permit from the Court to sale the assets in the highest price offered in the market, and without the procedures of public offering.

5. The Court shall decide on the request of the Administrator with a ruling in compliance with paragraph 4 of this Article.

Article 101

Winding up and Termination of Business Organizations after the Completion of the Case

1. The Administrator shall wind up and terminate all the debtor's business operations, after the completion of the case.

2. The Administrator shall, upon completion of the case, take steps to ensure that the termination of the debtor's business has been noted in the registry of businesses.

Article 102

Conversion of Case to Reorganization

1. Upon court approval, the Administrator may convert a liquidation case to a reorganization case if the Administrator can prove that it such a conversion would likely result in larger distributions to unsecured creditors.

2. Upon conversion in reorganization, the Administrator shall continue as the bankruptcy estate representative.

3. Court issues a decision to transform a liquidation case to reorganization case.

Article 103

Closing of Case

1. The court may close a case when either:

1.1. the Administrator proves that it has reduced all property of the bankruptcy estate to cash, or reduced all property of the bankruptcy estate to cash that can be reduced to cash, and has distributed all property of the bankruptcy estate to creditors; or

1.2. the Administrator proves that no further administration of the case will yield any material increase in distributions to unsecured creditors.

2. The Court shall decide with a ruling for the closing of the liquidation procedure.

CHAPTER VIII

DISCHARGE FROM DEBTS AND CLOSING OF THE CASE

Article 104

Discharge

1. A discharge shall mean paying off debts and under this Law:

1.1. voids and invalidates any judgment at any time obtained, to the extent that such judgment is a determination of the personal liability of the debtor with respect to any claim discharged under this Law;

1.2. has the effect of a final court decision and operates as an injunction and prohibition against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such claim as a personal liability of the debtor, whether or not discharge of such claim is waived.

Article 105
Timing of Discharge

1. Besides the exceptions set forth in Chapter VIII of this Law, a debtor who is an individual shall receive a discharge of all claims which existed on or before the commencement of the bankruptcy proceedings until when there has commenced the bankruptcy proceeding. The debtor that is an individual shall receive a discharge to all debts created until:

1.1. the moment of confirmation of a plan of reorganization; or

1.2. the moment of the closing of a liquidation case.

2. A debtor which is not an individual shall receive a discharge of all claims which existed until:

2.1. the moment of the confirmation of a plan of reorganization; or

2.2. the moment of the closing of a liquidation case or the notification of the business registry and the tax administration of the closing of the case, depending on which of these happens the last.

Article 106
Exceptions from Discharge Generally; Non-Disclosure; Lack of Cooperation

1. A debtor shall not receive a discharge if a party in interest proves that the debtor, or in the case of a debtor that is not an individual, any insider of the debtor:

1.1. did not cooperate with the Administrator;

1.2. concealed any material amount of property from creditors, the court, or the Administrator;

1.3. filed any document in the case that was materially false or misleading;

1.4. altered or in any way modified its books and records during the one (1) year period before the case was commenced in a manner that made such books and records materially misleading or inaccurate;

1.5. failed to keep books and records of the debtor's business activities in a manner that would permit a reasonable person to examine and review the debtor's transactions during the one-year period prior to the commencement of bankruptcy proceeding; or

1.6. if an individual debtor, has received a discharge at any time during the ten (10) year period prior to the commencement of bankruptcy proceeding.

Article 107
Exceptions from Discharge for Specific Creditors' Claims

1. According to this Law an individual debtor shall not be discharged from any of the following:

1.1. claims not related to the debtor's business activity;

1.2. domestic relations claims according to Article 58 of this Law;

1.3. claims arising from restitution of victims according to Article 58 of this Law;

1.4. tax claims accrued for the period of one (1) year from the day of the opening of the case;

1.5. claims not listed in the list of claims filed as required by Chapter IV of this Law;

1.6. claims for which the creditor has not received a regular notice and as a result could not file to the court the claim and proofs on time;

1.7. claims that have arisen as a result of debtor's fraud;

1.8. claims that have arisen as a result of the debtor's breach of a duty for good trust;

1.9. claims that do not result from contracts but which have incurred as a result of the intentional injury caused by the debtor to another entity or to the property of another entity;

Article 108
Exempted Property of Individual Debtors

1. Property that is exempted from the mandatory execution according to the provisions of the Law on Enforcement Procedure shall be exempted from the bankruptcy estate.

Article 109
Non-Discrimination against Discharged Debtors

1. A governmental unit may not deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, deny employment to, terminate the employment of, or discriminate with respect to employment against, a person that is or has been a debtor under this Law, or another person with whom such debtor has been associated, solely because such debtor:

1.1. is or has been a debtor under this Law;

1.2. has been insolvent before the commencement of a case under this Law, or during the case but before the debtor is granted or denied a discharge; or

1.3. has not paid a debt that is dischargeable in the case under this Law.

1.4. no private employer may terminate the employment of, or discriminate with respect to employment against, an individual who is or has been a debtor under this Law, or an individual associated with such debtor, primarily because such debtor:

1.4.1. is or has been a debtor under this Law;

1.4.2. has been insolvent before the commencement of bankruptcy proceeding under this Law, or during the case but before the grant or denial of a discharge; or

1.4.3.has not paid a debt that is dischargeable in a case under this Law.

Article 110
Effect on Co-Obligors

Discharge granted to the debtor related to a claim of an entity does not affect the obligation of one debtor, other co-obligator that may have towards that entity or its properties.

Article 111
Effect on Voluntary Repayment

No provision of this Law prevents a debtor from voluntarily repaying any discharged claim at any time after the closing of the case.

Article 112
Enforcement of Discharge after Case Closed

1. If a party in interest makes any direct or indirect attempt to collect a claim discharged under this Law from an individual, the individual shall have a claim for relief against that party in interest for:

1.1. an immediate interruption of any attempt on realization of discharged claim; and

1.2. any damage or injury caused, which in no event shall not be less than the lesser of:

1.2.1. one thousand (1,000) Euro; or

1.2.2. three times the amount of the claim sought to be collected.

2. Damages for violation of the discharge include, but are not limited to, any attorneys' fees expended to remedy the violation, and compensation for intangible injury such as pain, embarrassment, or loss of reputation.

CHAPTER IX
CROSS BORDER BANKRUPTCY

Article 113
General Provisions of Chapter IX- Scope of application

1. Chapter IX of this Law applies where:

1.1. a foreign court or a foreign representative of bankruptcy estate seeks assistance from the competent court in Kosovo regarding the foreign bankruptcy proceeding; or

1.2. assistance is sought in a foreign state in connection with a proceeding under this Law; or

1.3. a foreign proceeding and a proceeding under this Law in respect of the same debtor are taking place concurrently; or

1.4. creditors or other interested persons in a foreign State have an interest in requesting the commencement of, or participating in, a proceeding under this Law.

2. Chapter IX of this Law does not apply to a proceeding concerning entities not eligible to be a debtor under this Law.

Article 114
International obligations of Kosovo

To the extent that this Law conflicts with an obligation of Kosovo arising out of any treaty or other form of agreement to which it is a party with one or more other States, the requirements of the treaty or agreement prevail.

Article 115
Competent court

The functions referred to in this Law relating to recognition of foreign proceedings and cooperation with foreign courts shall be performed by the same court that hears all bankruptcy proceeding.

Article 116
Authorization of Bankruptcy Estate Representative to act in a foreign State

An bankruptcy estate representative is authorized to act in a foreign State on behalf of a proceeding under this Law, as permitted by the applicable foreign law.

Article 117
Public policy exception

Nothing in this Law prevents the court from refusing to take an action governed by this Law if the action would be manifestly contrary to the public policy of the Republic of Kosovo.

Article 118
Additional assistance under other laws

Nothing in this Law limits the power of a court or a bankruptcy estate representative to provide additional assistance to a foreign representative under other laws of Kosovo.

Article 119
Interpretation

In the interpretation of Chapter IX of this Law, regard is to be had to its international origin and to the need to promote uniformity in its application and the observance of good faith.

Article 120
Right of direct access

A foreign representative is entitled to apply directly to the court in Kosovo.

Article 121
Limited jurisdiction

The sole fact that an application pursuant to this Law is made to a court in Kosovo by a foreign representative does not subject the foreign representative or the foreign assets and affairs of the debtor to the jurisdiction of the courts of Kosovo for any purpose other than the application.

Article 122
Application by a foreign representative to commence a proceeding under this Law

A foreign representative is entitled to apply to commence a proceeding under this Law if the conditions for commencing such a proceeding are otherwise met.

Article 123
Participation of a foreign representative in a proceeding under this Law

Upon recognition of a foreign proceeding, the foreign representative is entitled to participate in a proceeding regarding the debtor under this Law.

Article 124
Access of foreign creditors to a proceeding under this Law

1. Subject to paragraph 2 of this Article, foreign creditors have the same rights regarding the commencement of, and participation in, a proceeding under this Law as creditors in Kosovo.

2. Paragraph 1 of this Article does not affect the ranking of claims in a proceeding under this Law, except that the claims of foreign creditors shall not be ranked lower than unsecured creditors without priority.

Article 125
Application for recognition of a foreign proceeding

1. A foreign representative may apply to the court for recognition of the foreign proceeding in which the foreign representative has been appointed.

2. An application for recognition shall be accompanied by:

2.1. a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative; or

2.2. a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or

2.3. in the absence of evidence referred to in paragraph 2.2 and 2.3 of this Article, any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative.

3. An application for recognition shall also be accompanied by a statement identifying all foreign proceedings in respect of the debtor that are known to the foreign representative.

4. The court may require a translation of documents supplied in support of the application for recognition into an official language of Kosovo.

Article 126
Presumptions concerning recognition of a foreign proceeding

1. If the decision or certificate referred to in paragraph 2 of Article 125 of this Law indicates that the foreign proceeding is a proceeding within the meaning of the definitions of this Law and that the foreign bankruptcy estate representative is a person within the meaning of the definitions of this Law, the court shall presume that those data are accurate.

2. The court shall presume that documents submitted in support of the application for recognition are authentic, whether or not they have been legalized.

3. In the absence of proof to the contrary, the debtor's registered office, or habitual residence in the case of an individual, is presumed to be the centre of the debtor's main interests.

Article 127
Decision to recognize a foreign proceeding

1. The Court decides to recognize a foreign proceeding if:

1.1. the foreign proceeding is a proceeding within the meaning of paragraph 2.1 of Article 3 of this Law;

1.2. the foreign representative applying for recognition is a person or body within the meaning of paragraph 2.4 of Article 3 of this Law;

1.3. the application meets the requirements of paragraph 2 of Article 125 of this Law;

1.4. the application has been submitted to the court referred to in Article 115 of this Law.

2. The foreign proceeding shall be recognized:

2.1. as a foreign main proceeding if it is taking place in the state where the debtor has the centre of its main interests; or

2.2. as a foreign non-main proceeding if it is taking place as a procedure in the state where the debtor has an establishment within the meaning of Article 3, paragraph 2, sub-paragraph 2.6 of this Law.

3. An application for recognition of a foreign proceeding shall be decided upon seven (7) days after the submission of complete application to the Court.

4. The provisions of Article 125, 126, 127, 128 of this Law do not prevent modification or termination of recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist.

Article 128
Subsequent information

1. From the time of filing the application for recognition of the foreign proceeding, the foreign representative shall inform the court promptly of:

1.1. any substantial change in the status of the recognized foreign proceeding or the status of the foreign representative's appointment; and

1.2. any other foreign proceeding regarding the same debtor that becomes known to the foreign representative.

Article 129
Relief that may be granted upon application for recognition of a foreign proceeding

1.From the time of filing an application for recognition until the application is decided upon, the court may, at the request of the foreign representative, where relief is urgently needed to protect the assets of the debtor or the interests of the creditors, grant relief of a provisional nature, including:

1.1. staying execution against the debtor's assets;

1.2. entrusting the administration or realization of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy;

1.3. any relief mentioned in paragraph 1.3, 1.4, and 1.7 of Article 131 of this Law.

2. Unless extended under paragraph 1.6 of Article 131 of this Law the relief granted under this article terminates when the application for recognition is decided upon.

3. The court may refuse to grant relief under this Article if such relief would interfere with the administration of a foreign main proceeding.

Article 130
Effects of recognition of a foreign main proceeding

1. Upon recognition of a foreign proceeding that is a foreign main proceeding:

1.1. commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities is stayed;

1.2. execution against the debtor's assets is stayed; and

1.3. the right to transfer, encumber or otherwise dispose of any assets of the debtor is suspended.

2. The scope, and the modification or termination, of the stay and suspension referred to in paragraph 1 of this Article are subject to the provisions of Chapter IV of this Law.

3. Paragraph 1.1 of this Article does not affect the right to commence individual actions or proceedings to the extent necessary to preserve a claim against the debtor.

4. Paragraph 1 of this Article does not affect the right to request the commencement of a proceeding under this Law or the right to file claims in such a proceeding.

Article 131
Relief that may be ordered upon recognition of a foreign proceeding

1. Upon recognition of a foreign proceeding, whether main or non-main, where necessary to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including:

1.1. staying the commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities, to the extent they have not been stayed under paragraph 1.1 of Article 130 of this Law;

1.2. setting the moratorium towards the execution actions against the debtor's assets to the extent it has not been stayed under paragraph 1.2 of Article 130 of this Law;

1.3. suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under paragraph 1.3 of Article 130 of this Law;

1.4. providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities;

1.5. entrusting the administration or realization of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court;

1.6. extending relief granted under paragraph 1 of Article 130 of this Law;

1.7.granting any additional relief that may be available to bankruptcy estate representative under the laws of Kosovo.

2. Upon recognition of a foreign proceeding, whether main or non- main, the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court, provided that the court is satisfied that the interests of creditors in Kosovo are adequately protected.

3.In granting relief to a representative of a foreign non-main proceeding, in accordance with this Article, the court should be ensured that the relief relates to assets that, under the laws of Kosovo, should be administered in the foreign non-main proceeding or concerns information required in that proceeding.

Article 132

Protection of creditors and other interested persons

1. In granting or denying relief under Article 125 or Article 131 of this Law, or in modifying or terminating relief under paragraph 3 of this Article, the court must be satisfied that the interests of the creditors and other interested persons, including the debtor, are adequately protected.

2. The court may condition the granting of the relief under Article 129 and Article 131 of this Law under the conditions it considers appropriate.

3. The court may, at the request of the foreign representative or a person affected by relief granted under Article 129 or Article 132 of this Law, or at its own motion, modify or terminate such relief.

Article 133

Actions to avoid acts detrimental to creditors

1. Upon recognition of a foreign proceeding, the foreign estate representative has standing to initiate avoiding powers actions under Chapter IV of this Law.

2. When the foreign proceeding is a foreign non-main proceeding, the court must be satisfied that the action relates to assets that, under the law of Kosovo, should be administered in the foreign non-main proceeding.

Article 134

Intervention by a foreign representative in proceedings in Kosovo

Upon recognition of a foreign proceeding, the foreign representative may, provided the requirements of the law of Kosovo are met, intervene in any proceedings in which the debtor is a party.

Article 135

Cooperation and direct communication between the court of Kosovo and foreign courts or foreign representatives

1. In matters referred to in Article 113 of this Law the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through a bankruptcy estate representative.

2. The court is entitled to communicate directly with, or to request information or assistance directly from, foreign courts or foreign representatives.

Article 136

Cooperation and direct communication between the bankruptcy estate representative in Kosovo with foreign courts or representatives

1. In matters referred to in Article 113 of this Law a bankruptcy estate representative shall, in the exercise of its functions and subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives.

2. The bankruptcy estate representative is entitled, in the exercise of its functions and subject to the supervision of the court, to communicate directly with foreign courts or foreign representatives.

Article 137

Forms of cooperation

1. Cooperation referred to in Article 135 and Article 136 of this Law may be implemented by any appropriate means, including:

1.1. appointment of a person or body to act at the direction of the court;

1.2. communication of information by any means considered appropriate by the court;

1.3. coordination of the administration and supervision of the debtor's assets and affairs;

1.4. approval or implementation by courts of agreements concerning the coordination of proceedings;

1.5. coordination of concurrent proceedings regarding the same debtor; and

1.6. joint hearings between the court of Kosovo and courts of another state conducted by appropriate electronic means.

Article 138

Concurrent Proceedings-Commencement of a proceeding under this Law after recognition of a foreign main proceeding

After recognition of a foreign main proceeding, a proceeding under this Law may be commenced

only if the debtor has assets in Kosovo; the effects of that proceeding shall be restricted to the assets of the debtor that are located in Kosovo and, to the extent necessary to implement cooperation and coordination under all articles contained in Article 135 till 137 of this Law, to other assets of the debtor that, under the law of Kosovo should be administered in that proceeding.

Article 139
Coordination of a proceeding under this Law and a foreign proceeding

1. Where a foreign proceeding and a proceeding under this Law are taking place concurrently regarding the same debtor, the court shall seek cooperation and coordination under all Articles contained in Articles 135 till 137 of this Law, and the following shall apply:

1.1. when the proceeding in Kosovo is taking place at the time the application for recognition of the foreign proceeding is filed:

1.1.1. any relief granted under Article 129 or Article 131 of this Law must be consistent with the proceeding in Kosovo; and

1.1.2. if the foreign proceeding is recognized in Kosovo as a foreign main proceeding, Article 126 of this Law does not apply;

1.2. when the proceeding in Kosovo commences after recognition, or after the filing of the application for recognition, of the foreign proceeding:

1.2.1. any relief in effect under Article 129 or Article 131 of this Law shall be reviewed by the court and shall be modified or terminated if inconsistent with the proceeding in Kosovo; and

1.2.2. if the foreign proceeding is a foreign main proceeding, the stay and suspension referred to in paragraph 1 of Article 130 of this Law shall be modified or terminated pursuant to paragraph 2 of Article 130 of this Law if inconsistent with the proceeding in Kosovo;

1.3. in granting, extending or modifying relief granted to a representative of a foreign non-main proceeding, the court must be satisfied that the relief relates to assets that, under the law of Kosovo, should be administered in the foreign non-main proceeding or concerns information required in that proceeding.

Article 140
Coordination of more than one foreign proceeding

1. In matters referred to in Article 107 of this Law, in respect of more than one foreign proceeding regarding the same debtor, the court shall seek cooperation and coordination under all Articles contained in Articles 131 and 132 of this Law, and the following shall apply:

1.1. any relief granted under Article 129 or Article 131 of this Law should be consistent with the foreign proceeding being developed in Kosovo;

1.2. when the proceeding in Kosovo commences after the recognition of the foreign

proceeding, or after the filing of an application for recognition of a foreign proceeding, any relief in effect under Article 129 or Article 131 of this Law shall be reviewed by the court and shall be modified or terminated if inconsistent with the proceeding being developed in Kosovo; and

1.3. if, after recognition of a foreign non-main proceeding, another foreign non-main proceeding is recognized, the court shall grant, modify or terminate relief for the purpose of facilitating coordination of the proceedings.

Article 141

Presumption of insolvency based on recognition of a foreign main proceeding

In the absence of evidence to the contrary, recognition of a foreign main proceeding is, for the purpose of commencing a proceeding under this Law, proof that the debtor is insolvent.

Article 142

Rule of payment in concurrent proceedings

Without prejudice to secured claims or rights in rem, a creditor who has received part payment in respect of its claim in a proceeding pursuant to a law relating to insolvency in a foreign state may not receive a payment for the same claim in a proceeding under this Law regarding the same debtor, so long as the payment to the other creditors of the same class is proportionately less than the payment the creditor has already received.

CHAPTER X
TRANSITIONAL AND FINAL PROVISIONS

Article 143

Implementation of the provisions of this Law towards the bankruptcy cases opened in the court

After the entry into force of this Law, the Court shall implement the provisions of this Law, for all cases that are opened at the court before entry into force of this Law and that are still under procedure before the Court.

Article 144

Repeal of Prior Laws

This Law repeals the Law No. 2003/4 on Liquidation and Reorganization of Legal Persons in Bankruptcy and the Law No. 02/L-115 on amending and supplementing the Law No.2003/4 on Liquidation and Reorganization of Legal Persons in Bankruptcy and any provision of other Laws that are contrary or that are differently regulated by this Law.

Article 145
Entry into force

This Law shall enter into force fifteen (15) days after publication in the Official Gazette of the Republic of Kosovo.

Law No.05/L - 083
9 June 2016

Promulgated by Decree No.DL-019-2016, dated 23.06.2016, President of the Republic of Kosovo Hashim Thaçi.

REPUBLIKA E KOSOVËS/REPUBLIKA KOSOVA
REPUBLIC OF KOSOVO
QEVERIA E KOSOVËS/VLADA KOSOVA
GOVERNMENT OF KOSOVO
MINISTRIA E DREJTËSISË/MINISTARSTVO PRAVDE
MINISTRY OF JUSTICE
Nr.Br.No: 02-757/4
Data/Datum/Date: 02/11/2022
Shtojca/Dodaci/Annex: -2-
PRISHTINË/A

Republika e Kosovës

Republika Kosova - Republic of Kosovo

Qeveria - Vlada - Government

Ministria e Drejtësisë - Ministarstvo Pravde - Ministry of Justice

Zyra e Sekretarit të Përgjithshëm/Kancelarija Generalnog Sekretara/Office of the General Secretary

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No. *115* / 2022
Date: 02.11.2022

Pursuant to Article 18 of Law No. 08/L-113 on the Organization and Functioning of State Administration and Independent Agencies (Official Gazette of the Republic of Kosovo, No. 27/2019), and based on Article 11 (paragraph 3) of Regulation GRK No. 01/2020 on Internal Organization Standards, Systematization of Jobs and Cooperation in State Administration Institutions, the General Secretary of the Ministry of Justice hereby issues the following:

DECISION

1. The Working Group is hereby established for the drafting and finalization of the Draft Law on Free Legal Aid, consisting of:

    1. Isuf Jashmurataj, LD/MoJ, *Chairperson;*
    2. Eros Gashi, Cabinet of the Minister of Justice, *Member;*
    3. Ruzhdi Osmani, DIEPC/MoJ, Member;
    4. Trendelina Qarri, DIEPC/MoJ, *Member;*
    5. Labinot Gashi, DLP/MoJ, *Member;*
    6. Albunena Uka, DMLP/MoJ, *Member;*
    7. Mehdi Plashniku, KBRA/MIET, *Member;*
    8. Besim Mustafa, KJC, *Member;*
    9. Alberita Hyseni, LO/OPM, *Member;*
    10. Albert Selimi, GCS/OPM, Member;
    11. Mehmet Berisha, OAF, *Member;*
    12. Ardiana Bunjaç, OEGJK, *Member;*
    13. Partin Pruthi, KBA, *Member;*
    14. Hajrije Zogaj, DPSHP/MoJ, *Member;*
    15. Gezim Bislimi, MFPT, *Member.*

2. As necessary and for the purpose of fulfilling the obligations arising from this Decision, the Working Group may invite experts, representatives from institutions and other local and international bodies and organizations.

3. The Working Group shall be tasked with drafting and finalizing the Draft Law, in accordance with Regulation No. 09/2011 on the Rules of Procedure of the Government of the Republic of Kosovo and the applicable legislation.

4. This Decision shall enter into force upon signature.

Lulzim BEQIRI
Acting General Secretary

[singed and stamped]

The Decision is served on:

- *Members of the Working Group;*
- *Cabinet of the Minister of Justice;*
- *Office of the General Secretary;*
- *MoJ Archive.*

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government

Ministria e Drejtësisë
Ministarstvo Pravde – Ministry of Justice

Option/possible alternative:

1. Title of the normative act: REGULATION (EU) 2015/848 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 May 2015 on Insolvency Proceedings
2. Proposing body: European Commission
3. Table: 14/07/2023
4. List of relevant national legislation (full title of the act and number) with which the normative act of the Republic of Kosovo is compliant: • Draft Law on Bankruptcy
5. The level of compliance (fully compliant, partially compliant, not compliant or not applicable) of the normative act with EU legislation: Partially compliant

European Union – Republic of Kosovo

a)	b)	c)	d)
EU normative act (Article, paragraph, sub-paragraph,	Provisions of normative act of Kosovo	Compliance of EU legislation	Comments on reasons for partial compliance or

etc.)	(Article, paragraph, sub-paragraph, etc.)	with Kosovo legislation (fully compliant, partially compliant, non-compliant or not applicable)	non-compliance and the period foreseen for achieving full compliance
Article 1 **Scope** 1.This Regulation shall apply to public collective proceedings, including interim proceedings, which are based on laws relating to insolvency and in which, for the purpose of rescue, adjustment of debt, reorganisation or liquidation: a)a debtor is totally or partially divested of its assets and an insolvency practitioner is appointed; (b) the assets and affairs of a debtor are subject to control or supervision by a court; or (c) a temporary stay of individual enforcement proceedings is granted by a court or by operation of law, in order to allow for negotiations between the	**Draft Bankruptcy Law** **Article 3** **Scope** This law is applicable to all Commercial Companies regulated by the Law on Commercial Companies or a successor law.	Partially compliant	The national law does not specify all the elements of the insolvency as required by the Regulation. Foreseen transposition period – 3 years.

debtor and its creditors, provided that the proceedings in which the stay is granted provide for suitable measures to protect the general body of creditors, and, where no agreement is reached, are preliminary to one of the proceedings referred to in point (a) or (b). Where the proceedings referred to in this paragraph may be commenced in situations where there is only a likelihood of insolvency, their purpose shall be to avoid the debtor's insolvency or the cessation of the debtor's business activities. The proceedings referred to in this paragraph are listed in Annex A. 2. This Regulation shall not apply to proceedings referred to in paragraph 1 that concern: (a) insurance undertakings; (b) credit institutions; (c) investment firms and other firms, institutions and undertakings to the extent that they are covered by Directive 2001/24/EC; or (d) collective investment undertakings.	2. This law is not applicable to: 2.1. institutions of the Republic of Kosovo; 2.2. to any government body; 2.3. financial institutions according to the provisions of the law that regulates banks, financial institutions and non-banking financial institutions; and 2.4. insurance companies and insurance brokers which are regulated by a special law for insurance	Partially complaint	

	companies and insurance brokers; 2.5. pension funds or pension scheme providers, licensed and regulated by the Central Bank of the Republic of Kosovo; 2.6. social enterprises under the administration of the Kosovo Privatization Agency; 2.7. public enterprises regulated by the Law on Public Enterprises or a successor law.		
Article 2 **Definitions** For the purposes of this Regulation: (1) 'collective proceedings' means proceedings which include all or a significant part of a debtor's creditors, provided that, in the latter case, the proceedings do not affect the claims of creditors which are not involved in them; 5.6.2015 EN Official Journal of the European Union L 141/29 (1	**Article 2** **Definitions** 1.The expressions used in this law have the following meaning:	Not appplicable	

) OJ C 358, 7.12.2013, p. 15. (2) (2) ‘collective investment undertakings’ means undertakings for collective investment in transferable securities (UCITS) as defined in Directive 2009/65/EC of the European Parliament and of the Council (1) and alternative investment funds (AIFs) as defined in Directive 2011/61/EU of the European Parliament and of the Council (3) (2); (3) ‘debtor in possession’ means a debtor in respect of which insolvency proceedings have been opened which do not necessarily involve the appointment of an insolvency practitioner or the complete transfer of the rights and duties to administer the debtor's assets to an insolvency practitioner and where, therefore, the debtor remains totally or at least partially in control of its assets and affairs; (4) (4) ‘insolvency proceedings’	1.19. "Debtor in possession" debtor in reorganization procedure in cases where the Court does not appoint a Bankruptcy Administrator;	Not applicable Partially complaint	

means the proceedings listed in Annex A; (5) (5) 'insolvency practitioner' means any person or body whose function, including on an interim basis, is to: (i) verify and admit claims submitted in insolvency proceedings; (ii) represent the collective interest of the creditors; (iii) administer, either in full or in part, assets of which the debtor has been divested; (iv) liquidate the assets referred to in point (iii); or (v) supervise the administration of the debtor's affairs. The persons and bodies referred to in the first subparagraph are listed in Annex B; (6) 'court' means: (i) in points (b) and (c) of Article 1(1), **General principles of the Law on bankruptcy** (1) (2), Articles 5 and 6, Article 21(3), point (j) of Article 24(2), Articles 36 and 39, and Articles 61 to 77, the judicial body of a Member State; (ii) in all other articles, the judicial body or any other competent body of a Member State empowered to open	1.23. "Bankruptcy procedure" voluntary or mandatory bankruptcy procedure initiated according to this Law; 1.31. "Interested person" includes debtors, receivers, creditors, equity holders, creditors' committees and governing bodies. Entities with distant and dispersed non-property interests are not considered stakeholders. 1.14. Court - the Commercial Court of the Republic of Kosovo as defined in the Law on Commercial Court;	Partially complaint Partially complaint Fully complaint	

	insolvency proceedings, to confirm such opening or to take decisions in the course of such proceedings; (2) (7) 'judgment opening insolvency proceedings' includes: (i) the decision of any court to open insolvency proceedings or to confirm the opening of such proceedings; and (ii) the decision of a court to appoint an insolvency practitioner; (3) (8) 'the time of the opening of proceedings' means the time at which the judgment opening insolvency proceedings becomes effective, regardless of whether the judgment is final or not; (4) (9) 'the Member State in which assets are situated' means, in the case of: (i) registered shares in companies other than those referred to in point (ii), the	**1.11.Commencement of bankruptcy proceeding**: 11.1. in cases when the debtor voluntarily commenced the bankruptcy proceeding, the date the debtor has filed a petition at the court regarding the commencement of bankruptcy proceeding; 1.11.3. in a voluntary case, the date of the commencement of bankruptcy proceeding is considered the date in which the court shall commence the bankruptcy proceeding;	Partially compliant Not applicable Not applicable	

Member State within the territory of which the company having issued the shares has its registered office; (ii) financial instruments, the title to which is evidenced by entries in a register or account maintained by or on behalf of an intermediary ('book entry securities'), the Member State in which the register or account in which the entries are made is maintained; (iii) cash held in accounts with a credit institution, the Member State indicated in the account's IBAN, or, for cash held in accounts with a credit institution which does not have an IBAN, the Member State in which the credit institution holding the account has its central administration or, where the account is held with a branch, agency or other establishment, the Member State in which the branch, agency or other establishment is located; (iv) property and rights, ownership of or entitlement to which is entered in a public register other than those referred to in point (i), the Member State under the authority		Not applicable	

of which the register is kept; (v) European patents, the Member State for which the European patent is granted; L 141/30 EN Official Journal of the European Union 5.6.2015 (1) Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). (2) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ L 174, 1.7.2011, p. 1). (vi) copyright and related rights, the Member State within the territory of which the owner of such rights has its habitual residence or registered office; (vii) tangible property, other than that referred to in points (i) to (iv), the Member State within the			

territory of which the property is situated; (viii) claims against third parties, other than those relating to assets referred to in point (iii), the Member State within the territory of which the third party required to meet the claims has the centre of its main interests, as determined in accordance with Article 3(1); (5) (10) 'establishment' means any place of operations where a debtor carries out or has carried out in the 3-month period prior to the request to open main insolvency proceedings a non-transitory economic activity with human means and assets; (6) (11) 'local creditor' means a creditor whose claims against a debtor arose from or in connection with the operation of an establishment situated in a Member State other than the Member State in which the centre of the debtor's main interests is located; (7) (12) 'foreign creditor' means a creditor which has its habitual residence, domicile or registered office in a Member State other	1.45. Establishment - any place where the debtor operates and carries out a non-transitory economic activity in selling the products or providing services. .15. "Creditor" a natural or legal person who has a claim against the debtor, a claim which arose before the initiation of the bankruptcy procedure or at the time of the initiation of the bankruptcy procedure;	Fully complaint Partially complaint Not applicable	

than the State of the opening of proceedings, including the tax authorities and social security authorities of Member States; (8) (13) 'group of companies' means a parent undertaking and all its subsidiary undertakings; **(9)** (14) 'parent undertaking' means an undertaking which controls, either directly or indirectly, one or more subsidiary undertakings. An undertaking which prepares consolidated financial statements in accordance with Directive 2013/34/EU of the European Parliament and of the Council (1) shall be deemed to be a parent undertaking.		Not applicable Not applicable	
Article 3 **International jurisdiction** 1.The courts of the Member State within the territory of which the centre of the debtor's main interests is situated shall have jurisdiction to open insolvency proceedings ('main insolvency proceedings'). The centre of main interests shall be the place where the debtor conducts the administration of its interests on a	**Article 7** **Court Jurisdiction and Remedies** 1. The Commercial Court is competent for the development of the procedure and the review of the bankruptcy case and for all issues related to this law.	Partially compliant Not applicable	

regular basis and which is ascertainable by third parties. In the case of a company or legal person, the place of the registered office shall be presumed to be the centre of its main interests in the absence of proof to the contrary. That presumption shall only apply if the registered office has not been moved to another Member State within the 3-month period prior to the request for the opening of insolvency proceedings. In the case of an individual exercising an independent business or professional activity, the centre of main interests shall be presumed to be that individual's principal place of business in the absence of proof to the contrary. That presumption shall only apply if the individual's principal place of business has not been moved to another Member State within the 3-month period prior to the request for the opening of insolvency proceedings. In the case of any other individual, the centre of main interests shall be presumed to be the place of the individual's habitual residence in the absence of proof to the contrary. This presumption shall only apply if the		Not applicable	

habitual residence has not been moved to another Member State within the 6-month period prior to the request for the opening of insolvency proceedings. 2. Where the centre of the debtor's main interests is situated within the territory of a Member State, the courts of another Member State shall have jurisdiction to open insolvency proceedings against that debtor only if it possesses an establishment within the territory of that other Member State. The effects of those proceedings shall be restricted to the assets of the debtor situated in the territory of the latter Member State. 3. Where insolvency proceedings have been opened in accordance with paragraph 1, any proceedings opened subsequently in accordance with paragraph 2 shall be secondary insolvency proceedings. 4. The territorial insolvency proceedings referred to in paragraph 2 may only be opened prior to the opening of main insolvency proceedings in accordance with paragraph 1 where (a) insolvency proceedings under		Not applicable Not applicable	

paragraph 1 cannot be opened because of the conditions laid down by the law of the Member State within the territory of which the centre of the debtor's main interests is situated; or (b) the opening of territorial insolvency proceedings is requested by: (i) a creditor whose claim arises from or is in connection with the operation of an establishment situated within the territory of the Member State where the opening of territorial proceedings is requested; or (ii) a public authority which, under the law of the Member State within the territory of which the establishment is situated, has the right to request the opening of insolvency proceedings. When main insolvency proceedings are opened, the territorial insolvency proceedings shall become secondary insolvency proceedings.		Not applicable	
Article 4 **Examination as to jurisdiction** 1. A court seised of a request to open insolvency proceedings shall of its own motion examine whether it has jurisdiction pursuant to Article 3. The judgment opening insolvency	**Article 7** **Court Jurisdiction and Remedies** 1.The Commercial Court is competent for the development of the procedure and the review of the bankruptcy case and for all issues related to this law.	Partially compliant	

proceedings shall specify the grounds on which the jurisdiction of the court is based, and, in particular, whether jurisdiction is based on Article 3(1). 2. Notwithstanding paragraph 1, where insolvency proceedings are opened in accordance with national law without a decision by a court, Member States may entrust the insolvency practitioner appointed in such proceedings to examine whether the Member State in which a request for the opening of proceedings is pending has jurisdiction pursuant to Article. 3. Where this is the case, the insolvency practitioner shall specify in the decision opening the proceedings the grounds on which jurisdiction is based and, in particular, whether jurisdiction is based on Article 3(1) or (2).		Not applicable Not applicable Not applicable	

Article 5 **Judicial review of the decision to open main insolvency proceedings** 1.The debitor or any creditor may challenge before a court the decision opening main insolvency proceedings on grounds of international jurisdiction. 2. The decision opening main insolvency proceedings may be challenged by parties other than those referred to in paragraph 1 or on grounds other than a lack of international jurisdiction where national law so provides.	**Article 119** **Limited jurisdiction** The sole fact that an application pursuant to this Law is made to a court in Kosovo by a foreign representative does not subject the foreign representative or the foreign assets and affairs of the debtor to the jurisdiction of the courts of Kosovo for any purpose other than the application.	Partially complaint	
Article 6 **Jurisdiction for actions deriving directly from insolvency proceedings and closely linked with them** 1. The courts of the Member State within the territory of which insolvency proceedings have been opened in accordance with Article 3 shall have jurisdiction for any action which derives directly from	**Article 20** **Treatment of Cases Involving Related Entities - Consolidation** 1.The court shall order a joint administration of cases, in those cases when two (2) or more petitions are filed at the court by or against:	Partially complaint	

the insolvency proceedings and is closely linked with them, such as avoidance actions.	1.1. spouses; 1.2. general partnership or limited partnership and one or more general partners therein; or; 1.3. two (2) or more general partners; or 1.4. a debtor and an affiliate, then the court may order a joint administration of the estates. 2. A joint administration decision of the court may contain such provisions as the court may consider necessary or desirable to ensure the efficient administration of the bankruptcy proceeding, provisions for common dockets, joint hearings, combined notice lists and any other provision that the court believes will tend to avoid unnecessary cost or delay.3.Prior to entering a decision of joint administration, the court shall consider ways to protect creditors of different estates against potential conflicts of interest.		

2. Where an action referred to in paragraph 1 is related to an action in civil and commercial matters against the same defendant, the insolvency practitioner may bring both actions before the courts of the Member State within the territory of which the defendant is domiciled, or, where the action is brought against several defendants, before the courts of the Member State within the territory of which any of them is domiciled, provided that those courts have jurisdiction pursuant to Regulation (EU) No 1215/2012. The first subparagraph shall apply to the debtor in possession, provided that national law allows the debtor in possession to bring actions on behalf of the insolvency estate. 3. For the purpose of paragraph 2, actions are deemed to be related where they are so closely connected that it is expedient to hear and determine them together to avoid the risk of irreconcilable judgments resulting from separate proceedings.		Not applicable Not applicable	

Article 7 **Applicable law** 1.Save as otherwise provided in this Regulation, the law applicable to insolvency proceedings and their effects shall be that of the Member State within the territory of which such proceedings are opened (the 'State of the opening of proceedings'). 2. The law of the State of the opening of proceedings shall determine the conditions for the opening of those proceedings, their conduct and their closure. In particular, it shall determine the following: a)the debtors against which insolvency proceedings may be brought on account of their capacity; (b) the assets which form part of the insolvency estate and the treatment of assets acquired by or devolving on the debtor after the opening of the insolvency proceedings; (c) the respective powers of the debtor		Not applicable	

and the insolvency practitioner; (d) the conditions under which set-offs may be invoked; (e) the effects of insolvency proceedings on current contracts to which the debtor is party; (f) the effects of the insolvency proceedings on proceedings brought by individual creditors, with the exception of pending lawsuits; (g) the claims which are to be lodged against the debtor's insolvency estate and the treatment of claims arising after the opening of insolvency proceedings; (h) the rules governing the lodging, verification and admission of claims; (i) the rules governing the distribution of proceeds from the realisation of assets, the ranking of claims and the rights of creditors who have obtained partial satisfaction after the opening of insolvency proceedings by virtue of a right in rem or through a set-off; (j) the conditions for, and the effects of closure of, insolvency proceedings, in particular by composition; (k) creditors' rights after the closure of insolvency proceedings; (l) who is to bear the costs and expenses incurred in the insolvency proceedings; (m) the rules relating to			

the voidness, voidability or unenforceability of legal acts detrimental to the general body of creditors.			
Article 8 **Third parties' rights in rem'** 1. The opening of insolvency proceedings shall not affect the rights in rem of creditors or third parties in respect of tangible or intangible, moveable or immoveable assets, both specific assets and collections of indefinite assets as a whole which change from time to time, belonging to the debtor which are situated within the territory of another Member State at the time of the opening of proceedings. 2. The rights referred to in paragraph 1 shall, in particular, mean: (a) the right to dispose of assets or have them disposed of and to obtain satisfaction from the proceeds of or income from those assets, in particular by virtue of a lien or a mortgage; (b) the exclusive right to have a claim met, in particular a right guaranteed by a lien in respect of the claim or by assignment of the claim by way of a guarantee; (c) the right to demand assets from,	**Article 25** **Exemptions from Stay** 1.The commencement of bankruptcy proceedings under this Law does not operate as a stay or injunction against any of the following: 1.5. actions or proceedings filed against third parties which relate to any claim against the debtor, including, without limitation, actions against any entity which guaranteed any claim against the debtor or its property or against a general partner of a debtor that is a general or limited partnership;	Partially complaint	

and/or to require restitution by, anyone having possession or use of them contrary to the wishes of the party so entitled; (d) a right in rem to the beneficial use of assets. 3. The right, recorded in a public register and enforceable against third parties, based on which a right in rem within the meaning of paragraph 1 may be obtained shall be considered to be a right in rem. Paragraph 1 shall not preclude actions for voidness, voidability or unenforceability as referred to in point (m) of Article 7(2). **Article 9** **Set-off** 1. The opening of insolvency proceedings shall not affect the right of creditors to demand the set-off of their claims against the claims of a debtor, where such a set-off is permitted by the law applicable to the insolvent debtor's claim.	**Article 46** **Compensation of claims** 1.After the initiation of the bankruptcy procedure, the mutual compensation of the claims between the debtor and the creditor is allowed only up to the degree determined by this article. 2. Apart from the compensation of	Fully compliant	

2. Paragraph 1 shall not preclude actions for voidness, voidability or unenforceability as referred to in point (m) of Article 7(2).	claims involving bank accounts, the creditor may compensate a claim he has against the debtor, if the claim: 2.1. existed within six months from the opening of the case, and 2.2. the creditor sends a written notification to the representative of the insolvent estate before the expiration of the deadline for registration of claims and proofs of the existence of claims. 3. Regarding bank accounts: 3.1. after opening the case, the bank cannot offset any obligation it has to the debtor against any obligation the debtor has to the bank; 3.2. if the bank has made compensation against the balance in the debtor's bank account for the debtor's debts to it six (6) months before the opening of the bankruptcy case, the bank is obliged to return to the bankruptcy estate the difference		

Article 10 **Reservation of title** 1. The opening of insolvency proceedings against the purchaser of an	between: 3.2.1. the deficit that existed six (6) months before the opening of the case, the amount owed to the bank that exceeded the balance value at that time; and 3.2.2. the deficit calculated according to the previous sub-paragraph immediately after making the compensation. 4. Claims submitted before the case opening date will not be offset against claims submitted after the case opening date. 5. For the purposes of this article, compensation of claims is not considered payment of regular obligations arising from credit agreements. **Article 31** **Sale and Use of Assets** 1. The bankruptcy estate	Partially complaint	

asset shall not affect sellers' rights that are based on a reservation of title where at the time of the opening of proceedings the asset is situated within the territory of a Member State other than the State of the opening of proceedings. 2. The opening of insolvency proceedings against the seller of an asset, after delivery of the asset, shall not constitute grounds for rescinding or terminating the sale and shall not prevent the purchaser from acquiring title where at the time of the opening of proceedings the asset sold is situated within the territory of a Member State other than the State of the opening of proceedings. 3. Paragraphs 1 and 2 shall not preclude actions for voidness, voidability or unenforceability as referred to in point (m) of Article 7(2).	representative may not make any transfer on account of or in satisfaction of any claim that arose before the commencement of bankruptcy proceedings except as may be authorized by the court or this Law. 2. According to the conditions set paragraph 1 of this Article, the bankruptcy estate representative may sell, use, or lease property which is part of the bankruptcy estate in the ordinary course of business, if the sale, use or lease of that property is a part of ordinary course of business, without the need to obtain court approval. 3.With court approval, the bankruptcy estate representative may sell, use, or lease property of the bankruptcy estate out of the ordinary course of business. 4.Subject to the provisions of this paragraph, the bankruptcy estate representative may sell estate property in which an entity other than the estate		

	has an interest: 4.1. any sale of property of the bankruptcy estate in which an entity other than the debtor or the estate holds an interest is conditioned upon the estate's proof that it has provided protection of value to such non-debtor; 4.2. unless the court for cause orders otherwise, if the bankruptcy estate representative proposes to sell estate property in which another entity holds a lien, the estate must permit the entity holding the lien to bid at such sale, and, if the holder of such claim purchases such property, such holder may offset such claim against the purchase price of such property. 5. The bankruptcy estate representative may sell property of the bankruptcy estate so that the buyer takes it free and clear of any interest in such property of an entity other than the estate, but only if the bankruptcy estate representative proves:		

Article 11 **Contracts relating to immoveable property** 1. The effects of insolvency proceedings on a contract conferring the right to acquire or make use of immoveable property shall be governed solely by the law of the Member State within the territory of which the immoveable property is situated. 2. The court which opened main insolvency proceedings shall have jurisdiction to approve the termination or modification of the contracts referred	5.1. applicable legislation permits sale of such property free and clear of such interest; 5.2. the buyer consents; 5.3. such interest is a lien and lien holder's interest in such property attaches to the proceeds of sale; or 5.4. such interest is in the contentious proce.	Not applicable	

to in this Article where: (a) the law of the Member State applicable to those contracts requires that such a contract may only be terminated or modified with the approval of the court opening insolvency proceedings; and (b) no insolvency proceedings have been opened in that Member State. **Article 12** **Payment systems and financial markets** 1. Without prejudice to Article 8, the effects of insolvency proceedings on the rights and obligations of the parties to a payment or settlement system or to a financial market shall be governed solely by the law of the Member State applicable to that system or market. 2. Paragraph 1 shall not preclude any action for voidness, voidability or unenforceability which may be taken to set aside payments or transactions		Not applicable	

under the law applicable to the relevant payment system or financial market. **Article 13** **Contracts of employment** 1.The effects of insolvency proceedings on employment contracts and relationships shall be governed solely by the law of the Member State applicable to the contract of employment. 2. The courts of the Member State in which secondary insolvency proceedings may be opened shall retain jurisdiction to approve the termination or modification of the contracts referred to in this Article even if no insolvency proceedings have been opened in that Member State. The first subparagraph shall also apply to an authority competent under national law to approve the termination or modification of the contracts referred to in this Article.	**Article 59** **Requirements from the employment relationship** 2. Claims from the work relationship are considered all the claims of workers created before the initiation of the bankruptcy procedure, for workers who were in a work relationship with the debtor, in accordance with the provisions of the labor law in Kosovo.	Partially compliant	

Article 14 **Effects on rights subject to registration** The effects of insolvency proceedings on the rights of a debtor in immoveable property, a ship or an aircraft subject to registration in a public register shall be determined by the law of the Member State under the authority of which the register is kept. **Article 15** **European patents with unitary effect and Community trade marks** For the purposes of this Regulation, a European patent with unitary effect, a Community trade mark or any other similar right established by Union law may be included only in the proceedings referred to in Article 3(1). **Article 16**		Not applicable Not applicable	

Detrimental acts Point (m) of Article 7(2) shall not apply where the person who benefited from an act detrimental to all the creditors provides proof that: (a) the act is subject to the law of a Member State other than that of the State of the opening of proceedings; and (b) the law of that Member State does not allow any means of challenging that act in the relevant case.		Not applicable	
Article 17 **Protection of third-party purchasers** Where, by an act concluded after the opening of insolvency proceedings, a debtor disposes, for consideration, of: (a) an immoveable asset; (b) a ship or an aircraft subject to registration in a public register; or (c) securities the existence of which requires registration in a register laid		Not applicable	

down by law; the validity of that act shall be governed by the law of the State within the territory of which the immoveable asset is situated or under the authority of which the register is kept. **Article 18** **Effects of insolvency proceedings on pending lawsuits or arbitral proceedings** The effects of insolvency proceedings on a pending lawsuit or pending arbitral proceedings concerning an asset or a right which forms part of a debtor's insolvency estate shall be governed solely by the law of the Member State in which that lawsuit is pending or in which the arbitral tribunal has its seat.		Not applicable	
Article 19 **Principle**	**Article 4** **General principles of bankruptcy**	Partially complaint	

1.Any judgment opening insolvency proceedings handed down by a court of a Member State which has jurisdiction pursuant to Article 3 shall be recognised in all other Member States from the moment that it becomes effective in the State of the opening of proceedings. The rule laid down in the first subparagraph shall also apply where, on account of a debtor's capacity, insolvency proceedings cannot be brought against that debtor in other Member States. 2. Recognition of the proceedings referred to in Article 3(1) shall not preclude the opening of the proceedings referred to in Article 3(2) by a court in another Member State. The latter proceedings shall be secondary insolvency proceedings within the meaning of Chapter III.	**law** 1. During the implementation and interpretation of this law, the court applies the general principles of the bankruptcy law, defined in this article. During the bankruptcy procedure, the court takes all necessary measures based on the following principles: 1.1. the representative of the bankruptcy estate maximizes the overall return of the estate in favor of creditors; 1.2. distributions to all creditors of the same priority category are made according to the pari passu principle; 1.3. the legal entity debtor will not be the owner of its assets at the end of the liquidation procedure and will be deleted as an active business in the business register with the note "liquidated"; 1.4. the individual debtor will not be the owner of his assets used for business which were administered		

	during the bankruptcy procedure, at the end of the liquidation procedure. The fact that the individual debtor is bankrupt is recorded in the business register during each new registration of a business by the debtor and close family members for five years from the day of the end of the bankruptcy procedure, and the fact that the individual debtor is bankrupt is also recorded in the register of loans of the Central Bank of the Republic of Kosovo, 1.5. the bankruptcy procedure is an urgent procedure; 1.6. no suspension or interruption of the bankruptcy procedure is allowed. 1.7. The bankruptcy procedure will be followed in order to secure as much as possible the values of the assets and the highest possible rate of repayment of the creditor within the shortest possible time and at the lowest possible cost.		

	2. In the reorganization procedure, the court must ensure that the reorganization procedure, if successful, has the possibility to: 2.1. preserves jobs or creates new jobs; 2.2. preserves the value of the assets to the extent consistent with the reorganization. 3. In all procedures, the court must take measures to ensure that: 3.1. the obligations of debtors and the rights and privileges of creditors cannot be invalidated or changed except when provided by this law; 3.2. the real rights of secured creditors or creditors who have real liens cannot be invalidated or changed except when provided by this law; 3.3. the representative of the bankruptcy estate shall take possession of all assets, tangible or intangible, together with all rights,		

	claims or liabilities to those assets, created as a result of other laws, unless any provision of this the law determines otherwise. 3.4. in cases of individual debtors, in bankruptcy proceedings, the bankruptcy estate includes the total assets owned by the debtor when the bankruptcy proceedings are opened and the assets acquired by the debtor during the bankruptcy proceedings. 3.5. in accordance with the reorganization provisions set forth in this law, the opening of the case will mature all the claims against the debtor which are not matured at the time of opening the case; 3.6. the principle of limited liability of shareholders of limited liability companies, limited partners in limited		

	partnerships and shareholders in joint stock companies shall be respected in any case and the owners, partners or shareholders shall not be liable for the obligations of their companies except in cases where there is a legal work, a guarantee or a special law that otherwise regulates this matter. 3.7. In cases of death of individual debtors, the bankruptcy procedure continues and takes place under the assumption that the heirs of the individual debtor also inherit the obligations according to the law in force on inheritance.		
Article 20 **Effects of recognition** 1. The judgment opening insolvency proceedings as referred to in Article 3(1) shall, with no further formalities, produce the same effects in any other	**Article 124** **The decision to recognize the foreign procedure** 1. The court decides on the recognition of the foreign procedure	Partially complaint	

Member State as under the law of the State of the opening of proceedings, unless this Regulation provides otherwise and as long as no proceedings referred to in Article 3(2) are opened in that other Member State. 2. The effects of the proceedings referred to in Article 3(2) may not be challenged in other Member States. Any restriction of creditors' rights, in particular a stay or discharge, shall produce effects vis-à-vis assets situated within the territory of another Member State only in the case of those creditors who have given their consent.	if: 1.1. foreign procedure is a procedure in the sense of paragraph 2.1 of article 3 of this law; 1.2. the representative of the insolvent foreign property is a person or body within the meaning of paragraph 2.4 of article 3 of this law; 1.3. the request meets the conditions set forth in paragraph 2 of Article 122 of this Law; 1.4. the request was sent to the court according to Article 118 of this law. 2. The foreign procedure is known as: 2.1. main foreign procedure if the procedure is being developed in the country where the debtor has the main place of activity; or 2.2. non-main foreign procedure if the procedure is being developed in the country where the debtor has its registered office in the sense of article		

	2, paragraph 1.48 of this law. 3. The request for recognition of the foreign procedure is decided by the court within seven (7) days after submitting the completed request to the Court. 4. The provisions of articles 122, 123, 124, 125 of this law do not prohibit the change or termination of the recognition of the foreign procedure if the grounds for granting the decision for recognition have changed in part or in whole or no longer exist.		
Article 21 **Powers of the insolvency practitioner** 1.The insolvency practitioner appointed by a court which has jurisdiction pursuant to Article 3(1) may exercise all the powers conferred on it, by the law of the State of the opening of proceedings, in another Member State, as long as no other insolvency proceedings have been opened there and no preservation measure to the		Not applicable	

contrary has been taken there further to a request for the opening of insolvency proceedings in that State. Subject to Articles 8 and 10, the insolvency practitioner may, in particular, remove the debtor's assets from the territory of the Member State in which they are situated. 1. The insolvency practitioner appointed by a court which has jurisdiction pursuant to Article 3(2) may in any other Member State claim through the courts or out of court that moveable property was removed from the territory of the State of the opening of proceedings to the territory of that other Member State after the opening of the insolvency proceedings. The insolvency practitioner may also bring any action to set aside which is in the interests of the creditors. 3. In exercising its powers, the insolvency practitioner shall comply with the law of the Member State within the territory of which it intends to take action, in particular with regard to procedures for the realisation of assets. Those powers may not include coercive measures, unless ordered by a			

court of that Member State, or the right to rule on legal proceedings or disputes.			
Article 22 **Proof of the insolvency practitioner's appointment** The insolvency practitioner's appointment shall be evidenced by a certified copy of the original decision appointing it or by any other certificate issued by the court which has jurisdiction.	**Article 163** **Certificate of examination for insolvency administrator** 1. After passing the exam, the bankrupt administrator is issued the exam certificate signed by the Minister of Justice. 2. The Examination Certificate according to paragraph 1 of this article is the basis for becoming part of the Register of Insolvent Administrators which is maintained and updated by the Ministry of Justice. 3. The Ministry keeps the registers for the persons who passed the bankruptcy administrator's exam and proceeds the same to the Commercial Court.	Partially complaint	

Article 23 **Return and imputation** 1. A creditor which, after the opening of the proceedings referred to in Article 3(1), obtains by any means, in particular through enforcement, total or partial satisfaction of its claim on the assets belonging to a debtor situated within the territory of another Member State, shall return what it has obtained to the insolvency practitioner, subject to Articles 8 and 10. 2. In order to ensure the equal treatment of creditors, a creditor which has, in the course of insolvency proceedings, obtained a dividend on its claim shall share in distributions made in other proceedings only where creditors of the same ranking or category have, in those other proceedings, obtained an equivalent dividend.		Not applicable	
Article 24 **Establishment of insolvency registers** 1. Member States shall establish and		Not applicable	

maintain in their territory one or several registers in which information concerning insolvency proceedings is published ('insolvency registers'). That information shall be published as soon as possible after the opening of such proceedings. 2. The information referred to in paragraph 1 shall be made publicly available, subject to the conditions laid down in Article 27, and shall include the following ('mandatory information'): (a) the date of the opening of insolvency proceedings; (b) the court opening insolvency proceedings and the case reference number, if any; (c) the type of insolvency proceedings referred to in Annex A that were opened and, where applicable, any relevant subtype of such proceedings opened in accordance with national law; (d) whether jurisdiction for opening proceedings is based on Article 3(1), 3(2) or 3(4); (e) if the debtor is a company or a legal person, the debtor's name, registration number, registered office or, if different, postal address;			

(f) if the debtor is an individual whether or not exercising an independent business or professional activity, the debtor's name, registration number, if any, and postal address or, where the address is protected, the debtor's place and date of birth; (g) the name, postal address or e-mail address of the insolvency practitioner, if any, appointed in the proceedings; (h) the time limit for lodging claims, if any, or a reference to the criteria for calculating that time limit; (i) the date of closing main insolvency proceedings, if any; (j) the court before which and, where applicable, the time limit within which a challenge of the decision opening insolvency proceedings is to be lodged in accordance with Article 5, or a reference to the criteria for calculating that time limit. 3. Paragraph 2 shall not preclude Member States from including documents or additional information in their national insolvency registers, such as directors' disqualifications related to insolvency. 1. Member States shall not be			

obliged to include in the insolvency registers the information referred to in paragraph 1 of this Article in relation to individuals not exercising an independent business or professional activity, or to make such information publicly available through the system of interconnection of those registers, provided that known foreign creditors are informed, pursuant to Article 54, of the elements referred to under point (j) of paragraph 2 of this Article. Where a Member State makes use of the possibility referred to in the first subparagraph, the insolvency proceedings shall not affect the claims of foreign creditors who have not received the information referred to in the first subparagraph. 2. The publication of information in the registers under this Regulation shall not have any legal effects other than those set out in national law and in Article 55(6). **Article 25** **Interconnection of insolvency registers** 1. The Commission shall establish a		Not applicable	

decentralised system for the interconnection of insolvency registers by means of implementing acts. That system shall be composed of the insolvency registers and the European e-Justice Portal, which shall serve as a central public electronic access point to information in the system. The system shall provide a search service in all the official languages of the institutions of the Union in order to make available the mandatory information and any other documents or information included in the insolvency registers which the Member States choose to make available through the European e-Justice Portal. 2. By means of implementing acts in accordance with the procedure referred to in Article 87, the Commission shall adopt the following by 26 June 2019: (a) the technical specification defining the methods of communication and information exchange by electronic means on the basis of the established interface specification for the system of interconnection of insolvency registers; (b) the technical measures ensuring the minimum information technology			

security standards for communication and distribution of information within the system of interconnection of insolvency registers; (c) minimum criteria for the search service provided by the European e-Justice Portal based on the information set out in Article 24; (d) minimum criteria for the presentation of the results of such searches based on the information set out in Article 24; (e) the means and the technical conditions of availability of services provided by the system of interconnection; and (f) a glossary containing a basic explanation of the national insolvency proceedings listed in Annex A.			
Article 26 **Costs of establishing and interconnecting insolvency registers** 1. The establishment, maintenance and future development of the system of		Not applicable	

interconnection of insolvency registers shall be financed from the general budget of the Union. 2. Each Member State shall bear the costs of establishing and adjusting its national insolvency registers to make them interoperable with the European e-Justice Portal, as well as the costs of administering, operating and maintaining those registers. This shall be without prejudice to the possibility to apply for grants to support such activities under the Union's financial programmes.			
Article 27 **Conditions of access to information via the system of interconnection** 1. Member States shall ensure that the mandatory information referred to in points (a) to (j) of Article 24(2) is available free of charge via the system of interconnection of insolvency registers. 2. This Regulation shall not preclude Member States from charging a reasonable fee for access to the documents or additional information referred to in Article 24(3) via the system of interconnection of insolvency		Not applicable	

registers. 3.Member States may make access to mandatory information concerning individuals who are not exercising an independent business or professional activity, and concerning individuals exercising an independent business or professional activity when the insolvency proceedings are not related to that activity, subject to supplementary search criteria relating to the debtor in addition to the minimum criteria referred to in point (c) of Article 25(2). 4. Member States may require that access to the information referred to in paragraph 3 be made conditional upon a request to the competent authority. Member States may make access conditional upon the verification of the existence of a legitimate interest for accessing such information. The requesting person shall be able to submit the request for information electronically by means of a standard form via the European e-Justice Portal. Where a legitimate interest is required, it shall be permissible for the requesting person to justify his request			

by electronic copies of relevant documents. The requesting person shall be provided with an answer by the competent authority within 3 working days. The requesting person shall not be obliged to provide translations of the documents justifying his request, or to bear any costs of translation which the competent authority may incur			
Article 28 **Publication in another Member State** 1. The insolvency practitioner or the debtor in possession shall request that notice of the judgment opening insolvency proceedings and, where appropriate, the decision appointing the insolvency practitioner be published in any other Member State where an establishment of the debtor is located in accordance with the publication procedures provided for in that Member State. Such publication shall specify, where appropriate, the insolvency practitioner appointed and whether the jurisdiction rule applied is that pursuant to Article 3(1) or (2). 2. The insolvency practitioner or the debtor in possession may request that the information referred to in paragraph 1 be published		Not applicable	

in any other Member State where the insolvency practitioner or the debtor in possession deems it necessary in accordance with the publication procedures provided for in that Member State.			
Article 29 **Registration in public registers of another Member State** 1.Where the law of a Member State in which an establishment of the debtor is located and this establishment has been entered into a public register of that Member State, or the law of a Member State in which immovable property belonging to the debtor is located, requires information on the opening of insolvency proceedings referred to in Article 28 to be published in the land register, company register or any other public register, the insolvency practitioner or the debtor in possession shall take all the necessary measures to ensure such a registration 2. The insolvency practitioner or the debtor in possession may request such registration in any other Member State, provided that the law of the Member State where the register is kept allows		Not applicable	

such registration.			
Article 30 **Costs** The costs of the publication and registration provided for in Articles 28 and 29 shall be regarded as costs and expenses incurred in the proceedings.		Not applicable	
Article 31 **Honouring of an obligation to a debtor** 1. Where an obligation has been honoured in a Member State for the benefit of a debtor who is subject to insolvency proceedings opened in another Member State, when it should have been honoured for the benefit of the insolvency practitioner in those proceedings, the person honouring the obligation shall be deemed to have discharged it if he was unaware of the opening of the proceedings. 2. Where such an obligation is honoured before the publication provided for in Article 28 has been effected, the person honouring the obligation shall be presumed, in the		Not applicable	

absence of proof to the contrary, to have been unaware of the opening of insolvency proceedings. Where the obligation is honoured after such publication has been effected, the person honouring the obligation shall be presumed, in the absence of proof to the contrary, to have been aware of the opening of proceedings.			
Article 32 **Recognition and enforceability of other judgments** 1. Judgments handed down by a court whose judgment concerning the opening of proceedings is recognised in accordance with Article 19 and which concern the course and closure of insolvency proceedings, and compositions approved by that court, shall also be recognised with no further formalities. Such judgments shall be enforced in accordance with Articles 39 to 44 and 47 to 57 of Regulation (EU) No 1215/2012. The first subparagraph shall also apply to judgments deriving directly from the insolvency proceedings and which are closely linked with them, even if they were handed down by another court. The first subparagraph shall also apply to	**Article 125** **Decision to recognize a foreign proceeding** 1. The Court decides to recognize a foreign proceeding if: 1.1. the foreign proceeding is a proceeding within the meaning of paragraph 1.40 of Article 2 of this Law; 1.2. the foreign representative applying for recognition is a person or body within the meaning of paragraph 1.43 of Article 2 of this Law; 1.3. the application meets the requirements of paragraph 2 of Article	Partially complaint	

judgments relating to preservation measures taken after the request for the opening of insolvency proceedings or in connection with it. 2. The recognition and enforcement of judgments other than those referred to in paragraph 1 of this Article shall be governed by Regulation (EU) No 1215/2012 provided that that Regulation is applicable.	123 of this Law; 1.4. the application has been submitted to the court referred to in Article 114 of this Law. 2. The foreign proceeding shall be recognized: 2.1. as a foreign main proceeding if it is taking place in the state where the debtor has the main place of activity; or 2.2. as a foreign non-main proceeding if it is taking place as a procedure in the state where the debtor has an establishment within the meaning of Article 2, paragraph 1.45 of this Law. 3.An application for recognition of a foreign proceeding shall be decided upon seven (7) days after the submission of complete application to the Court. 4.The provisions of Article 123, 124, 125, 126 of this Law do not prevent modification or termination of		

	recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist.		
Article 33 **Public policy** Any Member State may refuse to recognise insolvency proceedings opened in another Member State or to enforce a judgment handed down in the context of such proceedings where the effects of such recognition or enforcement would be manifestly contrary to that State's public policy, in particular its fundamental principles or the constitutional rights and liberties of the individual.	**Article 115** **Exceptions according to public policy** No provision of this law excludes the right of the Court to refuse to undertake an action under this Law, if such an action is contrary to the public order of the Republic of Kosovo.	Fully compliant	
Article 34 **Opening of proceedings** Where main insolvency proceedings have been opened by a court of a Member State and recognised in another Member State, a court of that other Member State which has	**Article 15** **Opening of a Case** 1. A case for reorganization or liquidation under this Law is considered opened when: 1.1. the debtor files a voluntary	Partially complaint	

jurisdiction pursuant to Article 3(2) may open secondary insolvency proceedings in accordance with the provisions set out in this Chapter. Where the main insolvency proceedings required that the debtor be insolvent, the debtor's insolvency shall not be re-examined in the Member State in which secondary insolvency proceedings may be opened. The effects of secondary insolvency proceedings shall be restricted to the assets of the debtor situated within the territory of the Member State in which those proceedings have been opened.	petition for either liquidation or reorganization; or 1.2. an involuntary petition is filed against the debtor and, after a hearing on notice to the debtor; the court shall issue a ruling finding that the petition meets all of the requirements of this Law.		
Article 35 **Applicable law** Save as otherwise provided for in this Regulation, the law applicable to secondary insolvency proceedings shall be that of the Member State within the territory of which the secondary insolvency proceedings are opened.		Not applicable	
Article 36 **Right to give an undertaking in order to avoid secondary insolvency proceedings** 1.In order to avoid the opening of secondary insolvency proceedings, the		Not applicable	

insolvency practitioner in the main insolvency proceedings may give a unilateral undertaking (the 'undertaking') in respect of the assets located in the Member State in which secondary insolvency proceedings could be opened, that when distributing those assets or the proceeds received as a result of their realisation, it will comply with the distribution and priority rights under national law that creditors would have if secondary insolvency proceedings were opened in that Member State. The undertaking shall specify the factual assumptions on which it is based, in particular in respect of the value of the assets located in the Member State concerned and the options available to realise such assets. 2. Where an undertaking has been given in accordance with this Article, the law applicable to the distribution of proceeds from the realisation of assets referred to in paragraph 1, to the ranking of creditors' claims, and to the rights of creditors in relation to the assets referred to in paragraph 1 shall be the law of the Member State in which secondary insolvency proceedings could have been opened.			

The relevant point in time for determining the assets referred to in paragraph 1 shall be the moment at which the undertaking is given. 3. The undertaking shall be made in the official language or one of the official languages of the Member State where secondary insolvency proceedings could have been opened, or, where there are several official languages in that Member State, the official language or one of the official languages of the place in which secondary insolvency proceedings could have been opened. 4. The undertaking shall be made in writing. It shall be subject to any other requirements relating to form and approval requirements as to distributions, if any, of the State of the opening of the main insolvency proceedings. 5. The undertaking shall be approved by the known local creditors. The rules on qualified majority and voting that apply to the adoption of restructuring plans under the law of the Member State where secondary insolvency			

proceedings could have been opened shall also apply to the approval of the undertaking. Creditors shall be able to participate in the vote by distance means of communication, where national law so permits. The insolvency practitioner shall inform the known local creditors of the undertaking, of the rules and procedures for its approval, and of the approval or rejection of the undertaking. 6. An undertaking given and approved in accordance with this Article shall be binding on the estate. If secondary insolvency proceedings are opened in accordance with Articles 37 and 38, the insolvency practitioner in the main insolvency proceedings shall transfer any assets which it removed from the territory of that Member State after the undertaking was given or, where those assets have already been realised, their proceeds, to the insolvency practitioner in the secondary insolvency proceedings. 7. Where the insolvency practitioner has given an undertaking, it shall inform local creditors about the intended distributions prior to			

distributing the assets and proceeds referred to in paragraph 1. If that information does not comply with the terms of the undertaking or the applicable law, any local creditor may challenge such distribution before the courts of the Member State in which main insolvency proceedings have been opened in order to obtain a distribution in accordance with the terms of the undertaking and the applicable law. In such cases, no distribution shall take place until the court has taken a decision on the challenge. 8. Local creditors may apply to the courts of the Member State in which main insolvency proceedings have been opened, in order to require the insolvency practitioner in the main insolvency proceedings to take any suitable measures necessary to ensure compliance with the terms of the undertaking available under the law of the State of the opening of main insolvency proceedings. 9. Local creditors may also apply to the courts of the Member State in which secondary insolvency proceedings could have been opened in order to			

require the court to take provisional or protective measures to ensure compliance by the insolvency practitioner with the terms of the undertaking. 10. The insolvency practitioner shall be liable for any damage caused to local creditors as a result of its non compliance with the obligations and requirements set out in this Article. 11. For the purpose of this Article, an authority which is established in the Member State where secondary insolvency proceedings could have been opened and which is obliged under Directive 2008/94/EC of the European Parliament and of the Council (1) to guarantee the payment of employees' outstanding claims resulting from contracts of employment or employment relationships shall be considered to be a local creditor, where the national law so provides.			
Article 37 **Right to request the opening of secondary insolvency proceedings** 1. The opening of secondary insolvency proceedings may be		Not applicable	

requested by: (a) the insolvency practitioner in the main insolvency proceedings; (b) any other person or authority empowered to request the opening of insolvency proceedings under the law of the Member State within the territory of which the opening of secondary insolvency proceedings is requested. 2. Where an undertaking has become binding in accordance with Article 36, the request for opening secondary insolvency proceedings shall be lodged within 30 days of having received notice of the approval of the undertaking.			
Article 38 **Decision to open secondary insolvency proceedings** 1. A court seised of a request to open secondary insolvency proceedings shall immediately give notice to the insolvency practitioner or the debtor in possession in the main insolvency proceedings and give it an opportunity to be heard on the request. 2. Where the insolvency practitioner in the main insolvency proceedings has given an undertaking in accordance		Not applicable	

with Article 36, the court referred to in paragraph 1 of this Article shall, at the request of the insolvency practitioner, not open secondary insolvency proceedings if it is satisfied that the undertaking adequately protects the general interests of local creditors. 3. Where a temporary stay of individual enforcement proceedings has been granted in order to allow for negotiations between the debtor and its creditors, the court, at the request of the insolvency practitioner or the debtor in possession, may stay the opening of secondary insolvency proceedings for a period not exceeding 3 months, provided that suitable measures are in place to protect the interests of local creditors. The court referred to in paragraph 1 may order protective measures to protect the interests of local creditors by requiring the insolvency practitioner or the debtor in possession not to remove or dispose of any assets which are located in the Member State where its establishment is located unless this is done in the ordinary course of business. The court may also order other measures to protect the interest of local creditors			

during a stay, unless this is incompatible with the national rules on civil procedure. The stay of the opening of secondary insolvency proceedings shall be lifted by the court of its own motion or at the request of any creditor if, during the stay, an agreement in the negotiations referred to in the first subparagraph has been concluded. The stay may be lifted by the court of its own motion or at the request of any creditor if the continuation of the stay is detrimental to the creditor's rights, in particular if the negotiations have been disrupted or it has become evident that they are unlikely to be concluded, or if the insolvency practitioner or the debtor in possession has infringed the prohibition on disposal of its assets or on removal of them from the territory of the Member State where the establishment is located. 4. At the request of the insolvency practitioner in the main insolvency proceedings, the court referred to in paragraph 1 may open a type of insolvency proceedings as listed in Annex A other than the type initially requested, provided that the conditions for opening that type of proceedings			

under national law are fulfilled and that that type of proceedings is the most appropriate as regards the interests of the local creditors and coherence between the main and secondary insolvency proceedings. The second sentence of Article 34 shall apply.			
Article 39 **Judicial review of the decision to open secondary insolvency proceedings** The insolvency practitioner in the main insolvency proceedings may challenge the decision to open secondary insolvency proceedings before the courts of the Member State in which secondary insolvency proceedings have been opened on the ground that the court did not comply with the conditions and requirements of Article **Article 40** **Advance payment of costs and expenses** Where the law of the Member State in which the opening of secondary insolvency proceedings is requested requires that the debtor's assets be sufficient to cover in whole or in part		Not applicable Not applicable	

the costs and expenses of the proceedings, the court may, when it receives such a request, require the applicant to make an advance payment of costs or to provide appropriate security.			
Article 41 **Cooperation and communication between insolvency practitioners** 1. The insolvency practitioner in the main insolvency proceedings and the insolvency practitioner or practitioners in secondary insolvency proceedings concerning the same debtor shall cooperate with each other to the extent such cooperation is not incompatible with the rules applicable to the respective proceedings. Such cooperation may take any form, including the conclusion of agreements or protocols. 2. In implementing the cooperation set out in paragraph 1, the insolvency practitioners shall: (a) as soon as possible communicate to each other any information which may be relevant to the other proceedings, in	**Article 134** **Cooperation and direct communication between the bankruptcy estate representative in Kosovo with foreign courts or representatives** 1.In matters referred to in Article 112 of this Law a bankruptcy estate representative shall, in the exercise of its functions and subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives. 2.The bankruptcy estate representative is entitled, in the exercise of its functions and subject to the supervision of the court, to communicate directly with foreign	Partially complaint	

particular any progress made in lodging and verifying claims and all measures aimed at rescuing or restructuring the debtor, or at terminating the proceedings, provided appropriate arrangements are made to protect confidential information; (b) explore the possibility of restructuring the debtor and, where such a possibility exists, coordinate the elaboration and implementation of a restructuring plan; (c) coordinate the administration of the realisation or use of the debtor's assets and affairs; the insolvency practitioner in the secondary insolvency proceedings shall give the insolvency practitioner in the main insolvency proceedings an early opportunity to submit proposals on the realisation or use of the assets in the secondary insolvency proceedings. 3. Paragraphs 1 and 2 shall apply mutatis mutandis to situations where, in the main or in the secondary insolvency proceedings or in any territorial insolvency proceedings concerning the	courts or foreign representatives. **Article 135** **Forms of cooperation** 1.Cooperation referred to in Article 133 and Article 134 of this Law may be implemented by any appropriate means, including: 1.1. appointment of a person or body to act at the direction of the court; 1.2. communication of information by any means considered appropriate by the court; 1.3. coordination of the administration and supervision of the debtor's assets and affairs;		

same debtor and open at the same time, the debtor remains in possession of its assets.			
Article 42 **Cooperation and communication between courts** 1. In order to facilitate the coordination of main, territorial and secondary insolvency proceedings concerning the same debtor, a court before which a request to open insolvency proceedings is pending, or which has opened such proceedings, shall cooperate with any other court before which a request to open insolvency proceedings is pending, or which has opened such proceedings, to the extent that such cooperation is not incompatible with the rules applicable to each of the proceedings. For that purpose, the courts may, where appropriate, appoint an independent person or body acting on its instructions, provided that it is	**Article 133** **Cooperation and direct communication between the court of Kosovo and foreign courts or foreign representatives** 1.In matters referred to in Article 112 of this Law the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through a bankruptcy estate representative. 2.The court is entitled to communicate directly with, or to request information directly from, foreign courts or foreign	Partially compliant	

not incompatible with the rules applicable to them. 2. In implementing the cooperation set out in paragraph 1, the courts, or any appointed person or body acting on their behalf, as referred to in paragraph 1, may communicate directly with, or request information or assistance directly from, each other provided that such communication respects the procedural rights of the parties to the proceedings and the confidentiality of information. 3. The cooperation referred to in paragraph 1 may be implemented by any means that the court considers appropriate. It may, in particular, concern: (a) coordination in the appointment of the insolvency practitioners; (b) communication of information by any means considered appropriate by the court; (c) coordination of the administration and supervision of the debtor's assets and affairs; (d) coordination of the conduct of hearings; (e) coordination in the approval of	representatives. **Article 135** **Forms of cooperation** 1.Cooperation referred to in Article 133 and Article 134 of this Law may be implemented by any appropriate means, including: 1.1. appointment of a person or body to act at the direction of the court; 1.2. communication of information by any means considered appropriate by the court; 1.3. coordination of the administration and supervision of the debtor's assets and affairs; 1.4. approval or implementation by courts of agreements concerning the coordination of proceedings; 1.5. coordination of concurrent proceedings regarding the same debtor; and		

protocols, where necessary.	1.6. joint hearings between the court of Kosovo and courts of another state conducted by appropriate electronic means.		
Article 43 **Cooperation and communication between insolvency practitioners and courts** 1. In order to facilitate the coordination of main, territorial and secondary insolvency proceedings opened in respect of the same debtor: (a) an insolvency practitioner in main insolvency proceedings shall cooperate and communicate with any court before which a request to open secondary insolvency proceedings is pending or which has opened such proceedings; (b) an insolvency practitioner in territorial or secondary insolvency proceedings shall cooperate and communicate with the court before which a request to open main insolvency proceedings is pending or which has opened such proceedings;	**Article 134** **Cooperation and direct communication between the bankruptcy estate representative in Kosovo with foreign courts or representatives** 1.In matters referred to in Article 112 of this Law a bankruptcy estate representative shall, in the exercise of its functions and subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives. 2.The bankruptcy estate representative is entitled, in the exercise of its functions and subject to the supervision of the court, to communicate directly with foreign	Partially complaint	

and (c) an insolvency practitioner in territorial or secondary insolvency proceedings shall cooperate and communicate with the court before which a request to open other territorial or secondary insolvency proceedings is pending or which has opened such proceedings; to the extent that such cooperation and communication are not incompatible with the rules applicable to each of the proceedings and do not entail any conflict of interest. 2. The cooperation referred to in paragraph 1 may be implemented by any appropriate means, such as those set out in Article 42(3).	courts or foreign representatives.		
Article 44 **Costs of cooperation and communication** The requirements laid down in Articles 42 and 43 shall not result in courts charging costs to each other for cooperation and communication. **Article 45** **Exercise of creditors' rights** 1. Any creditor may lodge its claim in the main insolvency proceedings and in	**Article 45** **Definition of Secured Claim**	Not applicable Partially complaint	

any secondary insolvency proceedings. 2. The insolvency practitioners in the main and any secondary insolvency proceedings shall lodge in other proceedings claims which have already been lodged in the proceedings for which they were appointed, provided that the interests of creditors in the latter proceedings are served by doing so, subject to the right of creditors to oppose such lodgement or to withdraw the lodgement of their claims where the law applicable so provides. 3. The insolvency practitioner in the main or secondary insolvency proceedings shall be entitled to participate in other proceedings on the same basis as a creditor, in particular by attending creditors' meetings.	1. A claim is a secured claim only to the extent of the value of the collateral securing its repayment. 2. To the extent that a creditor's claim exceeds the value of the creditor's collateral, the creditor holds an unsecured claim for the excess. 3.If a party in interest disputes the amount of a secured claim the court: 3.1. shall value a creditor's collateral as of the opening of the case; 3.2. shall determine such value in light of the purpose of the valuation and of the proposed disposition or use of such collateral;		

	3.3. determines the value of the collateral in a hearing, where the creditor affected by the assessment can provide information about the nature of the use of the collateral or the plan that may directly affect the creditor. **Article 46** **Setoff of claims** 1. After the commencement of bankruptcy proceedings, a creditor may set off a claim against the debtor with a claim it owes the debtor only as provided in this Article. 2. Other than for setoffs involving bank accounts, a creditor may setoff a mutually held claim against the debtor if that claim: 2.1. was in existence within the six (6)		

	months prior to the opening of the case; and 2.2. the creditor provides written notice of the setoff to the bankruptcy estate representative before the expiration of the period to file proofs of claim. 3. With respect to bank accounts: 3.1. a bank may not setoff, after the opening of the case, any claim the bank owes the debtor such as a bank account against any claim the debtor owes the bank; 3.2. if the bank set off any balance in a bank account against any claim owed to it by the debtor during the six (6) months prior to the opening of the case, the bank shall return to the estate the difference between: 3.2.1. the deficiency existing six months prior to the opening of the case defined as the amount by which		

	the claim owed to the bank exceeded the account balance after setoff; and 3.2.2. the deficiency calculated as in the prior paragraph immediately after the setoff. 4. Claims that have arisen prior to the opening of the case shall not be set off against claims that have arisen after the case is opened. 5.For the purposes of this article, compensation of claims is not considered payment of regular obligations arising from loan agreements.		
Article 46 **Stay of the process of realisation of assets** 1. The court which opened the secondary insolvency proceedings shall stay the process of realisation of assets in whole or in part on receipt of a request from the insolvency practitioner in the main	**Article 24** **Moratorium and termination of all actions against debtor** 1. Except as provided in this Law, a petition filed for initiation of bankruptcy procedure initiated under Chapter III of this Law shall operate	Fully compliant	

insolvency proceedings. In such a case, it may require the insolvency practitioner in the main insolvency proceedings to take any suitable measure to guarantee the interests of the creditors in the secondary insolvency proceedings and of individual classes of creditors. Such a request from the insolvency practitioner may be rejected only if it is manifestly of no interest to the creditors in the main insolvency proceedings. Such a stay of the process of realisation of assets may be ordered for up to 3 months. It may be continued or renewed for similar periods. 2.The court referred to in paragraph 1 shall terminate the stay of the process of realisation of assets: (a) at the request of the insolvency practitioner in the main insolvency proceedings; (b) of its own motion, at the request of a creditor or at the request of the insolvency practitioner in the secondary insolvency proceedings if that measure no longer appears justified, in particular, by the interests of creditors in the main insolvency proceedings or in the secondary	as a stay and injunction, without notice, applicable to all entities, of each of the following: 1.1. the commencement or continuation of any aspect of a judicial, administrative, or other action or proceeding related to the debtor's business activities against the debtor or its property including any freezing or locking of any bank accounts and that was or could have been commenced before the opening or commencement of the case; 1.2. the enforcement, against the debtor or against property of the bankruptcy estate, of a judgment obtained before the opening or commencement of the case to the extent related to the debtor's business activities; 1.3. any act to obtain possession of property of the bankruptcy estate or of property from the estate or to exercise control over property of the		

insolvency proceedings.	bankruptcy estate; 1.4. any act to create, perfect, or enforce any lien against property of the bankruptcy estate; 1.5. any act to create, perfect, or enforce against property of the debtor any lien to the extent that such lien secures a claim that arose before the commencement of bankruptcy proceeding, and to the extent it relates to the business activities of the debtor; 1.6. any act to collect, assess, or recover a claim against the debtor to the extent that it relates to the debtor's business activities and to the extent that such claims arose before the commencement of bankruptcy proceedings; and 1.7. the setoff of any claim owing to the debtor and related to the debtor's business activities that arose before the commencement of bankruptcy proceeding against any claim against the debtor.		

	1.8. any enforcement, mediation or arbitration procedure.		
Article 47 **Power of the insolvency practitioner to propose restructuring plans** 1. Where the law of the Member State where secondary insolvency proceedings have been opened allows for such proceedings to be closed without liquidation by a restructuring plan, a composition or a comparable measure, the insolvency practitioner in the main insolvency proceedings shall be empowered to propose such a measure in accordance with the procedure of that Member State. 2. Any restriction of creditors' rights arising from a measure referred to in paragraph 1 which is proposed in secondary insolvency proceedings, such as a stay of payment or discharge of debt, shall have no effect in respect of assets of a debtor that are not covered by those proceedings, without the consent of all the	**Article 67** **Proposal of Reorganization Plan** 1. The interested party may propose a plan of reorganization only if allowed under this article. 2. The debtor in possession has the exclusive right to submit the reorganization plan to the court within one hundred and twenty (120) days from the opening of the case. If the debtor submits the plan before the expiration of this deadline, the deadline is interrupted. 3. The court may shorten or extend the deadline determined according to paragraph 2 of this article, if an interested party proves to the court that the extension or shortening of this deadline significantly increases the possibility of successful	Fully compliant	

creditors having an interest. **Article 48** **Impact of closure of insolvency proceedings** 1. Without prejudice to Article 49, the closure of insolvency proceedings shall not prevent the continuation of other insolvency proceedings concerning the same debtor which are still open at that point in time. 2. Where insolvency proceedings concerning a legal person or a company in the Member State of that person's or company's registered office would entail the dissolution of the legal person	reorganization of the debtor. 4. After the expiration of the deadline provided for in paragraph 2 of this article or the extension or shortening of the deadline according to paragraph 3 of this article, each interested party files a plan for the reorganization of the debtor.	Not applicable	

or of the company, that legal person or company shall not cease to exist until any other insolvency proceedings concerning the same debtor have been closed, or the insolvency practitioner or practitioners in such proceedings have given consent to the dissolution.			
Article 49 **Assets remaining in the secondary insolvency proceedings** If, by the liquidation of assets in the secondary insolvency proceedings, it is possible to meet all claims allowed under those proceedings, the insolvency practitioner appointed in those proceedings shall immediately transfer any assets remaining to the insolvency practitioner in the main insolvency proceedings.		Not applicable	
Article 50 **Subsequent opening of the main insolvency proceedings** Where the proceedings referred to in Article 3(1) are opened following the opening of the proceedings referred to in Article 3(2) in another Member State, Articles 41, 45, 46, 47 and 49 shall apply to those opened first, in so far as the progress of those proceedings		Not applicable	

so permits.			
Article 51 **Conversion of secondary insolvency proceedings** 1. At the request of the insolvency practitioner in the main insolvency proceedings, the court of the Member State in which secondary insolvency proceedings have been opened may order the conversion of the secondary insolvency proceedings into another type of insolvency proceedings listed in Annex A, provided that the conditions for opening that type of proceedings under national law are fulfilled and that that type of proceedings is the most appropriate as regards the interests of the local creditors and coherence between the main and secondary insolvency proceedings. 5.6.2015 EN Official Journal of the European Union L 141/45 2. When considering the request referred to in paragraph 1, the court may seek information from the insolvency practitioners involved in both proceedings.	**Article 82** **Conversion of Reorganization into Liquidation** 1.A court shall issue a ruling on conversion of a reorganization into a liquidation if a party in interest proves: 1.1.substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation; 1.2. gross mismanagement of the bankruptcy estate; 1.3. that more than one (1) year has elapsed since the opening of the case, unless the court finds that additional time is necessary to accomplish an effective reorganization, but in no even may such additional time extend beyond eighteen (18) months from the date the case was opened;	Partially compliant	

	1.4. the debtor in possession's failure to maintain appropriate insurance policy that poses a risk to the estate or to the public; 1.5. the debtor in possession's failure to comply with a decision of the court; 1.6. the debtor in possession's failure timely to pay taxes owed after opening of the case or to file tax returns due after the opening of the case; or 1.7.the debtor in possession's failure to file a disclosure statement, or to file or confirm a plan, within the time fixed by a decision of the court.		

Article 52 **Preservation measures** Where the court of a Member State which has jurisdiction pursuant to Article 3(1) appoints a temporary administrator in order to ensure the preservation of a debtor's assets, that temporary administrator shall be empowered to request any measures to secure and preserve any of the debtor's assets situated in another Member State, provided for under the law of that Member State, for the period between the request for the opening of insolvency proceedings and the judgment opening the proceedings.		Not applicable	
Article 53 **Right to lodge claims** Any foreign creditor may lodge claims in insolvency proceedings by any means of communication, which are accepted by the law of the State of the opening of proceedings. Representation by a lawyer or another legal professional shall not be mandatory for the sole purpose of lodging of claims.	**Article 122** **Access of foreign creditors to a proceeding under this Law** 1.Subject to paragraph 2 of this Article, foreign creditors have the same rights regarding the commencement of, and participation in, a proceeding under this Law as creditors in Kosovo. 2.Paragraph 1 of this Article does not	Fully compliant	

	affect the ranking of claims in a proceeding under this Law, except that the claims of foreign creditors shall not be ranked lower than unsecured creditors without priority.		
Article 54 **Duty to inform creditors** 1. As soon as insolvency proceedings are opened in a Member State, the court of that State having jurisdiction or the insolvency practitioner appointed by that court shall immediately inform the known foreign creditors. 2. The information referred to in paragraph 1, provided by an individual notice, shall in particular include time limits, the penalties laid down with regard to those time limits, the body or authority empowered to accept the lodgement of claims and any other measures laid down. Such notice shall also indicate whether creditors whose claims are preferential or secured in rem need to lodge their claims. The notice shall also include a copy of the standard form for lodging of claims		Not applicable	

referred to in Article 55 or information on where that form is available. 3. The information referred to in paragraphs 1 and 2 of this Article shall be provided using the standard notice form to be established in accordance with Article 88. The form shall be published in the European e-Justice Portal and shall bear the heading 'Notice of insolvency proceedings' in all the official languages of the institutions of the Union. It shall be transmitted in the official language of the State of the opening of proceedings or, if there are several official languages in that Member State, in the official language or one of the official languages of the place where insolvency proceedings have been opened, or in another language which that State has indicated it can accept, in accordance with Article 55(5), if it can be assumed that that language is easier to understand for the foreign creditors. 4. In insolvency proceedings relating to an individual not exercising a business or professional activity, the use of the standard form referred to in this Article shall not be obligatory if creditors are not required to lodge their claims in order to have their claims taken into			

account in the proceedings.			
Article 55 **Procedure for lodging claims** 1.Any foreign creditor may lodge its claim using the standard claims form to be established in accordance with Article 88. The form shall bear the heading 'Lodgement of claims' in all the official languages of the institutions of the Union. L 141/46 EN Official Journal of the European Union 5.6.2015 2. The standard claims form referred to in paragraph 1 shall include the following information: (a) the name, postal address, e-mail address, if any, personal identification number, if any, and bank details of the foreign creditor referred to in paragraph 1; (b) the amount of the claim, specifying the principal and, where applicable, interest and the date on which it arose	**Article 123** **Application for recognition of a foreign proceeding** 1.A foreign representative may apply to the court for recognition of the foreign proceeding in which the foreign representative has been appointed. 2.An application for recognition shall be accompanied by: 2.1. a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative; or 2.2. a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or	Partially complaint Not applicable	

and the date on which it became due, if different; (c) if interest is claimed, the interest rate, whether the interest is of a legal or contractual nature, the period of time for which the interest is claimed and the capitalised amount of interest; (d) if costs incurred in asserting the claim prior to the opening of proceedings are claimed, the amount and the details of those costs; (e) the nature of the claim; (f) whether any preferential creditor status is claimed and the basis of such a claim; (g) whether security in rem or a reservation of title is alleged in respect of the claim and if so, what assets are covered by the security interest being invoked, the date on which the security was granted and, where the security has been registered, the registration number; and (h) whether any set-off is claimed and, if so, the amounts of the mutual claims existing on the date when insolvency proceedings were opened, the date on which they arose and the amount net of set-off claimed. The standard claims form shall be accompanied by copies of any supporting documents.		Not applicable Not applicable Not applicable Not applicable Not applicable Not applicable	

3. The standard claims form shall indicate that the provision of information concerning the bank details and the personal identification number of the creditor referred to in point (a) of paragraph 2 is not compulsory. 4. When a creditor lodges its claim by means other than the standard form referred to in paragraph 1, the claim shall contain the information referred to in paragraph 2.		Not applicable Not applicable	
5. Claims may be lodged in any official language of the institutions of the Union. The court, the insolvency practitioner or the debtor in possession may require the creditor to provide a translation in the official language of the State of the opening of proceedings or, if there are several official languages in that Member State, in the official language or one of the official languages of the place where insolvency proceedings have been opened, or in another language which that Member State has indicated it can accept. Each Member State shall indicate whether it accepts any official	4.The court may require a translation of documents supplied in support of the application for recognition into an official language of Kosovo.	Fully compliant	

language of the institutions of the Union other than its own for the purpose of the lodging of claims. 6. Claims shall be lodged within the period stipulated by the law of the State of the opening of proceedings. In the case of a foreign creditor, that period shall not be less than 30 days following the publication of the opening of insolvency proceedings in the insolvency register of the State of the opening of proceedings. Where a Member State relies on Article 24(4), that period shall not be less than 30 days following a creditor having been informed pursuant to Article 54. 7. Where the court, the insolvency practitioner or the debtor in possession has doubts in relation to a claim lodged in accordance with this Article, it shall give the creditor the opportunity to provide additional evidence on the existence and the amount of the claim.	2.3. in the absence of evidence referred to in paragraph 2.2 and 2.3 of this Article, any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative.	Not applicable Fully complaint	
Article 56 **Cooperation and communication between insolvency practitioners** 1. Where insolvency proceedings relate to two or more members of a group of		Not applicable	

companies, an insolvency practitioner appointed in proceedings concerning a member of the group shall cooperate with any insolvency practitioner appointed in proceedings concerning another member of the same group to the extent that such cooperation is appropriate to 5.6.2015 EN Official Journal of the European Union L 141/47 facilitate the effective administration of those proceedings, is not incompatible with the rules applicable to such proceedings and does not entail any conflict of interest. That cooperation may take any form, including the conclusion of agreements or protocols. 2. In implementing the cooperation set out in paragraph 1, insolvency practitioners shall: (a) as soon as possible communicate to each other any information which may be relevant to the other proceedings, provided appropriate arrangements are made to protect confidential information; (b) consider whether possibilities exist for coordinating the administration and supervision of the affairs of the group members which are subject to insolvency proceedings, and if so,			

coordinate such administration and supervision; (c) consider whether possibilities exist for restructuring group members which are subject to insolvency proceedings and, if so, coordinate with regard to the proposal and negotiation of a coordinated restructuring plan. For the purposes of points (b) and (c), all or some of the insolvency practitioners referred to in paragraph 1 may agree to grant additional powers to an insolvency practitioner appointed in one of the proceedings where such an agreement is permitted by the rules applicable to each of the proceedings. They may also agree on the allocation of certain tasks amongst them, where such allocation of tasks is permitted by the rules applicable to each of the proceedings.			
Article 57 **Cooperation and communication between courts** 1. Where insolvency proceedings relate to two or more members of a group of companies, a court which has opened such proceedings shall cooperate with any other court before which a request to open proceedings concerning another member of the same group is pending		Not applicable	

or which has opened such proceedings to the extent that such cooperation is appropriate to facilitate the effective administration of the proceedings, is not incompatible with the rules applicable to them and does not entail any conflict of interest. For that purpose, the courts may, where appropriate, appoint an independent person or body to act on its instructions, provided that this is not incompatible with the rules applicable to them. 2. In implementing the cooperation set out in paragraph 1, courts, or any appointed person or body acting on their behalf, as referred to in paragraph 1, may communicate directly with each other, or request information or assistance directly from each other, provided that such communication respects the procedural rights of the parties to the proceedings and the confidentiality of information. 3. The cooperation referred to in paragraph 1 may be implemented by any means that the court considers appropriate. It may, in particular, concern: (a) coordination in the appointment of insolvency practitioners;			

(b) communication of information by any means considered appropriate by the court; (c) coordination of the administration and supervision of the assets and affairs of the members of the group; (d) coordination of the conduct of hearings; (e) coordination in the approval of protocols where necessary.			
Cooperation and communication between insolvency practitioners and courts An insolvency practitioner appointed in insolvency proceedings concerning a member of a group of companies: (a) shall cooperate and communicate with any court before which a request for the opening of proceedings in respect of another member of the same group of companies is pending or which has opened such proceedings; and (b) may request information from that court concerning the proceedings regarding the other member of the group or request assistance concerning the proceedings in which he has been appointed; to the extent that such cooperation and communication are		Not applicable	

appropriate to facilitate the effective administration of the proceedings, do not entail any conflict of interest and are not incompatible with the rules applicable to them.			
Article 59 **Costs of cooperation and communication in proceedings concerning members of a group of companies** The costs of the cooperation and communication provided for in Articles 56 to 60 incurred by an insolvency practitioner or a court shall be regarded as costs and expenses incurred in the respective proceedings.		Not applicable	
Article 60 **Powers of the insolvency practitioner in proceedings concerning members of a group of companies** 1. An insolvency practitioner appointed in insolvency proceedings opened in respect of a member of a group of companies may, to the extent appropriate to facilitate the effective administration of the proceedings:	**Article 17** **Initiation of bankruptcy case by Creditors** 1.One (1) or more creditors may submit a petition to commence a case against a debtor, when the following conditions are met:	Partially complaint	

(a) be heard in any of the proceedings opened in respect of any other member of the same group; (b) request a stay of any measure related to the realisation of the assets in the proceedings opened with respect to any other member of the same group, provided that: (i) a restructuring plan for all or some members of the group for which insolvency proceedings have been opened has been proposed under point (c) of Article 56(2) and presents a reasonable chance of success; (ii) such a stay is necessary in order to ensure the proper implementation of the restructuring plan; (iii) the restructuring plan would be to the benefit of the creditors in the proceedings for which the stay is requested; and (iv) neither the insolvency proceedings in which the insolvency practitioner referred to in paragraph 1 of this Article has been appointed nor the proceedings in respect of which the stay is requested are subject to coordination under	1.1. the debtor has failed to pay at least one debt to the creditor, where: 1.1.1. the debt has passed the payment term of at least ninety (90) days; 1.1.2. the total amount of the debt is at least 30,000.00 Euro; 1.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; 1.1.4. the creditor does not have the opportunity or has failed to collect the debt through the enforcement procedure or other legal procedures. 2.Two (2) or more creditors may submit a petition to commence a case		

Section 2 of this Chapter; (c) apply for the opening of group coordination proceedings in accordance with Article 61. 2. The court having opened proceedings referred to in point (b) of paragraph 1 shall stay any measure related to the realisation of the assets in the proceedings in whole or in part if it is satisfied that the conditions referred to in point (b) of paragraph 1 are fulfilled. Before ordering the stay, the court shall hear the insolvency practitioner appointed in the proceedings for which the stay is requested. Such a stay may be ordered for any period, not exceeding 3 months, which the court considers appropriate and which is compatible with the rules applicable to the proceedings. The court ordering the stay may require the insolvency practitioner referred to in paragraph 1 to take any suitable measure available under national law to guarantee the interests of the creditors in the proceedings. The court may extend the duration of the stay by such further period or periods as it considers appropriate and which are compatible with the rules applicable to the proceedings, provided that the	against an eligible debtor when: 2.1. that debtor has failed to pay a debt due to each of the petitioning creditors, and 2.1.1. each debt has been due and payable for at least ninety (90) days; 2.1.2. the total amount of the debt due is at least three thousand (5,000) Euro in amount; and 2.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; and 2.1.4. the creditor does not have the opportunity or has failed to collect the debt through the enforcement procedure or other legal procedures.		

conditions referred to in points (b)(ii) to (iv) of paragraph 1 continue to be fulfilled and that the total duration of the stay (the initial period together with any such extensions) does not exceed 6 months.	2.2. the debtor is generally not paying the debts after reaching the payment deadline, and the total debt of unpaid obligations has exceeded seven thousand (7,000) euros. 3. The court should promptly notify the debtor within three (3) days of the filing of the petition for initiation of the bankruptcy proceeding. 4. The court, within the period of seven days, requests the debtor to submit a written response to the request and a hearing on the admissibility of the request. The court must present all this information in the notification sent to the parties. 5. During the interim period, the court issues an order addressed to the parties		

	in order to secure the demands of the debtor and creditors. Such orders must be sought and proved as necessary by the parties. 6. If the debtor responds to the petition for initiation of the procedure and its response does not object to the petition, the court within seven (7) days from the date when the response was received, shall issue a ruling on the acceptability of the petition and orders the opening of the case. 7. If by the date set for a hearing on the admissibility of the request to initiate bankruptcy proceedings: 7.1. the debtor has not responded to the petition, the court shall promptly enter a decision opening the case;		

	7.2. the debtor has objected to the petition, the petitioning creditors shall bear the burden of proving that: 7.2.1. the claims owed to them by the debtor qualify them as petitioning creditors; and 7.2.2. that the debtor is not generally paying its valid claims as they become due. 8. If the petitioning creditors succeed in bearing their burden of proof as set forth in the preceding Article, the court shall promptly enter a decision opening the case with a ruling. 9. If a court does not order the opening a case after creditors have filed a petition for initiation of the bankruptcy proceeding, and the court separately finds that the creditors, or		

	any of them, submitted the petition in bad faith or for an improper purpose, the court shall order the creditors, jointly and severally, to pay damages to the debtor to compensate it for any loss. 10. The court in the justification of the ruling according to paragraph 8 of this Article shall ascertain the reasons of non-opening of the case and eventual order for compensation.		

Article 61 **Request to open group coordination proceedings** 1. Group coordination proceedings may be requested before any court having jurisdiction over the insolvency proceedings of a member of the group, by an insolvency practitioner appointed in insolvency proceedings opened in relation to a member of the group. 5.6.2015 EN Official Journal of the European Union L 141/49 2. The request referred to in paragraph 1 shall be made in accordance with the conditions provided for by the law applicable to the proceedings in which the insolvency practitioner has been appointed. 3. The request referred to in paragraph 1 shall be accompanied by: (a) a proposal as to the person to be nominated as the group coordinator ('the coordinator'), details of his or her eligibility pursuant to Article 71, details	**Article 46** **Setoff of claims** 1. After the commencement of bankruptcy proceedings, a creditor may set off a claim against the debtor with a claim it owes the debtor only as provided in this Article. 2. Other than for setoffs involving bank accounts, a creditor may setoff a mutually held claim against the debtor if that claim: 2.1. was in existence within the six (6) months prior to the opening of the case; and	Partially complaint	

of his or her qualifications and his or her written agreement to act as coordinator; (b) an outline of the proposed group coordination, and in particular the reasons why the conditions set out in Article 63(1) are fulfilled; (c) a list of the insolvency practitioners appointed in relation to the members of the group and, where relevant, the courts and competent authorities involved in the insolvency proceedings of the members of the group; (d) an outline of the estimated costs of the proposed group coordination and the estimation of the share of those costs to be paid by each member of the group.	2.2. the creditor provides written notice of the setoff to the bankruptcy estate representative before the expiration of the period to file proofs of claim. 3. With respect to bank accounts: 3.1. a bank may not setoff, after the opening of the case, any claim the bank owes the debtor such as a bank account against any claim the debtor owes the bank; 3.2. if the bank set off any balance in a bank account against any claim owed to it by the debtor during the six (6) months prior to the opening of the case, the bank shall return to the estate the difference between: 3.2.1. the deficiency existing six months prior to the opening of the case defined as the amount by which the claim owed to the bank exceeded the account balance after setoff; and		

	3.2.2. the deficiency calculated as in the prior paragraph immediately after the setoff. 4. Claims that have arisen prior to the opening of the case shall not be set off against claims that have arisen after the case is opened. 5.For the purposes of this article, compensation of claims is not considered payment of regular obligations arising from loan agreements.		
Article 62 **Priority rule** Without prejudice to Article 66, where the opening of group coordination proceedings is requested before courts of different Member States, any court other than the court first seised shall decline jurisdiction in favour of that court.		Not applicable	
Article 63		Not applicable	

Notice by the court seised 1. The court seised of a request to open group coordination proceedings shall give notice as soon as possible of the request for the opening of group coordination proceedings and of the proposed coordinator to the insolvency practi tioners appointed in relation to the members of the group as indicated in the request referred to in point (c) of Article 61(3), if it is satisfied that: (a) the opening of such proceedings is appropriate to facilitate the effective administration of the insolvency proceedings relating to the different group members; (b) no creditor of any group member expected to participate in the proceedings is likely to be financially disadvantaged by the inclusion of that member in such proceedings; and (c) the proposed coordinator fulfils the requirements laid down in Article 71. 2. The notice referred to in paragraph 1 of this Article shall list the elements referred to in points (a) to (d) of Article 61(3). 3. The notice referred to in paragraph 1 shall be sent by registered letter, attested by an acknowledgment of			

receipt. 4. The court seised shall give the insolvency practitioners involved the opportunity to be heard.			
Article 64 **Objections by insolvency practitioners** 1. An insolvency practitioner appointed in respect of any group member may object to: (a) the inclusion within group coordination proceedings of the insolvency proceedings in respect of which it has been appointed; or (b) the person proposed as a coordinator. 2. Objections pursuant to paragraph 1 of this Article shall be lodged with the court referred to in Article 63 within 30 days of receipt of notice of the request for the opening of group coordination proceedings by the insolvency practitioner referred to in paragraph 1 of this Article. L 141/50 EN Official Journal of the European Union 5.6.2015 The objection may be made by means of the standard form established in accordance with Article 88. 3. Prior to taking the decision to participate or not to participate in the coordination in accordance with point (a) of paragraph 1, an insolvency		Not applicable	

practitioner shall obtain any approval which may be required under the law of the State of the opening of proceedings for which it has been appointed.			
Article 65 **Consequences of objection to the inclusion in group coordination** 1. Where an insolvency practitioner has objected to the inclusion of the proceedings in respect of which it has been appointed in group coordination proceedings, those proceedings shall not be included in the group coordination proceedings. 2. The powers of the court referred to in Article 68 or of the coordinator arising from those proceedings shall have no effect as regards that member, and shall entail no costs for that member.		Not applicable	
Article 66 **Choice of court for group coordination proceedings** 1. Where at least two-thirds of all insolvency practitioners appointed in insolvency proceedings of the members of the group have agreed that a court of another Member State having jurisdiction is the most appropriate court for the opening of group		Not applicable	

coordination proceedings, that court shall have exclusive jurisdiction. 2. The choice of court shall be made by joint agreement in writing or evidenced in writing. It may be made until such time as group coordination proceedings have been opened in accordance with Article 68. 3. Any court other than the court seised under paragraph 1 shall decline jurisdiction in favour of that court. 4. The request for the opening of group coordination proceedings shall be submitted to the court agreed in accordance with Article 61.			
Article 67 **Consequences of objections to the proposed coordinator** Where objections to the person proposed as coordinator have been received from an insolvency practitioner which does not also object to the inclusion in the group coordination proceedings of the member in respect of which it has been appointed, the court may refrain from appointing that person and invite the objecting insolvency practitioner to submit a new request in accordance with Article 61(3).		Not applicable	

Article 68 **Decision to open group coordination proceedings** 1. After the period referred to in Article 64(2) has elapsed, the court may open group coordination proceedings where it is satisfied that the conditions of Article 63(1) are met. In such a case, the court shall: (a) appoint a coordinator; (b) decide on the outline of the coordination; and (c) decide on the estimation of costs and the share to be paid by the group members. 2. The decision opening group coordination proceedings shall be brought to the notice of the participating insolvency practitioners and of the coordinator.		Not applicable	
Article 69 **Subsequent opt-in by insolvency practitioners** 1. In accordance with its national law, any insolvency practitioner may request, after the court decision referred to in Article 68, the inclusion of the proceedings in respect of which it has been appointed, where:		Not applicable	

(a) there has been an objection to the inclusion of the insolvency proceedings within the group coordination proceedings; or (b) insolvency proceedings with respect to a member of the group have been opened after the court has opened group coordination proceedings. 2. Without prejudice to paragraph 4, the coordinator may accede to such a request, after consulting the insolvency practitioners involved, where (a) he or she is satisfied that, taking into account the stage that the group coordination proceedings has reached at the time of the request, the criteria set out in points (a) and (b) of Article 63(1) are met; or (b) all insolvency practitioners involved agree, subject to the conditions in their national law. 3. The coordinator shall inform the court and the participating insolvency practitioners of his or her decision pursuant to paragraph 2 and of the reasons on which it is based. 4. Any participating insolvency practitioner or any insolvency practitioner whose request for inclusion in the group coordination proceedings has been rejected may challenge the			

decision referred to in paragraph 2 in accordance with the procedure set out under the law of the Member State in which the group coordination proceedings have been opened.			
Article 70 **Recommendations and group coordination plan** 1. When conducting their insolvency proceedings, insolvency practitioners shall consider the recommendations of the coordinator and the content of the group coordination plan referred to in Article 72(1). 2. An insolvency practitioner shall not be obliged to follow in whole or in part the coordinator's recommendations or the group coordination plan. If it does not follow the coordinator's recommendations or the group coordination plan, it shall give reasons for not doing so to the persons or bodies that it is to report to under its national law, and to the coordinator.		Not applicable	
Article 71 **The coordinator** 1.The coordinator shall be a person eligible under the law of a Member State to act as an insolvency	**Article 2** **Terms and Definitions** 1.3. Administrator - an entity appointed under Chapter VII of this	Partially compliant	

practitioner. 2. The coordinator shall not be one of the insolvency practitioners appointed to act in respect of any of the group members, and shall have no conflict of interest in respect of the group members, their creditors and the insolvency practitioners appointed in respect of any of the group members.	Law as the representative of the bankruptcy estate;		
Article 72 **Tasks and rights of the coordinator** 1. The coordinator shall: (a) identify and outline recommendations for the coordinated conduct of the insolvency proceedings; (b) propose a group coordination plan that identifies, describes and recommends a comprehensive set of measures appropriate to an integrated approach to the resolution of the group members' insolvencies. In particular, the plan may contain proposals for: L 141/52 EN Official Journal of the European Union 5.6.2015 (i) the measures to be taken in order to re-establish the economic performance and the financial soundness of the group or any part of it;	**Article 86** **Duties and Responsibilities of an Administrator** 1. The Administrator shall: 1.1. collect income from the property of the bankruptcy estate which are under his administration and collect income from the bankruptcy estate as expeditiously as possible, in the interest of all parties in interest; 1.2. be accountable for all property received; 1.3. convene and preside over all creditor committee meetings; 1.4. review the financial affairs of the	Partially complaint	

(ii) the settlement of intra-group disputes as regards intra-group transactions and avoidance actions; (iii) agreements between the insolvency practitioners of the insolvent group members. 2. The coordinator may also: (a) be heard and participate, in particular by attending creditors' meetings, in any of the proceedings opened in respect of any member of the group; (b) mediate any dispute arising between two or more insolvency practitioners of group members; (c) present and explain his or her group coordination plan to the persons or bodies that he or she is to report to under his or her national law; (d) request information from any insolvency practitioner in respect of any member of the group where that information is or might be of use when identifying and outlining strategies and measures in order to coordinate the proceedings; and (e) request a stay for a period of up to 6 months of the proceedings opened in respect of any member of the group, provided that such a stay is necessary in order to ensure the proper	debtor; 1.5. to examine proofs of claims and object to the allowance of any claim that is improper; 1.6.to oppose the discharge of the debtor if advisable; 1.7. unless the court orders otherwise, furnish such information concerning the estate and the estate's administration as is requested by a party in interest; and 1.8. make a final report and file a final account of the administration of the estate with the court. 2. An Administrator shall not be held personally liable for losses incurred by a creditor, the debtor, any shareholder or partner, owner, the bankruptcy estate, or any other party for consequences or damages flowing from decisions made or actions taken or not taken within the scope of his duties if it has exercised ordinary care and diligence in the timely		

implementation of the plan and would be to the benefit of the creditors in the proceedings for which the stay is requested; or request the lifting of any existing stay. Such a request shall be made to the court that opened the proceedings for which a stay is requested. 3. The plan referred to in point (b) of paragraph 1 shall not include recommendations as to any consolidation of proceedings or insolvency estates. 4. The coordinator's tasks and rights as defined under this Article shall not extend to any member of the group not participating in group coordination proceedings. 5. The coordinator shall perform his or her duties impartially and with due care. 6. Where the coordinator considers that the fulfilment of his or her tasks requires a significant increase in the costs compared to the cost estimate referred to in point (d) of Article 61(3), and in any case, where the costs exceed	performance of those duties.		

10 % of the estimated costs, the coordinator shall: (a) inform without delay the participating insolvency practitioners; and (b) seek the prior approval of the court opening group coordination proceedings.			
Article 73 **Languages** 1. The coordinator shall communicate with the insolvency practitioner of a participating group member in the language agreed with the insolvency practitioner or, in the absence of an agreement, in the official language or one of the official languages of the institutions of the Union, and of the court which opened the proceedings in respect of that group member. 2. The coordinator shall communicate with a court in the official language applicable to that court.		Not applicable	
Article 74 **Cooperation between insolvency practitioners and the coordinator** 1. Insolvency practitioners appointed in relation to members of a group and the coordinator shall cooperate with each other to the extent that such cooperation is not incompatible with	**Article 135** **Forms of cooperation** 1.Cooperation referred to in Article 133 and Article 134 of this Law may be implemented by any appropriate	Partially complaint	

the rules applicable to the respective proceedings. 2. In particular, insolvency practitioners shall communicate any information that is relevant for the coordinator to perform his or her tasks.	means, including: 1.1. appointment of a person or body to act at the direction of the court; 1.2. communication of information by any means considered appropriate by the court; 1.3. coordination of the administration and supervision of the debtor's assets and affairs; 1.4. approval or implementation by courts of agreements concerning the coordination of proceedings; 1.5. coordination of concurrent proceedings regarding the same debtor; and 1.6. joint hearings between the court of Kosovo and courts of another state conducted by appropriate electronic means.		
Article 75 **Revocation of the appointment of the coordinator**	**Article 85** **Removal of an Administrator from the case**	Partially complaint	

The court shall revoke the appointment of the coordinator of its own motion or at the request of the insolvency practitioner of a participating group member where: (a) the coordinator acts to the detriment of the creditors of a participating group member; or (b) the coordinator fails to comply with his or her obligations under this Chapter	1.If the court finds it as necessary and reasonable, it decides on removal of the Administrator upon the concrete case. 2.Cause for removal according to this Law shall be considered, but is not limited to: 2.1. proof that the Administrator does not meet the legal qualifications according to this Law; or 2.2. by a majority vote of all creditors, with such vote being made at a meeting called specifically for the purpose of removing the Administrator, or if he does not have a satisfactory performance. 2.3.failure to fulfill the duties of the administrator specified in this law. 2.4.proof that the Administrator has committed an offence of fraud or criminal offence. 3. The court can fine the Administrator, up to 1000 Euros, who, without any reasonable reason, does not submit the required reports within the specified period or does not fulfill		

	his duties defined by this law without any reason.		
Article 76 **Debtor in possession** The provisions applicable, under this Chapter, to the insolvency practitioner shall also apply, where appropriate, to the debtor in possession.	**Article 63** **Debtor in possession** 1. The debtor will have the status of debtor in possession in a case of reorganization, except: 1.1. when the debtor requests the appointment of an Administrator at the beginning of the bankruptcy procedure or during the development of the procedure; 1.2. when the court discharges the debtor in possession, in accordance with the provisions of this law.	Fully complaint	
Article 77 **Costs and distribution** 1.The remuneration for the coordinator shall be adequate, proportionate to the tasks fulfilled and reflect reasonable expenses. 2. On having completed his or her tasks, the coordinator shall establish the	**Article 88** **The Fees of the Administrator** 1.The fees for the Administrator, the method of calculation and the amount of fees related to the bankruptcy procedure are regulated by a by-law issued by the Minister of Justice.	Partially complaint	

final statement of costs and the share to be paid by each member, and submit this statement to each participating insolvency practitioner and to the court opening coordination proceedings. 3. In the absence of objections by the insolvency practitioners within 30 days of receipt of the statement referred to in paragraph 2, the costs and the share to be paid by each member shall be deemed to be agreed. The statement shall be submitted to the court opening coordination proceedings for confirmation. 4. In the event of an objection, the court that opened the group coordination proceedings shall, upon the application of the coordinator or any participating insolvency practitioner, decide on the costs and the share to be paid by each member in accordance with the criteria set out in paragraph 1 of this Article, and taking into account the estimation of costs referred to in Article 68(1) and, where applicable, Article 72(6). 5. Any participating insolvency practitioner may challenge the decision referred to in paragraph 4 in accordance with the procedure set out under the law of the Member State where group coordination proceedings have been	2.An Administrator shall be paid based on the distributions actually made to creditors. Such payments shall be an administrative expense. 3.The court must approve the Administrator's fees and expenses for Administrator ´s work. 4.The court shall approve the payments according to paragraph 1 of this Article in compliance with the total value of distributions the Administrator makes to parties in interest, excluding the debtor, but including holders of secured claims.		

opened.			
Article 78 **Data protection** 1. National rules implementing Directive 95/46/EC shall apply to the processing of personal data carried out in the Member States pursuant to this Regulation, provided that processing operations referred to in Article 3(2) of Directive 95/46/EC are not concerned. 2. Regulation (EC) No 45/2001 shall apply to the processing of personal data carried out by the Commission pursuant to this Regulation.		Not applicable	
Article 79 **Responsibilities of Member States regarding the processing of personal data in national insolvency registers** 1. Each Member State shall communicate to the Commission the name of the natural or legal person, public authority, agency or any other body designated by national law to exercise the functions of controller in accordance with point (d) of Article 2 of Directive 95/46/EC, with a view to		Not applicable	

its publication on the European e-Justice Portal. L 141/54 EN Official Journal of the European Union 5.6.2015 2. Member States shall ensure that the technical measures for ensuring the security of personal data processed in their national insolvency registers referred to in Article 24 are implemented. 3. Member States shall be responsible for verifying that the controller, designated by national law in accordance with point (d) of Article 2 of Directive 95/46/EC, ensures compliance with the principles of data quality, in particular the accuracy and the updating of data stored in national insolvency registers. 4. Member States shall be responsible, in accordance with Directive 95/46/EC, for the collection and storage of data in national databases and for decisions taken to make such data available in the interconnected register that can be consulted via the European e-Justice Portal.			

5. As part of the information that should be provided to data subjects to enable them to exercise their rights, and in particular the right to the erasure of data, Member States shall inform data subjects of the accessibility period set for personal data stored in insolvency registers.			
Article 80 **Responsibilities of the Commission in connection with the processing of personal data** 1. The Commission shall exercise the responsibilities of controller pursuant to Article 2(d) of Regulation (EC) No 45/2001 in accordance with its respective responsibilities defined in this Article. 2. The Commission shall define the necessary policies and apply the necessary technical solutions to fulfil its responsibilities within the scope of the function of controller. 3. The Commission shall implement the technical measures required to ensure the security of personal data while in transit, in particular the confidentiality and integrity of any transmission to and from the European e-Justice Portal. 4. The obligations of the Commission		Not applicable	

shall not affect the responsibilities of the Member States and other bodies for the content and operation of the interconnected national databases run by them.			
Article 81 **Information obligations** Without prejudice to the information to be given to data subjects in accordance with Articles 11 and 12 of Regulation (EC) No 45/2001, the Commission shall inform data subjects, by means of publication through the European e-Justice Portal, about its role in the processing of data and the purposes for which those data will be processed.		Not applicable	
Article 82 **Storage of personal data** As regards information from interconnected national databases, no personal data relating to data subjects shall be stored in the European e-Justice Portal. All such data shall be stored in the national databases operated by the Member States or other bodies.		Not applicable	
Article 83 **Access to personal data via the European e-Justice Portal**		Not applicable	

Personal data stored in the national insolvency registers referred to in Article 24 shall be accessible via the European e-Justice Portal for as long as they remain accessible under national law.			
Article 84 **Applicability in time** 1. The provisions of this Regulation shall apply only to insolvency proceedings opened after 26 June 2017. Acts committed by a debtor before that date shall continue to be governed by the law which was applicable to them at the time they were committed. 2. Notwithstanding Article 91 of this Regulation, Regulation (EC) No 1346/2000 shall continue to apply to insolvency proceedings which fall within the scope of that Regulation and which have been opened before 26 June 2017.	**Article 181** **Implementation of the provisions of this Law towards the bankruptcy cases opened in the court** After the entry into force of this Law, the Court shall implement the provisions of this Law, for all cases that are opened at the court before entry into force of this Law and that are still under procedure before the Court.	Partially complaint	
Article 85 **Relationship to Conventions** 1.This Regulation replaces, in respect of the matters referred to therein, and as regards relations between Member		Not applicable	

States, the Conventions concluded between two or more Member States, in particular: a)the Convention between Belgium and France on Jurisdiction and the Validity and Enforcement of Judgments, Arbitration Awards and Authentic Instruments, signed at Paris on 8 July 1899; (b) the Convention between Belgium and Austria on Bankruptcy, Winding-up, Arrangements, Compositions and Suspension of Payments (with Additional Protocol of 13 June 1973), signed at Brussels on 16 July 1969; (c) the Convention between Belgium and the Netherlands on Territorial Jurisdiction, Bankruptcy and the Validity and Enforcement of Judgments, Arbitration Awards and Authentic Instruments, signed at Brussels on 28 March 1925; (d) the Treaty between Germany and Austria on Bankruptcy, Winding-up, Arrangements and Compositions, signed at Vienna on 25 May 1979;			

(e) the Convention between France and Austria on Jurisdiction, Recognition and Enforcement of Judgments on Bankruptcy, signed at Vienna on 27 February 1979; (f) the Convention between France and Italy on the Enforcement of Judgments in Civil and Commercial Matters, signed at Rome on 3 June 1930; (g) the Convention between Italy and Austria on Bankruptcy, Winding-up, Arrangements and Compositions, signed at Rome on 12 July 1977; (h) the Convention between the Kingdom of the Netherlands and the Federal Republic of Germany on the Mutual Recognition and Enforcement of Judgments and other Enforceable Instruments in Civil and Commercial Matters, signed at The Hague on 30 August 1962; (i) the Convention between the United Kingdom and the Kingdom of Belgium providing for the Reciprocal Enforcement of Judgments in Civil and Commercial Matters, with Protocol, signed at Brussels on 2 May 1934; (j) the Convention between Denmark,			

Finland, Norway, Sweden and Iceland on Bankruptcy, signed at Copenhagen on 7 November 1933; (k) the European Convention on Certain International Aspects of Bankruptcy, signed at Istanbul on 5 June 1990; (l) the Convention between the Federative People's Republic of Yugoslavia and the Kingdom of Greece on the Mutual Recognition and Enforcement of Judgments, signed at Athens on 18 June 1959; (m) the Agreement between the Federative People's Republic of Yugoslavia and the Republic of Austria on the Mutual Recognition and Enforcement of Arbitral Awards and Arbitral Settlements in Commercial Matters, signed at Belgrade on 18 March 1960; L 141/56 EN Official Journal of the European Union 5.6.2015 (n) the Convention between the Federative People's Republic of Yugoslavia and the Italian Republic on Mutual Judicial Cooperation in Civil and Administrative Matters, signed at Rome on 3 December 1960; (o) the Agreement between the Socialist Federative Republic of Yugoslavia and the Kingdom of			

Belgium on Judicial Cooperation in Civil and Commercial Matters, signed at Belgrade on 24 September 1971; (p) the Convention between the Governments of Yugoslavia and France on the Recognition and Enforcement of Judgments in Civil and Commercial Matters, signed at Paris on 18 May 1971; (q) the Agreement between the Czechoslovak Socialist Republic and the Hellenic Republic on Legal Aid in Civil and Criminal Matters, signed at Athens on 22 October 1980, still in force between the Czech Republic and Greece; (r) the Agreement between the Czechoslovak Socialist Republic and the Republic of Cyprus on Legal Aid in Civil and Criminal Matters, signed at Nicosia on 23 April 1982, still in force between the Czech Republic and Cyprus; (s) the Treaty between the Government of the Czechoslovak Socialist Republic and the Government of the Republic of France on Legal Aid and the Recognition and Enforcement of Judgments in Civil, Family and Commercial Matters, signed at Paris on 10 May 1984, still in force between the			

Czech Republic and France; (t) the Treaty between the Czechoslovak Socialist Republic and the Italian Republic on Legal Aid in Civil and Criminal Matters, signed at Prague on 6 December 1985, still in force between the Czech Republic and Italy; (u) the Agreement between the Republic of Latvia, the Republic of Estonia and the Republic of Lithuania on Legal Assistance and Legal Relationships, signed at Tallinn on 11 November 1992; (v) the Agreement between Estonia and Poland on Granting Legal Aid and Legal Relations on Civil, Labour and Criminal Matters, signed at Tallinn on 27 November 1998; (w) the Agreement between the Republic of Lithuania and the Republic of Poland on Legal Assistance and Legal Relations in Civil, Family, Labour and Criminal Matters, signed at Warsaw on 26 January 1993; (x) the Convention between the Socialist Republic of Romania and the Hellenic Republic on legal assistance in civil and criminal matters and its Protocol, signed at Bucharest on 19 October 1972; (y) the Convention between the			

Socialist Republic of Romania and the French Republic on legal assistance in civil and commercial matters, signed at Paris on 5 November 1974; (z) the Agreement between the People's Republic of Bulgaria and the Hellenic Republic on Legal Assistance in Civil and Criminal Matters, signed at Athens on 10 April 1976; (aa) the Agreement between the People's Republic of Bulgaria and the Republic of Cyprus on Legal Assistance in Civil and Criminal Matters, signed at Nicosia on 29 April 1983; (ab) the Agreement between the Government of the People's Republic of Bulgaria and the Government of the French Republic on Mutual Legal Assistance in Civil Matters, signed at Sofia on 18 January 1989; (ac) the Treaty between Romania and the Czech Republic on judicial assistance in civil matters, signed at Bucharest on 11 July 1994; (ad) the Treaty between Romania and the Republic of Poland on legal assistance and legal relations in civil cases, signed at Bucharest on 15 May 1999. 2. The Conventions referred to in			

paragraph 1 shall continue to have effect with regard to proceedings opened before the entry into force of Regulation (EC) No 1346/2000. 3. This Regulation shall not apply: (a) in any Member State, to the extent that it is irreconcilable with the obligations arising in relation to bankruptcy from a convention concluded by that Member State with one or more third countries before the entry into force of Regulation (EC) No 1346/2000; (b) in the United Kingdom of Great Britain and Northern Ireland, to the extent that is irreconcilable with the obligations arising in relation to bankruptcy and the winding-up of insolvent companies from any arrangements with the Commonwealth existing at the time Regulation (EC) No 1346/2000 entered into force.			
Article 86 **Information on national and Union insolvency law** 1. The Member States shall provide, within the framework of the European Judicial Network in civil and commercial matters established by Council Decision 2001/470/EC (1),		Not applicable	

and with a view to making the information available to the public, a short description of their national legislation and procedures relating to insolvency, in particular relating to the matters listed in Article 7(2). 2. The Member States shall update the information referred to in paragraph 1 regularly. 3. The Commission shall make information concerning this Regulation available to the public.			
Article 87 **Establishment of the interconnection of registers** The Commission shall adopt implementing acts establishing the interconnection of insolvency registers as referred to in Article 25. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 89(3).		Not applicable	
Article 88 **Establishment and subsequent amendment of standard forms** The Commission shall adopt implementing acts establishing and, where necessary, amending the forms		Not applicable	

referred to in Article 27(4), Articles 54 and 55 and Article 64(2). Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 89(2).			
Article 89 **Committee procedure** 1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply. 3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.		Not applicable	
Article 90 **Review clause** 1. No later than 27 June 2027, and every 5 years thereafter, the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application of this Regulation. The report shall be accompanied where necessary by a proposal for adaptation of this		Not applicable	

Regulation. 2. No later than 27 June 2022, the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application of the group coordination proceedings. The report shall be accompanied where necessary by a proposal for adaptation of this Regulation. 3. No later than 1 January 2016, the Commission shall submit to the European Parliament, the Council and the European Economic and Social Committee a study on the cross-border issues in the area of directors' liability and disqualifications. 4. No later than 27 June 2020, the Commission shall submit to the European Parliament, the Council and the European Economic and Social Committee a study on the issue of abusive forum shopping.			
Article 91 **Repeal** Regulation (EC) No 1346/2000 is repealed. References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table set out in Annex D to		Not applicable	

this Regulation.			
Article 92 **Entry into force** This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. It shall apply from 26 June 2017, with the exception of: (a) Article 86, which shall apply from 26 June 2016; (b) Article 24(1), which shall apply from 26 June 2018; and (c) Article 25, which shall apply from 26 June 2019.		Not applicable	

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government

Ministria e Drejtësisë
Ministarstvo Pravde – Ministry of Justice

Option/possible alternative:

1. **Title of the normative act:** Draft Law on Bankruptcy
2. **Proposing body**: European Commission
3. **Table**: 14.07.2023
List of relevant EU legislation (full title of the act and number) with which the normative act of the Republic of Kosovo is compliant: REGULATION (EU) 2015/848 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 May 2015 on Insolvency Proceedings
4. **The level of compliance** (fully compliant, partially compliant, not compliant or not applicable) of the normative act with EU legislation: **Partially compliant**

Republic of Kosovo- European Union

a)	b)	c)	d)
Draft Law on Bankruptcy	Consolidated version of (18.12.2018): Directive 2010/13/EU and Directive (EU) 2018/1808	Compliance of Kosovo legislation with EU legislation (fully compliant, non-	Comments on reasons for partial compliance or non-compliance and the period foreseen for achieving full compliance

		compliant or not applicable)	
Article 1 Purpose 1.This Law regulates the all matters related to bankruptcy and insolvency of business organizations, provisions for the protection, liquidation and distribution of the assets of a bankrupt debtor to its creditors, and for the reorganization and discharge of debt for qualified business organizations. 2. This Law sets forth the conditions and provisions for: 2.1. initiating and opening a bankruptcy proceeding for insolvent debtors; 2.2. bankruptcy proceedings and the conduct of bankruptcy proceedings; 2.3. the legal consequences of the opening and closing of a bankruptcy proceeding; 2.4. reorganization of a debtor in financial difficulties when there is likelihood of insolvency; and 2.5. the consequences of a discharge of debt for the debtor upon the successful		Not applicable	

completion of reorganization and liquidation as provided for by this Law. 3.This Law is partially in accordance with the EU Regulation 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings. Article 2 Terms and Definitions 1. Terms and definitions used in this Law shall have the following meaning: 1.1. Administrative expense/s - those claims which are incurred by the bankruptcy estate from and after the opening of the case, and which were actual and necessary costs and expenses of operating or preserving the estate; 1.2. Administratively insolvent - an insolvency proceeding in which there are insufficient assets to pay all administrative expenses and priority claims in full; 1.3. Administrator - an entity appointed under Chapter VII of this Law as the representative of the bankruptcy estate; 1.4. Affiliated entity:	Article 2 Definitions For the purposes of this Regulation: (1) 'collective proceedings' means proceedings which include all or a significant part of a debtor's creditors, provided that, in the latter case, the proceedings do not affect the claims of creditors which are not involved in them; 5.6.2015 EN Official Journal of the European Union L 141/29 (1) OJ C 358, 7.12.2013, p. 15. (2) (2) 'collective investment undertakings' means undertakings for collective investment in transferable securities (UCITS) as defined in Directive 2009/65/EC of the European Parliament and of the Council (1) and alternative	Partially complaint	

1.4.1. any entity in which the debtor owns, directly or indirectly, at least twenty percent (20%) of the equity interests; or 1.4.2. any entity which owns, directly or indirectly, at least twenty percent (20%) of the debtor's equity interests. 1.5. Bankruptcy estate - all of the property, entitlements, and privileges held by the debtor as of the commencement of insolvency proceedings, and all property acquired by the bankruptcy estate from and after the commencement of insolvency proceedings, including all property interests held regardless of whether they are tangible or intangible, contingent or fixed, liquidated or unliquidated, movable or immovable, including the debtor's interests in encumbered property and in property in which third-parties also hold an interest. Such property includes but shall be not limited in: 1.5.1. all movable, immovable, tangible or intangible property, wherever	investment funds (AIFs) as defined in Directive 2011/61/EU of the European Parliament and of the Council (2); (3) 'debtor in possession' means a debtor in respect of which insolvency proceedings have been opened which do not necessarily involve the appointment of an insolvency practitioner or the complete transfer of the rights and duties to administer the debtor's assets to an insolvency practitioner and where, therefore, the debtor remains totally or at least partially in control of its assets and affairs; (4) (4) 'insolvency proceedings' means the proceedings listed in Annex A; (5) (5) 'insolvency practitioner' means any person or body whose function, including on an interim basis, is to: (i) verify and admit claims submitted in insolvency proceedings; (ii) represent the collective interest of the creditors; (iii) administer, either in full or in part, assets of which		

located, whether in the custody of the debtor or third parties; 1.5.2. claims and legal actions of the debtor against third persons; 1.5.3. benefits from the actions that include the revenues collected from the dishonest or privileged transfers; 1.5.4. inheritance and other funds received within six (6) months of the petition submission date; 1.5.5. rent, income and proceeds generated from the use of the property of the estate or business operations of the debtor in bankruptcy; and 1.5.6. contractual rights, licenses, or other rights created or granted defined by the legal provisions into force; 1.6. Burdensome property - property that may have no value or an insignificant value to the bankruptcy estate or that are burdened in such a way that retention would require expenditures that would exceed the likely proceeds of realization of the property;		the debtor has been divested; (iv) liquidate the assets referred to in point (iii); or (v) supervise the administration of the debtor's affairs. The persons and bodies referred to in the first subparagraph are listed in Annex B; (6) (6) 'court' means: (i) in points (b) and (c) of Article 1(1), Article 4(2), Articles 5 and 6, Article 21(3), point (j) of Article 24(2), Articles 36 and 39, and Articles 61 to 77, the judicial body of a Member State; (ii) in all other articles, the judicial body or any other competent body of a Member State empowered to open insolvency proceedings, to confirm such opening or to take decisions in the course of such proceedings; (7) (7) 'judgment opening insolvency proceedings' includes: (i) the decision of any court to open insolvency proceedings or to confirm the opening of such proceedings; and (ii) the decision of a court to appoint an insolvency practitioner;		

1.7. Business activity - any type of regular or repeated activity involving the offering, providing or producing of goods, services, property and/or works to or for any person or organization in return for or in expectation of any type of payment or compensation; provided, however, that an employee who provides services to his or her employer shall not be considered to be conducting "business activity" to the extent such services are required by and compensated pursuant to the employee's contract of employment with the employer; 1.8. Business organization - a general terms which includes any type of business organization established in Kosovo in accordance with the law regulating the establishment and functioning of business organizations, such as an individual business, general partnership, limited partnership, limited liability company, joint stock company and branches of foreign businesses; 1.9. Claim - a petition or a right to payment, whether arising from a debt, a statutory liability, a contract, or any other type of legal obligation,	(8) (8) 'the time of the opening of proceedings' means the time at which the judgment opening insolvency proceedings becomes effective, regardless of whether the judgment is final or not; (9) 'the Member State in which assets are situated' means, in the case of: (i) registered shares in companies other than those referred to in point (ii), the Member State within the territory of which the company having issued the shares has its registered office; (ii) financial instruments, the title to which is evidenced by entries in a register or account maintained by or on behalf of an intermediary ('book entry securities'), the Member State in which the register or account in which the entries are made is maintained; (iii) cash held in accounts with a credit institution, the Member State indicated in the account's IBAN, or, for cash held in accounts with a credit institution which does not have an IBAN, the Member State in which the credit institution holding the account has its central administration or, where the account is held with a branch, agency or other establishment, the Member State in which the branch,		

regardless of whether such obligation is liquidated or unliquidated, matured or unmatured, disputed or undisputed, secured or unsecured, fixed or contingent: 1.9.1. a liquidated debt is a debt that has an amount not subject to reasonable dispute. A debt as determined by a court decision is considered a liquidated debt; 1.9.2. a matured debt is a contractual debt that by its terms has become presently due, whether by the passing of time or by selection of parties. Matured debts include demand obligations for which demand has been made and is an installment debt for which a party has accelerated all installments to become presently due; 1.9.3. a disputed debt includes a debt subject to litigation or arbitration; 1.9.4. a secured debt is the debts secured with pledge or mortgage; 1.9.5. a contingent debt includes a debt for which all aspects of liability have not yet occurred. Contingent debts include a debt on a guaranty for which the principal debtor is not in default, and a claim on a product warranty for a product that has not yet malfunctioned.	agency or other establishment is located; (iv) property and rights, ownership of or entitlement to which is entered in a public register other than those referred to in point (i), the Member State under the authority of which the register is kept; (v) European patents, the Member State for which the European patent is granted; L 141/30 EN Official Journal of the European Union 5.6.2015 (1) Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). (2) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ L 174, 1.7.2011, p. 1). (vi) copyright and related rights, the Member State within the territory of which the owner of such rights has its habitual residence or registered office; (vii) tangible property, other than that referred to in points (i) to (iv), the		

A debt subject to litigation or arbitration is not contingent; it is unliquidated until the court renders its decision; 1.10. Close relative - any individual related by consanguinity or affinity within the second degree; 1.11.Commencement of bankruptcy proceeding: 1.11.1. in cases when the debtor voluntarily commenced the bankruptcy proceeding, the date the debtor has filed a petition at the court regarding the commencement of bankruptcy proceeding; or 1.11.2. in any other case, the date two or more creditors submit a petition to commence a case against a debtor qualified according to this Law; 1.11.3. in a voluntary case, the date of the commencement of bankruptcy proceeding is considered the date in which the court shall commence the bankruptcy proceeding; 1.12. Consumer activity - any use or acquisition of goods or services primarly for meeting personal needs that have nothing to do with commercial, business, craft or	Member State within the territory of which the property is situated; (viii) claims against third parties, other than those relating to assets referred to in point (iii), the Member State within the territory of which the third party required to meet the claims has the centre of its main interests, as determined in accordance with Article 3(1); (1) (10) 'establishment' means any place of operations where a debtor carries out or has carried out in the 3-month period prior to the request to open main insolvency proceedings a non-transitory economic activity with human means and assets; (2) (11) 'local creditor' means a creditor whose claims against a debtor arose from or in connection with the operation of an establishment situated in a Member State other than the Member State in which the centre of the debtor's main interests is located; (12) 'foreign creditor' means a creditor which has its habitual residence, domicile or registered office in a Member State other than the State of the opening of proceedings,		

professional activity. Investing or saving money or other valuable property is not consumer activity; 1.13. Contact information - at a minimum, sufficient information to allow written or electronic communication to an entity. Contact information includes valid mailing addresses, email addresses, or a telephone number. For legal persons, contact information includes the name, title or capacity of a person whom the legal person has identified (either in court proceedings or in a method easily ascertainable by the general public) as authorized to receive notices, or, if no such person has been identified, the name, title or capacity of a person who has authority to respond to the content of the communication. Whenever an entity is required to provide contact information in this Law, it must provide whatever information it has, and refrain from providing information it knows to be obsolete or incomplete. The obligation to provide contact information with a court order is also valid towards public entities, especially for the Kosovo Civil Registration	including the tax authorities and social security authorities of Member States; (13) 'group of companies' means a parent undertaking and all its subsidiary undertakings; (14) 'parent undertaking' means an undertaking which controls, either directly or indirectly, one or more subsidiary undertakings. An undertaking which prepares consolidated financial statements in accordance with Directive 2013/34/EU of the European Parliament and of the Council (1) shall be deemed to be a parent undertaking.		

Agency and any other public entity which may have in its disposal any contact information for the party; 1.14. Court - the Commercial Court of the Republic of Kosovo as defined in the Law on Commercial Court; 1.15. Creditor- an entity that has a claim against the debtor that arose on or before the commencement of the bankruptcy proceeding; 1.16. Creditors committee – the representative body of creditors appointed in accordance with this Law, and having consultative and other powers as specified in this Law; 1.17. Day- any calendar day; 1.18. Debtor - the entity towards which there is initiated the bankruptcy proceeding under this Law; 1.19. Debtor in possession - the debtor in reorganization proceedings in cases when the court has not appointed a Bankruptcy Administrator; 1.20. Equity holder - the holder or title holder of property rights on shares or other similar property rights in a business organization, that may be			

shareholder, owner, partner or similarly; 1.21. Equity Interest - the property on the capital or other property right to shares or parts of a legal person or other business organization, holder of which there may be shareholder, owner, partner or similarly; 1.22. Insolvency and/or ‘’inability to pay’’ - the financial state in which an entity is generally unable to pay its claims as they mature or when its probable liabilities exceed the likely value of its assets; 1.23. Bankruptcy proceeding - voluntary or obligatory bankruptcy proceeding commenced pursuant to this Law; 1.24. Individual - any physical person that is registered in accordance with the law on business organizations; 1.25. Lien - any right in property, whether full or partial, whether in rem or otherwise, and whether owned by the debtor or otherwise, held by a creditor to secure payment or other performance of one or more of the debtor’s			

obligations. Liens include mortgages, pledges and security interests; 1.26. Liquidation - proceedings designed to sell and dispose of the debtor's property for distribution to creditors in accordance with this Law; 1.27. Legal person - any business organization registered in accordance with the Law on Business Organisations; 1.28. Opening the case 1.28.1. in a voluntary case, the date upon which the debtor voluntarily filed its insolvency petition with the court; or 1.28.2. in an involuntary case, the date upon which the court enters its decision on a creditors' involuntary petition; 1.29. Ordinary course of business - refers to transactions and actions that: 1.29.1. have been regular for the debtor prior to the filing of the bankruptcy claim; and 1.29.2. ordinary business terms in which the debtor does the business; 1.30. Pari passu - the principle according to which similarly situated creditors are treated and satisfied proportionately to their claim out of the			

bankruptcy estate available for distribution to creditors of their rank; 1.31. Interested party - debtors, bankruptcy administrators, creditors, equity holders, creditor committees, and government units. Entities with remote or diffuse non-pecuniary interests are not considered parties in interest. Party in interest means any party: 1.31.1. whose pecuniary or monetary rights, obligations and other interests are affected by bankruptcy proceeding or particular matters in the bankruptcy proceeding; or 1.31.2. whose legal duties include monitoring or administering bankruptcy proceeding; 1.32. Protection of value - measures ordered by the court and directed at maintaining the economic value of encumbered property or property in which the debtor and a third party both hold an interest during the bankruptcy proceeding. The court may order the following relief as protection of value: 1.32.1. compensation by means of regular cash payments to the secured			

creditor equal to the decline in collateral value since the commencement of the bankruptcy proceedings, as well as compensation for actual or anticipated losses to the value of such collateral; 1.32.2. granting additional collateral of sufficient value to compensate for the decline in property value or compensation for losses; 1.32.3. delivery of proceeds generated from a sale, use, or lease of the collateral to the secured creditor, to the extent of its secured claim; 1.32.4. repair, maintenance, insurance coverage or physical security, as needed to remedy the problem; 1.32.5. other protective or compensatory measures as the court sees fit to protect the value of the secured creditor's collateral; 1.33. Prove or proof - when used in connection with a potential fact or state of affairs, means that the entity who bears the burden of proof must establish, by competent evidence, that it is more likely than not that the fact or state of affairs is true;			

1.34. Reorganization - the process by which the financial well-being and viability of a debtor's business can be restored, jobs preserved, and the business continue to operate. Reorganization may use many take many different forms, including debt forgiveness, debt rescheduling, debt-equity conversions and sale of the business or parts of it as a going concern; 1.35. Secured claim - a claim for which the creditor has a lien registered at competent institutions (mortgage, pledge, lien); 1.36. Secured creditor - a creditor holding a secured claim; 1.37. Transfer - every manner, direct or indirect, of alienation, sale, exchange, grant, collection of means, availability, granting the pledge or mortgage, or other rights; 1.38. Unsecured claim: 1.38.1. a claim for which the creditor has no lien; or			

1.38.2. if a creditor has a lien for its claim, that part of the claim representing the difference between: 1.38.3. the total amount of the claim; and 1.38.4. the value of collateral at the moment of the opening of the case; 1.39. Unsecured creditor - a creditor who holds an unsecured claim. 1.40. Foreign Court - judicial bodies or other authority competent to control and supervise a foreign proceeding; 1.41. Foreign proceeding - a judicial or administrative proceeding in a foreign state, including an interim measure proceeding, pursuant to a Law treating the bankruptcy in which proceeding the assets and affairs of the debtor are subject to control or supervision by the foreign court with the purpose of reorganization or liquidation; 1.42. Foreign main proceeding - a foreign proceeding taking place in the foreign state where the debtor has the main centre of its activity;			

1.43. Foreign non-main proceeding - a foreign proceeding, other than a foreign main proceeding, taking place in the state where the debtor has an establishment within the meaning of paragraph 1.47 of this Article; 1.44. Foreign representative - a person or body, including that one appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or to act as a representative of the foreign proceeding; 1.45. Establishment - any place where the debtor operates and carries out a non-transitory economic activity in selling the products or providing services. 1.46. Small and Medium Enterprise, a business organisation which has an annual turnover of up to one million (1,000,000.00) euros or has up to twenty-five (25) employees. 1.47. Entity – a natural or legal person who can own property, engage in business, enter into contracts, pay taxes, can sue and be sued;			

1.48. Maturity, the date when the debt is due for payment and must be paid in full. 1.49. Expert, is a qualified professional with special, proven knowledge in a certain field, independent of the parties and registered as such in the register of judicial experts. In cases where the field of expertise is not covered by the register of experts kept by the court, "Expert" shall be understood as the qualified professional, with proven special knowledge in a certain field, who appears in a judicial procedure to give the opinion of his independent work in that field of specialization. Article 3 Scope 1.This Law applies Business Organizations, as defined in the Law on Business Organizations or any other future Law. 2. The following, can not be debtor under this law. 2.1. institutions of the Republic of Kosovo;	Article 1 Scope 1.This Regulation shall apply to public collective proceedings, including interim proceedings, which are based on laws relating to insolvency and in which, for the purpose of rescue, adjustment of debt, reorganisation or liquidation:		

2.2. any governmental unit; 2.3. financial institutions as defined in Law regulating Banks, Microfinance Institutions And Non-Bank Financial Institutions; and 2.4. insurance companies and insurance intermediaries as defined in the law regulating the Licensing of Insurance Companies and Insurance Intermediaries; 2.5. pension funds or providers of pension schemes licensed and regulated by the Central Bank of the Republic of Kosovo; 2.6. socially owned enterprises under the administration of Privatization Agency of Kosovo; 2.7. publicly owned enterprises as defined by the Law on Publicly Owned Enterprises or any other future Law.	a)a debtor is totally or partially divested of its assets and an insolvency practitioner is appointed; (b) the assets and affairs of a debtor are subject to control or supervision by a court; or (c) a temporary stay of individual enforcement proceedings is granted by a court or by operation of law, in order to allow for negotiations between the debtor and its creditors, provided that the proceedings in which the stay is granted provide for suitable measures to protect the general body of creditors, and, where no agreement is reached, are preliminary to one of the proceedings referred to in point (a) or (b). Where the proceedings referred to in this paragraph may be commenced in situations where there is only a likelihood of insolvency, their purpose shall be to avoid the debtor's insolvency or the cessation of the debtor's business activities. The proceedings referred to in this paragraph are listed in Annex A. 2. This Regulation shall not apply to proceedings referred to in paragraph 1 that concern:		

Article 4 General principles of the Law on bankruptcy 1.In implementing and interpreting this Law, the court shall apply the general principles of the Law on bankruptcy, defined in this Article. In bankruptcy proceedings, the court shall take steps to ensure the following principles: 1.1. the bankruptcy estate representative seeks to maximize the overall return to all creditors; 1.2. all creditors of equal priority share in all distributions pari passu; 1.3. the debtor a legal person, shall not be the owner of its assets at the conclusion of the liquidation proceeding and shall be removed as active business from the registry of businesses with the designation ‘’liquidated’’;	(a) insurance undertakings; (b) credit institutions; (c) investment firms and other firms, institutions and undertakings to the extent that they are covered by Directive 2001/24/EC; or (d) collective investment undertakings. Article 19 Principle 1.Any judgment opening insolvency proceedings handed down by a court of a Member State which has jurisdiction pursuant to Article 3 shall be recognised in all other Member States from the moment that it becomes effective in the State of the opening of proceedings. The rule laid down in the first subparagraph shall also apply where, on account of a debtor's capacity, insolvency proceedings cannot be brought against that debtor in other Member States. 2. Recognition of the proceedings referred to in Article 3(1) shall not preclude the opening of the proceedings referred to in Article 3(2) by a court in another Member State. The latter proceedings shall be	Partially complaint	

1.4. the individual debtor shall not be the owner of its business assets administered in the bankruptcy proceeding, at the conclusion of the liquidation proceeding. The fact that the individual debtor has bankrupted shall be noted in the business registry in every new registration of a business by the debtor and close family members for five (5) years from the day of conclusion of the bankruptcy proceeding and the fact that the individual debtor has bankrupted shall be noted in the Credit Registry of the Central Bank of the Republic of Kosovo; 1.5. bankruptcy proceeding shall be an urgent proceeding; 1.6. there is not allowed any kind of suspension or interruption of bankruptcy proceeding. 1.7. The bankruptcy procedure shall be conducted in order to secure as much as possible the values of the assets and the highest possible rate of repayment of the creditor within the shortest possible time and at the lowest possible cost.	secondary insolvency proceedings within the meaning of Chapter III.		

2. In reorganization proceedings, the court shall take steps to ensure that the reorganization procedure, if successful will: 2.1. preserves or creates jobs; and 2.2. maintains or preserves asset values to the extent consistent with the reorganization. 3. In all proceedings, the court shall take steps to ensure that: 3.1. the obligations of debtors, and the rights and privileges of creditors, are not impaired or altered except as provided for in this Law; 3.2. the rights in rem of secured creditors or creditors with separate satisfaction shall not be impaired or altered except as provided for in this Law; 3.3. the bankruptcy estate representative, except as specifically provided for in this law, shall take all assets, tangible or intangible, subject to all rights, claims or obligations towards those assets, created as a result of other Laws;		Partially Compliance	

3.4. in the case of a debtor who is an individual, in bankruptcy proceedings, bankruptcy assets include the total assets owned by the debtor when the bankruptcy proceedings are opened and the assets acquired by the debtor during the bankruptcy proceedings. 3.5. subject to the provisions on reorganization, the opening of a case shall mature all claims against the debtor which were unmatured as of the date of the opening of the case; and 3.6. the principle of limited liability of shareholders of limited liability companies, limited partners in limited partnerships and shareholders in joint stock companies shall be respected in any case and the owners, partners or shareholders shall not be liable for the obligations of their companies except in cases where there is a legal work, a guarantee or a special law that otherwise regulates this matter. 3.7. In cases of death of individual debtors, the bankruptcy procedure continues and takes place under the assumption that the heirs of the individual debtor also inherit the			

obligations according to the law in force on inheritance. Article 5 Bankruptcy Estate Representative 1. In liquidation procedure, the bankruptcy Administrator shall be the bankruptcy estate representative. 2. In reorganization procedure, the debtor shall be the bankruptcy estate representative when acting as debtor in possession. 3. Even in the reorganization procedure, the court may appoint a bankruptcy administrator who is a representative of the bankrupt estate. 4. The bankruptcy administrator shall have the following authorizations: 4.1. administer with all property of the bankruptcy estate; 4.2. have the power to sue and be sued in the bankruptcy estate's name; and 4.3. perform all duties specified in this law required to be performed by the bankruptcy estate representative.			

Article 6 Jurisdiction of the court and legal remedies 1. The Commercial Court is competent for the development of the procedure and the review of the bankruptcy case and for all issues related to this law. 2. Only an interested party who is a party affected or damaged by a decision issued by the court has the right to appeal to the Chambers of the Second Instance of the Commercial Court of the Republic of Kosovo. 3. Each interested party has the right to appeal against the final decisions of the Chambers of the First Instance of the Commercial Court, within a period of seven (7) days from the day of acceptance of the decision. 4. Unless the Chambers of the Second Instance of the Commercial Court decide otherwise, an appeal against a decision of the Chambers of the First Instance of the Commercial Court shall not suspend the implementation of the decision by the Chambers of the First Instance of the Commercial Court.	Article 4 Examination as to jurisdiction 1. A court seised of a request to open insolvency proceedings shall of its own motion examine whether it has jurisdiction pursuant to Article 3. The judgment opening insolvency proceedings shall specify the grounds on which the jurisdiction of the court is based, and, in particular, whether jurisdiction is based on Article 3(1). 2. Notwithstanding paragraph 1, where insolvency proceedings are opened in accordance with national law without a decision by a court, Member States may entrust the insolvency practitioner appointed in such proceedings to examine whether the Member State in which a request for the opening of proceedings is pending has jurisdiction pursuant to Article. 3. Where this is the case, the insolvency practitioner shall specify in the decision opening the proceedings		

5. The Chamber of the second instance of the Commercial Court decides within seven (7) days regarding the appeal. 6. Extraordinary legal remedies are not allowed against the Decisions of the Chambers of the second instance of the Commercial Court. Article 7 Implementation of the Law on Contested Procedure Provisions of the Law on Contested Procedure shall be applicable even to the bankruptcy proceeding, as long as they are not in contradiction with the provisions of this Law. Article 8 Administration of Case 1.The court shall conduct the administration of the case through hearings, which shall be conducted on no more than seven (7) days from the day of the receipt of notice by the parties. 2.The court shall conduct a hearing when a party requests a decision, or	the grounds on which jurisdiction is based and, in particular, whether jurisdiction is based on Article 3(1) or (2).	Not applicable	

when it is necessary for the administration of the case. 3.If a party receives notice of a hearing, and does not object to the hearing or to the relief requested by a party, or does not appear at any hearing, that party shall be deemed to have consented to the relief requested to the extent that the notice of the hearing includes notice of the type of relief requested.		Partially compatible	

		Not applicable	

		Not applicable	
CHAPTER II EXPEDITED PROCEEDINGS FOR FACILITIES TO SMALL AND MEDIUM ENTERPRISES (SME) AND FOR PRE-AGREED PLANS Article 9 Small and Medium Enterprises Procedure 1.A case involving Small and Medium Enterprises debtor shall, unless specified in this Law to the contrary, be treated in all respects as a reorganization case. 2.In each Small and Medium Enterprises case, the SME should file a reorganization plan within thirty (30) days from the day of initiation of bankruptcy proceeding. 3.If the debtor is an individual, then only the debtor may file the		Not applicable	

reorganization plan. If the debtor in a SME case is a legal person, then only the debtor may file a plan for the first thirty (30) days after the initiation of bankruptcy proceeding. 4.If a SME debtor's case does not produce a confirmed plan within sixty (60) of the opening of the case, the court shall dismiss the case upon the request of a party in interest. Article 10 Monitor 1.In each case when an SME is a bankruptcy debtor, the court shall appoint a monitor. 2.The court may select the monitors from any eligible panel or licensed of Administrators in accordance with this law. 3.The monitor enjoys the right to compensation from the debtor's bankruptcy estate in accordance with the relevant provisions of this Law. The fees for the monitor, the method of calculation and the amount of fees related to the bankruptcy procedure are		Not applicable	

regulated by a by-law issued by the Minister of Justice. 4.After appointment, the monitor is responsible to consult with the debtor regarding the debtor's business, its prospects, and its ability to formulate a plan that creditors will accept. 5.A monitor shall review each plan a SME debtor files to determine whether it proposes an economically feasible plan. The review may occur before or after the debtor files the plan with the court. 6.If the debtor intends to solicit votes on any plan, it shall inform the monitor of that decision, and the monitor shall then have ten (10) days it which it may file with the court a report containing the monitor's opinion on the feasibility of the plan. 7.If a monitor does not file a report according to paragraph 6 of this Article, the court shall consider that the monitor has agreed for the plan. Article 11 Small and Medium Enterprises Relief			

1. An SME debtor may confirm a plan without meeting all the requirements of this Law if the court finds each of these conditions are satisfied: 1.1. within ten (10) days from the initiation of bankruptcy proceeding, it files at the court a written request for the implementation of Chapter II of this Law; 1.2. the monitor appointed under this Chapter has filed at the court a report on the feasibility of the plan and the report has been delivered to all parties in interest before the commencement of voting procedure; 1.3. it has been delivered to all classes of creditors affected by the plan for voting, and that the plan has been approved by: 1.3.1. creditors holding at least seventy-five percent (75%) of secured claims within each secured creditors class; and 1.3.2. creditors holding at least 33.33% of unsecured claims within each unsecured creditors class; 1.4. The court concludes the plan is feasible when:		Not applicable	

1.4.1. if the monitor has not submitted a report, then Article 10 of this Law applies; 1.4.2. at least fifty percent (50%) of all unsecured creditors voting on the plan accept the plan; 1.4.3. in all other cases, the debtor must prove that the plan is feasible; 1.4.4. or when all secured creditors who vote for reorganization approve the plan. 1.5. the debtor proves that the plan will pay all impaired creditors no less than they would have received had the debtor filed a liquidation case. Article 12 Small and Medium Enterprises Discharge A SME debtor shall receive a discharge upon confirmation of its plan. A discharge under this Article shall have the same effect on claims against the SME debtor as would a discharge under Chapter VI of this Law. Article 13 Pre-Agreed Plan Definition			

A debtor may solicit its creditors for debt relief before commencement of bankruptcy proceedings. If the information given creditors in any such solicitation would have complied with the disclosure requirements of Chapter VI of this Law then that debtor may use the provisions of Article 14 of this Law to confirm its plan.		Not applicable	
Article 14 Procedure for Approval of Pre-Agreed Plan 1. A debtor which has provided the votes of its creditors on a plan of reorganization before the filing of the bankruptcy claim may, at its choice, immediately request from the court the confirmation of the plan in hearing session. The request for confirmation of the plan shall be done immediately with the request on commencement of bankruptcy proceeding.		Not applicable	
2. If a debtor makes such a request, the court shall hold an expedited hearing at which it shall determine whether the		Not applicable	

debtor's pre-filing solicitation of votes was accompanied by disclosure of information that would have been required by Chapter VI of this Law. 3. If the court determines that during the procedure before the initiation of the bankruptcy case, the debtor have given the required information to the creditors according to Chapter VI of this Law, and the conditions are fulfilled, the court shall immediately proceed with the confirmation of the plan if there is determined that the conditions on the confirmation of the plan according to Chapter VI of this Law have been fulfilled. 4. If the court determines that during the procedure before the initiation of the bankruptcy case, the debtor has not given the information required by Chapter VI of this Law, the court shall issue the ruling on denying the confirmation of the reorganization plan and the debtor shall proceed with its bankruptcy proceeding as there would not have existed at all the pre-agreed plan.			

5.No appeal is allowed against the decision according to paragraph 4 of this article for the denial to confirm the reorganization plan.			

CHAPTER III INITIATION OF THE PROCEDURE AND OPENING OF A CASE Article 15 Opening of a Case 1. A case for reorganization or liquidation under this Law is considered opened when: 1.1. the debtor files a voluntary petition for either liquidation or reorganization; or 1.2. an involuntary petition is filed against the debtor and, after a hearing on notice to the debtor; the court shall issue a ruling finding that the petition meets all of the requirements of this Law. Article 16 Voluntary Cases Opened by a Debtor 1.For voluntary initiation of a case, a debtor files either a petition in reorganization or a petition in liquidation.	Article 34 Opening of proceedings Where main insolvency proceedings have been opened by a court of a Member State and recognised in another Member State, a court of that other Member State which has jurisdiction pursuant to Article 3(2) may open secondary insolvency proceedings in accordance with the provisions set out in this Chapter. Where the main insolvency proceedings required that the debtor be insolvent, the debtor's insolvency shall not be re-examined in the Member State in which secondary insolvency proceedings may be opened. The effects of secondary insolvency proceedings shall be restricted to the assets of the debtor situated within the territory of the Member State in which those proceedings have been opened.	Partially complaint Not applicable	

2.A debtor does not need to be insolvent to be eligible to be a debtor under this law. 3.If a debtor files a petition for an improper purpose or in a manner intended to deceive, defraud or subvert the creditors, the court may fine the debtor or individual members of the debtor's management or governing body. 4.It is considered that a debtor has filed its petition for an improper purpose or with the intent to deceive or cause damage to creditors according to paragraph 3 of this Article, if a debtor: 4.1. files a case without listing its name properly; 4.2. does not list all prior material names under which it has conducted business; 4.3. does not list a material creditor and that creditor does not therefore receive knowledge of the proceeding; or 4.4. provides fraudulent information in any phase of the procedure or tries to manipulate the procedure in any way.			

5.The Court shall impose fines to the debtor for cases foreseen in paragraph 4 of this Article, amounting from five hundred (500) to ten thousand (10,000) Euro, and such fines shall be paid to the Budget of the Republic of Kosovo. 6. The request for the initiation of the case of voluntary bankruptcy by the debtor must also be accompanied by the decisions of the debtor's bodies, taken in accordance with the Law in force on business organizations and the internal acts of the debtor. 7. In the event that the request from paragraph 6 of this article is not accompanied by valid documents through which the applicant proves that he is authorized to initiate the bankruptcy procedure, the request for opening the case will be rejected as inadmissible. Article 17 Initiation of bankruptcy case by Creditors 1.One (1) or more creditors may submit a petition to commence a case against a debtor, when the following conditions are met:	Article 60 Powers of the insolvency practitioner in proceedings concerning members of a group of companies 1. An insolvency practitioner appointed in insolvency proceedings opened in respect of a member of a group of companies may, to the extent		

1.1. the debtor has failed to pay at least one debt to the creditor, where: 1.1.1. the debt has passed the payment term of at least ninety (90) days; 1.1.2. the total amount of the debt is at least 30,000.00 Euro; 1.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; 1.1.4. the creditor does not have the opportunity or has failed to collect the debt through the enforcement procedure or other legal procedures. 2.Two (2) or more creditors may submit a petition to commence a case against an eligible debtor when: 2.1. that debtor has failed to pay a debt due to each of the petitioning creditors, and 2.1.1. each debt has been due and payable for at least ninety (90) days; 2.1.2. the total amount of the debt due is at least three thousand (5,000) Euro in amount; and	appropriate to facilitate the effective administration of the proceedings: (a) be heard in any of the proceedings opened in respect of any other member of the same group; (b) request a stay of any measure related to the realisation of the assets in the proceedings opened with respect to any other member of the same group, provided that: (i) a restructuring plan for all or some members of the group for which insolvency proceedings have been opened has been proposed under point (c) of Article 56(2) and presents a reasonable chance of success; (ii) such a stay is necessary in order to ensure the proper implementation of the restructuring plan; (iii) the restructuring plan would be to the benefit of the creditors in the proceedings for which the stay is requested; and (iv) neither the insolvency proceedings in which the insolvency practitioner referred to in paragraph 1 of this Article has been appointed nor	Partially complaint	

2.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; and 2.1.4. the creditor does not have the opportunity or has failed to collect the debt through the enforcement procedure or other legal procedures. 2.2. the debtor is generally not paying the debts after reaching the payment deadline, and the total debt of unpaid obligations has exceeded seven thousand (7,000) euros. 3. The court should promptly notify the debtor within three (3) days of the filing of the petition for initiation of the bankruptcy proceeding. 4. The court, within the period of seven days, requests the debtor to submit a written response to the request and a hearing on the admissibility of the request. The court must present all this information in the notification sent to the parties. 5. During the interim period, the court issues an order addressed to the parties in order to secure the demands of the debtor and creditors. Such orders must	the proceedings in respect of which the stay is requested are subject to coordination under Section 2 of this Chapter; (c) apply for the opening of group coordination proceedings in accordance with Article 61. 2. The court having opened proceedings referred to in point (b) of paragraph 1 shall stay any measure related to the realisation of the assets in the proceedings in whole or in part if it is satisfied that the conditions referred to in point (b) of paragraph 1 are fulfilled. Before ordering the stay, the court shall hear the insolvency practitioner appointed in the proceedings for which the stay is requested. Such a stay may be ordered for any period, not exceeding 3 months, which the court considers appropriate and which is compatible with the rules applicable to the proceedings. The court ordering the stay may require the insolvency practitioner referred to in paragraph 1 to take any suitable measure available under national law to guarantee the interests of the creditors in the proceedings. The court may extend the		

be sought and proved as necessary by the parties. 6. If the debtor responds to the petition for initiation of the procedure and its response does not object to the petition, the court within seven (7) days from the date when the response was received, shall issue a ruling on the acceptability of the petition and orders the opening of the case. 7. If by the date set for a hearing on the admissibility of the request to initiate bankruptcy proceedings: 7.1. the debtor has not responded to the petition, the court shall promptly enter a decision opening the case; 7.2. the debtor has objected to the petition, the petitioning creditors shall bear the burden of proving that: 7.2.1. the claims owed to them by the debtor qualify them as petitioning creditors; and in the notification sent to the parties. 5. During the interim period, the court issues an order addressed to the parties	duration of the stay by such further period or periods as it considers appropriate and which are compatible with the rules applicable to the proceedings, provided that the conditions referred to in points (b)(ii) to (iv) of paragraph 1 continue to be fulfilled and that the total duration of the stay (the initial period together with any such extensions) does not exceed 6 months.		

in order to secure the demands of the debtor and creditors. Such orders must be sought and proved as necessary by the parties. 6. If the debtor responds to the petition for initiation of the procedure and its response does not object to the petition, the court within seven (7) days from the date when the response was received, shall issue a ruling on the acceptability of the petition and orders the opening of the case. 7. If by the date set for a hearing on the admissibility of the request to initiate bankruptcy proceedings: 7.1. the debtor has not responded to the petition, the court shall promptly enter a decision opening the case; 7.2. the debtor has objected to the petition, the petitioning creditors shall bear the burden of proving that: 7.2.1. the claims owed to them by the debtor qualify them as petitioning creditors; and 7.2.2. that the debtor is not generally paying its valid claims as they become due.			

8. If the petitioning creditors succeed in bearing their burden of proof as set forth in the preceding Article, the court shall promptly enter a decision opening the case with a ruling. 9. If a court does not order the opening a case after creditors have filed a petition for initiation of the bankruptcy proceeding, and the court separately finds that the creditors, or any of them, submitted the petition in bad faith or for an improper purpose, the court shall order the creditors, jointly and severally, to pay damages to the debtor to compensate it for any loss. 10. The court in the justification of the ruling according to paragraph 8 of this Article shall ascertain the reasons of non-opening of the case and eventual order for compensation. Article 18 Rejection of Petition 1.The court dismisses as unacceptable the request to initiate bankruptcy proceeding if it is proved that: 1.1. the court lacks jurisdiction;			

1.2. the debtor is not eligible to be a debtor under this Law; 1.3. the debtor is already subject to bankruptcy proceeding; 1.4. any entity filing the petition lacks the capacity to act, unless creditors filed the petition, and creditor or creditors have the capacity to act; or 1.5. the entity filing the case has not paid the filing fees required by applicable law, or is not subject to an exception provided by the Court or under rules promulgated by the Kosovo Judicial Council. Article 19 Form and Registration of Petition 1.Petitions under this Chapter may be on forms promulgated according to Chapter I of this Law, but if there are no such forms, such petitions must contain at least the following information: 1.1. the debtor's name, and all names under which the debtor has conducted business in the five years preceding the date on which the petition is filed;		Not applicable	

1.2. the debtor's contact information, which at a minimum must include its address, telephone number or numbers, fiscal identification number, business registration number, email addresses and any web site address for any web site it maintains; and 1.3. if the debtor is a legal person, all known officers, directors, members, managers or any other entity with managerial or other control over the debtor's property, along with the contact information for each such entity required by the previous sub-paragraph. 2. Petitions filed by a creditor or a group of creditors shall include as much information about the debtor as is known by such creditor or creditors, but at a minimum shall include the debtor's name and sufficient contract information to give the debtor notice of the proceeding. 3.The court shall register a petition immediately upon its receipt. The court shall register the petition regardless of any defect and shall indicate the time and date of receiving the petition on its face.		Not applicable	

4.The court shall notify the business registry, the pledge registry, mortgage registry,commercial banks, credit registry of the Central Bank, Chamber of Notaries, and the tax administration regarding the initiation of a bankruptcy proceeding. Article 20 Treatment of Cases Involving Related Entities – Consolidation 1.The court shall order a joint administration of cases, in those cases when two (2) or more petitions are filed at the court by or against: 1.1. spouses; 1.2. general partnership or limited partnership and one or more general partners therein; or; 1.2. two (2) or more general partners; or 1.4. a debtor and an affiliate, then the court may order a joint administration of the estates. 2. A joint administration decision of the court may contain such provisions as the court may consider necessary or	Article 6 Jurisdiction for actions deriving directly from insolvency proceedings and closely linked with them 1.The courts of the Member State within the territory of which insolvency proceedings have been opened in accordance with Article 3 shall have jurisdiction for any action which derives directly from the insolvency proceedings and is closely linked with them, such as avoidance actions. 2. Where an action referred to in paragraph 1 is related to an action in civil and commercial matters against the same defendant, the insolvency practitioner may bring both actions before the courts of the Member State within the territory of which the defendant is domiciled, or, where the action is brought against several defendants, before the courts of the		

desirable to ensure the efficient administration of the bankruptcy proceeding, provisions for common dockets, joint hearings, combined notice lists and any other provision that the court believes will tend to avoid unnecessary cost or delay. 3.Prior to entering a decision of joint administration, the court shall consider ways to protect creditors of different estates against potential conflicts of interest. Article 21 Court fee for filing a bankruptcy petition Upon submission of the request for initiation of the procedure in court, the applicant must immediately pay the court fee which must be attached to the request for reorganization or liquidation and submitted to the court together with the Request. Article 22	Member State within the territory of which any of them is domiciled, provided that those courts have jurisdiction pursuant to Regulation (EU) No 1215/2012. The first subparagraph shall apply to the debtor in possession, provided that national law allows the debtor in possession to bring actions on behalf of the insolvency estate. 3. For the purpose of paragraph 2, actions are deemed to be related where they are so closely connected that it is expedient to hear and determine them together to avoid the risk of irreconcilable judgments resulting from separate proceedings.	Partially complaint	

Cases of lack of property 1. In cases where the bankruptcy estate does not have sufficient assets to cover the expenses of the bankruptcy procedure, the court decides on the termination of the procedure due to the lack of assets. 2. Before deciding the end of the procedure, the court informs the creditors and makes a public announcement of the situation in the Business Registration Agency, as well as in all public authorities that, as the case may be, are required by law to reflect the relevant records. Creditors and other interested parties have the right to appear in court within 60 days of this notification and contest the termination of the procedure due to the lack of assets for the following reasons: a) if the debtor has property; b) if further investigation is necessary in relation to assets that the debtor has transferred and that may be subject to fraud. 3. The court, within 5 days from the expiration of the period of objections, communicates to the prosecutor any		Not applicable	

claims of the parties, which have well-founded reasons for the need to carry out further investigations on the actions of the debtor, and suspends the procedure for 6 months to carry out investigation. 4. court decides to end the procedure due to lack of assets if: a) there were no objections to the termination of the procedure from the parties who may object, after the 60-day deadline has passed; b) the prosecutor decides not to start or dismiss the criminal case;		Not applicable	
CHAPTER IV LEGAL CONSEQUENCES UPON OPENING A CASE Article 23 Legal Effects of Opening a Bankruptcy Case 1. The opening of the case has the following legal effects: 1.1. creates the bankruptcy estate; 1.2. confers the court with exclusive jurisdiction over the bankruptcy estate and over the debtor;		Not applicable	

1.3. operates as a moratorium of proceedings, as set forth in the next Article; 1.4. in a liquidation case, divests the debtor of control of all its property; 1.5. in a reorganization case in which an Administrator is not requested, vests in the debtor all of the powers and duties of a debtor in possession; and 1.6. in a reorganization case in which an Administrator is requested, divests the debtor of control of all of its property and vest control in the Administrator. 2. Upon opening of a case, the court shall: 2.1. within two (2) days notify the business registry, the pledge registry, mortgage registry, commercial banks, publicly owned enterprises, Chamber of Private Enforcement Agents, the credit registry at the Central Bank, tax administration and other relevant subjects of the case's opening. The form of notice must be in writing. Upon receipt of notification, the business registry, pledge registry, mortgage registry, commercial banks, credit			

registry and tax administration shall note the opening of the case in the registries; 2.2. publish the notification in Court's web page; 2.3. if a liquidation case, appoint an Administrator in accordance with this law; 2.4. set the time, date, and place of the first meeting of creditors for a date not later than fifteen (15) days after the opening of the case; and 2.5. issue a notice of the Administrator's appointment and of the date, time, and place of the first meeting of creditors. 3. After receiving the notice from the court, the business register, the pledge register, the mortgage register, the commercial banks, the credit register, the Chamber of Private Enforcement Agents and the tax administration will mark in their registers the beginning of the bankruptcy procedure. 4.The court may set a preliminary court hearing ten (10) days after the scheduled first meeting of creditors to determine the case status and the results of the meeting of creditors. The court			

orders the debtor, or its authorized representative, to attend. Article 24 Moratorium and termination of all actions against debtor 1. Except as provided in this Law, a petition filed for initiation of bankruptcy procedure initiated under Chapter III of this Law shall operate as a stay and injunction, without notice, applicable to all entities, of each of the following: 1.1. the commencement or continuation of any aspect of a judicial, administrative, or other action or proceeding related to the debtor's business activities against the debtor or its property including any freezing or locking of any bank accounts and that was or could have been commenced before the opening or commencement of the case; 1.2. the enforcement, against the debtor or against property of the bankruptcy estate, of a judgment obtained before the opening or commencement of the case to the extent related to the debtor's business activities;		Not applicable	

1.3. any act to obtain possession of property of the bankruptcy estate or of property from the estate or to exercise control over property of the bankruptcy estate; 1.4. any act to create, perfect, or enforce any lien against property of the bankruptcy estate; 1.5. any act to create, perfect, or enforce against property of the debtor any lien to the extent that such lien secures a claim that arose before the commencement of bankruptcy proceeding, and to the extent it relates to the business activities of the debtor; 1.6. any act to collect, assess, or recover a claim against the debtor to the extent that it relates to the debtor's business activities and to the extent that such claims arose before the commencement of bankruptcy proceedings; and 1.7. the setoff of any claim owing to the debtor and related to the debtor's business activities that arose before the commencement of bankruptcy proceeding against any claim against the debtor.			

1.8. any enforcement, mediation or arbitration procedure. Article 25 Exemptions from Stay 1.The commencement of bankruptcy proceedings under this Law does not operate as a stay or injunction against any of the following: 1.1. the commencement or continuation of a criminal action or proceeding against the debtor; 1.2. the commencement or continuation of any action or proceeding against an individual debtor related to any domestic or family matter, including, without limitation, any proceedings in or related to divorce except to the extent such action seeks to divide or allocate property used for business activities to satisfy or pay nonsupport debt or to effectuate a property settlement, for paternity, or for child or spousal support; 1.3. procedures related to violations of laws on environmental protection, health or safety;	Article 8 Third parties' rights in rem’ 1. The opening of insolvency proceedings shall not affect the rights in rem of creditors or third parties in respect of tangible or intangible, moveable or immoveable assets, both specific assets and collections of indefinite assets as a whole which change from time to time, belonging to the debtor which are situated within the territory of another Member State at the time of the opening of proceedings. 2. The rights referred to in paragraph 1 shall, in particular, mean: (a) the right to dispose of assets or have them disposed of and to obtain satisfaction from the proceeds of or income from those assets, in particular by virtue of a lien or a mortgage; (b) the exclusive right to have a claim met, in particular a right guaranteed by a lien in respect of the claim or by assignment of the claim by way of a guarantee;	Partially complaint	

1.4. an audit or financial control by the tax administration to determine but not enforce a tax liability; 1.5. actions or proceedings filed against third parties which relate to any claim against the debtor, including, without limitation, actions against any entity which guaranteed any claim against the debtor or its property or against a general partner of a debtor that is a general or limited partnership; 1.6. the presentment but not the payment of a negotiable instrument and the giving of notice of and protesting dishonor of such an instrument; Article 26 Limited Duration 1.The stay provided by this Law shall expire one hundred and twenty (120) days after the opening of a case, or after the debtor receives a discharge, whichever first occurs, unless extended as provided by this law. 2.The stay may be extended beyond one hundred and twenty (120) days, but only if the court finds that the bankruptcy estate representative has	(c) the right to demand assets from, and/or to require restitution by, anyone having possession or use of them contrary to the wishes of the party so entitled; (d) a right in rem to the beneficial use of assets. 3. The right, recorded in a public register and enforceable against third parties, based on which a right in rem within the meaning of paragraph 1 may be obtained shall be considered to be a right in rem. Paragraph 1 shall not preclude actions for voidness, voidability or unenforceability as referred to in point (m) of Article 7(2).		

met the burden of establishing, by proof, the need for further time to effectuate the purposes of this law. In no event, however, may the stay extend beyond one (1) year after the opening of a case. 3.After the passage of the allowed duration of the moratorium according to paragraph 1 and 2 of this article, with the proposal of the creditor, the regular judicial and enforcement procedures will continue for the realization of claims without any restrictions. 4.During the pendency of the stay provided by this Law, all limitation periods for legal actions against the debtor that are prohibited by the stay shall be suspended. The running of such periods of limitations shall resume when the stay no longer applies. Article 27 Termination or Modification of Stay 1.At the request of a party in interest, the court may terminate, modify, condition, annul, or amend the stay provided by this Law before it expires in any of the following circumstances:		Not applicable	

1.1. the debtor fails to provide any protection of value that the creditor proves was validly and reasonably requested by the creditor to protect its lien; or 1.2. the creditor proves that the amount secured by the lien exceeds the value of the property subject to the lien, and that either: 1.2.1. the case is a liquidation case; or 1.2.2. the bankruptcy estate representative fails to prove that the property subject to the lien is necessary to an effective reorganization under the law. 2. Upon request of a party in interest, the court, with or without a hearing, shall grant such relief from the stay provided by this Law as is necessary to prevent irreparable damage to the interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under this Article. Article 28 Duties of Debtor for Cooperation 1. In addition to the specific disclosure requirements pursuant to Article 30 of		Not applicable	

this Law and cooperation requirements set in this law, the debtor shall have an overriding duty of good faith and complete disclosure when undertaking compliance with this law. 2. The debtor shall not be allowed to provide any information to the court or to creditors that is false or misleading, or omit to provide any information if the omission of that information would tend to make the information provided misleading or inaccurate. Article 29 Presentment of information 1. If a debtor files the petition in bankruptcy, the debtor shall also concurrently file official documents signed and sealed by the debtor that contain: 1.1. a list of all known creditors that exists, along with contact information for each of them; 1.2. a list of all known claims against the debtor, together with the amount of the claim, the approximate date it was incurred, and whether the claim is disputed, contingent, or unmatured;		Not applicable	

1.3. a list of all the debtor's assets, together with a good faith estimate of the value of each such asset. If an asset is tangible, the debtor shall indicate where the asset can be found; if the asset is intangible, the debtor shall indicate the obligor, if any, related to the asset and the obligor's contact information; 1.4. a list of all transactions out of the ordinary course of business, to which the debtor was a party or from which the debtor benefited, made or transacted within the two years preceding the commencement of bankruptcy proceedings. With respect to each such transaction, the debtor shall also indicate the date of the transaction, and the identity and contact information of all parties to the transaction (along with an indication of whether any such party is an insider); and 1.5. a list of all transactions involving the exchange of value more than nine hundred and ninety-nine (999) Euro , to which the debtor was a party or from which the debtor benefited, made within the year preceding the commencement of bankruptcy proceeding. With respect to each such transaction, the debtor shall also		Not applicable	

indicate the date of the transaction, and the identity and contact information of all parties to the transaction along with an indication of whether any such party is an insider. 1.6. All registered names and trade names under which it has operated in the last five (5) years. 2. If creditors file a bankruptcy petition, they must also file with the petition as much of the information required by the previous paragraph of this Article as they know or can reasonably ascertain. 3. If a creditors' bankruptcy petition for opening of a bankruptcy case is accepted by the Court, the debtor is obliged shall provide the Court with all the information in paragraph 1 of this Article within ten (10) days of the opening of the case. 4. In case the reasonable consequences exist, the court may extend the term foreseen in paragraph 3 of this Article for another ten (10) days. 5.All lists and information required to be filed by this Article shall be a matter of public record and available to the public, although the court may, upon request of the debtor, seal or prevent the			

disclosure of such information as the debtor may prove to be: 5.1. trade secret or other confidential research, development, or commercial information, the disclosure of which would tend to reduce the value of property of the bankruptcy estate; 5.2. scandalous or defamatory materials; or 5.3. should be kept confidential according to an applicable Law. Article 30 Cooperation of the debtor with Bankruptcy Administrator 1. The debtor shall cooperate with the Administrator in all matters, and shall provide without delay access to all documents and information concerning the debtor's activity and resources, no later than 15 days from the date of receipt of the request by the Bankruptcy Administrator, including all information regarding the claims, property, and transactions disclosed in the previous Article. 2. In case the debtor does not offer cooperation and access to the data			

according to paragraph 1 of this article, the court imposes a fine from five hundred (500) euros to five thousand (5000) euros. 3. The bankrupt administrator during the work, is obliged to handle the data to which he has access, according to the relevant legislation in force that refers to the protection of personal data and trade secrets as well as confidentiality. Article 31 Sale and Use of Assets 1. The bankruptcy estate representative may not make any transfer on account of or in satisfaction of any claim that arose before the commencement of bankruptcy proceedings except as may be authorized by the court or this Law. 2. According to the conditions set paragraph 1 of this Article, the bankruptcy estate representative may sell, use, or lease property which is part of the bankruptcy estate in the ordinary course of business, if the sale, use or lease of that property is a part of ordinary course of business, without the need to obtain court approval.	Article 10 Reservation of title 1. The opening of insolvency proceedings against the purchaser of an asset shall not affect sellers' rights that are based on a reservation of title where at the time of the opening of proceedings the asset is situated within the territory of a Member State other than the State of the opening of proceedings. 2. The opening of insolvency proceedings against the seller of an asset, after delivery of the asset, shall not constitute grounds for rescinding or terminating the sale and shall not prevent the purchaser from acquiring	Not applicable	

3.With court approval, the bankruptcy estate representative may sell, use, or lease property of the bankruptcy estate out of the ordinary course of business. 4.Subject to the provisions of this paragraph, the bankruptcy estate representative may sell estate property in which an entity other than the estate has an interest: 4.1. any sale of property of the bankruptcy estate in which an entity other than the debtor or the estate holds an interest is conditioned upon the estate's proof that it has provided protection of value to such non-debtor; 4.2. unless the court for cause orders otherwise, if the bankruptcy estate representative proposes to sell estate property in which another entity holds a lien, the estate must permit the entity holding the lien to bid at such sale, and, if the holder of such claim purchases such property, such holder may offset such claim against the purchase price of such property. 5. The bankruptcy estate representative may sell property of the bankruptcy estate so that the buyer takes it free and clear of any interest in such property of	title where at the time of the opening of proceedings the asset sold is situated within the territory of a Member State other than the State of the opening of proceedings. 3. Paragraphs 1 and 2 shall not preclude actions for voidness, voidability or unenforceability as referred to in point (m) of Article 7(2).	Partially complaint	

an entity other than the estate, but only if the bankruptcy estate representative proves: 5.1. applicable legislation permits sale of such property free and clear of such interest; 5.2. the buyer consents; 5.3. such interest is a lien and lien holder's interest in such property attaches to the proceeds of sale; or 5.4. such interest is in the contentious procedure. Article 32 Post-Filing Financing of the Bankruptcy Estate 1. Unless the court orders otherwise, the bankruptcy estate representative may obtain unsecured credit and incur unsecured debt in the ordinary course of business allowable as an administrative expense. 2. The court may authorize the bankruptcy estate representative to			

obtain unsecured credit or to incur unsecured debt other than under paragraph 1 of this Article which is allowable as an administrative expense. 3. If the bankruptcy estate representative is unable to obtain unsecured credit allowable as an administrative expense, the court may authorize the obtaining of credit or the incurring of debt as an administrative expense: 3.1. with priority over any or all administrative expenses; 3.2. secured by a lien on property of the bankruptcy estate that is not otherwise subject to a lien; or 3.3. secured by a lien on property which is part of the bankruptcy estate that is secured previously a lien, provided that the new lien not to have priority towards the existing lien. 4. Any credit extended in accordance with this Article shall not be declared void, voidable or unenforceable as an act detrimental to the general body of creditors at any later time. Article 33			

Contracts with Performance Still Due by Both Parties 1.Unperformed contracts referred to in this Article are those contracts of the debtor which, at the time of the opening of the case, have been unperformed by both the debtor and the other party to the contract that the non-performance by either party would constitute a breach according to applicable Law in Kosovo. 2.The bankruptcy estate representative shall accept, reject, or assign an unperformed contract. The bankruptcy estate representative must obtain court approval of its decision to accept, reject, or assign any unperformed contract. 3.The court shall approve the bankruptcy estate representative's decision if the bankruptcy estate representative proves that the decision was made in the exercise of the bankruptcy estate representative's good faith business judgment, and that all other requirements of this article have been met. Regarding the request of the representative of the bankrupt estate, the Court decides within the deadline of		Not applicable	

15 days from the date of submission of the request. 4. If the bankruptcy estate representative: 4.1. accepts an unperformed contract, the estate becomes liable for all performance obligations under the contract, and any liability under the contract shall be an administrative expense; and 4.2. rejects or assigns an unperformed contract, the bankruptcy estate is no longer liable for any future performance obligations under the contract, and any liability under the contract shall be treated as if it arose immediately before the opening of the case. A rejection is only a breach of the unperformed contract; it does not rescind or other invalidate it. 5. The estate representative may assume or assign an unperformed contract under which the debtor was in default only if the estate promptly: 5.1. the representative cures the default enforcing the obligation;		Not applicable	

5.2. compensates the non-debtor party for any damages or injury that party sustained due to such default; and 5.3. provides proof of adequate assurance of any future unperformed obligations under the contract. 6. The estate representative may not assume or assign a contract if: 6.1. the contract was, or contained as a material part, a promise to make a loan or other financial accommodation; 6.2. an applicable law excuses a party, other than the debtor, from accepting performance from or rendering performance to an entity other than the debtor or the debtor in possession, and the non-debtor party does not consent to the assumption or assignment. 7. Any provision in an unperformed contract or applicable law that provides that a non-debtor party may terminate or modify it solely because of a provision in such unperformed contract that is conditioned on: 7.1. the debtor is in a bad financial situation or in bankruptcy; or			

7.2. the commencement of bankruptcy proceedings under this law, shall not be effective against the estate or the bankruptcy estate representative. 8. Any provision in an unperformed contract or applicable law that prohibits, restricts, or conditions the debtor's assignment of the unperformed contract shall not be effective against the bankruptcy estate representative. 9. If the unperformed contract is a lease of real property or a license of intangible property, and the debtor is the lessor or licensor, then the non-debtor party, upon any rejection, shall have the option to continue in possession, or continue to use, the object of the unperformed contract. 10.Continued use or possession, however, shall be conditioned on the non-debtor's performance of its obligations under the rejected contract, such as the obligation to pay rent or a license fee. 11.The bankruptcy estate representative, however, shall be not be required to perform any unperformed obligations under such rejected unperformed contract, and the non-			

debtor party may offset any damages it may incur due to the rejection against any obligations it retains under the unperformed contract. 12.The bankruptcy estate representative shall make the determination to accept or reject an unperformed contract by the earlier term after the confirmation of a reorganization plan until the latest deadline that is the time before the closing of the case. Article 34 Abandonment of Burdensome Assets to bankruptcy estate 1. Upon request of the bankruptcy estate representative, the court may allow the bankruptcy estate representative to abandon, to any party with an interest, any burdensome property. 2. On request of a party in interest, the court shall order the bankruptcy estate representative to abandon any burdensome property to bankruptcy estate. 3. Unless the court orders otherwise, any property scheduled by the debtor under Chapter IV of this Law and which			

is not otherwise administered at the time of the closing of a case is abandoned to the debtor. 4. Unless the court orders otherwise, property of the bankruptcy estate that is not abandoned under this Article and is not otherwise subject to disposition under the terms of this law remains property of the bankruptcy estate. Article 35 Cancellation of certain transfers 1. The representative of the bankruptcy estate may request from the Court the cancellation of the completed transactions and return the assets transferred before the initiation of the bankruptcy procedure in accordance with the provisions of this law. 2. For the purposes of this law, the cancellation of certain transfers means the removal or cancellation of transactions which are retroactively declared without legal effects and the beneficiary of the transfer is considered to have received nothing from the debtor.			

3. Regarding the cancellation of the transaction from paragraph 1 of this article, the Court decides with a ruling. 4. Regarding the decision of the Court according to paragraph 3 of this article, an appeal can be filed in the chambers of the second instance of the Commercial Court within 7 days from the date of acceptance of the decision. Article 36 Turnover 1. The bankruptcy estate representative shall have the power to recover by action, or to demand and receive the turnover of, any property of the bankruptcy estate held as of the opening of the case by an entity other than the debtor. 2. Any person in possession or control of property of the bankruptcy estate shall deliver to the bankruptcy estate representative, and account for, such property or the value of such property, subject to the representative of the estate providing protection of value. 3. An person that owes a debt that is property of the bankruptcy estate and that is matured, payable on demand, or payable on order, shall pay such debt in		Not applicable	

total to, or to the order of, the bankruptcy estate representative. Article 37 Preferences 1. Subject to the defenses set forth in paragraph 3 of this Article, the bankruptcy estate representative may request as per Article 35 of this Law, to nullify a transfer to the extent it: 1.1. was made before commencement of bankruptcy proceeding; 1.2. was made to a creditor or for the benefit of a creditor such as payment that had the effect of reducing the exposure on a guaranty on account of a debt that was incurred before the transfer; 1.3. was made while the debtor was insolvent; 1.4. was made within one hundred and twenty (120) days of the commencement of bankruptcy proceeding, however, that if the transferee was an insider, it was made within three hundred and sixty-five		Not applicable	

(365) day period of the commencement of bankruptcy proceeding; and 1.5. enabled the transferee to receive more from the debtor and bankruptcy estate that it would have had the transfer not been made and the transferee had received only a dividend in a liquidation case. 2. The transfer shall not be qualified according to paragraph 1 sub-paragraph 1.5 of this Article, if it was made: 2.1. to a secured creditor at a time when the value of its collateral was more than the amount of the secured creditor's claim; 2.2. to a creditor holding a secured claim whose collateral is worth less than its total claims, but only to the extent that the amount of the transfer exceeded the value of the difference between the creditor's total claims and the value of the creditor's collateral; and 2.3. to a creditor with priority of payment over general unsecured creditors to the extent that the estate is not administratively insolvent.		Not applicable	

3. A beneficiary has a complete defense to an action seeking to avoid a transfer under paragraph 1 of this Article to the extent that: 3.1. the transfer was made in the debtor's ordinary course of business; 3.2. the transfer was a lien, and lien was given to enable the debtor to acquire the property subject to the lien; or 3.3. the transfer was in the nature of court-ordered for payment of alimony or crime victim compensation. 3.4. The transfer was made as a result of a final Executive Order or a final Court decision, in which procedure the beneficiary was a creditor who had transferred the property in his own name according to the Law of Enforcement Procedure. 4. For purposes of this Article: 4.1. the debtor shall be presumed to be insolvent during the one hundred and twenty (120) day period before the commencement of bankruptcy proceeding; and		Not applicable	

4.2. the bankruptcy estate representative must prove the existence of all of the elements of paragraph 1 of this Article. 5. The beneficiary must prove the entitlement to a defense under paragraph 3 of this Article in order to establish its defense. Article 38 Fraudulent or Uncommercial Transfers 1. The bankruptcy estate representative may request from the Court to nullify a non-commercial transfer or an obligation of the debtor to the extent that it: 1.1. was made by the debtor with the intent to hinder, delay, or defraud creditors within two (2) years from the commencement of bankruptcy proceedings. 1.2. was made for less than reasonably equivalent value while the debtor: 1.2.1. the debtor was insolvent; or 1.2.2. had insufficient capital or reserves to pay reasonably anticipated obligations; and			

1.2.3. was made within two (2) years of the commencement of the bankruptcy proceeding. 2. A transferee of a transfer or an oblige on an obligation that takes for value and in good faith has a lien on or may retain any interest transferred or may enforce any obligation incurred, as the case may be, to the extent that such transferee or oblige gave value to the debtor in exchange for such transfer or obligation. 3. For purposes of this Article, "value" means property, or satisfaction or securing of a present or antecedent debt of the debtor, but does not include an unperformed promise to furnish support to the debtor or to a close relative of the debtor; Article 39 Improper or Incomplete Security Interests or Mortgages 1. The bankruptcy estate representative may avoid any creditor's lien if:			

1.1. an applicable law requires the registration of the lien in any public registry; and 1.2. the creditor had not, as of the commencement of bankruptcy proceeding, taken all steps necessary to provide such notice. Article 40 Status of Execution Creditor The bankruptcy estate representative shall have the status of a supposed execution creditor from the moment of commencement of the bankruptcy procedure, and shall have the supposed priority with respect to the claims of all creditors to the same extent as the debtor would have if he would not have commenced the bankruptcy proceeding. Article 41 Unauthorized Transfers after the Filing of the petition for bankruptcy 1.Except as provided in sub-paragraph 1.2 of this Article, the bankruptcy estate representative may request to avoid a		Not applicable	

transfer of property of the bankruptcy estate: 1.1. that occurs after the commencement of bankruptcy proceeding; and 1.2. that was not authorized under this Law or by the court; 1.3. in a case commenced by creditors, the bankruptcy estate representative may not avoid a transfer made after the commencement of bankruptcy proceeding but before the case is opened to the extent the transferee gave any value in exchange for such transfer. Article 42 General Defenses 1. To the extent that a transfer is avoided under this law, the bankruptcy estate representative may recover, for the benefit of the estate, the property transferred, or, if the court so orders, the value of such property, from: 1.1. the initial transferee of such transfer or the entity for whose benefit such transfer was made; or			

1.2. any transferee of such initial transferee, or anyone whose title to the property traces to or derives from the transfer to initial transferee. 2.The bankruptcy estate representative may not recover under sub-paragraph 1.2 of paragraph 1 of this Article from: 2.1. a transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith, and without knowledge that the transfer could be nullified under this Law; or 2.2. any good faith transferee of such transferee. 3. A good faith transferee from whom the bankruptcy estate representative may recover under paragraph 1 of this Article has a lien on the property recovered to secure the lesser of: 3.1. the cost, to such transferee, of any improvement made after the transfer, less the amount of any profit realized by or accruing to such transferee from such property; and		Not applicable	

3.2. any increase in the value of such property as a result of such improvement, of the property transferred. 4.The bankruptcy estate representative is entitled to the compensation of one of the rights foreseen under this article, but I cannot claim the compensations foreseen in a cumulative way. Article 43 Compensating Experts 1. After notice to the parties in interest the court may award to an expert employed under this Law: 1.1. reasonable compensation for actual, necessary services rendered by the expert, or by any other expert employed by any such person; and 1.2. reimbursement for actual, necessary expenses. 2. The court may, on its own motion or on the motion of any party in interest, award compensation that is less than the amount of compensation requested by the expert.		Not applicable Not applicable	

3. In determining the amount of reasonable compensation to be awarded to an expert, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including: 3.1. the time spent on such services; 3.2. the rates charged for such services; 3.3. whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a bankruptcy proceeding; 3.4. whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and 3.5. whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this Law. The		Not applicable	

compensation of experts may not be reduced because creditors may not be paid in full. 4. The court shall not allow compensation for: 4.1.unnecessary duplication of services; or 4.2. services that were not reasonably likely to benefit the bankruptcy estate or were not necessary to the administration of the case. 5. If the court grants the expert´s request for fees and reimbursements, the amounts so approved shall be administrative expenses. 6.The compensation of the expert will be made in accordance with the provisions of the Law in force on Judicial Experts.			

		Not applicable	

CHAPTER V CREDITORS' CLAIMS Article 44 Acceleration of Maturity of All Claims The opening of a case shall accelerate the maturity of all unmatured claims to the date the case was opened. Article 45 Definition of Secured Claim 1. A claim is a secured claim only to the extent of the value of the collateral securing its repayment. 2. To the extent that a creditor's claim exceeds the value of the creditor's collateral, the creditor holds an unsecured claim for the excess. 3.If a party in interest disputes the amount of a secured claim the court: 3.1. shall value a creditor's collateral as of the opening of the case;	Article 45 Exercise of creditors' rights 1. Any creditor may lodge its claim in the main insolvency proceedings and in any secondary insolvency proceedings. 2. The insolvency practitioners in the main and any secondary insolvency proceedings shall lodge in other proceedings claims which have already been lodged in the proceedings for which they were appointed, provided that the interests of creditors in the latter proceedings	Not applicable Partially complaint	

3.2. shall determine such value in light of the purpose of the valuation and of the proposed disposition or use of such collateral; 3.3. determines the value of the collateral in a hearing, where the creditor affected by the assessment can provide information about the nature of the use of the collateral or the plan that may directly affect the creditor. Article 46 Setoff of claims 1. After the commencement of bankruptcy proceedings, a creditor may set off a claim against the debtor with a claim it owes the debtor only as provided in this Article. 2. Other than for setoffs involving bank accounts, a creditor may setoff a mutually held claim against the debtor if that claim: 2.1. was in existence within the six (6) months prior to the opening of the case; and 2.2. the creditor provides written notice of the setoff to the bankruptcy estate	are served by doing so, subject to the right of creditors to oppose such lodgement or to withdraw the lodgement of their claims where the law applicable so provides. 3. The insolvency practitioner in the main or secondary insolvency proceedings shall be entitled to participate in other proceedings on the same basis as a creditor, in particular by attending creditors' meetings. Article 45 Exercise of creditors' rights 1. Any creditor may lodge its claim in the main insolvency proceedings and in any secondary insolvency proceedings. 2. The insolvency practitioners in the main and any secondary insolvency proceedings shall lodge in other proceedings claims which have already been lodged in the proceedings for which they were appointed, provided that the interests of creditors in the latter proceedings are served by doing so, subject to the right of creditors to oppose such lodgement or to withdraw the	Partially complaint	

representative before the expiration of the period to file proofs of claim. 3. With respect to bank accounts: 3.1. a bank may not setoff, after the opening of the case, any claim the bank owes the debtor such as a bank account against any claim the debtor owes the bank; 3.2. if the bank set off any balance in a bank account against any claim owed to it by the debtor during the six (6) months prior to the opening of the case, the bank shall return to the estate the difference between: 3.2.1. the deficiency existing six months prior to the opening of the case defined as the amount by which the claim owed to the bank exceeded the account balance after setoff; and 3.2.2. the deficiency calculated as in the prior paragraph immediately after the setoff. 4. Claims that have arisen prior to the opening of the case shall not be set off against claims that have arisen after the case is opened.	lodgement of their claims where the law applicable so provides. 3. The insolvency practitioner in the main or secondary insolvency proceedings shall be entitled to participate in other proceedings on the same basis as a creditor, in particular by attending creditors' meetings.		

5.For the purposes of this article, compensation of claims is not considered payment of regular obligations arising from loan agreements. Article 47 Creditors' Duty to File Proofs of Claim 1.Each creditor must file a proof of claim with the court to establish the validity and amount of its claim. 2.The court provides the parties with a specific form for registration of the claim and proves on existence of the claim. In absence of a specific form, the creditors shall file at the court a written statement which is considered statement under oath: 2.1. describing the claim, including whether it is claim as unsecured, priority, or secured; 2.2. setting forth its exact amount as of the date of the opening of the case; 2.3.appending, if available, accurate and complete copies of the documents related to the claim or to any security related to such claim.		Not complaint	

3. If the creditor fails to provide proofs of claim, it will not be able to: 3.1. share in any distribution of property of the bankruptcy estate to creditors; 3.2. serve on any creditors' committee; or 3.3. vote on any plan of reorganization. 4. In a liquidation case, a creditor must file a proof of claim within sixty (60) days of the date of the notice of the opening of the bankruptcy proceeding. 5. In a reorganization case, unless the court orders otherwise according to the needs of the reorganization, a creditor must file a proof of claim within thirty (30) days of the date of the notice of the opening of the bankruptcy proceeding. 6. Within thirty (30) days of the deadline for filing proofs of claim as provided in paragraphs 4 and 5 of this Article has passed, the bankruptcy estate representative may file a proof of claim on behalf of any creditor. Such filing must be made in good faith.			

7. The claims register shall be open to the public when the court is open, and the court shall allow for reasonable procedures for the inspection and copying of all documents contained in the register. Article 48 Claim Procedure 1. A proof of claim filed in accordance with this law shall constitute presumptive proof of the validity and the amount of a creditor's claim, and of any security for that claim. If there is no objection to the claim, the creditor needs to take no further action to establish any part of the claim, and the claim shall be deemed allowed. 2. A party in interest may object to a proof of claim. 3. If a party in interest objects to a proof of claim, the court shall determine the validity and amount of the claim in euros according to applicable Laws, as of the date of the opening of the bankruptcy case. 4. The objecting party shall prove its objection. Unless otherwise requested by the party objecting to a claim or as		Not applicable	

ordered by the court, the presumption of validity of a proof of claim persists until a court ruling to the contrary. 5. The court shall not allow a claim in addition to the grounds for objection of the claim defined in paragraph 3 of this Article that is based on: 5.1. unmatured interest as of the date of the opening of the case; or 5.2. a proof that has not been filed within the legal deadlines foreseen by this Law. 6. The court shall estimate for purpose of allowance under this Article: 6.1. any contingent or unliquidated claim, the fixing or liquidation of which, as the case may be, would unduly delay the administration of the case; or 6.2. the value of any right of performance arising from a right to a remedy for breach of performance. 7. The court shall disallow any claim for reimbursement or contribution of an entity that is liable with the debtor on or			

has secured the claim of a creditor, to the extent that: 7.1. such creditor's claim against the estate is disallowed; 7.2. such claim for reimbursement or contribution is contingent as of the time of allowance or disallowance of such claim for reimbursement or contribution; or 7.3. such entity asserts a right of subrogation or assignment at law to the rights of such creditor. 8. The court shall disallow any claim of any entity from which property or damages are recoverable under Chapter IV of this law, or that is a transferee of a transfer avoidable under Chapter IV of this Law, unless such entity or transferee has paid the amount, or turned over any such property, for which such entity or transferee is liable. Article 49 Final Claims List 1. In a liquidation case, no later than ten (10) days after resolution of all claim objections, the Administrator shall compile and submit to the court a final			

list of claims, indicating their amount and status. 2. The Administrator shall also transmit the final claims list to the debtor and the creditors' committee, if one has been formed. 3. If no objection to the list is filed within thirty (30) days of submission to the court, then the list shall be deemed to be final for all purposes. 4. As a plan of reorganization deals with all claims, the confirmed plan of reorganization shall constitute the final list of claims and the bankruptcy estate representative does not need to file any additional final list of claims in a reorganization case. 5. All claims included in the list of creditors may be contested by the bankruptcy debtor or creditors within 10 days from the date of receipt of the list by the bankruptcy administrator. Creditors who have requested the recognition of their claims by the bankruptcy administrator or the supervisor, as well as those whose claim has been suggested to be rejected, may object to the list of creditors.		Not applicable	

6. The objection may refer to the inclusion or non-inclusion of a claim in the list, the amount recognized or the classification of the claim. The objection is submitted in writing and is accompanied by documents proving these objections. The party objecting to the list may request that a hearing be convened to give oral evidence only if necessary. The court may grant or deny this request based on the evidence in the case. 7. The party, which disputes a claim included in the list of creditors, submits the claim to the court. The court notifies the bankruptcy administrator and the relevant creditor who objects to the list. The administrator and the creditor have 10 days from the date of notification to respond to the arguments made in the relevant objection. The administrator has the duty to respond to any objection. If the administrator agrees with the objection, he communicates this officially to the court and changes the list of creditors case by case. 8. The court decides on all objections within 15 days from the moment of receiving the administrator's response. 9. As a general rule, opposition to a request does not suspend the normal			

development of the bankruptcy procedure. If the disputed claims affect more than 25 percent of the total claims included in the initial list of creditors, the court may temporarily suspend all or part of the procedure, for the time necessary to resolve the objections. Article 50 Distributions of Property of the Bankruptcy Estate to Creditors 1.The bankruptcy estate representative, with prior approval of the Court shall distribute property of the bankruptcy estate to creditors in respect of the claims as soon as conditions are fulfilled for such distribution. 2. The representative of the bankruptcy estate make the distribution in different periods of time, with the approval of the Court, in the event that is considered reasonable and effective to make the distribution in those periods. 3. Exceptionally, the representative of the bankrupt estate, with prior approval from the Court, makes the distribution in different periods of time in cases where this distribution cannot be made simultaneously in its entirety.			

4. When making such distributions, the representative of the insolvent estate keeps a reasonable reserve for possible claims that may arise as a result of a decision expected to be made by the court in relation to those claims. 5. The representative of the insolvent estate shall make the distribution in accordance with the distribution priorities defined in this law. 6. Only allowed claims can be satisfied from the bankruptcy estate. Article 51 Secured Claims and In Rem Claims of Other Entities 1. Subject to the provisions of this Article, a court decision or the interests of an ongoing reorganization case, the bankruptcy estate representative shall transfer any property of the bankruptcy estate in which another entity has an interest or a lien to the appropriate entity. If the bankruptcy estate has positive interests in that property, the bankruptcy estate representative may recover such positive value according to the applicable Laws in Kosovo.		Not applicable	

2. In a reorganization proceeding, the reorganization plan shall govern the distribution of any property in which an entity other than the debtor has an interest. 3. If more than one (1) entity claims an interest in property of the bankruptcy estate, the bankruptcy estate representative may request that the court direct the transfer of the property to the appropriate party. 4. The bankruptcy estate representative may, in appropriate circumstances, request that the court order the sale or other disposition of property in which the estate and another entity has an interest, with the bankruptcy estate representative distributing the proceeds of such sale in accordance with the respective interests of the various entities in the property, or as the court may direct. Article 52 Protection of secured creditor from late sale 1. If the bankruptcy court has taken a temporary measure, prohibiting any secured creditor from selling an asset before the commencement of bankruptcy proceedings, the creditor		Not applicable	

shall be paid any accrued interest on the value of the debt owed to the creditor, by starting from the date of the request, but not less than 3 months after the start of the bankruptcy procedure. This provision does not apply if the amount and value of the creditor's claim and any other liability based on the value of the property cannot be covered by the proceeds of the sale for the payment of creditors. 2. At any time during the 3-month period, the court may remove the restrictions and order other security measures if the secured creditor proves that the value of the collateral is not being adequately protected. Article 53 Distribution of income If the administrator transfers to the secured creditor an asset in order for the asset to be sold by the secured creditor, once sold, the latter shall transfer to the bankruptcy administrator the amount necessary to cover any tax liabilities (if applicable) arising from the sale of the property. Article 54 Unsecured Claims			

Unsecured claims have priority in liquidation over equity interests, and the Administrator may make a distribution for such unsecured claims after it has satisfied or reserved adequately against all secured claims. Article 55 Priorities among Unsecured Claims 1. All unsecured claims are presumed to have the same priority for purposes of distribution in any case unless otherwise specified in this law. The following are the only priorities among unsecured creditors recognized by this Law: 1.1. administrative expenses are paid first; 1.2. second, Domestic Relations and Restitution of Victims Claims are paid; 1.3. third, employment claims are paid; 1.4.. fourth, tax claims are paid. 1.5.the last, any other unsecured claim is paid		Not applicable	

Article 56 Administrative Expenses 1. The Administrator shall pay administrative expenses as first priority claims among unsecured claims. 2. Administrative expenses may include, but are not limited to, claims for: 2.1. unpaid wages accrued after the opening of the case; 2.2. tax liabilities accumulated since the opening of the bankruptcy case; 2.3. claims related to loans or for credit for which the bankruptcy estate representative has received court approval; and 2.4. the fees and costs of professionals employed with court approval including, without limitation, the compensation of any Administrator or any professional whose employment the court approved to the extent that such fees or costs were incurred after the opening of the case;		Not applicable Not applicable Not applicable ‘	

3.The Administrator shall pay administrative expenses without court approval unless the bankruptcy estate is administratively insolvent. 4. In cases where the bankruptcy estate does not guarantee the coverage of the administrative expenses of the administration of the case, the court, with the proposal of the bankruptcy administrator, may determine the deposit of an adequate amount by the proposer of opening the bankruptcy case, which amount will be deposited in an escrow account of the debtor. 5. The amount specified in paragraph 4 of this article will be considered as a creditor's claim, which will have priority over secured claims, in cases where this amount is deposited by the creditor. Article 57 Domestic Relations and Restitution Claims 1.The Administrator shall pay domestic relations debts and debts arising from a domestic relation of a debtor or a restitution claim as second priority among unsecured claims.		Not applicable	

2.Domestic relations claims shall be considered all those claims arising before the initiation of bankruptcy procedure related to the divorce, custody, alimentation or other issues regulated by the Law on Family. 3.Claims for restitution of victims shall be considered all those claims arising before the initiation of bankruptcy procedure and that relate to the restitution of victims of a criminal activity of the debtor. 4.The administrator may pay domestic relations or restitution claims without court approval unless the bankruptcy estate is administratively insolvent. Article 58 Employment Relationship Claims 1.The Administrator shall pay labor claims as third priority claims among unsecured claims. 2.Employment relationship claims shall be considered all the claims employees raised before the initiation of bankruptcy procedure, for the employees that have been engaged for			

the debtor through the employment contract, in compliance with the provisions of the Law on Labour in Kosovo. Article 59 Tax claims The administrator pays tax claims that were created before the initiation of bankruptcy proceedings as the fourth priority among unsecured creditors. Article 60 Other Payments of Unsecured Claims After the Administrator has paid or reserved for all secured claims and all unsecured claims with priority, it shall make a distribution to remaining unsecured claims. Article 61 Interests in Equity 1.Holders of the interests in equity have the last priority during the distribution, and the bankruptcy estate representative will not make any distribution until there are not paid fully the allowed claims and legal interests or fixed by the court towards those secured or unsecured claims.		Not applicable	

2.The bankruptcy estate representative shall, before the distribution towards the bearers of equity, pay even those claims that are not allowed for the single reason that they are not registered in the court on time. 3.Only after the realization of all the conditions defined in this Article, the bankruptcy estate representative shall make the distribution towards the holders of equity. Article 62 Making Distributions - Pari Passu Principle 1.No distribution to any class of unsecured claims or equity interests shall be made unless creditors holding allowed claims in all classes with a higher priority have been paid in full. 2.A realized distribution shall be considered any kind of payment a creditor has received on an obligation of a debtor from any other source towards the bankruptcy estate. 3.If there are insufficient funds to pay a class of creditors in full, the distribution		Not applicable	

shall be pari passu among class members.		Not applicable Not applicable Not applicable	

		Not applicable	

CHAPTER VI REORGANIZATION Article 63 Debtor in Possession 1. The debtor shall serve as the debtor in possession in a reorganization case unless: 1.1. the debtor requests the appointment of an Administrator, either at the time of the commencement of the bankruptcy proceeding or later; or 1.2. if the court removes the debtor in possession as provided for in this Law. Article 64 Engagement of Professionals by the Debtor in Possession 1.The debtor in possession, with the court's approval, may employ one or	Article 76 Debtor in possession The provisions applicable, under this Chapter, to the insolvency practitioner shall also apply, where appropriate, to the debtor in possession.	Fully compliant Not applicable	

more lawyers, accountants, appraisers, auctioneers, or other professional persons to represent or assist the debtor in possession in carrying out its duties under Chapter VI of this Law. 2. To be considered a professional person under paragraph 1 of this Article the applicant must prove that it: 2.1. does not hold or represent an interest adverse to the estate; and 2.2. is a disinterested person. 3.If two or more debtors are affiliates, the court may approve the employment of common professional persons provided that the court is satisfied that the benefits of common employment outweigh any harm or injury that might result from any potential or actual conflicts of interest. Article 65 Removal of Debtor in Possession 1.The court may remove the debtor in possession on its own motion or upon the request of a party in interest if there is proof that:		Not applicable	

1.1. the debtor committed fraud, dishonesty or other malfeasance before or after the opening of the case; 1.2. the debtor cannot manage its financial affairs in a profitable manner; 1.3. creditors holding a majority of creditors' claims indicate that they wish the debtor removed as debtor in possession. 2.Upon removal, the court shall appoint an Administrator as bankruptcy estate representative. This Administrator shall promptly investigate the business affairs of the estate and make a recommendation to the court and any creditors' committee of the desirability of continuing the case as a reorganization case or shall be converted to liquidation. 3.In the hearing session on determining the Administrator, according to paragraph 2, the court shall issue a ruling by which it:			

3.1. authorizes the Administrator to continue the case as a reorganization case; or 3.2. ordering the case to be converted to a liquidation case. Article 66 Creditors' Committee in the reorganization case 1. Five (5) days of the filing of a reorganization case, the court shall solicit indications of interest from unsecured creditors to serve on a creditors' committee. 2. The court shall decide on the establishment of a creditors' committee if at least three (3) unsecured creditors indicate a willingness to serve in the creditors' committee. 3.The rights and duties of the creditors' committee are:		Not applicable	

3.1. to receive a copy of the any report of the debtor in possession at the same time as the court 3.2. to employ professional persons on the same basis and with the same restrictions as are binding upon the debtor in possession's employment of such persons; 3.3. to receive notice of motions and other requests for court action that are likely to substantially affect the rights of creditors; 3.4. to convene in a session the debtor or its representative that are obliged to answer questions of the creditors' committee regarding the case. Every answer of the debtor or its representative shall be considered declaration under oath; 3.5. to share access to information it has obtained with creditors who are not members of the committee; 3.6. to formulate a recommendation on any plan of reorganization upon which creditors will be asked to vote; and			

3.7. any other rights and duties as the court may specify, so long as such rights are consistent with the provisions of this Law. Article 67 Proposal of Reorganization Plan 1. A party in interest may propose a plan of reorganization only if authorized by this Article. 2. The debtor in possession has the exclusive right to file a plan of reorganization within one hundred and twenty (120) days after the opening of the case. This time limit is interrupted if the debtor in possession files a plan before the expiration of the time limit. 3.The court may shorten or extend the debtor's exclusive period under paragraph 2 of this Article on request of a party in interest if that party in interest proves that such shortening or	Article 47 Power of the insolvency practitioner to propose restructuring plans 1. Where the law of the Member State where secondary insolvency proceedings have been opened allows for such proceedings to be closed without liquidation by a restructuring plan, a composition or a comparable measure, the insolvency practitioner in the main insolvency proceedings shall be empowered to propose such a measure in accordance with the procedure of that Member State. 1. Any restriction of creditors' rights arising from a measure referred to in paragraph 1 which is proposed in secondary insolvency proceedings, such as a stay of payment or discharge of debt, shall have no effect in respect of assets of a debtor that	Fully compliant	

extension will likely enhance the debtor's prospects for successful reorganization. 4. After the expiration of the term foreseen in paragraph 2 of this Article or extension or shortening of the term according to paragraph 3 of this Article, each party in interest shall file a plan of reorganization of the debtor. Article 68 Mandatory and Permissible Contents of the Reorganization Plan The court examines and may approve a reorganization plan only if it is in accordance with the relevant provisions of this law. Article 69 Proposer of the Plan The person, entity who proposes the reorganization plan of the debtor in compliance with this Law shall be known as "the plan proposer". Article 70	are not covered by those proceedings, without the consent of all the creditors having an interest.		

Specification and Classification of Claims 1. A reorganization plan must classify creditors and holders of equity interests. 2. The plan must separate creditors andholders of equity interests into different classes according to their rights and obligations under applicable legislation, subject to the following: 2.1. a plan may place a claim or an interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests of such class. A plan may not place a secured claim in the same class as an unsecured claim or an equity interest, even if the holder of the secured claim also holds an unsecured claim or an equity interest; 2.2. a plan may place unsecured creditors in more than one (1) class so long as there is a business justification for such separate classification. Such a justification may include, but is not limited to, separately classifying a		Not applicable Not applicable Not applicable	

secured creditor's unsecured deficiency claim from the unsecured claims of creditors who supplied or supply the debtor or the estate with goods or services on credit; and 2.3. the proposer of the plan may designate a class. Article 71 Uniform Treatment of Claims within Same Class Within a class, all class members must receive the same treatment unless the plan proponent proves that a particular class member has consented to less favorable treatment than other class members. Article 72 Claim Impairment 1. A plan of reorganization impairs a claim if it alters or affects any aspect of the claim, including, without limitation, by extending any maturity date, by lowering or eliminating interest or principal, or by providing that it should			

be exchanged for another claim or type of property. 2. A plan of reorganization leaves a claim unimpaired if it: 2.1. does not purport to alter or affect the claim in any way; or 2.2. pays the claim in full in cash, with any interest to the date of the case's opening; or 2.3. if the plan proponent: 2.3.1. cures any default existing as of the date the case was opened; 2.3.2. reinstates the original maturity date of the claim if the maturity date had been accelerated; and 2.3.3. compensates the holder of for any damages or injuries the creditor incurred as a result of any default Article 73 Mandatory Provisions that the Reorganization Plan should content		Not applicable Not applicable	

1. The provisions of a reorganization plan must specify: 1.1. any class of claims or equity interests that is not impaired under the plan; 1.2. the proposed treatment for each class of claims that is impaired; 1.3. the debtor's proposal on appointment of its managements and proposal on compensation to be paid to that management; and 1.4. the changes necessary to any internal acts of the debtor if the plan is confirmed. Article 74 Optional provisions of the reorganization plan 1. The provisions of a reorganization plan may:		Not applicable	

1.1. impair or leave unimpaired any class of claims, secured or unsecured, or of equity interests; 1.2. provide for the assumption, rejection, or assignment of any unperformed contract on the same terms and conditions as under Chapter IV of this Law, to the extent that such contract was not previously rejected under such Chapter; 1.3. provide for the following treatment of claims held by the debtor: 1.3.1. the settlement or adjustment of any claim or interest belonging to the debtor or to the estate; or 1.3.2. the enforcement of such claim or interest by the bankruptcy estate representative; 1.4. provide the opportunity of the sale of all the property of the bankruptcy estate and the distribution of the proceeds collected from the sales to the creditors and holders of equity;		Not applicable	

1.5. modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims; and 1.6. include any other appropriate provision not inconsistent with the applicable provisions of this Law. Article 75 Adequate Means to Implement Financial Part of the Reorganisation Plan 1. All plans of reorganization must provide for adequate means for their implementation so that the debtor is not likely to require further financial relief after plan confirmation. Adequate means of implementation include, but are not limited to any one or more of the following: 1.1. retention by the debtor of all or any part of the property of the bankruptcy estate; 1.2. transfer of all or any part of the property of the bankruptcy estate to one or more entities, whether organized			

before or after the confirmation of such plan; 1.3. merger or consolidation of the debtor with one or more persons; 1.4. sale of all or any part of the property of the bankruptcy estate, either subject to or free of any lien, or the distribution of all or any part of the property of the bankruptcy estate among those having an interest in such property of the bankruptcy estate; 1.5. satisfaction or modification of any lien; 1.6. curing or waiving of any default; 1.7. extension of a maturity date, change in interest rates, other terms of financial instrument of credits, other credit securities; or 1.8. issuance of securities of the debtor, or of any entity referred to: 1.8.1. for cash;		Not applicable	

1.8.2. for property; 1.8.3. for existing securities; 1.8.4. for newly issued securities; or 1.8.5. for any other appropriate purpose. Article 76 Procedure for Plan Proposal Disclosure 1.A plan proponent must file a disclosure statement with any plan of reorganization filed. 2.The disclosure statement must contain sufficient information to allow creditors and holders of equity interest to make an informed vote on the plan. Such information will include, but not be limited to, short descriptions or summaries of: 2.1. the reason why the debtor or the bankruptcy estate representative requested reorganization;			

2.2. how the changes to be made by the plan of reorganization will benefit the reorganized debtor; 2.3. why distributions to creditors under the plan will exceed the distributions such creditors could reasonably expect in a liquidation; and 2.4. the reorganized debtor's prospective cash flow for the five (5) year period following the anticipated confirmation, or if creditors will receive all distributions under the plan before the passing of five (5) year period, a summary of prospective cash flow until the last proposed distribution under the plan. 3.Before the plan proponent may distribute the plan of reorganization for a vote, the court must approve the disclosure statement. The court shall approve a disclosure statement if the plan proponent proves that it contains all material information necessary for a reasonable creditor to make an informed decision on whether to accept or reject the plan.		Not Applicable	

4.The court shall not count votes on a plan of reorganization that were solicited before the approval of a disclosure statement. 5.If the court approves the disclosure statement, it will then order the plan proponent to distribute the plan of reorganization, disclosure statement, and ballot to all creditors or equity holders who are entitled to vote on the plan. The decision regarding distribution shall set the date for the return of ballots, the date for any objections to be filed, and the hearing on plan confirmation. 6.The plan proponent need not solicit votes, and need not provide a disclosure statement and plan of reorganization, to any class that is deemed to accept or to reject a plan. Article 77 The Necessary Votes for Acceptance of Plan			

1. A class accepts a plan of reorganization if creditors holding at least fifty percent (50%) of all claims voting in that class accept the plan of reorganization. 2. A class is deemed to accept the plan of reorganization without the need to solicit it if it leaves the claims or equity interests in that class unimpaired. 3.A class is deemed to reject the plan of reorganization without the need to solicit it if it eliminates the claims or equity interests in that class. Article 78 Requirements for Consensual Plan Confirmation 1.Except for cases defined in Article 79 of this Law, a court may confirm a plan of reorganization only if the plan proponent proves: 1.1. the plan of reorganization complies with this Law, and the plan proponent has complied with all provisions of this Law;			

1.2. the plan proponent proposed the plan of reorganization in good faith; 1.3. the plan of reorganization provides that each impaired creditor or equity holder will receive or retain at least as much under the plan as the creditor would have received if the case been a liquidation case; 1.4. the means for implementing the plan of reorganization are adequate, a showing which shall include, but not be limited to, proof that 1.4.1.confirmation of the plan of reorganization is not likely to be followed by the need for the filing of a subsequent case under this Law; and 1.4.2. all payments and distributions under the plan of reorganization will be timely made; and 1.4.3. all classes of claims and equity interests have accepted the plan of reorganization or are unimpaired under the terms of the plan of reorganization. Article 79		Not applicable	

Requirements for Non-Consensual Plan Confirmation 1.A court may confirm a plan of reorganization that is not accepted by all classes only if the plan proponent proves that the plan of reorganization: 1.1.complies with all confirmation requirements set forth in the prior Article except for acceptance by all impaired classes; 1.2. no payment is provided on the full payment of real claims to creditors; 1.3. does not provide for any distribution to a class of creditors or equity holders unless all classes of claims or equity holders which have priority are either paid in full or have accepted the plan. 2.For purposes of this Article, payment in full need not be in cash. A creditor is paid in full if the plan proponent proves that the plan of reorganization provides for distribution of property to a creditor that has a value, as of the date of		Not applicable	

confirmation, equal to the allowed amount of its claim. Property may be any of the following, or a combination of any of the following: 2.1. cash; 2.2. allowed securities; 2.3. moveable or immovable property; or 2.4. equity interests in the debtor or any other entity. 3.If a plan of reorganization proposes to distribute property to a secured creditor in payment in full of the secured creditor's claim, and some or all of the property consists of a note, then payment in full as anticipated by this Article requires that the secured creditor must retain the lien on the collateral securing its claim, or must have a lien on all sales proceeds of its collateral.			
Article 80 Legal Consequences of the Plan Confirmation		Not applicable	

1.The provisions of a confirmed plan of reorganization bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor or equity holder, whether or not the claim or interest of such creditor or equity holder is impaired under the plan of reorganization and whether or not such creditor or equity holder has accepted the plan. 2.Except as otherwise provided in the plan of reorganization or the court decision confirming the plan, the confirmation of a plan of reorganization vests all of the property of the bankruptcy estate in the debtor. 3.Except as otherwise provided in the plan, after confirmation of a plan of reorganization the property dealt with by the plan of reorganization is free and clear of all claims and equity interests of creditors and equity holders in the debtor.			

4. Except as otherwise provided in the plan, the confirmation of a plan: 4.1. discharges the debtor from any claim that might arose before the plan confirmation without taking into consideration: 4.1.1. if there is filed a proof under this Law; 4.1.2. if it is filed, it is accepted as allowed or it declared as disallowed under this Law; 4.1.3. the holder of such claim has accepted the plan; and 4.2. terminates all rights and equity interests of equity holders provided for by the plan. 5.A discharge under this Chapter does not discharge a debtor who is an individual who is denied a discharge under Chapter VIII of this Law, or from any debt excepted from discharge under Chapter VIII of this Law.			

Article 81 Legal Consequences in Case of Failure to Perform the Plan 1.A party in interest may bring an action to revoke confirmation of the plan, but such an action may be brought only if the party in interest: 1.1. proves that the plan proponent committed fraud or deceit in obtaining the votes for a confirmed plan or in requesting confirmation of the plan; and 1.2. brings such action within six (6) months of the confirmation of the plan. 2.If a reorganized debtor or other party does not perform any of the material terms of a confirmed plan of reorganization, any party in interest may bring an action in the court to: 2.1. compel the defaulting party to perform or pay damages as if the plan of reorganization and damage compensation arising from the reorganization plan, as the plan were a contract according to the provision of the Law on Obligational Relationships.		Not applicable	

2.2.cancel the remaining unperformed obligations under the plan, revoke the debtor's discharge, and request the court to open a liquidation case; or 2.3.cancel the remaining unperformed obligations under the plan, revoke the debtor's discharge, and open a liquidation case. Article 82 Conversion of Reorganization into Liquidation 1.A court shall issue a ruling on conversion of a reorganization into a liquidation if a party in interest proves: 1.1.substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation; 1.2. gross mismanagement of the bankruptcy estate; 1.3. that more than one (1) year has elapsed since the opening of the case, unless the court finds that additional	Article 51 Conversion of secondary insolvency proceedings 1. At the request of the insolvency practitioner in the main insolvency proceedings, the court of the Member State in which secondary insolvency proceedings have been opened may order the conversion of the secondary insolvency proceedings into another type of insolvency proceedings listed in Annex A, provided that the conditions for opening that type of proceedings under national law are fulfilled and that that type of proceedings is the most appropriate as regards the interests of the local creditors and coherence between the main and secondary insolvency proceedings. 5.6.2015 EN Official		

time is necessary to accomplish an effective reorganization, but in no even may such additional time extend beyond eighteen (18) months from the date the case was opened; 1.4. the debtor in possession's failure to maintain appropriate insurance policy that poses a risk to the estate or to the public; 1.5. the debtor in possession's failure to comply with a decision of the court; 1.6. the debtor in possession's failure timely to pay taxes owed after opening of the case or to file tax returns due after the opening of the case; or 1.7.the debtor in possession's failure to file a disclosure statement, or to file or confirm a plan, within the time fixed by a decision of the court. Article 83 Closing of a Case 1.A court ruling confirming a plan of reorganization closes a reorganization	Journal of the European Union L 141/45 2. When considering the request referred to in paragraph 1, the court may seek information from the insolvency practitioners involved in both proceedings.	Not applicable	

case. A confirmed plan of reorganization is an execution document with regard to the debtor's obligation therein contained. 2.The closure of a reorganization case terminates any restrictions on the administration or disposition of the debtor's assets, which shall be governed from that moment on by the provisions of the reorganisation plan.		Partially compliant	

		Not applicable	
CHAPTER VII LIQUIDATION Article 84 Appointment of an Administrator 1.The court appoints an Administrator no later than in fifteen (15) days, in the following cases:		Not applicable	

1.1. after the filing of a liquidation case by a debtor; 1.2. after the opening of a liquidation case following the filing of a bankruptcy petition by creditors; 1.3. after the conversion of reorganization into liquidation; 1.4. after the court discharges the debtor in possession or a previously appointed Administrator. Article 85 Removal of an Administrator from the case 1.If the court finds it as necessary and reasonable, it decides on removal of the Administrator upon the concrete case. 2.Cause for removal according to this Law shall be considered, but is not limited to: 2.1. proof that the Administrator does not meet the legal qualifications according to this Law; or 2.2. by a majority vote of all creditors, with such vote being made at a meeting called specifically for the purpose of	Article 75 Revocation of the appointment of the coordinator The court shall revoke the appointment of the coordinator of its own motion or at the request of the insolvency practitioner of a participating group member where: (a) the coordinator acts to the detriment of the creditors of a participating group member; or (b) the coordinator fails to comply with his or her obligations under this Chapter.	Partially complaint	

removing the Administrator, or if he does not have a satisfactory performance. 2.3.failure to fulfill the duties of the administrator specified in this law. 2.4.proof that the Administrator has committed an offence of fraud or criminal offence. 3. The court can fine the Administrator, up to 1000 Euros, who, without any reasonable reason, does not submit the required reports within the specified period or does not fulfill his duties defined by this law without any reason. Article 86 Duties and Responsibilities of an Administrator 1. The Administrator shall: 1.1. collect income from the property of the bankruptcy estate which are under his administration and collect income from the bankruptcy estate as expeditiously as possible, in the interest of all parties in interest; 1.2. be accountable for all property received;	Article 72 Tasks and rights of the coordinator 1. The coordinator shall: (a) identify and outline recommendations for the coordinated conduct of the insolvency proceedings; (b) propose a group coordination plan that identifies, describes and recommends a comprehensive set of measures appropriate to an integrated approach to the resolution of the group members' insolvencies. In particular, the plan may contain proposals for: L	Partially complaint	

1.3. convene and preside over all creditor committee meetings; 1.4. review the financial affairs of the debtor; 1.5. to examine proofs of claims and object to the allowance of any claim that is improper; 1.6.to oppose the discharge of the debtor if advisable; 1.7. unless the court orders otherwise, furnish such information concerning the estate and the estate's administration as is requested by a party in interest; and 1.8. make a final report and file a final account of the administration of the estate with the court. An Administrator shall not be held personally liable for losses incurred by a creditor, the debtor, any shareholder or partner, owner, the bankruptcy estate, or any other party for consequences or damages flowing from decisions made or actions taken or not taken within the scope of his duties if it has exercised ordinary care and	141/52 EN Official Journal of the European Union 5.6.2015 (i) the measures to be taken in order to re-establish the economic performance and the financial soundness of the group or any part of it; (ii) the settlement of intra-group disputes as regards intra-group transactions and avoidance actions; (iii) agreements between the insolvency practitioners of the insolvent group members. 2. The coordinator may also: (a) be heard and participate, in particular by attending creditors' meetings, in any of the proceedings opened in respect of any member of the group; (b) mediate any dispute arising between two or more insolvency practitioners of group members; (c) present and explain his or her group coordination plan to the persons or bodies that he or she is to report to under his or her national law; (d) request information from any insolvency practitioner in respect of any member of the group where that information is or might be of use when identifying and outlining strategies		

diligence in the timely performance of those duties.	and measures in order to coordinate the proceedings; and (e) request a stay for a period of up to 6 months of the proceedings opened in respect of any member of the group, provided that such a stay is necessary in order to ensure the proper implementation of the plan and would be to the benefit of the creditors in the proceedings for which the stay is requested; or request the lifting of any existing stay. Such a request shall be made to the court that opened the proceedings for which a stay is requested. 3. The plan referred to in point (b) of paragraph 1 shall not include recommendations as to any consolidation of proceedings or insolvency estates. 4. The coordinator's tasks and rights as defined under this Article shall not extend to any member of the group not participating in group coordination proceedings. 5. The coordinator shall perform his or her duties impartially and with due care.		

	Where the coordinator considers that the fulfilment of his or her tasks requires a significant increase in the costs compared to the cost estimate referred to in point (d) of Article 61(3), and in any case, where the costs exceed 10 % of the estimated costs, the coordinator shall: (a) inform without delay the participating insolvency practitioners; and (b) seek the prior approval of the court opening group coordination proceedings.		
Article 87 Engagement of the Experts by the Administrator 1.The Administrator, with the court's approval, shall engage one or more lawyers, accountants, appraisers, auctioneers, or other professional persons to represent or assist the Administrator in carrying out its duties under the Law. 2. In order to be eligible to be engaged as a professional, the person should			

prove that does not hold or represent an interest adverse to the estate; and 3.The court may authorize the Administrator to act as lawyer or accountant for the estate if such authorization is in the best interest of the estate. 4.If two (2) or more debtors are affiliated entities, the court may approve the engagement of common professional persons provided that the court is convinced that such engagement will be more beneficial for the bankruptcy estate than harm as a result from any conflict of interests. Article 88 The Fees of the Administrator 1.The fees for the Administrator, the method of calculation and the amount of fees related to the bankruptcy procedure are regulated by a by-law issued by the Minister of Justice. 2.An Administrator shall be paid based on the distributions actually made to creditors. Such payments shall be an administrative expense.	Article 77 Costs and distribution 1.The remuneration for the coordinator shall be adequate, proportionate to the tasks fulfilled and reflect reasonable expenses. 2. On having completed his or her tasks, the coordinator shall establish the final statement of costs and the share to be paid by each member, and submit this statement to each participating insolvency practitioner	Not applicable	

3.The court must approve the Administrator's fees and expenses for Administrator ´s work. 4.The court shall approve the payments according to paragraph 1 of this Article in compliance with the total value of distributions the Administrator makes to parties in interest, excluding the debtor, but including holders of secured claims. Article 89	and to the court opening coordination proceedings. 3. In the absence of objections by the insolvency practitioners within 30 days of receipt of the statement referred to in paragraph 2, the costs and the share to be paid by each member shall be deemed to be agreed. The statement shall be submitted to the court opening coordination proceedings for confirmation. 4. In the event of an objection, the court that opened the group coordination proceedings shall, upon the application of the coordinator or any participating insolvency practitioner, decide on the costs and the share to be paid by each member in accordance with the criteria set out in paragraph 1 of this Article, and taking into account the estimation of costs referred to in Article 68(1) and, where applicable, Article 72(6). 5. Any participating insolvency practitioner may challenge the decision referred to in paragraph 4 in accordance with the procedure set out under the law of the Member State where group coordination proceedings have been opened.	Partially complaint	

Creditors' Committee in the liquidation case 1.Within five (5) days of the acceptance of the final list of creditors, , the court shall solicit indications of interest from unsecured creditors to serve on a creditors' committee. 2.There shall be included at least three (3) and not more than five (5) creditors in the creditors' committee. The court shall give priority to the creditors with the largest unsecured claims that want to serve in the creditors' committee. If there are less than three (3) such creditors that want to serve in the committees, then the committee shall not be established. 3.The rights and duties of the creditors' committee are: 3.1. to receive a copy of all letters addressed to the court by the debtor in possession, at the same time with the court; 3.2. to employ professional persons on the same basis and with the same restrictions as are binding upon the Administrator's employment of such persons;		Not applicable	

3.3. to receive notices from the Court and decisions of the Court which affect the rights of creditors; 3.4. to convene in a session the debtor or its representatives that are obliged to answer questions of the creditors' committee regarding the case. Every answer of the debtor or its representative shall be considered as a declaration under oath; 3.5. with court approval, after the Administrator indicates it will not do so, initiate an action to avoid a transaction under Chapter IV of this Law; 3.6. to share access to information it has obtained with creditors who are not members of the committee; and 3.7. any other rights and duties as the court may specify, so long as such rights are consistent with the provisions of this Law. Article 90 Special Rules for Liquidation of Different Types of Business Organizations			

1.In addition to the duties specified in Article 86 of this Law, an Administrator shall ensure that after the debtor receives a discharge in accordance with Article 104 of this Law. 2.The formal existence of each debtor other than a debtor who is an individual is terminated through the closing of the business organization, no later than the closing of the case. 3. Such termination shall be accomplished by compliance with the applicable provisions of this Chapter of this Law. 4. If an Administrator is still serving after the entry of a discharge for a debtor, that Administrator shall have the exclusive power and authority to pursue claims and to take actions on behalf of the debtor until the closing of the cash. Article 91 Joint Stock Companies 1.If the debtor is a joint stock company under the Law on Business Organizations, then on or before the closing of the case, and subject to the provisions of this Chapter, the Administrator shall take all steps and		Not applicable	

actions necessary under such law to dissolve and terminate the existence of that joint stock company: 1.1. actions related to dissolution and termination shall not include any actions which include or involve any equity security holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders; 1.2. such actions related to the dissolution and termination include giving notice to the business and tax registries of the termination of the entity no later than the closing of the case. 2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the joint stock company. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2)		Not applicable	

years from the date the bankruptcy case was opened. Article 92 Limited Liability Companies 1.If the debtor is a limited liability company under the Law on Business Organizations, then on or before the closing of the case the Administrator shall take all steps and actions necessary, under this Chapter and Law on Business Organizations, to dissolve and terminate the existence of that limited liability company: 1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity security holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders; 1.2. such actions undertaken by the Administrator related to the termination of limited liability company shall include giving notice to the business and tax administration registries regarding the closing of the case.			

2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the limited liability company. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened. Article 93 General Partnerships 1.In cases when the debtor is a partner in a general partnership established under the Law on Business Organizations, then at the moment of the closing of the case, in accordance with the provisions foreseen in this Chapter and according to the Law on Business Organizations, the Administrator shall take all actions necessary to terminate the existence of the general partnership.		Not applicable	

1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders; 1.2 actions undertaken by the Administrator related to the termination of the partnership include giving notice to the business and tax registries regarding the closing of the case; 2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the general partnership. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened. Article 94 Limited Partnerships		Not applicable	

1.In cases when the debtor is a limited partnership established under the Law on Business Organizations, then at the moment of the closing of the case, in accordance with the provisions foreseen in this Chapter and according to the Law on Business Organizations, the Administrator shall take all actions necessary to terminate the existence of the limited partnership. 1.1. such actions termination shall exclude all claims on calling the meetings of the partners in limited partnership. The exempted claims shall include the exclusion of the claims on calling of any required meetings or holding any kind of meeting related to the termination of limited partnership; 1.2 actions undertaken by the Administrator related to the termination of the limited partnership include even giving notice to the business and tax registries regarding the closing of the case; 2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers,			

directors, agents or senior managers of the limited company. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened. Article 95 General Partners of General Partnerships and of Limited Partnership 1.The Administrator shall file a claim against the general partner in a general partnership or limited partnership, in cases when: 1.1. the debtor is a general or limited partnership; and 1.2. the properties of the partnership or limited partnership after being converted into cash, are insufficient to pay all claims of creditors in full; and 1.3. the general partner of the debtor would otherwise be personally liable for the payment of creditors' claims over and above the ability or the debtor to pay such claims.		Not applicable	

2.The amount of such claim shall be limited to the amount for which the general partner has an unlimited personal liability for payment in compliance with other applicable Laws in Kosovo. 3.To the extent practicable, the Administrator shall first seek recovery of payment of the amount of creditors' claims from any general partner of the general partnership or limited partnership. Pending determination of such amount which needs to be paid for the creditors' claims and which cannot be paid from the estate of the general partnership or limited partnership, the court may order the general partner to provide the estate as a security measure or to order the general partner not to dispose of property. 4.The Administrator has a claim against the estate of each general partner in such partnership that is a debtor in a case under this title for the full amount of all claims of creditors allowed in the case concerning such partnership. The claim of the Administrator under this subsection is entitled to distribution in such partner's case the same as any		Not applicable	

other claim of a kind specified in such section. 5. If the amount that the Administrator recovers from the estates of general partners under paragraph 4 of this Article is greater than any deficiency not recovered under paragraph 3 of this Article, the court, after notice and a hearing, shall determine a reasonable distribution of the surplus so recovered, and the Administrator shall distribute such surplus to the estates of the general partners in such partnership according to such determination. Article 96 Cases with Assets of Small Value If the Administrator determines that the property of the estate, when liquidated and reduced to cash, will not exceed two hundred (200) Euro, and such amount will not pay all allowed claims in full, the Administrator shall notify creditors of this determination and shall make a motion to abandon all property of the estate under Article 35 of this Law. If the court approves the abandonment, the Administrator shall promptly take all steps necessary to			

close the case, including all steps required by this Chapter. In this case, the Administrator enjoys the right on his remuneration, if he would have sold the abandoned properties and realized the distribution. Article 97 Individual Businesses 1.Individual Businesses who are debtors are eligible for a discharge of claims related to their business activity under Article 104 of this Law. 2.Upon obtaining a discharge or closing of a case, whichever first occurs, unless the court shall order otherwise after notice and a hearing, an individual debtor who is an individual business shall cease trading under any assumed, fictitious, or "doing business as" names, or from using any trade dress or trade name similar to that used before obtaining a discharge. 3.After notice and a hearing, the court for cause may permit an Administrator to sell to the debtor or to any other entity the right to trade or do business under any trade name or style or dress the debtor used before discharge.			

Article 98 Sale of the assets in the liquidation procedure 1.Administrator shall be responsible for organizing the sale of assets of business organization in the liquidation procedure. 2.During the asset sale procedure, the administrator may engage an auction house or organize other forms of public bidding for the sale of the company's assets. 3.The sale of assets is carried out by auction and is considered a sale by public auction, in accordance with the relevant provisions of the Law on Enforcement Procedure. 4.The administrator makes a decision on the sale of assets and notifies the debtor. The debtor has the right to appeal to the Court within 15 days from the day of receiving the notification. 5.If within the period of 15 days specified in the paragraph 4 of this article the Debtor does not file a complaint, the sale of assets continues and is considered as a public auction sale that constitutes an executive title.		Not applicable	

6.The court decides on the debtor's complaint in accordance with paragraph 4 of this article with a Decision. 7.When determining the minimum sale price of the company's assets, the Administrator will take as a basis the assessment of those assets by a professional engaged in accordance with this Law and will make maximum efforts so that the initial price of the assets is at the level or it approaches the amount of debts of the company in bankruptcy. Article 99 Termination of Business Organizations after the Completion of the Case 1.The Administrator shall wind up and terminate all the debtor's business operations, after the completion of the case. 2.The Administrator shall, upon completion of the case, take steps to ensure that the termination of the debtor's business has been noted in the registry of businesses. Article 100		Not applicable	

Conversion of Case to Reorganization 1.Upon court approval, the Administrator may convert a liquidation case to a reorganization case if the Administrator can prove that it such a conversion would likely result in larger distributions to unsecured creditors. 2.Upon conversion in reorganization, the Administrator shall continue as the bankruptcy estate representative. 3.Court issues a decision to transform a liquidation case to reorganization case. Article 101 Closing of Case 1. The court may close a case when either: 1.1. the Administrator proves that it has reduced all property of the bankruptcy estate to cash, or reduced all property of the bankruptcy estate to cash that can be reduced to cash, and has distributed all property of the bankruptcy estate to creditors; or 1.2. the Administrator proves that no further administration of the case will		Not applicable	

yield any material increase in distributions to unsecured creditors. 2. After the distribution has been completed or mostly completed and the final report has been approved by the court, the administrator will submit to the court the request for closing the case. The court, by ruling, decides to terminate the liquidation procedure and the case is closed. 3. The final report submitted by the administrator must contain evidence of the conversion of the bankruptcy estate into cash and the realization of distributions. Article 102 Resumption of bankruptcy proceedings 1. If at any time within one year from the end of the bankruptcy procedure, new assets belonging to the debtor are discovered or possible claims for avoidance of actions or responsibilities of the governing bodies are identified, any creditor may request the reopening of the bankruptcy case.		Not applicable	

2. The resumption takes place regardless of the deletion and removal of the debtor from the register of commercial companies. The company will have to be reactivated, with the sole purpose of restarting the proceedings. 3. The court decides to resume the case only when the assets or causes of action that have been identified are or can be objectively sufficient to cover the costs of the procedure and to provide additional income for at least 5 percent for the creditors of the highest level high. 4. The resumed procedures will be liquidation procedures only. Their sole purpose is to receive assets, perform legal actions, file lawsuits, liquidate assets and distribute income among creditors. 5. The court appoints the same administrator, who draws up a new distribution list, based on the last distribution list, unless there are objective reasons to decide otherwise. 6. In cases of the resumption of the bankruptcy procedure according to the request of the creditor, the court will schedule a hearing to which the debtor		Not applicable Not applicable	

will be invited and if it verifies that the legal conditions for the resumption of the procedure have been met, it will annul the previous decision for closing the case and will decide on reopening the case.			

		Not applicable	

CHAPTER VIII DISCHARGE FROM DEBTS AND CLOSING OF THE CASE Article 103 Discharge from Remaining Debts		Not applicable	

1. A discharge shall mean paying off debts and under this Law: 1.1. voids and invalidates any remaining claim arising on any basis, at any time, decision which creates full personal liability for the debtor to a claim, for any claim remaining after treatment in bankruptcy proceedings under this law; 1.2. has the effect of a final court decision and it constitutes a decided case, operates as an injunction and prohibition against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such claim as a personal liability of the debtor. Article 104 Timing of Discharge 1.Besides the exceptions set forth Chapter VIII of this Law, a debtor who is an individual shall receive a discharge of all claims which existed on or before the commencement of the bankruptcy proceedings until when there has commenced the bankruptcy proceeding. The debtor that is an individual shall receive a discharge to all debts created until:		Not applicable	

1.1. the moment of opening a reorganization case; or 1.2. the moment of the closing of a liquidation case. 2. A debtor which is not an individual shall receive a discharge of all claims which existed until: 2.1. the moment of opening a reorganization case; or 2.2. the moment of the closing of a liquidation case or the notification of the business registry and the tax administration of the closing of the case, depending on which of these happens the last. Article 105 Exceptions from Discharge Generally; Non-Disclosure; Lack of Cooperation 1.A debtor shall not receive a discharge if a party in interest proves that the debtor, or in the case of a debtor that is not an individual, any insider of the debtor: 1.1. did not cooperate with the Administrator;		Not applicable	

1.2. concealed any material amount of property from creditors, the court, or the Administrator; 1.3. filed any document in the case that was materially false or misleading; 1.4. altered or in any way modified its books and records during the one (1) year period before the case was commenced in a manner that made such books and records materially misleading or inaccurate; 1.5. failed to keep books and records of the debtor's business activities in a manner that would permit a reasonable person to examine and review the debtor's transactions during the one-year period prior to the commencement of bankruptcy proceeding; or 1.6. if an individual debtor, has received a discharge at any time during the ten (10) year period prior to the commencement of bankruptcy proceeding. Article 106 Exceptions from Discharge for Specific Creditors' Claims			

1.According to this Law an individual debtor shall not be discharged from any of the following: 1.1. claims not related to the debtor's business activity; 1.2. domestic relations claims according to Article 57 of this Law; 1.3. claims arising from restitution of victims according to Article 57 of this Law; 1.4. tax claims accrued for the period of one (1) year from the day of the opening of the case; 1.5. claims not listed in the list of claims filed as required by Chapter IV of this Law; 1.6. claims for which the creditor has not received a regular notice and as a result could not file to the court the claim and proofs on time; 1.7. claims that have arisen as a result of debtor's fraud; 1.8. claims that have arisen as a result of the debtor's breach of a duty for good trust;		Not applicable	

1.9. claims that do not result from contracts but which have incurred as a result of the intentional injury caused by the debtor to another entity or to the property of another entity; Article 107 Exempted Property of Individual Debtors 1.Property that is exempted from the mandatory execution according to the provisions of the Law on Enforcement Procedure shall be exempted from the bankruptcy estate. Article 108 Non-Discrimination against Discharged Debtors 1.A governmental unit may not deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, deny employment to, terminate the employment of, or discriminate with respect to employment against, a person that is or has been a debtor under this Law, or another person with whom such debtor has been associated, solely because such debtor:		Not applicable	

1.1. is or has been a debtor under this Law; 1.2. has been insolvent before the commencement of a case under this Law, or during the case but before the debtor is granted or denied a discharge; or 1.3. has not paid a debt that is dischargeable in the case under this Law. 1.4. no private employer may terminate the employment of, or discriminate with respect to employment against, an individual who is or has been a debtor under this Law, or an individual associated with such debtor, primarily because such debtor: 1.4.1. is or has been a debtor under this Law; 1.4.2. has been insolvent before the commencement of bankruptcy proceeding under this Law, or during the case but before the grant or denial of a discharge; or 1.4.3.has not paid a debt that is dischargeable in a case under this Law.		Not applicable	

Article 109 Effect on Co-Debtor Discharge granted to the debtor related to a claim of an entity does not affect the obligation of one debtor, other co-obligator that may have towards that entity or its properties. Article 110 Effect on Voluntary Payment No provision of this Law prevents a debtor from voluntarily repaying any discharged claim at any time after the closing of the case. Article 111 Effects of Discharge after Case Closed 1.If a party in interest makes any direct or indirect attempt to collect a claim discharged under this Law from an individual, the individual shall have a claim for relief against that party in interest for:		Not applicable	

1.1. an immediate termination of any attempt on realization of discharged claim; and 1.2. Compensation of damage caused which is not less then: 1.2.1. one thousand (1,000) Euro; or 1.2.2. value of three times the amount of the claim sought to be collected. 2.Damages for violation of the discharge include, but are not limited to, any attorneys' fees expended to remedy the violation, and compensation for intangible injury such as pain, embarrassment, or loss of reputation.		Not applicable Not applicable	

CHAPTER IX CROSS BORDER BANKRUPTCY Article 112 General Provisions 1. This Chapter of this Law applies where: 1.1. a foreign court or a foreign representative of bankruptcy estate seeks assistance from the competent court in Kosovo regarding the foreign bankruptcy proceeding; or 1.2. assistance is sought in a foreign state in connection with a proceeding under this Law; or 1.3. a foreign proceeding and a proceeding under this Law in respect of		Not applicable	

the same debtor are taking place concurrently; or 1.4. creditors or other interested persons in a foreign State have an interest in requesting the commencement of, or participating in, a proceeding under this Law. 2.Chapter XI of this Law does not apply to a proceeding concerning entities not eligible to be a debtor under this Law. Article 113 International obligations of Kosovo To the extent that this Law conflicts with an international obligation of Kosovo arising out of any treaty or other form of international agreement to which it is a party with one or more other States, the requirements of the treaty or agreement prevail. Article 114 Competent court The functions referred to in this Law relating to recognition of foreign proceedings and cooperation with foreign courts shall be performed by the		Not applicable Not applicable	

same court that hears all bankruptcy proceeding. Article 115 Authorization of Bankruptcy Estate Representative to act in a foreign State An bankruptcy estate representative is authorized to act in a foreign State on behalf of a proceeding under this Law, as permitted by the applicable foreign law. Article 116 Public policy exception Nothing in this Law prevents the court from refusing to take an action governed by this Law if the action would be manifestly contrary to the public policy of the Republic of Kosovo. Article 117 Additional assistance under other laws	Article 33 Public policy Any Member State may refuse to recognise insolvency proceedings opened in another Member State or to enforce a judgment handed down in the context of such proceedings where the effects of such recognition or enforcement would be manifestly contrary to that State's public policy, in particular its fundamental principles or the constitutional rights and liberties of the individual.	Not applicable Fully complaint	

Nothing in this Law limits the power of a court or a bankruptcy estate representative to provide additional assistance to a foreign representative under other laws of Kosovo. Article 118 Right of direct access A foreign representative is entitled to apply directly to the court in Kosovo. Article 119 Limited jurisdiction The sole fact that an application pursuant to this Law is made to a court in Kosovo by a foreign representative does not subject the foreign representative or the foreign assets and affairs of the debtor to the jurisdiction of the courts of Kosovo for any purpose other than the application. Article 120	Article 5 Judicial review of the decision to open main insolvency proceedings 1.The debitor or any creditor may challenge before a court the decision opening main insolvency proceedings on grounds of international jurisdiction. 2. The decision opening main insolvency proceedings may be challenged by parties other than those referred to in paragraph 1 or on grounds other than a lack of international jurisdiction where national law so provides.	Not applicable Not applicable Partially complaint	

Application by a foreign representative to commence a proceeding under this Law A foreign representative is entitled to apply to commence a proceeding under this Law if the conditions for commencing such a proceeding are otherwise met. Article 121 Participation of a foreign representative in a proceeding under this Law Upon recognition of a foreign proceeding, the foreign representative is entitled to participate in a proceeding regarding the debtor under this Law. Article 122 Access of foreign creditors to a proceeding under this Law 1.Subject to paragraph 2 of this Article, foreign creditors have the same rights regarding the commencement of, and participation in, a proceeding under this Law as creditors in Kosovo. 2.Paragraph 1 of this Article does not affect the ranking of claims in a proceeding under this Law, except that		Not applicable Not applicable Not applicable	

the claims of foreign creditors shall not be ranked lower than unsecured creditors without priority. Article 123 Application for recognition of a foreign proceeding 1.A foreign representative may apply to the court for recognition of the foreign proceeding in which the foreign representative has been appointed. 2.An application for recognition shall be accompanied by: 2.1. a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative; or 2.2. a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or 2.3. in the absence of evidence referred to in paragraph 2.2 and 2.3 of this Article, any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative.	Article 55 Procedure for lodging claims 1.Any foreign creditor may lodge its claim using the standard claims form to be established in accordance with Article 88. The form shall bear the heading 'Lodgement of claims' in all the official languages of the institutions of the Union. L 141/46 EN Official Journal of the European Union 5.6.2015 2. The standard claims form referred to in paragraph 1 shall include the following information: (a) the name, postal address, e-mail address, if any, personal identification number, if any, and bank details of the foreign creditor referred to in paragraph 1;	Not applicable Partially complaint	

3.An application for recognition shall also be accompanied by a statement identifying all foreign proceedings in respect of the debtor that are known to the foreign representative. 4.The court may require a translation of documents supplied in support of the application for recognition into an official language of Kosovo.	(b) the amount of the claim, specifying the principal and, where applicable, interest and the date on which it arose and the date on which it became due, if different; (c) if interest is claimed, the interest rate, whether the interest is of a legal or contractual nature, the period of time for which the interest is claimed and the capitalised amount of interest; (d) if costs incurred in asserting the claim prior to the opening of proceedings are claimed, the amount and the details of those costs; (e) the nature of the claim; (f) whether any preferential creditor status is claimed and the basis of such a claim; (g) whether security in rem or a reservation of title is alleged in respect of the claim and if so, what assets are covered by the security interest being invoked, the date on which the security was granted and, where the security has been registered, the registration number; and (h) whether any set-off is claimed and, if so, the amounts of the mutual claims existing on the date when insolvency proceedings were opened, the date on which they arose and the amount net of set-off claimed. The		

	standard claims form shall be accompanied by copies of any supporting documents. 1. The standard claims form shall indicate that the provision of information concerning the bank details and the personal identification number of the creditor referred to in point (a) of paragraph 2 is not compulsory. 2. When a creditor lodges its claim by means other than the standard form referred to in paragraph 1, the claim shall contain the information referred to in paragraph 2. 5. Claims may be lodged in any official language of the institutions of the Union. The court, the insolvency practitioner or the debtor in possession may require the creditor to provide a translation in the official language of the State of the opening of proceedings or, if there are several official languages in that Member State, in the official language or one of the official languages of the place where insolvency proceedings have been opened, or in another language which that Member State has indicated it can accept. Each Member State shall		

Article 124 Presumptions concerning recognition of a foreign proceeding	indicate whether it accepts any official language of the institutions of the Union other than its own for the purpose of the lodging of claims. . Claims shall be lodged within the period stipulated by the law of the State of the opening of proceedings. In the case of a foreign creditor, that period shall not be less than 30 days following the publication of the opening of insolvency proceedings in the insolvency register of the State of the opening of proceedings. Where a Member State relies on Article 24(4), that period shall not be less than 30 days following a creditor having been informed pursuant to Article 54. 7. Where the court, the insolvency practitioner or the debtor in possession has doubts in relation to a claim lodged in accordance with this Article, it shall give the creditor the opportunity to provide additional evidence on the existence and the amount of the claim.		

1.If the decision or certificate referred to in paragraph 2 of Article 123 of this Law indicates that the foreign proceeding is a proceeding within the meaning of the definitions of this Law and that the foreign bankruptcy estate representative is a person within the meaning of the definitions of this Law, the court shall presume that those data are accurate. 2.The court shall presume that documents submitted in support of the application for recognition are authentic, whether or not they have been legalized. 3.In the absence of proof to the contrary, the debtor's registered office, or habitual residence in the case of an individual, is presumed to be the center of the debtor's main interests			
Article 125 Decision to recognize a foreign proceeding 1. The Court decides to recognize a foreign proceeding if:	Article 32 Recognition and enforceability of other judgments 1. Judgments handed down by a court whose judgment concerning the	Not applicable	

1.1. the foreign proceeding is a proceeding within the meaning of paragraph 1.40 of Article 2 of this Law; 1.2. the foreign representative applying for recognition is a person or body within the meaning of paragraph 1.43 of Article 2 of this Law; 1.3. the application meets the requirements of paragraph 2 of Article 123 of this Law; 1.4. the application has been submitted to the court referred to in Article 114 of this Law. 2. The foreign proceeding shall be recognized: 2.1. as a foreign main proceeding if it istaking place in the state where the debtor has the main place of activity; or 2.2. as a foreign non-main proceeding if it is taking place as a procedure in the state where the debtor has an establishment within the meaning of Article 2, paragraph 1.45 of this Law. 3.An application for recognition of a foreign proceeding shall be decided upon seven (7) days after the	opening of proceedings is recognised in accordance with Article 19 and which concern the course and closure of insolvency proceedings, and compositions approved by that court, shall also be recognised with no further formalities. Such judgments shall be enforced in accordance with Articles 39 to 44 and 47 to 57 of Regulation (EU) No 1215/2012. The first subparagraph shall also apply to judgments deriving directly from the insolvency proceedings and which are closely linked with them, even if they were handed down by another court. The first subparagraph shall also apply to judgments relating to preservation measures taken after the request for the opening of insolvency proceedings or in connection with it. 2. The recognition and enforcement of judgments other than those referred to in paragraph 1 of this Article shall be governed by Regulation (EU) No 1215/2012 provided that that Regulation is applicable.	Partially complaint	

submission of complete application to the Court. 4.The provisions of Article 123, 124, 125, 126 of this Law do not prevent modification or termination of recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist. Article 126 Subsequent information 1.From the time of filing the application for recognition of the foreign proceeding, the foreign representative shall inform the court promptly of: 1.1. any substantial change in the status of the recognized foreign proceeding or the status of the foreign representative's appointment; and 1.2. any other foreign proceeding regarding the same debtor that becomes known to the foreign representative. Article 127 Relief that may be granted upon application for recognition of a foreign proceeding			

1.From the time of filing an application for recognition until the application is decided upon, the court may, at the request of the foreign representative, where relief is urgently needed to protect the assets of the debtor or the interests of the creditors, grant relief of a provisional nature, including: 1.1. staying execution against the debtor's assets; 1.2. entrusting the administration or realization of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy; 1.3. any relief mentioned in paragraph 1.3, 1.4, and 1.7 of Article 129 of this Law. 2.Unless extended under paragraph 1.6 of Article 129 of this Law the relief granted under this article terminates when the application for recognition is decided upon.		Not applicable	

3.The court may refuse to grant relief under this Article if such relief would interfere with the administration of a foreign main proceeding. Article 128 Effects of recognition of a foreign main proceeding 1. Upon recognition of a foreign proceeding that is a foreign main proceeding: 1.1. commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities is stayed; 1.2. execution against the debtor's assets is stayed; and 1.3. the right to transfer, encumber or otherwise dispose of any assets of the debtor is suspended. 2.The scope, and the modification or termination, of the stay and suspension referred to in paragraph 1 of this Article are subject to the provisions of Chapter IV of this Law.		Not applicable	

3.Paragraph 1.1 of this Article does not affect the right to commence individual actions or proceedings to the extent necessary to preserve a claim against the debtor. 4.Paragraph 1 of this Article does not affect the right to request the commencement of a proceeding under this Law or the right to file claims in such a proceeding. Article 129 Relief that may be ordered upon recognition of a foreign proceeding 1.Upon recognition of a foreign proceeding, whether main or non-main, where necessary to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including: 1.1.staying the commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities, to the extent they have not been stayed under paragraph 1.1 of Article 128 of this Law;		Not applicable	

1.2. setting the moratorium towards the execution actions against the debtor's assets to the extent it has not been stayed under paragraph 1.2 of Article 128 of this Law; 1.3. suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under paragraph 1.3 of Article 128 of this Law; 1.4. providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities; 1.5. entrusting the administration or realization of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court; 1.6. extending relief granted under paragraph 1 of Article 128 of this Law; 1.7.granting any additional relief that may be available to bankruptcy estate representative under the laws of Kosovo.		Not applicable	

2.Upon recognition of a foreign proceeding, whether main or non- main, the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court, provided that the court is satisfied that the interests of creditors in Kosovo are adequately protected. 3.In granting relief to a representative of a foreign non-main proceeding, in accordance with this Article, the court should be ensured that the relief relates to assets that, under the laws of Kosovo, should be administered in the foreign non-main proceeding or concerns information required in that proceeding. Article 130 Protection of creditors and other interested persons 1.In granting or denying relief under Article 123 or Article 129 of this Law, or in modifying or terminating relief under paragraph 3 of this Article, the court must be satisfied that the interests of the creditors and other interested persons, including the debtor, are adequately protected.			

2.The court may condition the granting of the relief under Article 127 and Article 129 of this Law under the conditions it considers appropriate. 3.The court may, at the request of the foreign representative or a person affected by relief granted under Article 127 or Article 130 of this Law, or at its own motion, modify or terminate such relief. Article 131 Actions to avoid acts detrimental to creditors 1.Upon recognition of a foreign proceeding, the foreign estate representative has standing to initiate avoiding powers actions under Chapter IV of this Law. 2.When the foreign proceeding is a foreign non-main proceeding, the court must be satisfied that the action relates to assets that, under the law of Kosovo, should be administered in the foreign non-main proceeding. Article 132			

Intervention by a foreign representative in proceedings in Kosovo Upon recognition of a foreign proceeding, the foreign representative may, provided the requirements of the law of Kosovo are met, intervene in any proceedings in which the debtor is a party. Article 133 Cooperation and direct communication between the court of Kosovo and foreign courts or foreign representatives 1.In matters referred to in Article 112 of this Law the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through a bankruptcy estate representative. 2.The court is entitled to communicate directly with, or to request information directly from, foreign courts or foreign representatives.	Article 42 Cooperation and communication between courts 1. In order to facilitate the coordination of main, territorial and secondary insolvency proceedings concerning the same debtor, a court before which a request to open insolvency proceedings is pending, or which has opened such proceedings, shall cooperate with any other court before which a request to open insolvency proceedings is pending, or which has opened such proceedings, to the extent that such cooperation is not incompatible with the rules applicable to each of the proceedings. For that purpose, the courts may, where appropriate, appoint an	Not applicable	

	independent person or body acting on its instructions, provided that it is not incompatible with the rules applicable to them. 2. In implementing the cooperation set out in paragraph 1, the courts, or any appointed person or body acting on their behalf, as referred to in paragraph 1, may communicate directly with, or request information or assistance directly from, each other provided that such communication respects the procedural rights of the parties to the proceedings and the confidentiality of information. 3. The cooperation referred to in paragraph 1 may be implemented by any means that the court considers appropriate. It may, in particular, concern: (a) coordination in the appointment of the insolvency practitioners; (b) communication of information by any means considered appropriate by the court; (c) coordination of the administration and supervision of the debtor's assets and affairs; (d) coordination of the conduct of hearings;	Not applicable Not applicable	

Article 134 Cooperation and direct communication between the bankruptcy estate representative in Kosovo with foreign courts or representatives 1.In matters referred to in Article 112 of this Law a bankruptcy estate representative shall, in the exercise of its functions and subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives. 2.The bankruptcy estate representative is entitled, in the exercise of its functions and subject to the supervision of the court, to communicate directly with foreign courts or foreign representatives.	(e) coordination in the approval of protocols, where necessary. Article 43 Cooperation and communication between insolvency practitioners and courts 1. In order to facilitate the coordination of main, territorial and secondary insolvency proceedings opened in respect of the same debtor: (a) an insolvency practitioner in main insolvency proceedings shall cooperate and communicate with any court before which a request to open secondary insolvency proceedings is pending or which has opened such proceedings; (b) an insolvency practitioner in territorial or secondary insolvency proceedings shall cooperate and communicate with the court before which a request to open main insolvency proceedings is pending or which has opened such proceedings and (c) an insolvency practitioner in territorial or secondary insolvency proceedings shall cooperate and	Partially complaint	

	communicate with the court before which a request to open other territorial or secondary insolvency proceedings is pending or which has opened such proceedings; to the extent that such cooperation and communication are not incompatible with the rules applicable to each of the proceedings and do not entail any conflict of interest. 2. The cooperation referred to in paragraph 1 may be implemented by any appropriate means, such as those set out in Article 42(3).		
Article 135 Forms of cooperation 1.Cooperation referred to in Article 133 and Article 134 of this Law may be implemented by any appropriate means, including: 1.1. appointment of a person or body to act at the direction of the court; 1.2. communication of information by any means considered appropriate by the court;	Article 74 Cooperation between insolvency practitioners and the coordinator 1. Insolvency practitioners appointed in relation to members of a group and the coordinator shall cooperate with each other to the extent that such cooperation is not incompatible with the rules applicable to the respective proceedings. 2. In particular, insolvency practitioners shall communicate any information that is relevant for the		

1.3. coordination of the administration and supervision of the debtor's assets and affairs; 1.4. approval or implementation by courts of agreements concerning the coordination of proceedings; 1.5. coordination of concurrent proceedings regarding the same debtor; and 1.6. joint hearings between the court of Kosovo and courts of another state conducted by appropriate electronic means. Article 136 Concurrent Proceedings- Commencement of a proceeding under this Law after recognition of a foreign main proceeding	coordinator to perform his or her tasks.	Partially complaint	

After recognition of a foreign main proceeding, a proceeding under this Law may be commenced only if the debtor has assets in Kosovo; the effects of that proceeding shall be restricted to the assets of the debtor that are located in Kosovo and, to the extent necessary to implement cooperation and coordination under all articles contained in Article 133 till 135 of this Law, to other assets of the debtor that, under the law of Kosovo should be administered in that proceeding. Article 137 Coordination of a proceeding under this Law and a foreign proceeding 1.Where a foreign proceeding and a proceeding under this Law are taking place concurrently regarding the same debtor, the court shall seek cooperation and coordination under all Articles contained in Articles 133 till 135 of this Law, and the following shall apply: 1.1. when the proceeding in Kosovo is taking place at the time the application for recognition of the foreign proceeding is filed: 1.1.1. any relief granted under Article 127 or Article 129 of this Law must be		Partially complaint	

consistent with the proceeding in Kosovo; and 1.1.2. if the foreign proceeding is recognized in Kosovo as a foreign main proceeding, Article 124 of this Law does not apply; 1.2. when the proceeding in Kosovo commences after recognition, or after the filing of the application for recognition, of the foreign proceeding: 1.2.1. any relief in effect under Article 127 or Article 129 of this Law shall be reviewed by the court and shall be modified or terminated if inconsistent with the proceeding in Kosovo; and 1.2.2. if the foreign proceeding is a foreign main proceeding, the stay and suspension referred to in paragraph 1 of Article 130 of this Law shall be modified or terminated pursuant to paragraph 2 of Article 130 of this Law if inconsistent with the proceeding in Kosovo; 1.3. in granting, extending or modifying relief granted to a representative of a foreign non-main proceeding, the court must be satisfied that the relief relates to assets that, under the law of Kosovo, should be administered in the foreign			

non-main proceeding or concerns information required in that proceeding. Article 138 Coordination of more than one foreign proceeding 1.In respect of more than one foreign proceeding regarding the same debtor, the court shall seek cooperation and coordination under all Articles contained in Articles 129 and 130 of this Law, and the following shall apply: 1.1. any relief granted under Article 127 or Article 129 of this Law should be consistent with the foreign proceeding being developed in Kosovo; 1.2. when the proceeding in Kosovo commences after the recognition of the foreign proceeding, or after the filing of an application for recognition of a foreign proceeding, any relief in effect under Article 127 or Article 129 of this Law shall be reviewed by the court and shall be modified or terminated if inconsistent with the proceeding being developed in Kosovo; and 1.3. if, after recognition of a foreign non-main proceeding, another foreign		Not applicable Not applicable	

non-main proceeding is recognized, the court shall grant, modify or terminate relief for the purpose of facilitating coordination of the proceedings. Article 139 Presumption of insolvency based on recognition of a foreign main proceeding In the absence of evidence to the contrary, recognition of a foreign main proceeding is, for the purpose of commencing a proceeding under this Law, proof that the debtor is insolvent. Article 140 Rule of payment in concurrent proceedings Without prejudice to secured claims or rights in rem, a creditor who has received part payment in respect of its claim in a proceeding pursuant to a law relating to insolvency in a foreign state may not receive a payment for the same claim in a proceeding under this Law regarding the same debtor, so long as the payment to the other creditors of the same class is proportionately less than the payment the creditor has already received.			

		Not applicable	

		Not applicable	

		Not applicable	

CHAPTER X CHAMBER OF BANKRUPTCY ADMINISTRATORS Article 141 Chamber of Bankruptcy Administrators of Kosovo 1.Chamber of Bankruptcy Administrators of Kosovo (hereinafter: Chamber) is a professional organization in which all bankruptcy administrators are members. 2.The seat of the Chamber is in Pristina. 3.The Chamber has the status of a legal entity and acts as a non-governmental organization. 4.The Chamber is represented by the chairman and when he is absent by his substitutes.		Not applicable	

Article 142 Authorizations of the Chamber 1.The Chamber has the following authorizations: 1.1.preserves the prestige, dignity and rights of the bankruptcy administrator's profession; 1.2.issues the Statute, the Code of Ethics for the Insolvent Administrators and other acts in accordance with the law and the Statute of the Chamber; 1.3.represents the Bankruptcy Administrators to public institutions for the purpose of protecting the rights and interests of the profession; 1.4.takes care that the Bankruptcy Administrators act with conscience and in accordance with the law; 1.5.takes care of the professional advancement of Bankruptcy Administrators through organizing professional meetings, seminars and professional workshops on enforcement;		Not applicable	

1.6.establishes and maintains the cooperation with Chambers of Bankruptcy Administrators of other countries, and 1.7.performs other work defined by law and by the Statute of the Chamber. Article 143 Statute and general acts 1.The Chamber statute and other bylaws govern the organization and operation of the Chamber, as well as its bodies, their composition and their appointment procedures. 2.Minister shall provide the consent over the Statute and other general acts of the Chamber. Article 144 Bodies of the Chamber 1.The bodies of the Chamber are: Assembly of the Chamber, Executive Board, Control Council and President of the Chamber.		Not applicable	

Article 145 Assembly 1.The Assembly of the Chamber consists of all the Bankruptcy Administrators of registered in the register of the Ministry. 2. The Assembly of the Chamber is competent for: 2.1.issuance of the statute of the Chamber, the rules of procedure of the Bankruptcy Administrators and other general acts of the Chamber; 2.2.the selection of members of the Executive Board and other members of the Chamber; 2.3.decide on the amount of the membership fee and the method of its payment; 2.4.decides on the issues provided for by this law and the statute of the Chamber.		Not applicable Not applicable	

Article 146 Assembly meetings of the Chamber 1.Regular or extraordinary meetings of the chamber assembly are called in the cases provided by the statute of the chamber. 2.Public work and other issues important for the work of the chamber assembly are regulated by the statute of the chamber. Article 147 Executive Board 1. The Executive Board has powers to: 1.1. select the Chairman of the executive board from among its members; 1.2. proposes the draft statute and other general acts of the Chamber; 1.3. prepare the sessions and the implementation of the decisions of the Assembly of the Chamber; 1.4. takes care of the smooth running of the work of the Chamber;		Not applicable Not applicable	

1.5. decide on other issues in accordance with this law and the statute of the Chamber. 2. Every year the Board compiles a report on the activities of the Assembly of the Chamber. Submit this report to the Minister no later than March 31 of each year. 3. Every year the Board compiles the work plan containing its financial part and the budget for the next financial year with explanatory notes and sends these documents to the Assembly for approval. Article 148 Composition of the Executive Board 1. The Executive Board consists of at least five (5) members. 2. The composition of the board as much as possible reflects the proportion within the assembly between the bankruptcy administrators. 3. The chairman and his deputy must be bankruptcy administrators.			

4. Members are appointed for a term of three (3) years and after expiry of the mandate they have the right to be reappointed once again for the same period. Article 149 The President 1. The President of the Chamber presents and represents the Chamber. 2. The President of the Chamber has authorizations to: 2.1. cares whether the principles of conscientious performance of duties are being respected bankruptcy administrators; 2.2. takes care that the Chamber is working and developing activities in accordance with the law; 2.3. implements the decisions of the Assembly of the Chamber and the Executive Board when provided by the statute of the Chamber; 2.4. select the staff of the Chamber and		Not applicable Not applicable	

2.5. performs other work as provided by the Chamber's statute. Article 150 Internal Audit Unit 1. The responsibilities and operation of the audit unit are regulated by the Statute and internal acts of the Chamber. 2. The audit unit is responsible for its activity to the Assembly of the Chamber. 3. When the Audit Unit finds a violation of the statute, general acts or decisions of the Assembly of the Chamber, it compiles a report and presents it to the Executive Board or the Assembly of the Chamber. Article 151 Property 1.The property of the Chamber shall consist of:		Not applicable	

1.1.the obligatory initial, annual and supplementary contributions of its members; 1.2.service fees; 1.3.donations permitted by law; 1.4.other sources. Article 152 Annual and supplementary contributions to the Chamber 1.The Chamber shall bear all costs arising from the execution of the duties entrusted to it by the present Law. To cover these costs, it may charge its members annual membership fees. 2.At the proposal of the Executive Board the Assembly shall determine the amount of the membership fee for the financial year. The amount may be different for different categories of members. 3.The bankruptcy administrator shall make the required payments to the Chamber based on the terms and		Not applicable	

conditions specified in the bylaws of the Chamber and in compliance with the resolutions of the Assembly of the Chamber. Article 153 Bylaws issued by the Chamber 1.Bylaws shall be adopted only with regard to subjects that pursuant to this Law must be (further) regulated by bylaw. 2.Bylaws shall not contain any obligations or requirements that are not strictly necessary to accomplish the objective envisaged by this law. 3.Proposals for bylaws are presented to the Assembly of the Chamber by the Executive Board. 4.The bylaws of the Chamber shall be binding only for its members and bodies. 5.A bylaw may grant power to the Executive Board to define more		Not applicable	

detailed rules regarding the subject dealt with in the bylaw. Article 154 Procedure The proposal for a bylaw and the explanatory notes shall be notified to the members of the Chamber at least two (2) months prior to the date on which it will be discussed by the Assembly of the Chamber. Article 155 Approval by the Minister 1. A bylaw, proposed by the Chamber, shall require the approval of the Minister. The approval may be withheld if the proposal is contrary to the law or public interest. 2. After the approval the Executive Board shall arrange that the bylaw will become known by publication in the Official Gazette. The bylaw shall become binding only after publication. It enters into force one (1) month after the publication or earlier as the board determines, on the understanding that at		Not applicable	

least ten (10) days must pass from the date of publication and entry into force. CHAPTER XI EXAM AND LICENSING OF BANKRUPTCY ADMINISTRATORS Article 156 Conditions for taking the exam 1.The candidate for taking the exam must meet the following conditions: 1.1.to be a citizen of the Republic of Kosovo; 1.2.to have completed the Faculty of Law or Economics; 1.3.to have at least three (3) years of work experience in legal or economic fields. Article 157 Exam requirements 1.The request for the exam is submitted to the Ministry of Justice. 2.The candidate shall attach to the application for the exam, the certificate		Not applicable Not applicable	

on the fulfillment of the conditions according to Article 156 of this law. 3.The candidate declares in the application in which official language he wants to take the exam. 4.The commission appointed by the Minister of Justice, by decision, determines whether the candidate fulfills or or not the conditions to undergo the exam. 5.Against the decision from paragraph 4 of this article, the candidate can file an appeal within eight (8) days. The appeal is submitted to the Minister of Justice, who decides within a period of five (5) days. According to the Minister's decision, the dissatisfied party can initiate the administrative conflict according to the law in force. 6.The commission from paragraph 4 of this article is appointed by decision of the Minister of Justice, it consists of the chairman and two members who are officials of the Ministry of Justice.		Not applicable Not applicable	

Article 158 Organization and Terms The terms for organizing the exam for the insolvent Administrator are set by the Ministry of Justice. Article 159 Exams 1. The content of the examination for the bankruptcy administrator exams shall be closely defined by by-laws issued by the Minister, and shall ensure the knowledge of bankruptcy administrators in all matters of the bankruptcy procedure. 2. The exams shall be publicly announced at least one (1) month prior to its administration, and all members of the public shall be invited to participate; 3.The candidate who will undergo the exams for bankruptcy administrator is			

obliged to bear the expenses for the exam. 4.The Minister determines the amount of expenses for taking the exam, including the amount necessary for the preparation and start of the written part of the exams, the preparation and delivery of the material and invitations, the preparation of certificates and compensation for the work of the members and secretary of the Commission for test. 5.If the expenses are not paid into the appropriate account of the Ministry of Justice fifteen (15) days before the date set for conducting the exam, the candidates will not be allowed to enter the exam. 6. The Minister shall appoint for the position of bankruptcy administrator the candidates with the highest scores on the examination. The Minister shall inform candidates of the scores achieved on the examination and shall inform unsuccessful candidates of the		Not applicable Not applicable	

specific reason for their non-appointment. 7.The Ministry shall announce the appointments within one (1) month after the end of the exams. Article 160 The program and organization of the exam for bankruptcy administrator The Minister of Justice with by-law determines the procedures for the organization, content and conduction of the exam for administrators as well as the Program for the exam of bankruptcy administrators which contains the subjects, legal resources and literature for each subject as provided by the provisions of this law. Article 161			

Exam subjects for bankruptcy administrator 1.The bankruptcy administrator exam consists of the following subjects: 1.1. Bankruptcy procedure; 1.2. Civil law (material and procedural); 1.3. Commercial law, 1.4. Labor law and administrative law; 1.5. Basics of finance and accounting. Article 162 Assessment of knowledge The Commission evaluates knowledge of legal provisions and practice in the field of bankruptcy, knowledge of legal institutions, skills of argumentation and legal writing and judging according to the law. The commission is appointed by the Minister.		Not applicable	

Article 163 Certificate of examination for insolvency administrator 1. After passing the exam, the bankrupt administrator is issued the exam certificate signed by the Minister of Justice. 2. The Examination Certificate according to paragraph 1 of this article is the basis for becoming part of the Register of Insolvent Administrators which is maintained and updated by the Ministry of Justice. 3. The Ministry keeps the registers for the persons who passed the bankruptcy administrator's exam and proceeds the same to the Commercial Court. Article 164 Commission for granting the bankruptcy administrator exam 1. The bankruptcy administrator exam is given before the professional commission for the bankruptcy administrator exam (hereinafter: Exam Commission). 2. The composition of the Commission for the exam is determined by the		Not applicable	

minister by decision. The members of the Commission are appointed from among the judges of the respective fields, lawyers and certified auditors or accountants. 3. For the work in the Commission for examination, the chairman, the members of the commission and the secretary of the commission have the right to compensation in the certain amount determined by the Decision of the Minister. Article 165 The method for conducting the Exam 1.The bankruptcy administrator exam is held in two (2) parts, the written exam oral exam. 2.The candidate who does not pass the written exam does not have the right to continue in the oral exam. 3.The way of organizing and conducting the written and oral exams, the assessment of the exams and the progress of the exams are regulated by a sub-legal act approved by the Minister of Justice.		Not applicable Not applicable	

Article 166 Secretary of the Commission The Secretary of the Commission handles the professional and administrative work for the needs of the Commission for organizing the exam, appointed by the decision of the Minister of Justice. Article 167 Licensing of Bankruptcy Administrators 1. The person who fulfills the following conditions is licensed as a bankruptcy administrator: 1.1. to be a citizen of the Republic of Kosovo; 1.2. have full capacity to act, and must be fit in terms of health; 1.3. to have graduated from the law or economics faculty, 1.4. to have passed the bankruptcy administrator exam;		Not applicable	

1.5. to have at least three (3) years of work experience in legal or economic fields; 1.6. that there is no investigative procedure against him for a criminal offense, namely that he has not been convicted of a criminal offense punishable by imprisonment for at least six (6) months, or for a criminal offense that made him unfit to exercising the work of the executor; 2. Insolvent administrators who are in the register of the Ministry of Justice before the entry into force of this law, will not be re-examined but must apply for licensing according to this law. Article 168 Licensing procedure for Bankruptcy Administrators 1. The Ministry licenses the bankruptcy administrator on the basis of a public call. 2. The Ministry of Justice (hereinafter: the Ministry) announces the		Not applicable	

competition in at least two (2) daily newspapers. 3. The time limit for competition will not be less than thirty (30) days from the date of the announcement according to paragraph 2. of this article. Candidates must attach to the competition application the documentation proving that they meet the conditions from Article 167 of this law. 4. The Commission for the evaluation of candidates (hereinafter the Evaluation Commission) is appointed by the Minister, which is composed as follows: 4.1. two (2) judges from the Commercial Court proposed by the Judicial Council of Kosovo; 4.2. two (2) bankruptcy administrators proposed by the Chamber of Bankruptcy Administrators; 4.3. one (1) representative from the Ministry of Justice who has at least ten (10) years of work experience in the field of justice;		Not applicable Not applicable	

5. The Evaluation Committee, after evaluating the applications and documentation of the candidates, will compile a list of proposals for the licensing of the candidates, which will be submitted to the Minister. 6. In case of selection among more candidates, their result in the bankruptcy administrator exam will be taken into account. 7. The Minister issues a by-law for the work of the Evaluation Commission. 8. The Minister, within thirty (30) days from the day of receiving the list of candidate proposals, makes a decision on the licensing of bankrupt administrators. 9. The minister's decision on licensing is sent to the bankrupt administrator and published on the Ministry's official website, this decision cannot be subject to administrative appeal, administrative conflict can be initiated against it.		Not applicable	

CHAPTER XII SUPERVISION Article 169 Control over the work of bankruptcy administrators 1. The supervision of the legality of the work of the bankruptcy administrators and the Chamber is carried out by the Ministry through authorized persons (inspectors) of the Ministry, according to official duties or at the proposal of the President of the competent Court, the President of the Chamber, as well as at the initiative of the parties and of the participants in the procedure. 2. The Ministry is authorized to: 2.1. request from the administrator all the necessary data for his business; 2.2. receive data on the administrator's business from the competent bodies and organizations; 2.3. initiate the disciplinary procedure against the administrator. 3. In the framework of the supervision of the legality of the work of the		Not applicable	

administrator and the Chamber, the authorized person, the official of the Ministry, can order measures to eliminate defects in the work of the administrator, and set the deadline for acting according to those measures. Article 170 Report on the work of the Bankruptcy Administrator 1. The administrator is obliged to submit the annual work report to the Ministry and the Chamber once a year within three (3) months. 2. The Minister issues a bylaw on the manner of reporting and the content of the report. 3. Annual reports include the following data: 3.1. the total number of subjects at work; 3.2. the total number of resolved cases; 3.3. the total number of outstanding cases at the end of the year, and 3.4. the ratio of the total amount of funds realized through enforcement		Not applicable	

actions and the total amount of requests; 3.5. the data from the annual report of the private executor are published on the Official Website of the Ministry and the Chamber, the data from that report are public until the data for the next year are published. Article 171 Disciplinary responsibility of the Bankruptcy Administrator 1.The administrator has disciplinary responsibility if, with his actions in the exercise of his activity, he violates the provisions of this law and other provisions, if he does not fulfill the obligations stipulated by the statute and other acts of the Chamber, and if he violates the prestige of the profession of Administrator. 2. The administrator in the procedure of determining disciplinary responsibility can only be imposed disciplinary measures which are foreseen by this law. 3. Responsibility for a criminal offense or misdemeanor does not exclude the		Not applicable	

disciplinary responsibility of the administrator. Article 172 Initiation of disciplinary procedure The proposal for the initiation of the disciplinary procedure can be presented by the President of the Competent Court, the Ministry and the President of the Chamber, according to his own initiative as well as according to the complaints and initiatives of the parties in the procedure, the representatives of the parties and their authorized representatives.		Not applicable	
Article 173 Disciplinary violations 1. Disciplinary violations can be as follows: 1.1. if the administrator exceeds the authorizations entrusted by this law; 1.2. if the administrator does not comply with the law while performing actions within his activity; 1.3. if the administrator during the licensing process has not intentionally		Not applicable	

discovered the legal obstacles which are a condition of his licensing; 1.4. if the administrator has violated the duties provided by this law, jeopardizing trust in his impartiality and in the actions he undertakes; 1.5. if the administrator takes actions in the procedure regardless of the reasons for exclusion; 1.6. if the administrator violates the duty to maintain official secrecy; 1.7. if the administrator requests higher compensation than that provided for in the fee; 1.8. if the administrator without reasonable reasons refuses professional training; 1.9. if the administrator does not keep the records for the subjects in which he/she works or the records of the subjects in which he/she works are not in order; 1.10. violation of duties defined by other provisions;			

1.11. if the administrator, in accordance with the act of the chamber, does not pay the membership. Article 174 Disciplinary measures 1. Disciplinary measures for disciplinary violations are as follows: 1.1. notice; 1.2. public notice; 1.3. fines in money from five hundred (500) to three thousand (3000) Euros; 1.4. prohibition of practicing the profession for a period of three (3) months to one (1) year; 1.5. obtaining the license. 2. The minister can suspend the administrator during the disciplinary procedure. 3. Fines in money from subsection 1.3. of paragraph 1. of this article is paid in the budget of the Republic of Kosovo. 4. In the case of imposing disciplinary measures, all the circumstances that may affect the type of measures and especially the extent and consequences		Not applicable	

of the violation, the damage caused, the degree of responsibility and the previous disciplinary measures are taken as a basis. 5. Data on the disciplinary measures imposed by sub-paragraphs 1.3. until 1.5. of paragraph 1. of this article, are announced on the website of the Ministry and the Chamber. Article 175 Disciplinary committee The Disciplinary Commission implements the disciplinary procedure for determining the disciplinary responsibility of the private bailiff and pronounces disciplinary measures in accordance with this law. Article 176. Composition of the Commission 1. The Disciplinary Commission, appointed by the Minister, consists of three (3) members and the following: 1.1. two (2) members from the ranks of judges, who are proposed by the Judicial Council of Kosovo; and 1.2. one (1) member from among the administrators proposed by the Chamber.		Not applicable	

2. The chairman and members of the disciplinary commission have their deputies. The members of the disciplinary commission are appointed for a term of two (2) years, and may be appointed again. 3. The members of the disciplinary commission have the right to the remuneration for the work from the means of the Ministry, at the level set by the minister with a legal act. 4. The provisions of the law on contentious procedure which apply to the exclusion of judges apply analogously to the exclusion of members of the disciplinary commission. 5. The Minister by decision decides on the exemption from paragraph 4. of this article. The Minister's decision is final. Article 177 Disciplinary procedure 1. The disciplinary procedure is considered to have started on the day of submission of the proposal for the initiation of the disciplinary procedure against the private executor.		Not applicable	

2. The disciplinary commission immediately sends the private bailiff the proposal for initiating the disciplinary procedure, who has the right to submit a written defense regarding the proposal within a period of fifteen (15) days. Article 178 Hearing Session 1. The chairman sets the date of the hearing for the case. The Disciplinary Commission invites the administrator and the complaining party to appear at the hearing at least ten (10) days before the hearing. 2. Together with the invitation, the written response is also sent to the proposer for initiating the disciplinary procedure. 3. If during the hearing the examination of the case is postponed or suspended for a period of time, no new notification has any effect as referred to in paragraph 1. of this article. 4. The hearing of the Disciplinary Committee is public. For important reasons, the Disciplinary Commission may order that the hearing be held in whole or in part without the public.		Not applicable Not applicable	

5. The administrator and the complainant may be assisted or represented by a lawyer. 6. The Disciplinary Commission may reject individuals designated as defense counsel if they are not lawyers. 7. The Disciplinary Commission gives the administrator and the complainant, as well as their lawyers or others who assist them, an opportunity to take notes on the documents related to the case. 8. The administrator and the complainant or their lawyers and others who assist them are given the opportunity to address the Disciplinary Committee and elaborate their position. 9. The Disciplinary Commission can call and listen to witnesses and experts. One of the members of the Disciplinary Commission may be instructed to hear witnesses and experts. Anyone called as a witness or expert shall comply with the summons. He is further required to answer the questions asked or provide the requested services. The provisions of the Law on Contested Procedure law			

apply mutatis mutandis to witnesses and experts. 10. After implementing the disciplinary procedure, the Disciplinary Commission issues a decision. 11. The disciplinary procedure will be regulated in detail by a sub-legal act of the Ministry. Article 179 The decision of the disciplinary committee 1. As a result of the decision of the Disciplinary Committee regarding the complaint against the administrator, the complaint is declared inadmissible, baseless or founded. The decision must contain the reasoning and be announced. 2. If the Disciplinary Commission declares the complaint fully or partially founded, it will impose disciplinary measures as provided for in Article 174 of this law. 3. Disciplinary action is taken only after the decision has become final or is postponed until later if it is specified in the decision. 4. Without delay, the disciplinary commission forwards the decision in			

writing to the minister, the administrator and Odesa. The decision is publicly announced on the official website of the Ministry and Odesa. 5. The decision of the disciplinary committee is final. Administrative conflict can be initiated against the decision of the disciplinary commission. Article 180 The period within which the disciplinary procedure can be initiated The disciplinary procedure can be initiated within six (6) months from the date of the violation, but no later than one (1) year from the date of the violation.		Not applicable	

		Not applicable	
CHAPTER XIII TRANSITIONAL AND FINAL PROVISIONS Article 181 Implementation of the provisions of this Law towards the bankruptcy cases opened in the court After the entry into force of this Law, the Court shall implement the provisions of this Law, for all cases that	Article 84 Applicability in time 1. The provisions of this Regulation shall apply only to insolvency proceedings opened after 26 June 2017. Acts committed by a debtor before that date shall continue to be governed by the law which was applicable to them at the time they were committed. 2. Notwithstanding Article 91 of this Regulation, Regulation (EC) No 1346/2000 shall continue to apply to insolvency	Partially complaint Not applicable	

are opened at the court before entry into force of this Law and that are still under procedure before the Court. Article 182 Repeal of Prior Laws This Law repeals the Law No. 05/L-083 on Bankruptcy. Article 183 Entry into force This Law shall enter into force fifteen (15) days after publication in the Official Gazette of the Republic of Kosovo.	proceedings which fall within the scope of that Regulation and which have been opened before 26 June 2017.	Not applicable Not applicable	

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government

Ministria e Drejtësisë
Ministarstvo Pravde – Ministry of Justice

Option/possible alternative:

1. Title of the normative act: Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt
2. Proposing body: European Commission
3. Table: 01/08/2023
4. List of relevant national legislation (full title of the act and number) with which the normative act of the Republic of Kosovo is compliant: • Draft Law on Bankruptcy
5. The level of compliance (fully compliant, partially compliant, not compliant or not applicable) of the normative act with EU legislation: Partially compliant

European Union – Republic of Kosovo

a)	b)	c)	d)
EU normative act	Provisions of normative act of Kosovo	Compliance of EU	Comments on reasons for

(Article, paragraph, sub-paragraph, etc.)	(Article, paragraph, sub-paragraph, etc.)	legislation with Kosovo legislation (fully compliant, partially compliant, non-compliant or not applicable)	partial compliance or non-compliance and the period foreseen for achieving full compliance
Article 1 Subject matter and scope 1. This Directive lays down rules on: (a) preventive restructuring frameworks available for debtors in financial difficulties when there is a likelihood of insolvency, with a view to preventing the insolvency and ensuring the viability of the debtor; (b) procedures leading to a discharge of debt incurred by insolvent entrepreneurs; and (c) measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt. 2. This Directive does not apply to procedures referred to in paragraph 1 of this Article that concern debtors that are: (a) insurance undertakings or reinsurance undertakings as defined in points (1) and (4) of Article 13 of Directive 2009/138/EC; (b) credit institutions as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013; (c) investment firms or collective investment undertakings as defined in points (2) and (7) of Article 4(1)	**Draft Bankruptcy Law** **Article 3** **Scope** This law is applicable to all Commercial Companies regulated by the Law on Commercial Companies or a successor law. 2. This law is not applicable to: 2.1. institutions of the Republic of Kosovo; 2.2. to any government body;	Partially compliant	The national law does not specify all the elements of the insolvency as required by the Directive in Article 3 but still regulates the elements specified in the Directive. Foreseen transposition period – 3 years.

of Regulation (EU) No 575/2013; (d) central counter parties as defined in point (1) of Article 2 of Regulation (EU) No 648/2012; (e) central securities depositories as defined in point (1) of Article 2(1) of Regulation (EU) No 909/2014; (f) other financial institutions and entities listed in the first subparagraph of Article 1(1) of Directive 2014/59/EU; (g) public bodies under national law; and (h) natural persons who are not entrepreneurs. 3. Member States may exclude from the scope of this Directive procedures referred to in paragraph 1 that concern debtors which are financial entities, other than those referred to in paragraph 2, providing financial services which are subject to special arrangements under which the national supervisory or resolution authorities have wide-ranging powers of intervention comparable to those laid down in Union and national law in relation to the financial entities referred to in paragraph 2. Member States shall communicate those special arrangements to the Commission. 4. Member States may extend the application of the procedures referred to in point (b) of paragraph 1 to insolvent natural persons who are not entrepreneurs. Member States may restrict the application of point (a) of paragraph 1 to legal persons. 26.6.2019 EN Official Journal of the European Union L 172/37 (23) OJ C 236, 21.7.2017, p. 2. 5. Member States may provide that the	2.3. financial institutions according to the provisions of the law that regulates banks, financial institutions and non-banking financial institutions; and 2.4. insurance companies and insurance brokers which are regulated by a special law for insurance companies and insurance brokers; 2.5. pension funds or pension scheme providers, licensed and regulated by the Central Bank of the Republic of Kosovo; 2.6. social enterprises under the administration of the Kosovo Privatization Agency; 2.7. public enterprises regulated by the Law on Public Enterprises or a successor law.	Partially complaint	

following claims are excluded from, or are not affected by, preventive restructuring frameworks referred to in point (a) of paragraph 1: (a) existing and future claims of existing or former workers; (b) maintenance claims arising from a family relationship, parentage, marriage or affinity; or (c) claims that arise from tortious liability of the debtor. 6. Member States shall ensure that preventive restructuring frameworks have no impact on accrued occupational pension entitlements.			
Article 2 **Definitions** 1. For the purposes of this Directive, the following definitions apply: (1) 'restructuring' means measures aimed at restructuring the debtor's business that include changing the composition, conditions or structure of a debtor's assets and liabilities or any other part of the debtor's capital structure, such as sales of assets or parts of the business and, where so provided under national law, the sale of the business as a going concern, as well as any necessary operational changes, or a combination of those elements; (2) 'affected parties' means creditors, including, where applicable under national law, workers, or classes of creditors and,	**Article 2** **Definitions** 1.The expressions used in this law have the following meaning: 1.19. "Debtor in possession" debtor in reorganization procedure in cases where the Court does not appoint a Bankruptcy Administrator;	Not appplicable Not applicable Partially complaint	

where applicable, under national law, equity holders, whose claims or interests, respectively, are directly affected by a restructuring plan; (3) 'equity holder' means a person that has an ownership interest in a debtor or a debtor's business, including a shareholder, in so far as that person is not a creditor; (4) 'stay of individual enforcement actions' means a temporary suspension, granted by a judicial or administrative authority or applied by operation of law, of the right of a creditor to enforce a claim against a debtor and, where so provided for by national law, against a third-party security provider, in the context of a judicial, administrative or other procedure, or of the right to seize or realise out of court the assets or business of the debtor; (5) 'executory contract' means a contract between a debtor and one or more creditors under which the parties still have obligations to perform at the time the stay of individual enforcement actions is granted or applied; (6) 'best-interest-of-creditors test' means a test that is satisfied if no dissenting creditor would be worse off under a restructuring plan than such a creditor would be if the normal ranking of liquidation priorities under national law were applied, either in the event of liquidation, whether piecemeal or by sale as a going concern, or in the event of the next-best-alternative scenario if the restructuring plan were not confirmed; (7)	1.23. "Bankruptcy procedure" voluntary or mandatory bankruptcy procedure initiated according to this Law; 1.31. "Interested person" includes debtors, receivers, creditors, equity holders, creditors' committees and governing bodies. Entities with distant and dispersed non-property interests are not considered stakeholders. 1.14. Court - the Commercial Court of the Republic of Kosovo as defined in the Law on Commercial Court; **1.11.Commencement of bankruptcy proceeding**: 11.1. in cases when the debtor voluntarily commenced the bankruptcy proceeding, the date the debtor has filed a petition at the court regarding the commencement of bankruptcy proceeding; 1.11.3. in a voluntary case, the date of the commencement of bankruptcy proceeding is considered the date in which the court shall commence the bankruptcy	Partially complaint Partially complaint Fully complaint Partially compliant Not applicable Not applicable	

‘new financing’ means any new financial assistance provided by an existing or a new creditor in order to implement a restructuring plan and that is included in that restructuring plan; (8) ‘interim financing’ means any new financial assistance, provided by an existing or a new creditor, that includes, as a minimum, financial assistance during the stay of individual enforcement actions, and that is reasonable and immediately necessary for the debtor's business to continue operating, or to preserve or enhance the value of that business; (9) ‘entrepreneur’ means a natural person exercising a trade, business, craft or profession; (10) ‘full discharge of debt’ means that enforcement against entrepreneurs of their outstanding dischargeable debts is precluded or that outstanding dischargeable debts as such are cancelled, as part of a procedure which could include a realisation of assets or a repayment plan or both; (11) ‘repayment plan’ means a programme of payments of specified amounts on specified dates by an insolvent entrepreneur to creditors, or a periodic transfer to creditors of a certain part of entrepreneur's disposable income during the discharge period; L 172/38 EN Official Journal of the European Union 26.6.2019 (12) ‘practitioner in the field of restructuring’ means any person or body appointed by a judicial or administrative authority to carry out, in particular, one or	proceeding;	Not applicable	

more of the following tasks: (a) assisting the debtor or the creditors in drafting or negotiating a restructuring plan; (b) supervising the activity of the debtor during the negotiations on a restructuring plan, and reporting to a judicial or administrative authority; (c) taking partial control over the assets or affairs of the debtor during negotiations. 2. For the purposes of this Directive, the following concepts are to be understood as defined by national law: (a) insolvency; (b) likelihood of insolvency; (c) micro, small and medium-sized enterprises ('SMEs').	1.45. Establishment - any place where the debtor operates and carries out a non-transitory economic activity in selling the products or providing services. .15. "Creditor" a natural or legal person who has a claim against the debtor, a claim which arose before the initiation of the bankruptcy procedure or at the time of the initiation of the bankruptcy procedure;	Fully complaint Partially complaint Not applicable Not applicable Not applicable	
Title II – Preventive Restructuring Frameworks, Article 4 – Availability of preventive restructuring frameworks **Article 4** **Availability of preventive restructuring**	**Chapter II Expedited Proceedings for Facilities to Small and Medium Enterprises (SME) and for Pre-Agreed Plans, Article 9 – Small and Medium Enterprises Procedure**	Partially Compliant	

frameworks 1. Member States shall ensure that, where there is a likelihood of insolvency, debtors have access to a preventive restructuring framework that enables them to restructure, with a view to preventing insolvency and ensuring their viability, without prejudice to other solutions for avoiding insolvency, thereby protecting jobs and maintaining business activity. 26.6.2019 EN Official Journal of the European Union L 172/39 2. Member States may provide that debtors that have been sentenced for serious breaches of accounting or bookkeeping obligations under national law are allowed to access a preventive restructuring framework only after those debtors have taken adequate measures to remedy the issues that gave rise to the sentence, with a view to providing creditors with the necessary information to enable them to take a decision during restructuring negotiations. 3. Member States may maintain or introduce a viability test under national law, provided that such a test has the purpose of excluding debtors that do not have a prospect of viability, and that it can be carried out without detriment to the debtors' assets. 4. Member States may limit the number of times within a certain period a debtor can access a preventive restructuring framework as provided for under this Directive. 5. The preventive restructuring framework provided for under	1. A case involving a Small and Medium Enterprises debtor shall, unless specified in this Law to the contrary, be treated in all respects as a reorganization case.		

this Directive may consist of one or more procedures, measures or provisions, some of which may take place out of court, without prejudice to any other restructuring frameworks under national law. Member States shall ensure that such restructuring framework affords debtors and affected parties the rights and safeguards provided for in this Title in a coherent manner. 6. Member States may put in place provisions limiting the involvement of a judicial or administrative authority in a preventive restructuring framework to where it is necessary and proportionate while ensuring that rights of any affected parties and relevant stakeholders are safeguarded. 7. Preventive restructuring frameworks provided for under this Directive shall be available on application by debtors. 8. Member States may also provide that preventive restructuring frameworks provided for under this Directive are available at the request of creditors and employees' representatives, subject to the agreement of the.			
CHAPTER 2 Facilitating negotiations on preventive restructuring plans **Article 5** **Debtor in possession** 1. Member States shall ensure that debtors accessing preventive restructuring	**Article 5** **Bankruptcy Estate Representative** 1. In liquidation procedure, the bankruptcy Administrator shall be the	Partially compliant	

procedures remain totally, or at least partially, in control of their assets and the day-to-day operation of their business. 2. Where necessary, the appointment by a judicial or administrative authority of a practitioner in the field of restructuring shall be decided on a case-by-case basis, except in certain circumstances where Member States may require the mandatory appointment of such a practitioner in every case. 3. Member States shall provide for the appointment of a practitioner in the field of restructuring, to assist the debtor and creditors in negotiating and drafting the plan, at least in the following cases: (a) where a general stay of individual enforcement actions, in accordance with Article 6(3), is granted by a judicial or administrative authority, and the judicial or administrative authority decides that such a practitioner is necessary to safeguard the interest of the parties; (b) where the restructuring plan needs to be confirmed by a judicial or administrative authority by means of a crossclass cram-down, in accordance with Article 11; or (c) where it is requested by the debtor or by a majority of the creditors, provided that, in the latter case, the cost of the practitioner is borne by the creditors.	bankruptcy estate representative. 2. In reorganization procedure, the debtor shall be the bankruptcy estate representative when acting as debtor in possession. 3. Even in the reorganization procedure, the court may appoint a bankruptcy administrator who is a representative of the bankrupt estate. 4. The bankruptcy administrator shall have the following authorizations: 4.1. administer with all property of the bankruptcy estate; 4.2. have the power to sue and be sued in the bankruptcy estate's name; and 4.3. perform all duties specified in this law required to be performed by the bankruptcy estate representative. **Article 63** **Debtor in possession** 1. The debtor will have the status of debtor in possession in a case of reorganization, except: 1.1. when the debtor requests the		

	appointment of an Administrator at the beginning of the bankruptcy procedure or during the development of the procedure; 1.2. when the court discharges the debtor in possession, in accordance with the provisions of this law.		
Article 6 **Stay of individual enforcement actions** 1. Member States shall ensure that debtors can benefit from a stay of individual enforcement actions to support the negotiations of a restructuring plan in a preventive restructuring framework. L 172/40 EN Official Journal of the European Union 26.6.2019 Member States may provide that judicial or administrative authorities can refuse to grant a stay of individual enforcement actions where such a stay is not necessary or where it would not achieve the objective set out in the first subparagraph. 2. Without prejudice to paragraphs 4 and 5, Member States shall ensure that a stay of individual enforcement actions can cover all types of claims, including secured claims and preferential claims. 3. Member States may provide that a stay of individual	**Article 27** **Termination or Modification of Stay** 1.At the request of a party in interest, the court may terminate, modify, condition, annul, or amend the stay provided by this Law before it expires in any of the following circumstances: 1.1. the debtor fails to provide any protection of value that the creditor proves was validly and reasonably requested by the creditor to protect its lien; or 1.2. the creditor proves that the amount secured by the lien exceeds the value of the property subject to the lien, and that either: 1.2.1. the case is a liquidation case; or 1.2.2. the bankruptcy estate representative fails to prove that the property	Partially complaint	

enforcement actions can be general, covering all creditors, or can be limited, covering one or more individual creditors or categories of creditors. Where a stay is limited, the stay shall only apply to creditors that have been informed, in accordance with national law, of negotiations as referred to in paragraph 1 on the restructuring plan or of the stay. 4. Member States may exclude certain claims or categories of claims from the scope of the stay of individual enforcement actions, in well-defined circumstances, where such an exclusion is duly justified and where: (a) enforcement is not likely to jeopardise the restructuring of the business; or (b) the stay would unfairly prejudice the creditors of those claims. 5. Paragraph 2 shall not apply to workers' claims. By way of derogation from the first subparagraph, Member States may apply paragraph 2 to workers' claims if, and to the extent that, Member States ensure that the payment of such claims is guaranteed in preventive restructuring frameworks at a similar level of protection. 6. The initial duration of a stay of individual enforcement actions shall be limited to a maximum period of no more than four months. 7. Notwithstanding paragraph 6, Member States may enable judicial or administrative authorities to extend the duration of a stay of individual enforcement actions or to grant a new stay of individual enforcement actions, at the	subject to the lien is necessary to an effective reorganization under the law. 2. Upon request of a party in interest, the court, with or without a hearing, shall grant such relief from the stay provided by this Law as is necessary to prevent irreparable damage to the interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under this Article		

request of the debtor, a creditor or, where applicable, a practitioner in the field of restructuring. Such extension or new stay of individual enforcement actions shall be granted only if well-defined circumstances show that such extension or new stay is duly justified, such as: (a) relevant progress has been made in the negotiations on the restructuring plan; (b) the continuation of the stay of individual enforcement actions does not unfairly prejudice the rights or interests of any affected parties; or (c) insolvency proceedings which could end in the liquidation of the debtor under national law have not yet been opened in respect of the debtor. 8. The total duration of the stay of individual enforcement actions, including extensions and renewals, shall not exceed 12 months. Where Member States choose to implement this Directive by means of one or more procedures or measures which do not fulfil the conditions for notification under Annex A to Regulation (EU) 2015/848, the total duration of the stay under such procedures shall be limited to no more than four months if the centre of main interests of the debtor has been transferred from another Member State within a three-month period prior to the filing of a request for the opening of preventive restructuring proceedings. 9. Member States shall ensure that judicial or administrative authorities can lift a stay of individual enforcement			

actions in the following cases: (a) the stay no longer fulfils the objective of supporting the negotiations on the restructuring plan, for example if it becomes apparent that a proportion of creditors which, under national law, could prevent the adoption of the restructuring plan do not support the continuation of the negotiations; (b) at the request of the debtor or the practitioner in the field of restructuring; 26.6.2019 EN Official Journal of the European Union L 172/41 (c) where so provided for in national law, if one or more creditors or one or more classes of creditors are, or would be, unfairly prejudiced by a stay of individual enforcement actions; or (d) where so provided for in national law, if the stay gives rise to the insolvency of a creditor. Member States may limit the power, under the first subparagraph, to lift the stay of individual enforcement actions to situations where creditors had not had the opportunity to be heard before the stay came into force or before an extension of the period was granted by a judicial or administrative authority. Member States may provide for a minimum period, which does not exceed the period referred to in paragraph 6, during which a stay of individual enforcement actions cannot be lifted.			

Article 7 **Consequences of the stay of individual enforcement actions** 1. Where an obligation on a debtor, provided for under national law, to file for the opening of insolvency proceedings which could end in the liquidation of the debtor, arises during a stay of individual enforcement actions, that obligation shall be suspended for the duration of that stay. 2. A stay of individual enforcement actions in accordance with Article 6 shall suspend, for the duration of the stay, the opening, at the request of one or more creditors, of insolvency proceedings which could end in the liquidation of the debtor. 3. Member States may derogate from paragraphs 1 and 2 in situations where a debtor is unable to pay its debts as they fall due. In such cases, Member States shall ensure that a judicial or administrative authority can decide to keep in place the benefit of the stay of individual enforcement actions, if, taking into account the circumstances of the case, the opening of insolvency proceedings which could end in the liquidation of the debtor would not be in the general interest of creditors. 4. Member States shall provide for rules preventing creditors to which the stay applies from withholding performance or terminating, accelerating or, in any other way, modifying essential	**Article 26** **Limited Duration** 1.The stay provided by this Law shall expire one hundred and twenty (120) days after the opening of a case, or after the debtor receives a discharge, whichever first occurs, unless extended as provided by this law 2.The stay may be extended beyond one hundred and twenty (120) days, but only if the court finds that the bankruptcy estate representative has met the burden of establishing, by proof, the need for further time to effectuate the purposes of this law. In no event, however, may the stay extend beyond one (1) year after the opening of a case. 3.After the passage of the allowed duration of the moratorium according to paragraph 1 and 2 of this article, with the proposal of the creditor, the regular judicial and enforcement procedures will continue for the realization of claims without any restrictions. 4.During the pendency of the stay provided by this Law, all limitation periods for legal actions against the debtor that are prohibited by the stay shall be suspended. The running of such periods of limitations shall resume when the stay no longer applies. **Article 27** **Termination or Modification of Stay**	Partially complaint	

executory contracts to the detriment of the debtor, for debts that came into existence prior to the stay, solely by virtue of the fact that they were not paid by the debtor. 'Essential executory contracts' shall be understood to mean executory contracts which are necessary for the continuation of the day-to-day operations of the business, including contracts concerning supplies, the suspension of which would lead to the debtor's activities coming to a standstill. The first subparagraph shall not preclude Member States from affording such creditors appropriate safeguards with a view to preventing unfair prejudice being caused to such creditors as a result of that subparagraph. Member States may provide that this paragraph also applies to non-essential executory contracts. 5. Member States shall ensure that creditors are not allowed to withhold performance or terminate, accelerate or, in any other way, modify executory contracts to the detriment of the debtor by virtue of a contractual clause providing for such measures, solely by reason of: (a) a request for the opening of preventive restructuring proceedings; (b) a request for a stay of individual enforcement actions; (c) the opening of preventive restructuring proceedings; or (d) the granting of a stay of individual enforcement actions as such. 6. Member States may provide that a stay of individual enforcement actions does not	1.At the request of a party in interest, the court may terminate, modify, condition, annul, or amend the stay provided by this Law before it expires in any of the following circumstances: 1.1. the debtor fails to provide any protection of value that the creditor proves was validly and reasonably requested by the creditor to protect its lien; or 1.2. the creditor proves that the amount secured by the lien exceeds the value of the property subject to the lien, and that either: 1.2.1. the case is a liquidation case; or 1.2.2. the bankruptcy estate representative fails to prove that the property subject to the lien is necessary to an effective reorganization under the law. 2. Upon request of a party in interest, the court, with or without a hearing, shall grant such relief from the stay provided by this Law as is necessary to prevent irreparable damage to the interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under this Article.		

apply to netting arrangements, including close-out netting arrangements, on financial markets, energy markets and commodity markets, even in circumstances where Article 31(1) does not apply, if such arrangements are enforceable under national insolvency law. The stay shall, however, apply to the enforcement by a creditor of a claim against a debtor arising as a result of the operation of a netting arrangement. L 172/42 EN Official Journal of the European Union 26.6.2019 The first subparagraph shall not apply to contracts for the supply of goods, services or energy necessary for the operation of the debtor's business, unless such contracts take the form of a position traded on an exchange or other market, such that it can be substituted at any time at current market value. 7. Member States shall ensure that the expiry of a stay of individual enforcement actions without the adoption of a restructuring plan does not, of itself, give rise to the opening of an insolvency procedure which could end in the liquidation of the debtor, unless the other conditions for such opening laid down by national law are fulfilled.			

CHAPTER 3 **Restructuring plans** **Article 8** **Content of restructuring plans** 1. Member States shall require that restructuring plans submitted for adoption in accordance with Article 9, or for confirmation by a judicial or administrative authority in accordance with Article 10, contain at least the following information: (a) the identity of the debtor; (b) the debtor's assets and liabilities at the time of submission of the restructuring plan, including a value for the assets, a description of the economic situation of the debtor and the position of workers, and a description of the causes and the extent of the difficulties of the debtor; (c) the affected parties, whether named individually or described by categories of debt in accordance with national law, as well as their claims or interests covered by the restructuring plan; (d) where applicable, the classes into which the affected parties have been grouped, for the purpose of adopting the restructuring plan, and the respective	**Article 67** **Proposal of Reorganization Plan** 1. A party in interest may propose a plan of reorganization only if authorized by this Article. 2. The debtor in possession has the exclusive right to file a plan of reorganization within one hundred and twenty (120) days after the opening of the case. This time limit is interrupted if the debtor in possession files a plan before the expiration of the time limit. 3.The court may shorten or extend the debtor's exclusive period under paragraph 2 of this Article on request of a party in interest if that party in interest proves that such shortening or extension will likely enhance the debtor's prospects for successful reorganization. 4. After the expiration of the term foreseen in paragraph 2 of this Article or extension or shortening of the term according to paragraph 3 of this Article, each party in interest shall file	Fully compliant	

values of claims and interests in each class; (e) where applicable, the parties, whether named individually or described by categories of debt in accordance with national law, which are not affected by the restructuring plan, together with a description of the reasons why it is proposed not to affect them; (f) where applicable, the identity of the practitioner in the field of restructuring; (g) the terms of the restructuring plan, including, in particular: (i) any proposed restructuring measures as referred to in point (1) of Article 2(1); (ii) where applicable, the proposed duration of any proposed restructuring measures; (iii) the arrangements with regard to informing and consulting the employees' representatives in accordance with Union and national law; (iv) where applicable, overall consequences as regards employment such as dismissals, short-time working arrangements or similar; (v) the estimated financial flows of the debtor, if provided for by national law; and (vi) any new financing anticipated as part of the restructuring plan, and the reasons why the new financing is necessary to implement that plan; (h) a statement of	a plan of reorganization of the debtor. **Article 68** **Mandatory and Permissible Contents of the Reorganization Plan** The court examines and may approve a reorganization plan only if it is in accordance with the relevant provisions of this law. **Article 70** **Specification and Classification of Claims** 1. A reorganization plan must classify creditors and holders of equity interests. 2. The plan must separate creditors and holders of equity interests into different classes according to their rights and obligations under applicable legislation, subject to the following: 2.1. a plan may place a claim or an interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests of such class. A plan may not place a secured claim in the same class as an unsecured claim or an equity interest, even if the holder of	Fully compliant	

reasons which explains why the restructuring plan has a reasonable prospect of preventing the insolvency of the debtor and ensuring the viability of the business, including the necessary pre-conditions for the success of the plan. Member States may require that that statement of reasons be made or validated either by an external expert or by the practitioner in the field of restructuring if such a practitioner is appointed. 2. Member States shall make available online a comprehensive check-list for restructuring plans, adapted to the needs of SMEs. The check-list shall include practical guidelines on how the restructuring plan has to be drafted under national law. The check-list shall be made available in the official language or languages of the Member State. Member States shall consider making the check-list available in at least one other language, in particular in a language used in international business.	the secured claim also holds an unsecured claim or an equity interest 2.2. a plan may place unsecured creditors in more than one (1) class so long as there is a business justification for such separate classification. Such a justification may include, but is not limited to, separately classifying a secured creditor's unsecured deficiency claim from the unsecured claims of creditors who supplied or supply the debtor or the estate with goods or services on credit; and 2.3. the proposer of the plan may designate a class. **Article 71** **Uniform Treatment of Claims within Same Class** Within a class, all class members must receive the same treatment unless the plan proponent proves that a particular class member has consented to less favorable treatment than other class members.		

Article 9 **Adoption of restructuring plans** 1. Member States shall ensure that, irrespective of who applies for a preventive restructuring procedure in accordance with Article 4, debtors have the right to submit restructuring plans for adoption by the affected parties. Member States may also provide that creditors and practitioners in the field of restructuring have the right to submit restructuring plans, and provide for conditions under which they may do so. 2. Member States shall ensure that affected parties have a right to vote on the adoption of a restructuring plan. Parties that are not affected by a restructuring plan shall not have voting rights in the adoption of that plan. 3. Notwithstanding paragraph 2, Member States may exclude from the right to vote the following: (a) equity holders; (b) creditors whose claims rank below the claims of ordinary unsecured creditors in the normal ranking of liquidation priorities; or (c) any related party of the debtor or the debtor's business, with a conflict of interest under national law. 4. Member States	**Article 77** **The Necessary Votes for Acceptance of Plan** 1. A class accepts a plan of reorganization if creditors holding at least fifty percent (50%) of all claims voting in that class accept the plan of reorganization. 2. A class is deemed to accept the plan of reorganization without the need to solicit it if it leaves the claims or equity interests in that class unimpaired. 3.A class is deemed to reject the plan of reorganization without the need to solicit it if it eliminates the claims or equity interests in that class. **Article 78** **Requirements for Consensual Plan Confirmation** 1.Except for cases defined in Article 79 of this Law, a court may confirm a plan of reorganization only if the plan proponent proves: 1.1. the plan of reorganization complies with this Law, and the plan proponent has	Partially compliant	

shall ensure that affected parties are treated in separate classes which reflect sufficient commonality of interest based on verifiable criteria, in accordance with national law. As a minimum, creditors of secured and unsecured claims shall be treated in separate classes for the purposes of adopting a restructuring plan. Member States may also provide that workers' claims are treated in a separate class of their own. Member States may provide that debtors that are SMEs can opt not to treat affected parties in separate classes. Member States shall put in place appropriate measures to ensure that class formation is done with a particular view to protecting vulnerable creditors such as small suppliers. 5. Voting rights and the formation of classes shall be examined by a judicial or administrative authority when a request for confirmation of the restructuring plan is submitted. Member States may require a judicial or administrative authority to examine and confirm the voting rights and formation of classes at an earlier stage than that referred to in the first subparagraph. 6. A restructuring plan shall be adopted by affected parties,	complied with all provisions of this Law; 1.2. the plan proponent proposed the plan of reorganization in good faith; 1.3. the plan of reorganization provides that each impaired creditor or equity holder will receive or retain at least as much under the plan as the creditor would have received if the case been a liquidation case; 1.4. the means for implementing the plan of reorganization are adequate, a showing which shall include, but not be limited to, proof that: 1.4.1.confirmation of the plan of reorganization is not likely to be followed by the need for the filing of a subsequent case under this Law; and 1.4.2. all payments and distributions under the		

provided that a majority in the amount of their claims or interests is obtained in each class. Member States may, in addition, require that a majority in the number of affected parties is obtained in each class. Member States shall lay down the majorities required for the adoption of a restructuring plan. Those majorities shall not be higher than 75 % of the amount of claims or interests in each class or, where applicable, of the number of affected parties in each class. 7. Notwithstanding paragraphs 2 to 6, Member States may provide that a formal vote on the adoption of a restructuring plan can be replaced by an agreement with the requisite majority.	plan of reorganization will be timely made; and 1.4.3. all classes of claims and equity interests have accepted the plan of reorganization or are unimpaired under the terms of the plan of reorganization. **Article 79** **Requirements for Non-Consensual Plan Confirmation** 1.A court may confirm a plan of reorganization that is not accepted by all classes only if the plan proponent proves that the plan of reorganization: 1.1.complies with all confirmation requirements set forth in the prior Article except for acceptance by all impaired classes; 1.2. no payment is provided on the full payment of real claims to creditors; 1.3. does not provide for any		

	distribution to a class of creditors or equity holders unless all classes of claims or equity holders which have priority are either paid in full or have accepted the plan. 2.For purposes of this Article, payment in full need not be in cash. A creditor is paid in full if the plan proponent proves that the plan of reorganization provides for distribution of property to a creditor that has a value, as of the date of confirmation, equal to the allowed amount of its claim. Property may be any of the following, or a combination of any of the following: 2.1. cash; 2.2. allowed securities; 2.3. moveable or immovable property; or 2.4. equity interests in the debtor or any other entity. 3.If a plan of reorganization proposes to distribute property to a secured creditor in payment in full of the secured creditor's claim, and some or all of the property consists of a note, then payment in full as anticipated by this Article requires that the secured creditor must retain the lien on the		

	collateral securing its claim, or must have a lien on all sales proceeds of its collateral.		
Article 10 **Confirmation of restructuring plans** 1. Member States shall ensure that at least the following restructuring plans are binding on the parties only if they are confirmed by a judicial or administrative authority: (a) restructuring plans which affect the claims or interests of dissenting affected parties; (b) restructuring plans which provide for new financing; (c) restructuring plans which involve the loss of more than 25 % of the workforce, if such loss is permitted under national law. L 172/44 EN Official Journal of the European Union 26.6.2019 2. Member States shall ensure that the conditions under which a restructuring plan can be confirmed by a judicial or administrative authority are clearly specified and include at least the following: (a) the restructuring plan has been adopted in accordance with Article 9; (b) creditors with sufficient commonality of interest in the same	**Article 77** **The Necessary Votes for Acceptance of Plan** 1. A class accepts a plan of reorganization if creditors holding at least fifty percent (50%) of all claims voting in that class accept the plan of reorganization. 2. A class is deemed to accept the plan of reorganization without the need to solicit it if it leaves the claims or equity interests in that class unimpaired. 3.A class is deemed to reject the plan of reorganization without the need to solicit it if it eliminates the claims or equity interests in that class.	Partially complaint	

class are treated equally, and in a manner proportionate to their claim; (c) notification of the restructuring plan has been given in accordance with national law to all affected parties; (d) where there are dissenting creditors, the restructuring plan satisfies the best-interest-of-creditors test; (e) where applicable, any new financing is necessary to implement the restructuring plan and does not unfairly prejudice the interests of creditors. Compliance with point (d) of the first subparagraph shall be examined by a judicial or administrative authority only if the restructuring plan is challenged on that ground. 3. Member States shall ensure that judicial or administrative authorities are able to refuse to confirm a restructuring plan where that plan would not have a reasonable prospect of preventing the insolvency of the debtor or ensuring the viability of the business. 4. Member States shall ensure that where a judicial or administrative authority is required to confirm a restructuring plan in order for it to become binding, the decision is taken in an efficient manner with a view to expeditious treatment of the matter.			

Article 11 **Cross-class cram-down** 1. Member States shall ensure that a restructuring plan which is not approved by affected parties, as provided for in Article 9(6), in every voting class, may be confirmed by a judicial or administrative authority upon the proposal of a debtor or with the debtor's agreement, and become binding upon dissenting voting classes where the restructuring plan fulfils at least the following conditions: (a) it complies with Article 10(2) and (3); (b) it has been approved by: (i) a majority of the voting classes of affected parties, provided that at least one of those classes is a secured creditors class or is senior to the ordinary unsecured creditors class; or, failing that, (ii) at least one of the voting classes of affected parties or where so provided under national law, impaired parties, other than an equity-holders class or any other class which, upon a valuation of the debtor as a going concern, would not receive any payment or keep any interest, or, where so provided under national law, which could be reasonably presumed not to receive any payment or keep any interest, if the		Not applicable	

normal ranking of liquidation priorities were applied under national law; (c) it ensures that dissenting voting classes of affected creditors are treated at least as favourably as any other class of the same rank and more favourably than any junior class; and (d) no class of affected parties can, under the restructuring plan, receive or keep more than the full amount of its claims or interests. By way of derogation from the first subparagraph, Member States may limit the requirement to obtain the debtor's agreement to cases where debtors are SMEs. Member States may increase the minimum number of classes of affected parties or, where so provided under national law, impaired parties, required to approve the plan as laid down in point (b)(ii) of the first subparagraph. 2. By way of derogation from point (c) of paragraph 1, Member States may provide that the claims of affected creditors in a dissenting voting class are satisfied in full by the same or equivalent means where a more junior class is to receive any payment or keep any interest under the restructuring plan. 26.6.2019 EN Official Journal of the European Union L 172/45 Member States may maintain or introduce			

provisions derogating from the first subparagraph where they are necessary in order to achieve the aims of the restructuring plan and where the restructuring plan does not unfairly prejudice the rights or interests of any affected parties.			
Article 12 **Equity holders** 1. Where Member States exclude equity holders from the application of Articles 9 to 11, they shall ensure by other means that those equity holders are not allowed to unreasonably prevent or create obstacles to the adoption and confirmation of a restructuring plan. 2. Member States shall also ensure that equity holders are not allowed to unreasonably prevent or create obstacles to the implementation of a restructuring plan. 3. Member States may adapt what it means to unreasonably prevent or create obstacles under this Article to take into account, inter alia: whether the debtor is an SME or a large enterprise; the proposed restructuring measures touching upon the rights of equity holders; the type of equity holder;		Not applicable	

whether the debtor is a legal or a natural person; or whether partners in a company have limited or unlimited liability.			
Article 13 **Workers** 1. Members States shall ensure that individual and collective workers' rights, under Union and national labour law, such as the following, are not affected by the preventive restructuring framework: (a) the right to collective bargaining and industrial action; and (b) the right to information and consultation in accordance with Directive 2002/14/EC and Directive 2009/38/EC, in particular: (i) information to employees' representatives about the recent and probable development of the undertaking's or the establishment's activities and economic situation, enabling them to communicate to the debtor concerns about the situation of the business and as regards the need to consider restructuring mechanisms; (ii) information to employees'		Not applicable	

representatives about any preventive restructuring procedure which could have an impact on employment, such as on the ability of workers to recover their wages and any future payments, including occupational pensions; (iii) information to and consultation of employees' representatives about restructuring plans before they are submitted for adoption in accordance with Article 9, or for confirmation by a judicial or administrative authority in accordance with Article 10; (c) the rights guaranteed by Directives 98/59/EC, 2001/23/EC and 2008/94/EC. 2. Where the restructuring plan includes measures leading to changes in the work organisation or in contractual relations with workers, those measures shall be approved by those workers, if national law or collective agreements provide for such approval in such cases.			
Article 14 **Valuation by the judicial or administrative authority**		Not applicable	

1. The judicial or administrative authority shall take a decision on the valuation of the debtor's business only where a restructuring plan is challenged by a dissenting affected party on the grounds of either: (a) an alleged failure to satisfy the best-interest-of-creditors test under point (6) of Article 2(1); or (b) an alleged breach of the conditions for a cross-class cram-down under point (ii) of Article 11(1)(b). L 172/46 EN Official Journal of the European Union 26.6.2019 2. Member States shall ensure that, for the purpose of taking a decision on a valuation in accordance with paragraph 1, judicial or administrative authorities may appoint or hear properly qualified experts. 3. For the purposes of paragraph 1, Member States shall ensure that a dissenting affected party may lodge a challenge with the judicial or administrative authority called upon to confirm the restructuring plan. Member States may provide that such a challenge can be lodged in the context of an appeal against a decision on the confirmation of a restructuring plan.			

Article 15 **Effects of restructuring plans** 1. Member States shall ensure that restructuring plans that are confirmed by a judicial or administrative authority are binding upon all affected parties named or described in accordance with point (c) of Article 8(1). 2. Member States shall ensure that creditors that are not involved in the adoption of a restructuring plan under national law are not affected by the plan.	**Article 80** **Legal Consequences of the Plan Confirmation** 1.The provisions of a confirmed plan of reorganization bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor or equity holder, whether or not the claim or interest of such creditor or equity holder is impaired under the plan of reorganization and whether or not such creditor or equity holder has accepted the plan. 2.Except as otherwise provided in the plan of reorganization or the court decision confirming the plan, the confirmation of a plan of reorganization vests all of the property of the bankruptcy estate in the debtor. 3.Except as otherwise provided in the plan, after confirmation of a plan of reorganization the property dealt with by the plan of reorganization is free and clear of all claims and equity interests of creditors and equity holders in the debtor.	Partially Compliant	

	4. Except as otherwise provided in the plan, the confirmation of a plan: 4.1. discharges the debtor from any claim that might arose before the plan confirmation without taking into consideration: 4.1.1. if there is filed a proof under this Law; 4.1.2. if it is filed, it is accepted as allowed or it declared as disallowed under this Law; 4.1.3. the holder of such claim has accepted the plan; and 4.2. terminates all rights and equity interests of equity holders provided for by the plan. 5.A discharge under this Chapter does not discharge a debtor who is an individual who is denied a discharge		

	under Chapter VIII of this Law, or from any debt excepted from discharge under Chapter VIII of this Law. **Article 81** **Legal Consequences in Case of Failure to Perform the Plan** 1.A party in interest may bring an action to revoke confirmation of the plan, but such an action may be brought only if the party in interest: 1.1. proves that the plan proponent committed fraud or deceit in obtaining the votes for a confirmed plan or in requesting confirmation of the plan; and 1.2. brings such action within six (6) months of the confirmation of the plan. 2.If a reorganized debtor or other party does not perform any of the material terms of a confirmed plan of reorganization, any party in interest may bring an action in the court to:		

	2.1. compel the defaulting party to perform or pay damages as if the plan of reorganization and damage compensation arising from the reorganization plan were an execution document in accordance with the provisions of Article 83 of this Law. 2.2.cancel the remaining unperformed obligations under the plan, revoke the debtor's discharge, and request the court to open a liquidation case.		
Article 16 **Appeals** 1. Member States shall ensure that any appeal provided for under national law against a decision to confirm or reject a restructuring plan taken by a judicial authority is brought before a higher judicial authority. Member States shall ensure that an appeal against a decision to confirm or reject a restructuring plan taken by an administrative authority is brought before a judicial authority. 2.	**Article 6** **Jurisdiction of the court and legal remedies** 1. The Commercial Court is competent for the development of the procedure and the review of the bankruptcy case and for all issues related to this law. 2. Only an interested party who is a party affected or damaged by a decision issued by the court has the	Fully Compliant	

Appeals shall be resolved in an efficient manner with a view to expeditious treatment. 3. An appeal against a decision confirming a restructuring plan shall have no suspensive effects on the execution of that plan. By way of derogation from the first subparagraph, Member States may provide that judicial authorities can suspend the execution of the restructuring plan or parts thereof where necessary and appropriate to safeguard the interests of a party. 4. Member States shall ensure that, where an appeal pursuant to paragraph 3 is upheld, the judicial authority may either: (a) set aside the restructuring plan; or (b) confirm the restructuring plan, either with amendments, where so provided under national law, or without amendments. Member States may provide that, where a plan is confirmed under point (b) of the first subparagraph, compensation is granted to any party that incurred monetary losses and whose appeal is upheld.	right to appeal to the Chambers of the Second Instance of the Commercial Court of the Republic of Kosovo. 3. Each interested party has the right to appeal against the final decisions of the Chambers of the First Instance of the Commercial Court, within a period of seven (7) days from the day of acceptance of the decision. 4. Unless the Chambers of the Second Instance of the Commercial Court decide otherwise, an appeal against a decision of the Chambers of the First Instance of the Commercial Court shall not suspend the implementation of the decision by the Chambers of the First Instance of the Commercial Court. 5. The Chamber of the second instance of the Commercial Court decides within seven (7) days regarding the appeal. 6. Extraordinary legal remedies are not allowed against the Decisions of the Chambers of the second instance of the Commercial Court.		

. **CHAPTER 4** **Protection for new financing, interim financing and other restructuring related transactions** **Article 17** **Protection for new financing and interim financing** 1. Member States shall ensure that new financing and interim financing are adequately protected. As a minimum, in the case of any subsequent insolvency of the debtor: (a) new financing and interim financing shall not be declared void, voidable or unenforceable; and 26.6.2019 EN Official Journal of the European Union L 172/47 (b) the grantors of such financing shall not incur civil, administrative or criminal liability, on the ground that such financing is detrimental to the general body of creditors, unless other additional grounds laid down by national law are present. 2. Member States may provide that paragraph 1 shall only apply to new financing if the restructuring plan has been confirmed by a judicial or administrative	**Article 32** **Post-Filing Financing of the Bankruptcy Estate** 1. Unless the court orders otherwise, the bankruptcy estate representative may obtain unsecured credit and incur unsecured debt in the ordinary course of business allowable as an administrative expense. 2. The court may authorize the bankruptcy estate representative to obtain unsecured credit or to incur unsecured debt other than under paragraph 1 of this Article which is allowable as an administrative expense. 3. If the bankruptcy estate representative is unable to obtain unsecured credit allowable as an administrative expense, the court may authorize the obtaining of credit or the incurring of debt as an administrative expense: 3.1. with priority over any or	Partially Compliant	

authority, and to interim financing which has been subject to ex ante control. 3. Member States may exclude from the application of paragraph 1 interim financing which is granted after the debtor has become unable to pay its debts as they fall due. 4. Member States may provide that grantors of new or interim financing are entitled to receive payment with priority in the context of subsequent insolvency procedures in relation to other creditors that would otherwise have superior or equal claims.	all administrative expenses; 3.2. secured by a lien on property of the bankruptcy estate that is not otherwise subject to a lien; or 3.3. secured by a lien on property which is part of the bankruptcy estate that is secured previously a lien, provided that the new lien not to have priority towards the existing lien. 4. Any credit extended in accordance with this Article shall not be declared void, voidable or unenforceable as an act detrimental to the general body of creditors at any later time.		
Article 18 **Protection for other restructuring related transactions** 1. Without prejudice to Article 17, Member States shall ensure that, in the event of any subsequent insolvency of a		Not applicable	

debtor, transactions that are reasonable and immediately necessary for the negotiation of a restructuring plan are not declared void, voidable or unenforceable on the ground that such transactions are detrimental to the general body of creditors, unless other additional grounds laid down by national law are present. 2. Member States may provide that paragraph 1 only applies where the plan is confirmed by a judicial or administrative authority or where such transactions were subject to ex ante control. 3. Member States may exclude from the application of paragraph 1 transactions that are carried out after the debtor has become unable to pay its debts as they fall due. 4. Transactions referred to in paragraph 1 shall include, as a minimum: (a) the payment of fees for and costs of negotiating, adopting or confirming a restructuring plan; (b) the payment of fees for and costs of seeking professional advice closely connected with the restructuring; (c) the payment of workers' wages for work already carried out without prejudice to other protection provided in Union or national law; (d) any payments and disbursements made in the ordinary			

course of business other than those referred to in points (a) to (c). 5. Without prejudice to Article 17, Member States shall ensure that, in the event of any subsequent insolvency of the debtor, transactions that are reasonable and immediately necessary for the implementation of a restructuring plan, and that are carried out in accordance with the restructuring plan confirmed by a judicial or administrative authority, are not declared void, voidable or unenforceable on the ground that such transactions are detrimental to the general body of creditors, unless other additional grounds laid down by national law are present.			
CHAPTER 5 **Duties of directors** **Article 19** **Duties of directors where there is a likelihood of insolvency** Member States shall ensure that, where there is a likelihood of insolvency, directors, have due regard, as a minimum, to the following: (a) the interests of creditors, equity holders		Not applicable	

and other stakeholders; (b) the need to take steps to avoid insolvency; and (c) the need to avoid deliberate or grossly negligent conduct that threatens the viability of the business.			
TITLE III DISCHARGE OF DEBT AND DISQUALIFICATIONS **Article 20** **Access to discharge** 1. Member States shall ensure that insolvent entrepreneurs have access to at least one procedure that can lead to a full discharge of debt in accordance with this Directive. Member States may require that the trade, business, craft or profession to which an insolvent entrepreneur's debts are related has ceased. 2. Member States in which a full discharge of debt is conditional on a partial repayment of debt by the entrepreneur shall ensure that the related repayment obligation is based on the individual situation of the entrepreneur and, in particular, is proportionate to the entrepreneur's seizable or disposable income and assets during the discharge period, and takes into account the equitable interest	**CHAPTER VIII** **DISCHARGE FROM DEBTS AND CLOSING OF THE CASE** **Article 103** **Discharge from Remaining Debts** 1. A discharge shall mean paying off debts and under this Law: 1.1. voids and invalidates any remaining claim arising on any basis, at any time, decision which creates full personal liability for the debtor to a claim, for any claim remaining after treatment in bankruptcy proceedings under this law; 1.2. has the effect of a final court decision and it constitutes a decided case, operates as an injunction and prohibition against the commencement or	Partially compliant	

of creditors. 3. Member States shall ensure that entrepreneurs who have been discharged from their debts may benefit from existing national frameworks providing for business support for entrepreneurs, including access to relevant and up-todate information about these frameworks. **Article 21** **Discharge period** 1. Member States shall ensure that the period after which insolvent entrepreneurs are able to be fully discharged from their debts is no longer than three years starting at the latest from the date of either: (a) in the case of a procedure which includes a repayment plan, the decision by a judicial or administrative authority to confirm the plan or the start of the implementation of the plan; or (b) in the case of any other procedure, the decision by the judicial or administrative authority to open the procedure, or the establishment of the entrepreneur's insolvency estate. 2. Member States shall ensure that insolvent entrepreneurs who have complied with their obligations, where	continuation of an action, the employment of process, or an act, to collect, recover or offset any such claim as a personal liability of the debtor. **Article 104** **Timing of Discharge** 1.Besides the exceptions set forth Chapter VIII of this Law, a debtor who is an individual shall receive a discharge of all claims which existed on or before the commencement of the bankruptcy proceedings until when there has commenced the bankruptcy proceeding. The debtor that is an individual shall receive a discharge to all debts created until: 1.1. the moment of opening a reorganization case; or 1.2. the moment of the closing of a liquidation case. 2. A debtor which is not an individual shall receive a discharge of all claims which existed until: 2.1. the moment of opening a		

such obligations exist under national law, are discharged of their debt on expiry of the discharge period without the need to apply to a judicial or administrative authority to open a procedure additional to those referred to in paragraph 1. Without prejudice to the first subparagraph, Member States may maintain or introduce provisions allowing the judicial or administrative authority to verify whether the entrepreneurs have fulfilled the obligations for obtaining a discharge of debt. 3. Member States may provide that a full discharge of debt does not hinder the continuation of an insolvency procedure that entails the realisation and distribution of assets of an entrepreneur that formed part of the insolvency estate of that entrepreneur as at the date of expiry of the discharge period. **Article 22** **Disqualification period** 1. Member States shall ensure that, where an insolvent entrepreneur obtains a discharge of debt in accordance with this Directive, any disqualifications from taking up or pursuing a trade,	reorganization case; or 2.2. the moment of the closing of a liquidation case or the notification of the business registry and the tax administration of the closing of the case, depending on which of these happens the last.		

business, craft or profession on the sole ground that the entrepreneur is insolvent, shall cease to have effect, at the latest, at the end of the discharge period. 2. Member States shall ensure that, on expiry of the discharge period, the disqualifications referred to in paragraph 1 of this Article cease to have effect without the need to apply to a judicial or administrative authority to open a procedure additional to those referred to in Article 21(1).			
Article 23 **Derogations** 1. By way of derogation from Articles 20 to 22, Member States shall maintain or introduce provisions denying or restricting access to discharge of debt, revoking the benefit of such discharge or providing for longer periods for obtaining a full discharge of debt or longer disqualification periods, where the insolvent entrepreneur acted dishonestly or in bad faith under national law towards creditors or other stakeholders when becoming indebted, during the insolvency proceedings or during the payment of the debt, without prejudice to national rules on burden of		Not applicable	

proof. 2. By way of derogation from Articles 20 to 22, Member States may maintain or introduce provisions denying or restricting access to discharge of debt, revoking the benefit of discharge or providing for longer periods for obtaining a full discharge of debt or longer disqualification periods in certain well-defined circumstances and where such derogations are duly justified, such as where: (a) the insolvent entrepreneur has substantially violated obligations under a repayment plan or any other legal obligation aimed at safeguarding the interests of creditors, including the obligation to maximise returns to creditors; (b) the insolvent entrepreneur has failed to comply with information or cooperation obligations under Union and national law; (c) there are abusive applications for a discharge of debt; (d) there is a further application for a discharge within a certain period after the insolvent entrepreneur was granted a full discharge of debt or was denied a full discharge of debt due to a serious violation of information or cooperation obligations; (e) the cost of the procedure leading to the discharge of debt is not covered; or (f) a derogation			

is necessary to guarantee the balance between the rights of the debtor and the rights of one or more creditors. 3. By way of derogation from Article 21, Member States may provide for longer discharge periods in cases where: (a) protective measures are approved or ordered by a judicial or administrative authority in order to safeguard the main residence of the insolvent entrepreneur and, where applicable, of the entrepreneur's family, or the essential assets for the continuation of the entrepreneur's trade, business, craft or profession; or (b) the main residence of the insolvent entrepreneur and, where applicable, of the entrepreneur's family, is not realised. 4. Member States may exclude specific categories of debt from discharge of debt, or restrict access to discharge of debt or lay down a longer discharge period where such exclusions, restrictions or longer periods are duly justified, such as in the case of: (a) secured debts; (b) debts arising from or in connection with criminal penalties; (c) debts arising from tortious liability; (d) debts regarding maintenance obligations arising from a family relationship, parentage, marriage or affinity; (e)			

debts incurred after the application for or opening of the procedure leading to a discharge of debt; and (f) debts arising from the obligation to pay the cost of the procedure leading to a discharge of debt. 5. By way of derogation from Article 22, Member States may provide for longer or indefinite disqualification periods where the insolvent entrepreneur is a member of a profession: (a) to which specific ethical rules or specific rules on reputation or expertise apply, and the entrepreneur has infringed those rules; or (b) dealing with the management of the property of others. L 172/50 EN Official Journal of the European Union 26.6.2019 The first subparagraph shall also apply where an insolvent entrepreneur requests access to a profession as referred to in point (a) or (b) of that subparagraph. 6. This Directive is without prejudice to national rules regarding disqualifications ordered by a judicial or administrative authority other than those referred to in Article 22.			
Article 24 **Consolidation of proceedings regarding professional and personal debts**		Not applicable	

1. Member States shall ensure that, where insolvent entrepreneurs have professional debts incurred in the course of their trade, business, craft or profession as well as personal debts incurred outside those activities, which cannot be reasonably separated, such debts, if dischargeable, shall be treated in a single procedure for the purposes of obtaining a full discharge of debt. 2. Member States may provide that, where professional debts and personal debts can be separated, those debts are to be treated, for the purposes of obtaining a full discharge of debt, either in separate but coordinated procedures or in the same procedure.			
TITLE IV MEASURES TO INCREASE THE EFFICIENCY OF PROCEDURES CONCERNING RESTRUCTURING, INSOLVENCY AND DISCHARGE OF DEBT **Article 25 Judicial and administrative authorities** Without prejudice to judicial independence and to any differences in the organisation of the judiciary across		Not applicable	

the Union, Member States shall ensure that: (a) members of the judicial and administrative authorities dealing with procedures concerning restructuring, insolvency and discharge of debt receive suitable training and have the necessary expertise for their responsibilities; and (b) procedures concerning restructuring, insolvency and discharge of debt are dealt with in an efficient manner, with a view to the expeditious treatment of procedures.			
Article 26 **Practitioners in procedures concerning restructuring, insolvency and discharge of debt** 1. Member States shall ensure that: (a) practitioners appointed by a judicial or administrative authority in procedures concerning restructuring, insolvency and discharge of debt ('practitioners') receive suitable training and have the necessary expertise for their responsibilities; (b) the conditions for eligibility, as well as the process for the appointment, removal and resignation of practitioners are clear, transparent and fair; (c) in appointing a practitioner	**Article 86** **Duties and Responsibilities of an Administrator** 1. The Administrator shall: 1.1. collect income from the property of the bankruptcy estate which are under his administration and collect income from the bankruptcy estate as expeditiously as possible, in the interest of all parties in interest; 1.2. be accountable for all property received;	Fully Compliant	

for a particular case, including cases with cross-border elements, due consideration is given to the practitioner's experience and expertise, and to the specific features of the case; and (d) in order to avoid any conflict of interest, debtors and creditors have the opportunity to either object to the selection or appointment of a practitioner or request the replacement of the practitioner. 2. The Commission shall facilitate the sharing of best practices between Member States with a view to improving the quality of training across the Union, including by means of the exchange of experiences and capacity building tools.	1.3. convene and preside over all creditor committee meetings; 1.4. review the financial affairs of the debtor; 1.5. to examine proofs of claims and object to the allowance of any claim that is improper; 1.6.to oppose the discharge of the debtor if advisable; 1.7. unless the court orders otherwise, furnish such information concerning the estate and the estate's administration as is requested by a party in interest; and 1.8. make a final report and file a final account of the administration of the estate with the court. 2. An Administrator shall not be held personally liable for losses incurred by		

	a creditor, the debtor, any shareholder or partner, owner, the bankruptcy estate, or any other party for consequences or damages flowing from decisions made or actions taken or not taken within the scope of his duties if it has exercised ordinary care and diligence in the timely performance of those duties.		
Article 27 **Supervision and remuneration of practitioners** 1. Member States shall put in place appropriate oversight and regulatory mechanisms to ensure that the work of practitioners is effectively supervised, with a view to ensuring that their services are provided in an effective and competent way, and, in relation to the parties involved, are provided impartially and independently. Those mechanisms shall also include measures for the accountability of practitioners who have failed in their duties. 2. Member States shall ensure that information about the authorities or bodies exercising oversight over practitioners is publicly available. 3. Member States may encourage the	**CHAPTER XII** **SUPERVISION** **Article 169** **Control over the work of bankruptcy administrators** 1. The supervision of the legality of the work of the bankruptcy administrators and the Chamber is carried out by the Ministry through authorized persons (inspectors) of the Ministry, according to official duties or at the proposal of the President of the competent Court, the President of the Chamber, as well as at the initiative of the parties and of the participants in the procedure. 2. The Ministry is authorized to:	Fully Compliant	

development of and adherence to codes of conduct by practitioners. 4. Member States shall ensure that the remuneration of practitioners is governed by rules that are consistent with the objective of an efficient resolution of procedures. Member States shall ensure that appropriate procedures are in place to resolve any disputes over remuneration.	2.1. request from the administrator all the necessary data for his business; 2.2. receive data on the administrator's business from the competent bodies and organizations; 2.3. initiate the disciplinary procedure against the administrator. 3. In the framework of the supervision of the legality of the work of the administrator and the Chamber, the authorized person, the official of the Ministry, can order measures to eliminate defects in the work of the administrator, and set the deadline for acting according to those measures.		
Article 28 **Use of electronic means of communication** Member States shall ensure that, in procedures concerning restructuring, insolvency and discharge of debt, the parties to the procedure, the practitioner and the judicial or administrative		Not applicable	

authority are able to perform by use of electronic means of communication, including in cross-border situations, at least the following actions: (a) filing of claims; (b) submission of restructuring or repayment plans; (c) notifications to creditors; (d) lodging of challenges and appeals.			
TITLE V MONITORING OF PROCEDURES CONCERNING RESTRUCTURING, INSOLVENCY AND DISCHARGE OF DEBT **Article 29** **Data collection** 1. Member States shall collect and aggregate, on an annual basis, at national level, data on procedures concerning restructuring, insolvency and discharge of debt, broken down by each type of procedure, and covering at least the following elements: (a) the number of procedures that were applied for or opened, where such opening is provided for under national law, and of procedures that are pending or were closed; (b) the average length of procedures from the submission of the application, or from the opening		Not applicable	

thereof, where such opening is provided for under national law, to their closure; (c) the number of procedures other than those required under point (d), broken down by types of outcome; (d) the number of applications for restructuring procedures that were declared inadmissible, were rejected or were withdrawn before being opened. 2. Member States shall collect and aggregate, on an annual basis, at national level, data on the number of debtors which were subject to restructuring procedures or insolvency procedures and which, within the three years prior to the submission of the application or the opening of such procedures, where such opening is provided for under national law, had a restructuring plan confirmed under a previous restructuring procedure implementing Title II. L 172/52 EN Official Journal of the European Union 26.6.2019 3. Member States may collect and aggregate, on an annual basis, at national level, data on: (a) the average cost of each type of procedure; (b) the average recovery rates for secured and unsecured creditors and, where applicable, other types of creditors, separately; (c) the number of			

entrepreneurs who, after having undergone a procedure under point (b) of Article 1(1), launch a new business; (d) the number of job losses linked to restructuring and insolvency procedures. 4. Member States shall break down the data referred to in points (a) to (c) of paragraph 1 and, where applicable and available, the data referred to in paragraph 3 by: (a) the size of the debtors that are not natural persons; (b) whether debtors subject to procedures concerning restructuring or insolvency are natural or legal persons; and (c) whether the procedures leading to a discharge of debt concern only entrepreneurs or all natural persons. 5. Member States may collect and aggregate the data referred to in paragraphs 1 to 4 through a sample technique that ensures that the samples are representative in terms of size and diversity. 6. Member States shall collect and aggregate the data referred to in paragraphs 1, 2, 4 and, where applicable, paragraph 3, for full calendar years ending on 31 December of each year, starting with the first full calendar year following the date of application of implementing acts referred to in paragraph 7. The data			

shall be communicated annually to the Commission, on the basis of a standard data communication form, by 31 December of the calendar year following the year for which data are collected. 7. The Commission shall establish the communication form referred to in paragraph 6 of this Article by way of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 30(2). 8. The Commission shall publish on its website the data communicated in accordance with paragraph 6 in an accessible and user-friendly manner.			
Article 30 **Committee procedure** 1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. Where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of		Not applicable	

Regulation (EU) No 182/2011 shall apply.			
TITLE VI **FINAL PROVISIONS** **Article 31** **Relationship with other acts and international instruments** 1. The following acts shall apply notwithstanding this Directive: (a) Directive 98/26/EC; (b) Directive 2002/47/EC; and (c) Regulation (EU) No 648/2012. 26.6.2019 EN Official Journal of the European Union L 172/53 2. This Directive shall be without prejudice to the safeguarding requirements of funds for payment institutions laid down under Directive (EU) 2015/2366 of the European Parliament and of the Council (24) and for electronic money institutions laid down under Directive 2009/110/EC of the European Parliament and of the Council (25). 3. This Directive shall be without prejudice to the application of the Convention on international interests in mobile equipment and its Protocol on matters specific to aircraft equipment, signed at Cape Town.		Not applicable	

Article 32 **Amendment of Directive (EU)** 2017/1132 In Article 84 of Directive (EU) 2017/1132, the following paragraph is added: ‘4. Member States shall derogate from Article 58(1), Article 68, Articles 72, 73, and 74, point (b) of Article 79(1), Article 80(1) and Article 81 to the extent and for the period that such derogations are necessary for the establishment of the preventive restructuring frameworks provided for in Directive (EU) 2019/1023 of the European Parliament and of the Council (*). The first subparagraph shall be without prejudice to the principle of equal treatment of shareholders. (*) Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency) (OJ L 172, 26.6.2019, p. 18).’.		Not applicable	

Article 33 **Review clause** No later than 17 July 2026 and every five years thereafter, the Commission shall present to the European Parliament, the Council and the European Economic and Social Committee a report on the application and impact of this Directive, including on the application of the class formation and voting rules in respect of vulnerable creditors, such as workers. On the basis of that assessment, the Commission shall submit, if appropriate, a legislative proposal, considering additional measures to consolidate and harmonise the legal framework on restructuring, insolvency and discharge of debt.		Not applicable	
Article 34 **Transposition** 1. Member States shall adopt and publish, by 17 July 2021, the laws, regulations and administrative provisions necessary to comply with this Directive, with the exception of the provisions necessary to comply with		Not applicable	

points (a), (b) and (c) of Article 28 which shall be adopted and published by 17 July 2024 and the provisions necessary to comply with point (d) of Article 28 which shall be adopted and published by 17 July 2026. They shall immediately communicate the text of those provisions to the Commission. They shall apply the laws, regulations and administrative provisions necessary to comply with this Directive from 17 July 2021, with the exception of the provisions necessary to comply with points (a), (b) and (c) of Article 28, which shall apply from 17 July 2024 and of the provisions necessary to comply with point (d) of Article 28, which shall apply from 17 July 2026. L 172/54 EN Official Journal of the European Union 26.6.2019 (24) Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35). (25) Directive 2009/110/EC of the European Parliament and of the Council of 16			

September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7). 2. By way of derogation from paragraph 1, Member States that encounter particular difficulties in implementing this Directive shall be able to benefit from an extension of a maximum of one year of the implementation period provided for in paragraph 1. Member States shall notify to the Commission the need to make use of this option to extend the implementation period by 17 January 2021. 3. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.			
Article 35 **Entry into force** This Directive shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.		Not applicable	

Article 36 This Directive is addressed to the Member States.		Not applicable	

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government

Ministria e Drejtësisë
Ministarstvo Pravde – Ministry of Justice

Option/possible alternative:

1. **Title of the normative act:** Draft Law on Bankruptcy
2. **Proposing body**: European Commission
3. **Table**: 01.08.2023
List of relevant EU legislation (full title of the act and number) with which the normative act of the Republic of Kosovo is compliant: Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt
4. **The level of compliance** (fully compliant, partially compliant, not compliant or not applicable) of the normative act with EU legislation: **Partially compliant**

Republic of Kosovo- European Union

a)	b)	c)	d)
Draft Law on Bankruptcy	Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive	Compliance of Kosovo legislation with EU legislation (fully	Comments on reasons for partial compliance or non-compliance and the period

	restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt	compliant, non-compliant or not applicable)	foreseen for achieving full compliance
Article 1 Purpose 1.This Law regulates the all matters related to bankruptcy and insolvency of business organizations, provisions for the protection, liquidation and distribution of the assets of a bankrupt debtor to its creditors, and for the reorganization and discharge of debt for qualified business organizations. 2. This Law sets forth the conditions and provisions for: 2.1. initiating and opening a bankruptcy proceeding for insolvent debtors; 2.2. bankruptcy proceedings and the conduct of bankruptcy proceedings; 2.3. the legal consequences of the opening and closing of a bankruptcy proceeding;		Not applicable	

2.4. reorganization of a debtor in financial difficulties when there is likelihood of insolvency; and 2.5. the consequences of a discharge of debt for the debtor upon the successful completion of reorganization and liquidation as provided for by this Law. 3.This Law is partially in accordance with the EU Regulation 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings. Article 2 Terms and Definitions 1. Terms and definitions used in this Law shall have the following meaning: 1.1. Administrative expense/s - those claims which are incurred by the bankruptcy estate from and after the opening of the case, and which were actual and necessary costs and expenses of operating or preserving the estate; 1.2. Administratively insolvent - an insolvency proceeding in which there are insufficient assets to pay all administrative expenses and priority claims in full;		Partially complaint	

1.3. Administrator - an entity appointed under Chapter VII of this Law as the representative of the bankruptcy estate; 1.4. Affiliated entity: 1.4.1. any entity in which the debtor owns, directly or indirectly, at least twenty percent (20%) of the equity interests; or 1.4.2. any entity which owns, directly or indirectly, at least twenty percent (20%) of the debtor's equity interests. 1.5. Bankruptcy estate - all of the property, entitlements, and privileges held by the debtor as of the commencement of insolvency proceedings, and all property acquired by the bankruptcy estate from and after the commencement of insolvency proceedings, including all property interests held regardless of whether they are tangible or intangible, contingent or fixed, liquidated or unliquidated, movable or immovable, including the debtor's interests in encumbered property and in property in which third-parties also hold an		Partially complaint	

interest. Such property includes but shall be not limited in: 1.5.1. all movable, immovable, tangible or intangible property, wherever located, whether in the custody of the debtor or third parties; 1.5.2. claims and legal actions of the debtor against third persons; 1.5.3. benefits from the actions that include the revenues collected from the dishonest or privileged transfers; 1.5.4. inheritance and other funds received within six (6) months of the petition submission date; 1.5.5. rent, income and proceeds generated from the use of the property of the estate or business operations of the debtor in bankruptcy; and 1.5.6. contractual rights, licenses, or other rights created or granted defined by the legal provisions into force; 1.6. Burdensome property - property that may have no value or an insignificant value to the bankruptcy estate or that are burdened in such a way			

that retention would require expenditures that would exceed the likely proceeds of realization of the property; 1.7. Business activity - any type of regular or repeated activity involving the offering, providing or producing of goods, services, property and/or works to or for any person or organization in return for or in expectation of any type of payment or compensation; provided, however, that an employee who provides services to his or her employer shall not be considered to be conducting "business activity" to the extent such services are required by and compensated pursuant to the employee's contract of employment with the employer; 1.8. Business organization - a general terms which includes any type of business organization established in Kosovo in accordance with the law regulating the establishment and functioning of business organizations, such as an individual business, general partnership, limited partnership, limited liability company, joint stock company and branches of foreign businesses;			

1.9. Claim - a petition or a right to payment, whether arising from a debt, a statutory liability, a contract, or any other type of legal obligation, regardless of whether such obligation is liquidated or unliquidated, matured or unmatured, disputed or undisputed, secured or unsecured, fixed or contingent: 1.9.1. a liquidated debt is a debt that has an amount not subject to reasonable dispute. A debt as determined by a court decision is considered a liquidated debt; 1.9.2. a matured debt is a contractual debt that by its terms has become presently due, whether by the passing of time or by selection of parties. Matured debts include demand obligations for which demand has been made and is an installment debt for which a party has accelerated all installments to become presently due; 1.9.3. a disputed debt includes a debt subject to litigation or arbitration; 1.9.4. a secured debt is the debts secured with pledge or mortgage; 1.9.5. a contingent debt includes a debt for which all aspects of liability have not yet occurred. Contingent debts			

include a debt on a guaranty for which the principal debtor is not in default, and a claim on a product warranty for a product that has not yet malfunctioned. A debt subject to litigation or arbitration is not contingent; it is unliquidated until the court renders its decision; 1.10. Close relative - any individual related by consanguinity or affinity within the second degree; 1.11.Commencement of bankruptcy proceeding: 1.11.1. in cases when the debtor voluntarily commenced the bankruptcy proceeding, the date the debtor has filed a petition at the court regarding the commencement of bankruptcy proceeding; or 1.11.2. in any other case, the date two or more creditors submit a petition to commence a case against a debtor qualified according to this Law; 1.11.3. in a voluntary case, the date of the commencement of bankruptcy proceeding is considered the date in which the court shall commence the bankruptcy proceeding;			

1.12. Consumer activity - any use or acquisition of goods or services primarly for meeting personal needs that have nothing to do with commercial, business, craft or professional activity. Investing or saving money or other valuable property is not consumer activity; 1.13. Contact information - at a minimum, sufficient information to allow written or electronic communication to an entity. Contact information includes valid mailing addresses, email addresses, or a telephone number. For legal persons, contact information includes the name, title or capacity of a person whom the legal person has identified (either in court proceedings or in a method easily ascertainable by the general public) as authorized to receive notices, or, if no such person has been identified, the name, title or capacity of a person who has authority to respond to the content of the communication. Whenever an entity is required to provide contact information in this Law, it must provide whatever information it has, and refrain from providing information it knows to			

be obsolete or incomplete. The obligation to provide contact information with a court order is also valid towards public entities, especially for the Kosovo Civil Registration Agency and any other public entity which may have in its disposal any contact information for the party; 1.14. Court - the Commercial Court of the Republic of Kosovo as defined in the Law on Commercial Court; 1.15. Creditor- an entity that has a claim against the debtor that arose on or before the commencement of the bankruptcy proceeding; 1.16. Creditors committee – the representative body of creditors appointed in accordance with this Law, and having consultative and other powers as specified in this Law; 1.17. Day- any calendar day; 1.18. Debtor - the entity towards which there is initiated the bankruptcy proceeding under this Law; 1.19. Debtor in possession - the debtor in reorganization proceedings in cases when the court has not appointed a Bankruptcy Administrator;			

1.20. Equity holder - the holder or title holder of property rights on shares or other similar property rights in a business organization, that may be shareholder, owner, partner or similarly; 1.21. Equity Interest - the property on the capital or other property right to shares or parts of a legal person or other business organization, holder of which there may be shareholder, owner, partner or similarly; 1.22. Insolvency and/or ‘’inability to pay’’ - the financial state in which an entity is generally unable to pay its claims as they mature or when its probable liabilities exceed the likely value of its assets; 1.23. Bankruptcy proceeding - voluntary or obligatory bankruptcy proceeding commenced pursuant to this Law; 1.24. Individual - any physical person that is registered in accordance with the law on business organizations; 1.25. Lien - any right in property, whether full or partial, whether in rem or otherwise, and whether owned by the			

debtor or otherwise, held by a creditor to secure payment or other performance of one or more of the debtor's obligations. Liens include mortgages, pledges and security interests; 1.26. Liquidation - proceedings designed to sell and dispose of the debtor's property for distribution to creditors in accordance with this Law; 1.27. Legal person - any business organization registered in accordance with the Law on Business Organisations; 1.28. Opening the case 1.28.1. in a voluntary case, the date upon which the debtor voluntarily filed its insolvency petition with the court; or 1.28.2. in an involuntary case, the date upon which the court enters its decision on a creditors' involuntary petition; 1.29. Ordinary course of business - refers to transactions and actions that: 1.29.1. have been regular for the debtor prior to the filing of the bankruptcy claim; and 1.29.2. ordinary business terms in which the debtor does the business; 1.30. Pari passu - the principle according to which similarly situated	Article 1 Subject matter and scope 1. This Directive lays down rules on: (a) preventive restructuring frameworks available for debtors in financial difficulties when there is a likelihood of insolvency, with a view to preventing the insolvency and ensuring the viability of the debtor; (b) procedures leading to a discharge of debt incurred by insolvent entrepreneurs; and (c) measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt. 2. This Directive does not apply to procedures referred to in paragraph 1 of this Article that concern debtors that are: (a) insurance undertakings or reinsurance undertakings as defined in points (1) and (4) of Article 13 of Directive 2009/138/EC; (b) credit institutions as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013; (c) investment firms or collective investment undertakings as defined in points (2) and (7) of Article 4(1) of Regulation (EU) No 575/2013;	Partially complaint	

creditors are treated and satisfied proportionately to their claim out of the bankruptcy estate available for distribution to creditors of their rank; 1.31. Interested party - debtors, bankruptcy administrators, creditors, equity holders, creditor committees, and government units. Entities with remote or diffuse non-pecuniary interests are not considered parties in interest. Party in interest means any party: 1.31.1. whose pecuniary or monetary rights, obligations and other interests are affected by bankruptcy proceeding or particular matters in the bankruptcy proceeding; or 1.31.2. whose legal duties include monitoring or administering bankruptcy proceeding; 1.32. Protection of value - measures ordered by the court and directed at maintaining the economic value of encumbered property or property in which the debtor and a third party both hold an interest during the bankruptcy proceeding. The court may order the following relief as protection of value:	(d) central counter parties as defined in point (1) of Article 2 of Regulation (EU) No 648/2012; (e) central securities depositories as defined in point (1) of Article 2(1) of Regulation (EU) No 909/2014; (f) other financial institutions and entities listed in the first subparagraph of Article 1(1) of Directive 2014/59/EU; (g) public bodies under national law; and (h) natural persons who are not entrepreneurs. 3. Member States may exclude from the scope of this Directive procedures referred to in paragraph 1 that concern debtors which are financial entities, other than those referred to in paragraph 2, providing financial services which are subject to special arrangements under which the national supervisory or resolution authorities have wide-ranging powers of intervention comparable to those laid down in Union and national law in relation to the financial entities referred to in paragraph 2. Member States shall communicate those special arrangements to the Commission. 4. Member States may extend the application of the procedures referred to in point (b) of paragraph 1 to insolvent natural persons who are not entrepreneurs. Member States may		

1.32.1. compensation by means of regular cash payments to the secured creditor equal to the decline in collateral value since the commencement of the bankruptcy proceedings, as well as compensation for actual or anticipated losses to the value of such collateral; 1.32.2. granting additional collateral of sufficient value to compensate for the decline in property value or compensation for losses; 1.32.3. delivery of proceeds generated from a sale, use, or lease of the collateral to the secured creditor, to the extent of its secured claim; 1.32.4. repair, maintenance, insurance coverage or physical security, as needed to remedy the problem; 1.32.5. other protective or compensatory measures as the court sees fit to protect the value of the secured creditor's collateral; 1.33. Prove or proof - when used in connection with a potential fact or state of affairs, means that the entity who bears the burden of proof must establish, by competent evidence, that it	restrict the application of point (a) of paragraph 1 to legal persons. 26.6.2019 EN Official Journal of the European Union L 172/37 (23) OJ C 236, 21.7.2017, p. 2. 5. Member States may provide that the following claims are excluded from, or are not affected by, preventive restructuring frameworks referred to in point (a) of paragraph 1: (a) existing and future claims of existing or former workers; (b) maintenance claims arising from a family relationship, parentage, marriage or affinity; or (c) claims that arise from tortious liability of the debtor. 6. Member States shall ensure that preventive restructuring frameworks have no impact on accrued occupational pension entitlements. **Article 2** **Definitions** 1. For the purposes of this Directive, the following definitions apply: (1) 'restructuring' means measures aimed at restructuring the debtor's business that include changing the composition, conditions or structure of a debtor's assets and liabilities or any other part of the debtor's capital structure, such		

is more likely than not that the fact or state of affairs is true; 1.34. Reorganization - the process by which the financial well-being and viability of a debtor's business can be restored, jobs preserved, and the business continue to operate. Reorganization may use many take many different forms, including debt forgiveness, debt rescheduling, debt-equity conversions and sale of the business or parts of it as a going concern; 1.35. Secured claim - a claim for which the creditor has a lien registered at competent institutions (mortgage, pledge, lien); 1.36. Secured creditor - a creditor holding a secured claim; 1.37. Transfer - every manner, direct or indirect, of alienation, sale, exchange, grant, collection of means, availability, granting the pledge or mortgage, or other rights; 1.38. Unsecured claim:	as sales of assets or parts of the business and, where so provided under national law, the sale of the business as a going concern, as well as any necessary operational changes, or a combination of those elements; (2) 'affected parties' means creditors, including, where applicable under national law, workers, or classes of creditors and, where applicable, under national law, equity holders, whose claims or interests, respectively, are directly affected by a restructuring plan; (3) 'equity holder' means a person that has an ownership interest in a debtor or a debtor's business, including a shareholder, in so far as that person is not a creditor; (4) 'stay of individual enforcement actions' means a temporary suspension, granted by a judicial or administrative authority or applied by operation of law, of the right of a creditor to enforce a claim against a debtor and, where so provided for by national law, against a third-party security provider, in the context of a judicial, administrative or other procedure, or of the right to seize or realise out of court the assets or business of the debtor; (5) 'executory contract' means a contract between a debtor and one or more creditors under which the parties		

1.38.1. a claim for which the creditor has no lien; or 1.38.2. if a creditor has a lien for its claim, that part of the claim representing the difference between: 1.38.3. the total amount of the claim; and 1.38.4. the value of collateral at the moment of the opening of the case; 1.39. Unsecured creditor - a creditor who holds an unsecured claim. 1.40. Foreign Court - judicial bodies or other authority competent to control and supervise a foreign proceeding; 1.41. Foreign proceeding - a judicial or administrative proceeding in a foreign state, including an interim measure proceeding, pursuant to a Law treating the bankruptcy in which proceeding the assets and affairs of the debtor are subject to control or supervision by the foreign court with the purpose of reorganization or liquidation; 1.42. Foreign main proceeding - a foreign proceeding taking place in the	still have obligations to perform at the time the stay of individual enforcement actions is granted or applied; (6) 'best-interest-of-creditors test' means a test that is satisfied if no dissenting creditor would be worse off under a restructuring plan than such a creditor would be if the normal ranking of liquidation priorities under national law were applied, either in the event of liquidation, whether piecemeal or by sale as a going concern, or in the event of the next-best-alternative scenario if the restructuring plan were not confirmed; (7) 'new financing' means any new financial assistance provided by an existing or a new creditor in order to implement a restructuring plan and that is included in that restructuring plan; (8) 'interim financing' means any new financial assistance, provided by an existing or a new creditor, that includes, as a minimum, financial assistance during the stay of individual enforcement actions, and that is reasonable and immediately necessary for the debtor's business to continue operating, or to preserve or enhance the value of that business; (9) 'entrepreneur' means a natural person exercising a trade, business, craft or profession; (10) 'full discharge of		

foreign state where the debtor has the main centre of its activity; 1.43. Foreign non-main proceeding - a foreign proceeding, other than a foreign main proceeding, taking place in the state where the debtor has an establishment within the meaning of paragraph 1.47 of this Article; 1.44. Foreign representative - a person or body, including that one appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or to act as a representative of the foreign proceeding; 1.45. Establishment - any place where the debtor operates and carries out a non-transitory economic activity in selling the products or providing services. 1.46. Small and Medium Enterprise, a business organisation which has an annual turnover of up to one million (1,000,000.00) euros or has up to twenty-five (25) employees. 1.47. Entity – a natural or legal person who can own property, engage in	debt' means that enforcement against entrepreneurs of their outstanding dischargeable debts is precluded or that outstanding dischargeable debts as such are cancelled, as part of a procedure which could include a realisation of assets or a repayment plan or both; (11) 'repayment plan' means a programme of payments of specified amounts on specified dates by an insolvent entrepreneur to creditors, or a periodic transfer to creditors of a certain part of entrepreneur's disposable income during the discharge period; L 172/38 EN Official Journal of the European Union 26.6.2019 (12) 'practitioner in the field of restructuring' means any person or body appointed by a judicial or administrative authority to carry out, in particular, one or more of the following tasks: (a) assisting the debtor or the creditors in drafting or negotiating a restructuring plan; (b) supervising the activity of the debtor during the negotiations on a restructuring plan, and reporting to a judicial or administrative authority; (c) taking partial control over the assets or affairs of the debtor during negotiations. 2. For the purposes of this Directive, the following concepts are to be understood as defined by		

business, enter into contracts, pay taxes, can sue and be sued; 1.48. Maturity, the date when the debt is due for payment and must be paid in full. 1.49. Expert, is a qualified professional with special, proven knowledge in a certain field, independent of the parties and registered as such in the register of judicial experts. In cases where the field of expertise is not covered by the register of experts kept by the court, "Expert" shall be understood as the qualified professional, with proven special knowledge in a certain field, who appears in a judicial procedure to give the opinion of his independent work in that field of specialization. Article 3 Scope 1.This Law applies Business Organizations, as defined in the Law on Business Organizations or any other future Law. 2. The following, cannot be debtor under this law.	national law: (a) insolvency; (b) likelihood of insolvency; (c) micro, small and medium-sized enterprises ('SMEs').		

2.1. institutions of the Republic of Kosovo; 2.2. any governmental unit; 2.3. financial institutions as defined in Law regulating Banks, Microfinance Institutions And Non-Bank Financial Institutions; and 2.4. insurance companies and insurance intermediaries as defined in the law regulating the Licensing of Insurance Companies and Insurance Intermediaries; 2.5. pension funds or providers of pension schemes licensed and regulated by the Central Bank of the Republic of Kosovo; 2.6. socially owned enterprises under the administration of Privatization Agency of Kosovo; 2.7. publicly owned enterprises as defined by the Law on Publicly Owned Enterprises or any other future Law.			

Article 4 General principles of the Law on bankruptcy 1.In implementing and interpreting this Law, the court shall apply the general principles of the Law on bankruptcy, defined in this Article. In bankruptcy proceedings, the court shall take steps to ensure the following principles: 1.1. the bankruptcy estate representative seeks to maximize the overall return to all creditors; 1.2. all creditors of equal priority share in all distributions pari passu; 1.3. the debtor a legal person, shall not be the owner of its assets at the conclusion of the liquidation proceeding and shall be removed as active business from the registry of businesses with the designation ‘’liquidated’’; 1.4. the individual debtor shall not be the owner of its business assets administered in the bankruptcy			

proceeding, at the conclusion of the liquidation proceeding. The fact that the individual debtor has bankrupted shall be noted in the business registry in every new registration of a business by the debtor and close family members for five (5) years from the day of conclusion of the bankruptcy proceeding and the fact that the individual debtor has bankrupted shall be noted in the Credit Registry of the Central Bank of the Republic of Kosovo; 1.5. bankruptcy proceeding shall be an urgent proceeding; 1.6. there is not allowed any kind of suspension or interruption of bankruptcy proceeding. 1.7. The bankruptcy procedure shall be conducted in order to secure as much as possible the values of the assets and the highest possible rate of repayment of the creditor within the shortest possible time and at the lowest possible cost. 2. In reorganization proceedings, the court shall take steps to ensure that the reorganization procedure, if successful will:			

2.1. preserves or creates jobs; and 2.2. maintains or preserves asset values to the extent consistent with the reorganization. 3. In all proceedings, the court shall take steps to ensure that: 3.1. the obligations of debtors, and the rights and privileges of creditors, are not impaired or altered except as provided for in this Law; 3.2. the rights in rem of secured creditors or creditors with separate satisfaction shall not be impaired or altered except as provided for in this Law; 3.3. the bankruptcy estate representative, except as specifically provided for in this law, shall take all assets, tangible or intangible, subject to all rights, claims or obligations towards those assets, created as a result of other Laws; 3.4. in the case of a debtor who is an individual, in bankruptcy proceedings, bankruptcy assets include the total assets owned by the debtor when the			

bankruptcy proceedings are opened and the assets acquired by the debtor during the bankruptcy proceedings. 3.5. subject to the provisions on reorganization, the opening of a case shall mature all claims against the debtor which were unmatured as of the date of the opening of the case; and 3.6. the principle of limited liability of shareholders of limited liability companies, limited partners in limited partnerships and shareholders in joint stock companies shall be respected in any case and the owners, partners or shareholders shall not be liable for the obligations of their companies except in cases where there is a legal work, a guarantee or a special law that otherwise regulates this matter. 3.7. In cases of death of individual debtors, the bankruptcy procedure continues and takes place under the assumption that the heirs of the individual debtor also inherit the obligations according to the law in force on inheritance. Article 5 Bankruptcy Estate Representative	CHAPTER 2 Facilitating negotiations on preventive restructuring plans	Partially complaint	

1. In liquidation procedure, the bankruptcy Administrator shall be the bankruptcy estate representative. 2. In reorganization procedure, the debtor shall be the bankruptcy estate representative when acting as debtor in possession. 3. Even in the reorganization procedure, the court may appoint a bankruptcy administrator who is a representative of the bankrupt estate. 4. The bankruptcy administrator shall have the following authorizations: 4.1. administer with all property of the bankruptcy estate; 4.2. have the power to sue and be sued in the bankruptcy estate's name; and 4.3. perform all duties specified in this law required to be performed by the bankruptcy estate representative. Article 6 Jurisdiction of the court and legal remedies	Article 5 Debtor in possession 1. Member States shall ensure that debtors accessing preventive restructuring procedures remain totally, or at least partially, in control of their assets and the day-to-day operation of their business. 2. Where necessary, the appointment by a judicial or administrative authority of a practitioner in the field of restructuring shall be decided on a case-by-case basis, except in certain circumstances where Member States may require the mandatory appointment of such a practitioner in every case. 3. Member States shall provide for the appointment of a practitioner in the field of restructuring, to assist the debtor and creditors in negotiating and drafting the plan, at least in the following cases: (a) where a general stay of individual enforcement actions, in accordance with Article 6(3), is granted by a judicial or administrative authority, and the judicial or administrative authority decides that such a practitioner is necessary to safeguard the interest of the parties; (b) where the restructuring plan needs to be	Partially complaint	

1. The Commercial Court is competent for the development of the procedure and the review of the bankruptcy case and for all issues related to this law. 2. Only an interested party who is a party affected or damaged by a decision issued by the court has the right to appeal to the Chambers of the Second Instance of the Commercial Court of the Republic of Kosovo. 3. Each interested party has the right to appeal against the final decisions of the Chambers of the First Instance of the Commercial Court, within a period of seven (7) days from the day of acceptance of the decision. 4. Unless the Chambers of the Second Instance of the Commercial Court decide otherwise, an appeal against a decision of the Chambers of the First Instance of the Commercial Court shall not suspend the implementation of the decision by the Chambers of the First Instance of the Commercial Court. 5. The Chamber of the second instance of the Commercial Court decides within seven (7) days regarding the appeal.	confirmed by a judicial or administrative authority by means of a crossclass cram-down, in accordance with Article 11; or (c) where it is requested by the debtor or by a majority of the creditors, provided that, in the latter case, the cost of the practitioner is borne by the creditors. **Article 16** **Appeals** 1. Member States shall ensure that any appeal provided for under national law against a decision to confirm or reject a restructuring plan taken by a judicial authority is brought before a higher judicial authority. Member States shall ensure that an appeal against a decision to confirm or reject a restructuring plan taken by an administrative authority is brought before a judicial authority. 2. Appeals shall be resolved in an efficient manner with a view to expeditious treatment. 3. An appeal against a decision confirming a restructuring plan shall have no suspensive effects on the execution of that plan. By way of derogation from the first subparagraph, Member States may provide that judicial authorities can suspend the execution of the restructuring plan or parts thereof	Partially Compliance	

6. Extraordinary legal remedies are not allowed against the Decisions of the Chambers of the second instance of the Commercial Court. Article 7 Implementation of the Law on Contested Procedure Provisions of the Law on Contested Procedure shall be applicable even to the bankruptcy proceeding, as long as they are not in contradiction with the provisions of this Law. Article 8 Administration of Case 1.The court shall conduct the administration of the case through hearings, which shall be conducted on no more than seven (7) days from the day of the receipt of notice by the parties. 2.The court shall conduct a hearing when a party requests a decision, or when it is necessary for the administration of the case.	where necessary and appropriate to safeguard the interests of a party. 4. Member States shall ensure that, where an appeal pursuant to paragraph 3 is upheld, the judicial authority may either: (a) set aside the restructuring plan; or (b) confirm the restructuring plan, either with amendments, where so provided under national law, or without amendments. Member States may provide that, where a plan is confirmed under point (b) of the first subparagraph, compensation is granted to any party that incurred monetary losses and whose appeal is upheld.		

3.If a party receives notice of a hearing, and does not object to the hearing or to the relief requested by a party, or does not appear at any hearing, that party shall be deemed to have consented to the relief requested to the extent that the notice of the hearing includes notice of the type of relief requested.			
CHAPTER II EXPEDITED PROCEEDINGS FOR FACILITIES TO SMALL AND MEDIUM ENTERPRISES (SME) AND FOR PRE-AGREED PLANS Article 9 Small and Medium Enterprises Procedure	**Title II – Preventive Restructuring Frameworks, Article 4 – Availability of preventive restructuring frameworks** **Article 4** **Availability of preventive restructuring** frameworks 1. Member States shall ensure that, where there is a likelihood of insolvency, debtors have access to a preventive		

1.A case involving Small and Medium Enterprises debtor shall, unless specified in this Law to the contrary, be treated in all respects as a reorganization case. 2.In each Small and Medium Enterprises case, the SME should file a reorganization plan within thirty (30) days from the day of initiation of bankruptcy proceeding. 3.If the debtor is an individual, then only the debtor may file the reorganization plan. If the debtor in a SME case is a legal person, then only the debtor may file a plan for the first thirty (30) days after the initiation of bankruptcy proceeding. 4.If a SME debtor's case does not produce a confirmed plan within sixty (60) of the opening of the case, the court shall dismiss the case upon the request of a party in interest.	restructuring framework that enables them to restructure, with a view to preventing insolvency and ensuring their viability, without prejudice to other solutions for avoiding insolvency, thereby protecting jobs and maintaining business activity. 26.6.2019 EN Official Journal of the European Union L 172/39 2. Member States may provide that debtors that have been sentenced for serious breaches of accounting or bookkeeping obligations under national law are allowed to access a preventive restructuring framework only after those debtors have taken adequate measures to remedy the issues that gave rise to the sentence, with a view to providing creditors with the necessary information to enable them to take a decision during restructuring negotiations. 3. Member States may maintain or introduce a viability test under national law, provided that such a test has the purpose of excluding debtors that do not have a prospect of viability, and that it can be carried out without detriment to the debtors' assets. 4. Member States may limit the number of times within a certain period a debtor can access a preventive restructuring framework as provided for	Partially Compliant	

Article 10 Monitor 1.In each case when an SME is a bankruptcy debtor, the court shall appoint a monitor. 2.The court may select the monitors from any eligible panel or licensed of Administrators in accordance with this law. 3.The monitor enjoys the right to compensation from the debtor's bankruptcy estate in accordance with the relevant provisions of this Law. The fees for the monitor, the method of calculation and the amount of fees related to the bankruptcy procedure are regulated by a by-law issued by the Minister of Justice. 4.After appointment, the monitor is responsible to consult with the debtor regarding the debtor's business, its prospects, and its ability to formulate a plan that creditors will accept. 5.A monitor shall review each plan a SME debtor files to determine whether it proposes an economically feasible	under this Directive. 5. The preventive restructuring framework provided for under this Directive may consist of one or more procedures, measures or provisions, some of which may take place out of court, without prejudice to any other restructuring frameworks under national law. Member States shall ensure that such restructuring framework affords debtors and affected parties the rights and safeguards provided for in this Title in a coherent manner. 6. Member States may put in place provisions limiting the involvement of a judicial or administrative authority in a preventive restructuring framework to where it is necessary and proportionate while ensuring that rights of any affected parties and relevant stakeholders are safeguarded. 7. Preventive restructuring frameworks provided for under this Directive shall be available on application by debtors. 8. Member States may also provide that preventive restructuring frameworks provided for under this Directive are available at the request of creditors and employees' representatives, subject to the agreement of the.	Not applicable	

plan. The review may occur before or after the debtor files the plan with the court. 6.If the debtor intends to solicit votes on any plan, it shall inform the monitor of that decision, and the monitor shall then have ten (10) days it which it may file with the court a report containing the monitor's opinion on the feasibility of the plan. 7.If a monitor does not file a report according to paragraph 6 of this Article, the court shall consider that the monitor has agreed for the plan. Article 11 Small and Medium Enterprises Relief 1. An SME debtor may confirm a plan without meeting all the requirements of this Law if the court finds each of these conditions are satisfied: 1.1. within ten (10) days from the initiation of bankruptcy proceeding, it files at the court a written request for the implementation of Chapter II of this Law; 1.2. the monitor appointed under this Chapter has filed at the court a report on		Not applicable	

the feasibility of the plan and the report has been delivered to all parties in interest before the commencement of voting procedure; 1.3. it has been delivered to all classes of creditors affected by the plan for voting, and that the plan has been approved by: 1.3.1. creditors holding at least seventy-five percent (75%) of secured claims within each secured creditors class; and 1.3.2. creditors holding at least 33.33% of unsecured claims within each unsecured creditors class; 1.4. The court concludes the plan is feasible when: 1.4.1. if the monitor has not submitted a report, then Article 10 of this Law applies; 1.4.2. at least fifty percent (50%) of all unsecured creditors voting on the plan accept the plan; 1.4.3. in all other cases, the debtor must prove that the plan is feasible; 1.4.4. or when all secured creditors who vote for reorganization approve the plan. 1.5. the debtor proves that the plan will pay all impaired creditors no less than			

they would have received had the debtor filed a liquidation case. Article 12 Small and Medium Enterprises Discharge A SME debtor shall receive a discharge upon confirmation of its plan. A discharge under this Article shall have the same effect on claims against the SME debtor as would a discharge under Chapter VI of this Law. Article 13 Pre-Agreed Plan Definition A debtor may solicit its creditors for debt relief before commencement of bankruptcy proceedings. If the information given creditors in any such solicitation would have complied with the disclosure requirements of Chapter VI of this Law then that debtor may use the provisions of Article 14 of this Law to confirm its plan. Article 14 Procedure for Approval of		Not applicable Not applicable	

Pre-Agreed Plan 1. A debtor which has provided the votes of its creditors on a plan of reorganization before the filing of the bankruptcy claim may, at its choice, immediately request from the court the confirmation of the plan in hearing session. The request for confirmation of the plan shall be done immediately with the request on commencement of bankruptcy proceeding. 2. If a debtor makes such a request, the court shall hold an expedited hearing at which it shall determine whether the debtor's pre-filing solicitation of votes was accompanied by disclosure of information that would have been required by Chapter VI of this Law. 3. If the court determines that during the procedure before the initiation of the bankruptcy case, the debtor have given the required information to the creditors according to Chapter VI of this Law, and the conditions are fulfilled, the court shall immediately proceed with the confirmation of the plan if there is		Not applicable	

determined that the conditions on the confirmation of the plan according to Chapter VI of this Law have been fulfilled. 4. If the court determines that during the procedure before the initiation of the bankruptcy case, the debtor has not given the information required by Chapter VI of this Law, the court shall issue the ruling on denying the confirmation of the reorganization plan and the debtor shall proceed with its bankruptcy proceeding as there would not have existed at all the pre-agreed plan. 5.No appeal is allowed against the decision according to paragraph 4 of this article for the denial to confirm the reorganization plan.			

CHAPTER III INITIATION OF THE PROCEDURE AND OPENING OF A CASE Article 15 Opening of a Case 1. A case for reorganization or liquidation under this Law is considered opened when: 1.1. the debtor files a voluntary petition for either liquidation or reorganization; or 1.2. an involuntary petition is filed against the debtor and, after a hearing on notice to the debtor; the court shall issue a ruling finding that the petition		Not applicable	

meets all of the requirements of this Law. Article 16 Voluntary Cases Opened by a Debtor 1.For voluntary initiation of a case, a debtor files either a petition in reorganization or a petition in liquidation. 2.A debtor does not need to be insolvent to be eligible to be a debtor under this law. 3.If a debtor files a petition for an improper purpose or in a manner intended to deceive, defraud or subvert the creditors, the court may fine the debtor or individual members of the debtor's management or governing body. 4.It is considered that a debtor has filed its petition for an improper purpose or with the intent to deceive or cause damage to creditors according to paragraph 3 of this Article, if a debtor: 4.1. files a case without listing its name properly;		Not applicable	

4.2. does not list all prior material names under which it has conducted business; 4.3. does not list a material creditor and that creditor does not therefore receive knowledge of the proceeding; or 4.4. provides fraudulent information in any phase of the procedure or tries to manipulate the procedure in any way. 5.The Court shall impose fines to the debtor for cases foreseen in paragraph 4 of this Article, amounting from five hundred (500) to ten thousand (10,000) Euro, and such fines shall be paid to the Budget of the Republic of Kosovo. 6. The request for the initiation of the case of voluntary bankruptcy by the debtor must also be accompanied by the decisions of the debtor's bodies, taken in accordance with the Law in force on business organizations and the internal acts of the debtor. 7. In the event that the request from paragraph 6 of this article is not accompanied by valid documents through which the applicant proves that he is authorized to initiate the bankruptcy procedure, the request for			

opening the case will be rejected as inadmissible. Article 17 Initiation of bankruptcy case by Creditors 1.One (1) or more creditors may submit a petition to commence a case against a debtor, when the following conditions are met: 1.1. the debtor has failed to pay at least one debt to the creditor, where: 1.1.1. the debt has passed the payment term of at least ninety (90) days; 1.1.2. the total amount of the debt is at least 30,000.00 Euro; 1.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; 1.1.4. the creditor does not have the opportunity or has failed to collect the debt through the enforcement procedure or other legal procedures. 2.Two (2) or more creditors may submit a petition to commence a case against an eligible debtor when:		Not applicable	

2.1. that debtor has failed to pay a debt due to each of the petitioning creditors, and 2.1.1. each debt has been due and payable for at least ninety (90) days; 2.1.2. the total amount of the debt due is at least three thousand (5,000) Euro in amount; and 2.1.3. each debt is not conditional or subject to pending court proceeding or an ongoing arbitration; and 2.1.4. the creditor does not have the opportunity or has failed to collect the debt through the enforcement procedure or other legal procedures. 2.2. the debtor is generally not paying the debts after reaching the payment deadline, and the total debt of unpaid obligations has exceeded seven thousand (7,000) euros. 3. The court should promptly notify the debtor within three (3) days of the filing of the petition for initiation of the bankruptcy proceeding. 4. The court, within the period of seven days, requests the debtor to submit a			

written response to the request and a hearing on the admissibility of the request. The court must present all this information in the notification sent to the parties. 5. During the interim period, the court issues an order addressed to the parties in order to secure the demands of the debtor and creditors. Such orders must be sought and proved as necessary by the parties. 6. If the debtor responds to the petition for initiation of the procedure and its response does not object to the petition, the court within seven (7) days from the date when the response was received, shall issue a ruling on the acceptability of the petition and orders the opening of the case. 7. If by the date set for a hearing on the admissibility of the request to initiate bankruptcy proceedings: 7.1. the debtor has not responded to the petition, the court shall promptly enter a decision opening the case;			

7.2. the debtor has objected to the petition, the petitioning creditors shall bear the burden of proving that: 7.2.1. the claims owed to them by the debtor qualify them as petitioning creditors; and in the notification sent to the parties. 5. During the interim period, the court issues an order addressed to the parties in order to secure the demands of the debtor and creditors. Such orders must be sought and proved as necessary by the parties. 6. If the debtor responds to the petition for initiation of the procedure and its response does not object to the petition, the court within seven (7) days from the date when the response was received, shall issue a ruling on the acceptability of the petition and orders the opening of the case. 7. If by the date set for a hearing on the admissibility of the request to initiate bankruptcy proceedings: 7.1. the debtor has not responded to the petition, the court shall promptly enter a decision opening the case;			

7.2. the debtor has objected to the petition, the petitioning creditors shall bear the burden of proving that: 7.2.1. the claims owed to them by the debtor qualify them as petitioning creditors; and 7.2.2. that the debtor is not generally paying its valid claims as they become due. 8. If the petitioning creditors succeed in bearing their burden of proof as set forth in the preceding Article, the court shall promptly enter a decision opening the case with a ruling. 9. If a court does not order the opening a case after creditors have filed a petition for initiation of the bankruptcy proceeding, and the court separately finds that the creditors, or any of them, submitted the petition in bad faith or for an improper purpose, the court shall order the creditors, jointly and severally, to pay damages to the debtor to compensate it for any loss. 10. The court in the justification of the ruling according to paragraph 8 of this Article shall ascertain the reasons of		Not applicable	

non-opening of the case and eventual order for compensation. Article 18 Rejection of Petition 1.The court dismisses as unacceptable the request to initiate bankruptcy proceeding if it is proved that: 1.1. the court lacks jurisdiction; 1.2. the debtor is not eligible to be a debtor under this Law; 1.3. the debtor is already subject to bankruptcy proceeding; 1.4. any entity filing the petition lacks the capacity to act, unless creditors filed the petition, and creditor or creditors have the capacity to act; or 1.5. the entity filing the case has not paid the filing fees required by applicable law, or is not subject to an exception provided by the Court or under rules promulgated by the Kosovo Judicial Council. Article 19 Form and Registration of Petition		Not applicable Not applicable	

1.Petitions under this Chapter may be on forms promulgated according to Chapter I of this Law, but if there are no such forms, such petitions must contain at least the following information: 1.1. the debtor's name, and all names under which the debtor has conducted business in the five years preceding the date on which the petition is filed; 1.2. the debtor's contact information, which at a minimum must include its address, telephone number or numbers, fiscal identification number, business registration number, email addresses and any web site address for any web site it maintains; and 1.3. if the debtor is a legal person, all known officers, directors, members, managers or any other entity with managerial or other control over the debtor's property, along with the contact information for each such entity required by the previous sub-paragraph. 2. Petitions filed by a creditor or a group of creditors shall include as much information about the debtor as is known by such creditor or creditors, but at a minimum shall include the debtor's name and sufficient contract		Not applicable	

information to give the debtor notice of the proceeding. 3.The court shall register a petition immediately upon its receipt. The court shall register the petition regardless of any defect and shall indicate the time and date of receiving the petition on its face. 4.The court shall notify the business registry, the pledge registry, mortgage registry,commercial banks, credit registry of the Central Bank, Chamber of Notaries, and the tax administration regarding the initiation of a bankruptcy proceeding. Article 20 Treatment of Cases Involving Related Entities – Consolidation 1.The court shall order a joint administration of cases, in those cases when two (2) or more petitions are filed at the court by or against: 1.1. spouses; 1.2. general partnership or limited partnership and one or more general partners therein; or;		Not applicable	

1.2. two (2) or more general partners; or 1.4. a debtor and an affiliate, then the court may order a joint administration of the estates. 2. A joint administration decision of the court may contain such provisions as the court may consider necessary or desirable to ensure the efficient administration of the bankruptcy proceeding, provisions for common dockets, joint hearings, combined notice lists and any other provision that the court believes will tend to avoid unnecessary cost or delay. 3.Prior to entering a decision of joint administration, the court shall consider ways to protect creditors of different estates against potential conflicts of interest. Article 21 Court fee for filing a bankruptcy petition Upon submission of the request for initiation of the procedure in court, the applicant must immediately pay the		Not applicable	

court fee which must be attached to the request for reorganization or liquidation and submitted to the court together with the Request. Article 22 Cases of lack of property 1. In cases where the bankruptcy estate does not have sufficient assets to cover the expenses of the bankruptcy procedure, the court decides on the termination of the procedure due to the lack of assets. 2. Before deciding the end of the procedure, the court informs the creditors and makes a public announcement of the situation in the Business Registration Agency, as well as in all public authorities that, as the case may be, are required by law to reflect the relevant records. Creditors and other interested parties have the right to appear in court within 60 days of this notification and contest the termination of the procedure due to the lack of assets for the following reasons: a) if the debtor has property; b) if further investigation is necessary in relation to assets that the debtor has		Not applicable	

transferred and that may be subject to fraud. 3. The court, within 5 days from the expiration of the period of objections, communicates to the prosecutor any claims of the parties, which have well-founded reasons for the need to carry out further investigations on the actions of the debtor, and suspends the procedure for 6 months to carry out investigation. 4. court decides to end the procedure due to lack of assets if: a) there were no objections to the termination of the procedure from the parties who may object, after the 60-day deadline has passed; b) the prosecutor decides not to start or dismiss the criminal case;		Not applicable Not applicable	
CHAPTER IV LEGAL CONSEQUENCES UPON OPENING A CASE Article 23 Legal Effects of Opening a Bankruptcy Case		Not applicable	

1. The opening of the case has the following legal effects: 1.1. creates the bankruptcy estate; 1.2. confers the court with exclusive jurisdiction over the bankruptcy estate and over the debtor; 1.3. operates as a moratorium of proceedings, as set forth in the next Article; 1.4. in a liquidation case, divests the debtor of control of all its property; 1.5. in a reorganization case in which an Administrator is not requested, vests in the debtor all of the powers and duties of a debtor in possession; and 1.6. in a reorganization case in which an Administrator is requested, divests the debtor of control of all of its property and vest control in the Administrator. 2. Upon opening of a case, the court shall: 2.1. within two (2) days notify the business registry, the pledge registry, mortgage registry, commercial banks, publicly owned enterprises, Chamber of			

Private Enforcement Agents, the credit registry at the Central Bank, tax administration and other relevant subjects of the case's opening. The form of notice must be in writing. Upon receipt of notification, the business registry, pledge registry, mortgage registry, commercial banks, credit registry and tax administration shall note the opening of the case in the registries; 2.2. publish the notification in Court's web page; 2.3. if a liquidation case, appoint an Administrator in accordance with this law; 2.4. set the time, date, and place of the first meeting of creditors for a date not later than fifteen (15) days after the opening of the case; and 2.5. issue a notice of the Administrator's appointment and of the date, time, and place of the first meeting of creditors. 3. After receiving the notice from the court, the business register, the pledge register, the mortgage register, the commercial banks, the credit register, the Chamber of Private Enforcement Agents and the tax administration will			

mark in their registers the beginning of the bankruptcy procedure. 4.The court may set a preliminary court hearing ten (10) days after the scheduled first meeting of creditors to determine the case status and the results of the meeting of creditors. The court orders the debtor, or its authorized representative, to attend. Article 24 Moratorium and termination of all actions against debtor 1. Except as provided in this Law, a petition filed for initiation of bankruptcy procedure initiated under Chapter III of this Law shall operate as a stay and injunction, without notice, applicable to all entities, of each of the following: 1.1. the commencement or continuation of any aspect of a judicial, administrative, or other action or proceeding related to the debtor's business activities against the debtor or its property including any freezing or locking of any bank accounts and that was or could have been commenced		Not applicable	

before the opening or commencement of the case; 1.2. the enforcement, against the debtor or against property of the bankruptcy estate, of a judgment obtained before the opening or commencement of the case to the extent related to the debtor's business activities; 1.3. any act to obtain possession of property of the bankruptcy estate or of property from the estate or to exercise control over property of the bankruptcy estate; 1.4. any act to create, perfect, or enforce any lien against property of the bankruptcy estate; 1.5. any act to create, perfect, or enforce against property of the debtor any lien to the extent that such lien secures a claim that arose before the commencement of bankruptcy proceeding, and to the extent it relates to the business activities of the debtor; 1.6. any act to collect, assess, or recover a claim against the debtor to the extent that it relates to the debtor's business activities and to the extent that such			

claims arose before the commencement of bankruptcy proceedings; and 1.7. the setoff of any claim owing to the debtor and related to the debtor's business activities that arose before the commencement of bankruptcy proceeding against any claim against the debtor. 1.8. any enforcement, mediation or arbitration procedure. Article 25 Exemptions from Stay 1.The commencement of bankruptcy proceedings under this Law does not operate as a stay or injunction against any of the following: 1.1. the commencement or continuation of a criminal action or proceeding against the debtor; 1.2. the commencement or continuation of any action or proceeding against an individual debtor related to any domestic or family matter, including, without limitation, any proceedings in or related to divorce except to the extent such action seeks to divide or allocate		Not applicable	

property used for business activities to satisfy or pay nonsupport debt or to effectuate a property settlement, for paternity, or for child or spousal support; 1.3. procedures related to violations of laws on environmental protection, health or safety; 1.4. an audit or financial control by the tax administration to determine but not enforce a tax liability; 1.5. actions or proceedings filed against third parties which relate to any claim against the debtor, including, without limitation, actions against any entity which guaranteed any claim against the debtor or its property or against a general partner of a debtor that is a general or limited partnership; 1.6. the presentment but not the payment of a negotiable instrument and the giving of notice of and protesting dishonor of such an instrument;			

Article 26 Limited Duration 1.The stay provided by this Law shall expire one hundred and twenty (120) days after the opening of a case, or after the debtor receives a discharge, whichever first occurs, unless extended as provided by this law. 2.The stay may be extended beyond one hundred and twenty (120) days, but only if the court finds that the bankruptcy estate representative has met the burden of establishing, by proof, the need for further time to effectuate the purposes of this law. In no event, however, may the stay extend beyond one (1) year after the opening of a case. 3.After the passage of the allowed duration of the moratorium according to paragraph 1 and 2 of this article, with the proposal of the creditor, the regular judicial and enforcement procedures will continue for the realization of claims without any restrictions. 4.During the pendency of the stay provided by this Law, all limitation periods for legal actions against the	**Article 6** **Stay of individual enforcement actions** 1. Member States shall ensure that debtors can benefit from a stay of individual enforcement actions to support the negotiations of a restructuring plan in a preventive restructuring framework. L 172/40 EN Official Journal of the European Union 26.6.2019 Member States may provide that judicial or administrative authorities can refuse to grant a stay of individual enforcement actions where such a stay is not necessary or where it would not achieve the objective set out in the first subparagraph. 2. Without prejudice to paragraphs 4 and 5, Member States shall ensure that a stay of individual enforcement actions can cover all types of claims, including secured claims and preferential claims. 3. Member States may provide that a stay of individual enforcement actions can be general, covering all creditors, or can be limited, covering one or more individual creditors or categories of creditors. Where a stay is limited, the stay shall only apply to creditors that have been informed, in accordance with national law, of	Partially complaint	

debtor that are prohibited by the stay shall be suspended. The running of such periods of limitations shall resume when the stay no longer applies. Article 27 Termination or Modification of Stay 1.At the request of a party in interest, the court may terminate, modify, condition, annul, or amend the stay provided by this Law before it expires in any of the following circumstances: 1.1. the debtor fails to provide any protection of value that the creditor proves was validly and reasonably requested by the creditor to protect its lien; or 1.2. the creditor proves that the amount secured by the lien exceeds the value of the property subject to the lien, and that either: 1.2.1. the case is a liquidation case; or 1.2.2. the bankruptcy estate representative fails to prove that the property subject to the lien is necessary to an effective reorganization under the law.	negotiations as referred to in paragraph 1 on the restructuring plan or of the stay. 4. Member States may exclude certain claims or categories of claims from the scope of the stay of individual enforcement actions, in well-defined circumstances, where such an exclusion is duly justified and where: (a) enforcement is not likely to jeopardise the restructuring of the business; or (b) the stay would unfairly prejudice the creditors of those claims. 5. Paragraph 2 shall not apply to workers' claims. By way of derogation from the first subparagraph, Member States may apply paragraph 2 to workers' claims if, and to the extent that, Member States ensure that the payment of such claims is guaranteed in preventive restructuring frameworks at a similar level of protection. 6. The initial duration of a stay of individual enforcement actions shall be limited to a maximum period of no more than four months. 7. Notwithstanding paragraph 6, Member States may enable judicial or administrative authorities to extend the duration of a stay of individual enforcement actions or to grant a new stay of individual enforcement actions, at the request of the debtor, a creditor or, where		

2. Upon request of a party in interest, the court, with or without a hearing, shall grant such relief from the stay provided by this Law as is necessary to prevent irreparable damage to the interest of an entity in property, if such interest will suffer such damage before there is an opportunity for notice and a hearing under this Article. Article 28 Duties of Debtor for Cooperation 1. In addition to the specific disclosure requirements pursuant to Article 30 of this Law and cooperation requirements set in this law, the debtor shall have an overriding duty of good faith and complete disclosure when undertaking compliance with this law. 2. The debtor shall not be allowed to provide any information to the court or to creditors that is false or misleading, or omit to provide any information if the omission of that information would tend to make the information provided misleading or inaccurate. Article 29 Presentment of information 1. If a debtor files the petition in bankruptcy, the debtor shall also	applicable, a practitioner in the field of restructuring. Such extension or new stay of individual enforcement actions shall be granted only if well-defined circumstances show that such extension or new stay is duly justified, such as: (a) relevant progress has been made in the negotiations on the restructuring plan; (b) the continuation of the stay of individual enforcement actions does not unfairly prejudice the rights or interests of any affected parties; or (c) insolvency proceedings which could end in the liquidation of the debtor under national law have not yet been opened in respect of the debtor. 8. The total duration of the stay of individual enforcement actions, including extensions and renewals, shall not exceed 12 months. Where Member States choose to implement this Directive by means of one or more procedures or measures which do not fulfil the conditions for notification under Annex A to Regulation (EU) 2015/848, the total duration of the stay under such procedures shall be limited to no more than four months if the centre of main interests of the debtor has been transferred from another Member State within a three-month period prior to the filing of a request for the opening of preventive	Partially compliant	

concurrently file official documents signed and sealed by the debtor that contain: 1.1. a list of all known creditors that exists, along with contact information for each of them; 1.2. a list of all known claims against the debtor, together with the amount of the claim, the approximate date it was incurred, and whether the claim is disputed, contingent, or unmatured; 1.3. a list of all the debtor's assets, together with a good faith estimate of the value of each such asset. If an asset is tangible, the debtor shall indicate where the asset can be found; if the asset is intangible, the debtor shall indicate the obligor, if any, related to the asset and the obligor's contact information; 1.4. a list of all transactions out of the ordinary course of business, to which the debtor was a party or from which the debtor benefited, made or transacted within the two years preceding the commencement of bankruptcy proceedings. With respect to each such transaction, the debtor shall also indicate the date of the transaction, and	restructuring proceedings. 9. Member States shall ensure that judicial or administrative authorities can lift a stay of individual enforcement actions in the following cases: (a) the stay no longer fulfils the objective of supporting the negotiations on the restructuring plan, for example if it becomes apparent that a proportion of creditors which, under national law, could prevent the adoption of the restructuring plan do not support the continuation of the negotiations; (b) at the request of the debtor or the practitioner in the field of restructuring; 26.6.2019 EN Official Journal of the European Union L 172/41 (c) where so provided for in national law, if one or more creditors or one or more classes of creditors are, or would be, unfairly prejudiced by a stay of individual enforcement actions; or (d) where so provided for in national law, if the stay gives rise to the insolvency of a creditor. Member States may limit the power, under the first subparagraph, to lift the stay of individual enforcement actions to situations where creditors had not had the opportunity to be heard before the stay came into force or before an extension of the period was granted by a judicial or administrative authority.	Partially compliant	

the identity and contact information of all parties to the transaction (along with an indication of whether any such party is an insider); and 1.5. a list of all transactions involving the exchange of value more than nine hundred and ninety-nine (999) Euro , to which the debtor was a party or from which the debtor benefited, made within the year preceding the commencement of bankruptcy proceeding. With respect to each such transaction, the debtor shall also indicate the date of the transaction, and the identity and contact information of all parties to the transaction along with an indication of whether any such party is an insider. 1.6. All registered names and trade names under which it has operated in the last five (5) years. 2. If creditors file a bankruptcy petition, they must also file with the petition as much of the information required by the previous paragraph of this Article as they know or can reasonably ascertain. 3. If a creditors' bankruptcy petition for opening of a bankruptcy case is accepted by the Court, the debtor is obliged shall provide the Court with all	Member States may provide for a minimum period, which does not exceed the period referred to in paragraph 6, during which a stay of individual enforcement actions cannot be lifted.		

the information in paragraph 1 of this Article within ten (10) days of the opening of the case. 4. In case the reasonable consequences exist, the court may extend the term foreseen in paragraph 3 of this Article for another ten (10) days. 5.All lists and information required to be filed by this Article shall be a matter of public record and available to the public, although the court may, upon request of the debtor, seal or prevent the disclosure of such information as the debtor may prove to be: 5.1. trade secret or other confidential research, development, or commercial information, the disclosure of which would tend to reduce the value of property of the bankruptcy estate; 5.2. scandalous or defamatory materials; or 5.3. should be kept confidential according to an applicable Law.			

Article 30 Cooperation of the debtor with Bankruptcy Administrator 1. The debtor shall cooperate with the Administrator in all matters, and shall provide without delay access to all documents and information concerning the debtor's activity and resources, no later than 15 days from the date of receipt of the request by the Bankruptcy Administrator, including all information regarding the claims, property, and transactions disclosed in the previous Article. 2. In case the debtor does not offer cooperation and access to the data according to paragraph 1 of this article, the court imposes a fine from five hundred (500) euros to five thousand (5000) euros. 3. The bankrupt administrator during the work, is obliged to handle the data to which he has access, according to the relevant legislation in force that refers to the protection of personal data and trade secrets as well as confidentiality. Article 31 Sale and Use of Assets		Not applicable	

1. The bankruptcy estate representative may not make any transfer on account of or in satisfaction of any claim that arose before the commencement of bankruptcy proceedings except as may be authorized by the court or this Law. 2. According to the conditions set paragraph 1 of this Article, the bankruptcy estate representative may sell, use, or lease property which is part of the bankruptcy estate in the ordinary course of business, if the sale, use or lease of that property is a part of ordinary course of business, without the need to obtain court approval. 3.With court approval, the bankruptcy estate representative may sell, use, or lease property of the bankruptcy estate out of the ordinary course of business. 4.Subject to the provisions of this paragraph, the bankruptcy estate representative may sell estate property in which an entity other than the estate has an interest: 4.1. any sale of property of the bankruptcy estate in which an entity other than the debtor or the estate holds an interest is conditioned upon the		Not applicable	

estate's proof that it has provided protection of value to such non-debtor; 4.2. unless the court for cause orders otherwise, if the bankruptcy estate representative proposes to sell estate property in which another entity holds a lien, the estate must permit the entity holding the lien to bid at such sale, and, if the holder of such claim purchases such property, such holder may offset such claim against the purchase price of such property. 5. The bankruptcy estate representative may sell property of the bankruptcy estate so that the buyer takes it free and clear of any interest in such property of an entity other than the estate, but only if the bankruptcy estate representative proves: 5.1. applicable legislation permits sale of such property free and clear of such interest; 5.2. the buyer consents; 5.3. such interest is a lien and lien holder's interest in such property attaches to the proceeds of sale; or 5.4. such interest is in the contentious procedure.			

Article 32 Post-Filing Financing of the Bankruptcy Estate 1. Unless the court orders otherwise, the bankruptcy estate representative may obtain unsecured credit and incur unsecured debt in the ordinary course of business allowable as an administrative expense. 2. The court may authorize the bankruptcy estate representative to obtain unsecured credit or to incur unsecured debt other than under paragraph 1 of this Article which is allowable as an administrative expense. 3. If the bankruptcy estate representative is unable to obtain unsecured credit allowable as an administrative expense, the court may authorize the obtaining of credit or the incurring of debt as an administrative expense: 3.1. with priority over any or all administrative expenses; 3.2. secured by a lien on property of the bankruptcy estate that is not otherwise subject to a lien; or	CHAPTER 4 Protection for new financing, interim financing and other restructuring related transactions Article 17 Protection for new financing and interim financing 1. Member States shall ensure that new financing and interim financing are adequately protected. As a minimum, in the case of any subsequent insolvency of the debtor: (a) new financing and interim financing shall not be declared void, voidable or unenforceable; and 26.6.2019 EN Official Journal of the European Union L 172/47 (b) the grantors of such financing shall not incur civil, administrative or criminal liability, on the ground that such financing is detrimental to the general body of creditors, unless other additional grounds laid down by national law are present. 2. Member States may provide that paragraph 1 shall only apply to new financing if the restructuring plan has been confirmed by a judicial or administrative authority, and to interim financing which has been subject to ex ante	Partially compliant	

3.3. secured by a lien on property which is part of the bankruptcy estate that is secured previously a lien, provided that the new lien not to have priority towards the existing lien. 4. Any credit extended in accordance with this Article shall not be declared void, voidable or unenforceable as an act detrimental to the general body of creditors at any later time.	control. 3. Member States may exclude from the application of paragraph 1 interim financing which is granted after the debtor has become unable to pay its debts as they fall due. 4. Member States may provide that grantors of new or interim financing are entitled to receive payment with priority in the context of subsequent insolvency procedures in relation to other creditors that would otherwise have superior or equal claims.		
Article 33 Contracts with Performance Still Due by Both Parties 1.Unperformed contracts referred to in this Article are those contracts of the debtor which, at the time of the opening of the case, have been unperformed by both the debtor and the other party to the contract that the non-performance by either party would constitute a breach according to applicable Law in Kosovo. 2.The bankruptcy estate representative shall accept, reject, or assign an		Not applicable	

unperformed contract. The bankruptcy estate representative must obtain court approval of its decision to accept, reject, or assign any unperformed contract. 3.The court shall approve the bankruptcy estate representative's decision if the bankruptcy estate representative proves that the decision was made in the exercise of the bankruptcy estate representative's good faith business judgment, and that all other requirements of this article have been met. Regarding the request of the representative of the bankrupt estate, the Court decides within the deadline of 15 days from the date of submission of the request. 4. If the bankruptcy estate representative: 4.1. accepts an unperformed contract, the estate becomes liable for all performance obligations under the contract, and any liability under the contract shall be an administrative expense; and 4.2. rejects or assigns an unperformed contract, the bankruptcy estate is no longer liable for any future performance			

obligations under the contract, and any liability under the contract shall be treated as if it arose immediately before the opening of the case. A rejection is only a breach of the unperformed contract; it does not rescind or other invalidate it. 5. The estate representative may assume or assign an unperformed contract under which the debtor was in default only if the estate promptly: 5.1. the representative cures the default enforcing the obligation; 5.2. compensates the non-debtor party for any damages or injury that party sustained due to such default; and 5.3. provides proof of adequate assurance of any future unperformed obligations under the contract. 6. The estate representative may not assume or assign a contract if: 6.1. the contract was, or contained as a material part, a promise to make a loan or other financial accommodation; 6.2. an applicable law excuses a party, other than the debtor, from accepting			

performance from or rendering performance to an entity other than the debtor or the debtor in possession, and the non-debtor party does not consent to the assumption or assignment. 7. Any provision in an unperformed contract or applicable law that provides that a non-debtor party may terminate or modify it solely because of a provision in such unperformed contract that is conditioned on: 7.1. the debtor is in a bad financial situation or in bankruptcy; or 7.2. the commencement of bankruptcy proceedings under this law, shall not be effective against the estate or the bankruptcy estate representative. 8. Any provision in an unperformed contract or applicable law that prohibits, restricts, or conditions the debtor's assignment of the unperformed contract shall not be effective against the bankruptcy estate representative. 9. If the unperformed contract is a lease of real property or a license of intangible property, and the debtor is the lessor or licensor, then the non-debtor party, upon any rejection, shall			

have the option to continue in possession, or continue to use, the object of the unperformed contract. 10.Continued use or possession, however, shall be conditioned on the non-debtor's performance of its obligations under the rejected contract, such as the obligation to pay rent or a license fee. 11.The bankruptcy estate representative, however, shall be not be required to perform any unperformed obligations under such rejected unperformed contract, and the non-debtor party may offset any damages it may incur due to the rejection against any obligations it retains under the unperformed contract. 12.The bankruptcy estate representative shall make the determination to accept or reject an unperformed contract by the earlier term after the confirmation of a reorganization plan until the latest deadline that is the time before the closing of the case. Article 34 Abandonment of Burdensome Assets to bankruptcy estate			

1. Upon request of the bankruptcy estate representative, the court may allow the bankruptcy estate representative to abandon, to any party with an interest, any burdensome property. 2. On request of a party in interest, the court shall order the bankruptcy estate representative to abandon any burdensome property to bankruptcy estate. 3. Unless the court orders otherwise, any property scheduled by the debtor under Chapter IV of this Law and which is not otherwise administered at the time of the closing of a case is abandoned to the debtor. 4. Unless the court orders otherwise, property of the bankruptcy estate that is not abandoned under this Article and is not otherwise subject to disposition under the terms of this law remains property of the bankruptcy estate. Article 35 Cancellation of certain transfers 1. The representative of the bankruptcy estate may request from the Court the cancellation of the completed		Not applicable	

transactions and return the assets transferred before the initiation of the bankruptcy procedure in accordance with the provisions of this law. 2. For the purposes of this law, the cancellation of certain transfers means the removal or cancellation of transactions which are retroactively declared without legal effects and the beneficiary of the transfer is considered to have received nothing from the debtor. 3. Regarding the cancellation of the transaction from paragraph 1 of this article, the Court decides with a ruling. 4. Regarding the decision of the Court according to paragraph 3 of this article, an appeal can be filed in the chambers of the second instance of the Commercial Court within 7 days from the date of acceptance of the decision. Article 36 Turnover 1. The bankruptcy estate representative shall have the power to recover by action, or to demand and receive the turnover of, any property of the bankruptcy estate held as of the opening		Not applicable	

of the case by an entity other than the debtor. 2. Any person in possession or control of property of the bankruptcy estate shall deliver to the bankruptcy estate representative, and account for, such property or the value of such property, subject to the representative of the estate providing protection of value. 3. An person that owes a debt that is property of the bankruptcy estate and that is matured, payable on demand, or payable on order, shall pay such debt in total to, or to the order of, the bankruptcy estate representative. Article 37 Preferences 1. Subject to the defenses set forth in paragraph 3 of this Article, the bankruptcy estate representative may request as per Article 35 of this Law, to nullify a transfer to the extent it: 1.1. was made before commencement of bankruptcy proceeding; 1.2. was made to a creditor or for the benefit of a creditor such as payment		Not applicable	

that had the effect of reducing the exposure on a guaranty on account of a debt that was incurred before the transfer; 1.3. was made while the debtor was insolvent; 1.4. was made within one hundred and twenty (120) days of the commencement of bankruptcy proceeding, however, that if the transferee was an insider, it was made within three hundred and sixty-five (365) day period of the commencement of bankruptcy proceeding; and 1.5. enabled the transferee to receive more from the debtor and bankruptcy estate that it would have had the transfer not been made and the transferee had received only a dividend in a liquidation case. 2. The transfer shall not be qualified according to paragraph 1 sub-paragraph 1.5 of this Article, if it was made: 2.1. to a secured creditor at a time when the value of its collateral was more than the amount of the secured creditor's claim;		Not applicable	

2.2. to a creditor holding a secured claim whose collateral is worth less than its total claims, but only to the extent that the amount of the transfer exceeded the value of the difference between the creditor's total claims and the value of the creditor's collateral; and 2.3. to a creditor with priority of payment over general unsecured creditors to the extent that the estate is not administratively insolvent. 3. A beneficiary has a complete defense to an action seeking to avoid a transfer under paragraph 1 of this Article to the extent that: 3.1. the transfer was made in the debtor's ordinary course of business; 3.2. the transfer was a lien, and lien was given to enable the debtor to acquire the property subject to the lien; or 3.3. the transfer was in the nature of court-ordered for payment of alimony or crime victim compensation. 3.4. The transfer was made as a result of a final Executive Order or a final Court decision, in which procedure the			

beneficiary was a creditor who had transferred the property in his own name according to the Law of Enforcement Procedure. 4. For purposes of this Article: 4.1. the debtor shall be presumed to be insolvent during the one hundred and twenty (120) day period before the commencement of bankruptcy proceeding; and 4.2. the bankruptcy estate representative must prove the existence of all of the elements of paragraph 1 of this Article. 5. The beneficiary must prove the entitlement to a defense under paragraph 3 of this Article in order to establish its defense. Article 38 Fraudulent or Uncommercial Transfers 1. The bankruptcy estate representative may request from the Court to nullify a non-commercial transfer or an obligation of the debtor to the extent that it: 1.1. was made by the debtor with the intent to hinder, delay, or defraud			

creditors within two (2) years from the commencement of bankruptcy proceedings. 1.2. was made for less than reasonably equivalent value while the debtor: 1.2.1. the debtor was insolvent; or 1.2.2. had insufficient capital or reserves to pay reasonably anticipated obligations; and 1.2.3. was made within two (2) years of the commencement of the bankruptcy proceeding. 2. A transferee of a transfer or an oblige on an obligation that takes for value and in good faith has a lien on or may retain any interest transferred or may enforce any obligation incurred, as the case may be, to the extent that such transferee or oblige gave value to the debtor in exchange for such transfer or obligation. 3. For purposes of this Article, "value" means property, or satisfaction or securing of a present or antecedent debt of the debtor, but does not include an unperformed promise to furnish support		Not applicable	

to the debtor or to a close relative of the debtor; Article 39 Improper or Incomplete Security Interests or Mortgages 1. The bankruptcy estate representative may avoid any creditor's lien if: 1.1. an applicable law requires the registration of the lien in any public registry; and 1.2. the creditor had not, as of the commencement of bankruptcy proceeding, taken all steps necessary to provide such notice. Article 40 Status of Execution Creditor The bankruptcy estate representative shall have the status of a supposed execution creditor from the moment of commencement of the bankruptcy procedure, and shall have the supposed priority with respect to the claims of all creditors to the same extent as the debtor would have if he would not have			

commenced the bankruptcy proceeding. Article 41 Unauthorized Transfers after the Filing of the petition for bankruptcy 1.Except as provided in sub-paragraph 1.2 of this Article, the bankruptcy estate representative may request to avoid a transfer of property of the bankruptcy estate: 1.1. that occurs after the commencement of bankruptcy proceeding; and 1.2. that was not authorized under this Law or by the court; 1.3. in a case commenced by creditors, the bankruptcy estate representative may not avoid a transfer made after the commencement of bankruptcy proceeding but before the case is opened to the extent the transferee gave any value in exchange for such transfer. Article 42 General Defenses		Not applicable Not applicable	

1. To the extent that a transfer is avoided under this law, the bankruptcy estate representative may recover, for the benefit of the estate, the property transferred, or, if the court so orders, the value of such property, from: 1.1. the initial transferee of such transfer or the entity for whose benefit such transfer was made; or 1.2. any transferee of such initial transferee, or anyone whose title to the property traces to or derives from the transfer to initial transferee. 2.The bankruptcy estate representative may not recover under sub-paragraph 1.2 of paragraph 1 of this Article from: 2.1. a transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith, and without knowledge that the transfer could be nullified under this Law; or 2.2. any good faith transferee of such transferee. 3. A good faith transferee from whom the bankruptcy estate representative		Not applicable	

may recover under paragraph 1 of this Article has a lien on the property recovered to secure the lesser of: 3.1. the cost, to such transferee, of any improvement made after the transfer, less the amount of any profit realized by or accruing to such transferee from such property; and 3.2. any increase in the value of such property as a result of such improvement, of the property transferred. 4.The bankruptcy estate representative is entitled to the compensation of one of the rights foreseen under this article, but I cannot claim the compensations foreseen in a cumulative way. Article 43 Compensating Experts 1. After notice to the parties in interest the court may award to an expert employed under this Law: 1.1. reasonable compensation for actual, necessary services rendered by		Not applicable	

the expert, or by any other expert employed by any such person; and 1.2. reimbursement for actual, necessary expenses. 2. The court may, on its own motion or on the motion of any party in interest, award compensation that is less than the amount of compensation requested by the expert. 3. In determining the amount of reasonable compensation to be awarded to an expert, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including: 3.1. the time spent on such services; 3.2. the rates charged for such services; 3.3. whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a bankruptcy proceeding;			

3.4. whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and 3.5. whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this Law. The compensation of experts may not be reduced because creditors may not be paid in full. 4. The court shall not allow compensation for: 4.1.unnecessary duplication of services; or 4.2. services that were not reasonably likely to benefit the bankruptcy estate or were not necessary to the administration of the case. 5. If the court grants the expert´s request for fees and reimbursements, the amounts so approved shall be administrative expenses.		Not applicable	

6.The compensation of the expert will be made in accordance with the provisions of the Law in force on Judicial Experts.			

CHAPTER V CREDITORS' CLAIMS Article 44 Acceleration of Maturity of All Claims The opening of a case shall accelerate the maturity of all unmatured claims to the date the case was opened. Article 45 Definition of Secured Claim 1. A claim is a secured claim only to the extent of the value of the collateral securing its repayment. 2. To the extent that a creditor's claim exceeds the value of the creditor's collateral, the creditor holds an unsecured claim for the excess. 3.If a party in interest disputes the amount of a secured claim the court: 3.1. shall value a creditor's collateral as of the opening of the case; 3.2. shall determine such value in light of the purpose of the valuation and of the proposed disposition or use of such collateral;		Not applicable	

3.3. determines the value of the collateral in a hearing, where the creditor affected by the assessment can provide information about the nature of the use of the collateral or the plan that may directly affect the creditor. Article 46 Setoff of claims 1. After the commencement of bankruptcy proceedings, a creditor may set off a claim against the debtor with a claim it owes the debtor only as provided in this Article. 2. Other than for setoffs involving bank accounts, a creditor may setoff a mutually held claim against the debtor if that claim: 2.1. was in existence within the six (6) months prior to the opening of the case; and 2.2. the creditor provides written notice of the setoff to the bankruptcy estate representative before the expiration of the period to file proofs of claim. 3. With respect to bank accounts:		Not applicable	

3.1. a bank may not setoff, after the opening of the case, any claim the bank owes the debtor such as a bank account against any claim the debtor owes the bank; 3.2. if the bank set off any balance in a bank account against any claim owed to it by the debtor during the six (6) months prior to the opening of the case, the bank shall return to the estate the difference between: 3.2.1. the deficiency existing six months prior to the opening of the case defined as the amount by which the claim owed to the bank exceeded the account balance after setoff; and 3.2.2. the deficiency calculated as in the prior paragraph immediately after the setoff. 4. Claims that have arisen prior to the opening of the case shall not be set off against claims that have arisen after the case is opened. 5.For the purposes of this article, compensation of claims is not considered payment of regular obligations arising from loan agreements.			

Article 47 Creditors' Duty to File Proofs of Claim 1.Each creditor must file a proof of claim with the court to establish the validity and amount of its claim. 2.The court provides the parties with a specific form for registration of the claim and proves on existence of the claim. In absence of a specific form, the creditors shall file at the court a written statement which is considered statement under oath: 2.1. describing the claim, including whether it is claim as unsecured, priority, or secured; 2.2. setting forth its exact amount as of the date of the opening of the case; 2.3.appending, if available, accurate and complete copies of the documents related to the claim or to any security related to such claim. 3. If the creditor fails to provide proofs of claim, it will not be able to:		Not applicable	

3.1. share in any distribution of property of the bankruptcy estate to creditors; 3.2. serve on any creditors' committee; or 3.3. vote on any plan of reorganization. 4. In a liquidation case, a creditor must file a proof of claim within sixty (60) days of the date of the notice of the opening of the bankruptcy proceeding. 5. In a reorganization case, unless the court orders otherwise according to the needs of the reorganization, a creditor must file a proof of claim within thirty (30) days of the date of the notice of the opening of the bankruptcy proceeding. 6. Within thirty (30) days of the deadline for filing proofs of claim as provided in paragraphs 4 and 5 of this Article has passed, the bankruptcy estate representative may file a proof of claim on behalf of any creditor. Such filing must be made in good faith. 7. The claims register shall be open to the public when the court is open, and the court shall allow for reasonable			

procedures for the inspection and copying of all documents contained in the register. Article 48 Claim Procedure 1. A proof of claim filed in accordance with this law shall constitute presumptive proof of the validity and the amount of a creditor's claim, and of any security for that claim. If there is no objection to the claim, the creditor needs to take no further action to establish any part of the claim, and the claim shall be deemed allowed. 2. A party in interest may object to a proof of claim. 3. If a party in interest objects to a proof of claim, the court shall determine the validity and amount of the claim in euros according to applicable Laws, as of the date of the opening of the bankruptcy case. 4. The objecting party shall prove its objection. Unless otherwise requested by the party objecting to a claim or as ordered by the court, the presumption of validity of a proof of claim persists until a court ruling to the contrary.		Not applicable	

5. The court shall not allow a claim in addition to the grounds for objection of the claim defined in paragraph 3 of this Article that is based on: 5.1. unmatured interest as of the date of the opening of the case; or 5.2. a proof that has not been filed within the legal deadlines foreseen by this Law. 6. The court shall estimate for purpose of allowance under this Article: 6.1. any contingent or unliquidated claim, the fixing or liquidation of which, as the case may be, would unduly delay the administration of the case; or 6.2. the value of any right of performance arising from a right to a remedy for breach of performance. 7. The court shall disallow any claim for reimbursement or contribution of an entity that is liable with the debtor on or has secured the claim of a creditor, to the extent that:			

7.1. such creditor's claim against the estate is disallowed; 7.2. such claim for reimbursement or contribution is contingent as of the time of allowance or disallowance of such claim for reimbursement or contribution; or 7.3. such entity asserts a right of subrogation or assignment at law to the rights of such creditor. 8. The court shall disallow any claim of any entity from which property or damages are recoverable under Chapter IV of this law, or that is a transferee of a transfer avoidable under Chapter IV of this Law, unless such entity or transferee has paid the amount, or turned over any such property, for which such entity or transferee is liable. Article 49 Final Claims List 1. In a liquidation case, no later than ten (10) days after resolution of all claim objections, the Administrator shall compile and submit to the court a final list of claims, indicating their amount and status.			

2. The Administrator shall also transmit the final claims list to the debtor and the creditors' committee, if one has been formed. 3. If no objection to the list is filed within thirty (30) days of submission to the court, then the list shall be deemed to be final for all purposes. 4. As a plan of reorganization deals with all claims, the confirmed plan of reorganization shall constitute the final list of claims and the bankruptcy estate representative does not need to file any additional final list of claims in a reorganization case. 5. All claims included in the list of creditors may be contested by the bankruptcy debtor or creditors within 10 days from the date of receipt of the list by the bankruptcy administrator. Creditors who have requested the recognition of their claims by the bankruptcy administrator or the supervisor, as well as those whose claim has been suggested to be rejected, may object to the list of creditors. 6. The objection may refer to the inclusion or non-inclusion of a claim in the list, the amount recognized or the		Not applicable	

classification of the claim. The objection is submitted in writing and is accompanied by documents proving these objections. The party objecting to the list may request that a hearing be convened to give oral evidence only if necessary. The court may grant or deny this request based on the evidence in the case. 7. The party, which disputes a claim included in the list of creditors, submits the claim to the court. The court notifies the bankruptcy administrator and the relevant creditor who objects to the list. The administrator and the creditor have 10 days from the date of notification to respond to the arguments made in the relevant objection. The administrator has the duty to respond to any objection. If the administrator agrees with the objection, he communicates this officially to the court and changes the list of creditors case by case. 8. The court decides on all objections within 15 days from the moment of receiving the administrator's response. 9. As a general rule, opposition to a request does not suspend the normal development of the bankruptcy procedure. If the disputed claims affect more than 25 percent of the total claims			

included in the initial list of creditors, the court may temporarily suspend all or part of the procedure, for the time necessary to resolve the objections. Article 50 Distributions of Property of the Bankruptcy Estate to Creditors 1.The bankruptcy estate representative, with prior approval of the Court shall distribute property of the bankruptcy estate to creditors in respect of the claims as soon as conditions are fulfilled for such distribution. 2. The representative of the bankruptcy estate make the distribution in different periods of time, with the approval of the Court, in the event that is considered reasonable and effective to make the distribution in those periods. 3. Exceptionally, the representative of the bankrupt estate, with prior approval from the Court, makes the distribution in different periods of time in cases where this distribution cannot be made simultaneously in its entirety. 4. When making such distributions, the representative of the insolvent estate keeps a reasonable reserve for possible			

claims that may arise as a result of a decision expected to be made by the court in relation to those claims. 5. The representative of the insolvent estate shall make the distribution in accordance with the distribution priorities defined in this law. 6. Only allowed claims can be satisfied from the bankruptcy estate. Article 51 Secured Claims and In Rem Claims of Other Entities 1. Subject to the provisions of this Article, a court decision or the interests of an ongoing reorganization case, the bankruptcy estate representative shall transfer any property of the bankruptcy estate in which another entity has an interest or a lien to the appropriate entity. If the bankruptcy estate has positive interests in that property, the bankruptcy estate representative may recover such positive value according to the applicable Laws in Kosovo. 2. In a reorganization proceeding, the reorganization plan shall govern the distribution of any property in which an		Not applicable	

entity other than the debtor has an interest. 3. If more than one (1) entity claims an interest in property of the bankruptcy estate, the bankruptcy estate representative may request that the court direct the transfer of the property to the appropriate party. 4. The bankruptcy estate representative may, in appropriate circumstances, request that the court order the sale or other disposition of property in which the estate and another entity has an interest, with the bankruptcy estate representative distributing the proceeds of such sale in accordance with the respective interests of the various entities in the property, or as the court may direct. Article 52 Protection of secured creditor from late sale 1. If the bankruptcy court has taken a temporary measure, prohibiting any secured creditor from selling an asset before the commencement of bankruptcy proceedings, the creditor shall be paid any accrued interest on the value of the debt owed to the creditor, by starting from the date of the request,		Not applicable	

but not less than 3 months after the start of the bankruptcy procedure. This provision does not apply if the amount and value of the creditor's claim and any other liability based on the value of the property cannot be covered by the proceeds of the sale for the payment of creditors. 2. At any time during the 3-month period, the court may remove the restrictions and order other security measures if the secured creditor proves that the value of the collateral is not being adequately protected. Article 53 Distribution of income If the administrator transfers to the secured creditor an asset in order for the asset to be sold by the secured creditor, once sold, the latter shall transfer to the bankruptcy administrator the amount necessary to cover any tax liabilities (if applicable) arising from the sale of the property. Article 54 Unsecured Claims Unsecured claims have priority in liquidation over equity interests, and			

the Administrator may make a distribution for such unsecured claims after it has satisfied or reserved adequately against all secured claims. Article 55 Priorities among Unsecured Claims 1. All unsecured claims are presumed to have the same priority for purposes of distribution in any case unless otherwise specified in this law. The following are the only priorities among unsecured creditors recognized by this Law: 1.1. administrative expenses are paid first; 1.2. second, Domestic Relations and Restitution of Victims Claims are paid; 1.3. third, employment claims are paid; 1.4.. fourth, tax claims are paid. 1.5.the last, any other unsecured claim is paid		Not applicable	

Article 56 Administrative Expenses 1. The Administrator shall pay administrative expenses as first priority claims among unsecured claims. 2. Administrative expenses may include, but are not limited to, claims for: 2.1. unpaid wages accrued after the opening of the case; 2.2. tax liabilities accumulated since the opening of the bankruptcy case; 2.3. claims related to loans or for credit for which the bankruptcy estate representative has received court approval; and 2.4. the fees and costs of professionals employed with court approval including, without limitation, the compensation of any Administrator or any professional whose employment the court approved to the extent that such fees or costs were incurred after the opening of the case; 3.The Administrator shall pay administrative expenses without court		Not applicable Not applicable Not applicable ‘	

approval unless the bankruptcy estate is administratively insolvent. 4. In cases where the bankruptcy estate does not guarantee the coverage of the administrative expenses of the administration of the case, the court, with the proposal of the bankruptcy administrator, may determine the deposit of an adequate amount by the proposer of opening the bankruptcy case, which amount will be deposited in an escrow account of the debtor. 5. The amount specified in paragraph 4 of this article will be considered as a creditor's claim, which will have priority over secured claims, in cases where this amount is deposited by the creditor. Article 57 Domestic Relations and Restitution Claims 1.The Administrator shall pay domestic relations debts and debts arising from a domestic relation of a debtor or a restitution claim as second priority among unsecured claims. 2.Domestic relations claims shall be considered all those claims arising		Not applicable	

before the initiation of bankruptcy procedure related to the divorce, custody, alimentation or other issues regulated by the Law on Family. 3.Claims for restitution of victims shall be considered all those claims arising before the initiation of bankruptcy procedure and that relate to the restitution of victims of a criminal activity of the debtor. 4.The administrator may pay domestic relations or restitution claims without court approval unless the bankruptcy estate is administratively insolvent. Article 58 Employment Relationship Claims 1.The Administrator shall pay labor claims as third priority claims among unsecured claims. 2.Employment relationship claims shall be considered all the claims employees raised before the initiation of bankruptcy procedure, for the employees that have been engaged for the debtor through the employment contract, in compliance with the		Not applicable	

provisions of the Law on Labour in Kosovo. Article 59 Tax claims The administrator pays tax claims that were created before the initiation of bankruptcy proceedings as the fourth priority among unsecured creditors. Article 60 Other Payments of Unsecured Claims After the Administrator has paid or reserved for all secured claims and all unsecured claims with priority, it shall make a distribution to remaining unsecured claims. Article 61 Interests in Equity 1.Holders of the interests in equity have the last priority during the distribution, and the bankruptcy estate representative will not make any distribution until there are not paid fully the allowed claims and legal interests or fixed by the court towards those secured or unsecured claims.		Not applicable Not applicable Not applicable	

2.The bankruptcy estate representative shall, before the distribution towards the bearers of equity, pay even those claims that are not allowed for the single reason that they are not registered in the court on time. 3.Only after the realization of all the conditions defined in this Article, the bankruptcy estate representative shall make the distribution towards the holders of equity. Article 62 Making Distributions - Pari Passu Principle 1.No distribution to any class of unsecured claims or equity interests shall be made unless creditors holding allowed claims in all classes with a higher priority have been paid in full. 2.A realized distribution shall be considered any kind of payment a creditor has received on an obligation of a debtor from any other source towards the bankruptcy estate. 3.If there are insufficient funds to pay a class of creditors in full, the distribution shall be pari passu among class members.		Not applicable	

CHAPTER VI REORGANIZATION Article 63 Debtor in Possession 1. The debtor shall serve as the debtor in possession in a reorganization case unless: 1.1. the debtor requests the appointment of an Administrator, either at the time of the commencement of the bankruptcy proceeding or later; or 1.2. if the court removes the debtor in possession as provided for in this Law.	CHAPTER 2 Facilitating negotiations on preventive restructuring plans Article 5 Debtor in possession 1. Member States shall ensure that debtors accessing preventive restructuring procedures remain totally, or at least partially, in control of their assets and the day-to-day operation of their business. 2. Where necessary, the appointment by a judicial or administrative authority of a practitioner in the field of restructuring shall be decided on a case-by-case basis, except in certain circumstances where Member States may require the mandatory appointment of such a practitioner in every case. 3. Member States shall provide for the appointment of a practitioner in the field of restructuring, to assist the debtor and creditors in negotiating and drafting the plan, at least in the following cases: (a) where a general stay of individual enforcement actions, in accordance with Article 6(3), is granted by a judicial or administrative authority, and the judicial or administrative authority decides that such a practitioner is necessary to	Fully compliant	

	safeguard the interest of the parties; (b) where the restructuring plan needs to be confirmed by a judicial or administrative authority by means of a crossclass cram-down, in accordance with Article 11; or (c) where it is requested by the debtor or by a majority of the creditors, provided that, in the latter case, the cost of the practitioner is borne by the creditors.		
Article 64 Engagement of Professionals by the Debtor in Possession 1.The debtor in possession, with the court's approval, may employ one or more lawyers, accountants, appraisers, auctioneers, or other professional persons to represent or assist the debtor in possession in carrying out its duties under Chapter VI of this Law. 2. To be considered a professional person under paragraph 1 of this Article the applicant must prove that it: 2.1. does not hold or represent an interest adverse to the estate; and 2.2. is a disinterested person.		Not applicable	

3.If two or more debtors are affiliates, the court may approve the employment of common professional persons provided that the court is satisfied that the benefits of common employment outweigh any harm or injury that might result from any potential or actual conflicts of interest. Article 65 Removal of Debtor in Possession 1.The court may remove the debtor in possession on its own motion or upon the request of a party in interest if there is proof that: 1.1. the debtor committed fraud, dishonesty or other malfeasance before or after the opening of the case; 1.2. the debtor cannot manage its financial affairs in a profitable manner; 1.3. creditors holding a majority of creditors' claims indicate that they wish the debtor removed as debtor in possession.		Not applicable	

2.Upon removal, the court shall appoint an Administrator as bankruptcy estate representative. This Administrator shall promptly investigate the business affairs of the estate and make a recommendation to the court and any creditors' committee of the desirability of continuing the case as a reorganization case or shall be converted to liquidation. 3.In the hearing session on determining the Administrator, according to paragraph 2, the court shall issue a ruling by which it: 3.1. authorizes the Administrator to continue the case as a reorganization case; or 3.2. ordering the case to be converted to a liquidation case. Article 66 Creditors' Committee in the reorganization case			

1. Five (5) days of the filing of a reorganization case, the court shall solicit indications of interest from unsecured creditors to serve on a creditors' committee. 2. The court shall decide on the establishment of a creditors' committee if at least three (3) unsecured creditors indicate a willingness to serve in the creditors' committee. 3.The rights and duties of the creditors' committee are: 3.1. to receive a copy of the any report of the debtor in possession at the same time as the court 3.2. to employ professional persons on the same basis and with the same restrictions as are binding upon the debtor in possession's employment of such persons; 3.3. to receive notice of motions and other requests for court action that are likely to substantially affect the rights of creditors;		Not applicable	

3.4. to convene in a session the debtor or its representative that are obliged to answer questions of the creditors' committee regarding the case. Every answer of the debtor or its representative shall be considered declaration under oath; 3.5. to share access to information it has obtained with creditors who are not members of the committee; 3.6. to formulate a recommendation on any plan of reorganization upon which creditors will be asked to vote; and 3.7. any other rights and duties as the court may specify, so long as such rights are consistent with the provisions of this Law.			

Article 67 Proposal of Reorganization Plan 1. A party in interest may propose a plan of reorganization only if authorized by this Article. 2. The debtor in possession has the exclusive right to file a plan of reorganization within one hundred and twenty (120) days after the opening of the case. This time limit is interrupted if the debtor in possession files a plan before the expiration of the time limit. 3.The court may shorten or extend the debtor's exclusive period under paragraph 2 of this Article on request of a party in interest if that party in interest proves that such shortening or extension will likely enhance the debtor's prospects for successful reorganization. 4. After the expiration of the term foreseen in paragraph 2 of this Article or extension or shortening of the term according to paragraph 3 of this Article,	CHAPTER 3 Restructuring plans Article 8 Content of restructuring plans 1. Member States shall require that restructuring plans submitted for adoption in accordance with Article 9, or for confirmation by a judicial or administrative authority in accordance with Article 10, contain at least the following information: (a) the identity of the debtor; (b) the debtor's assets and liabilities at the time of submission of the restructuring plan, including a value for the assets, a description of the economic situation of the debtor and the position of workers, and a description of the causes and the extent of the difficulties of the debtor; (c) the affected parties, whether named individually or described by categories of debt in accordance with national law, as well as their claims or interests covered by the restructuring plan; (d) where applicable, the classes into which the affected parties have been grouped, for the purpose of adopting the restructuring plan, and the respective values of claims and interests in each	Fully compliant	

each party in interest shall file a plan of reorganization of the debtor. Article 68 Mandatory and Permissible Contents of the Reorganization Plan The court examines and may approve a reorganization plan only if it is in accordance with the relevant provisions of this law. Article 69 Proposer of the Plan The person, entity who proposes the reorganization plan of the debtor in compliance with this Law shall be known as “the plan proposer”. Article 70 Specification and Classification of Claims 1. A reorganization plan must classify creditors and holders of equity interests. 2. The plan must separate creditors andholders of equity interests into different classes according to their	class; (e) where applicable, the parties, whether named individually or described by categories of debt in accordance with national law, which are not affected by the restructuring plan, together with a description of the reasons why it is proposed not to affect them; (f) where applicable, the identity of the practitioner in the field of restructuring; (g) the terms of the restructuring plan, including, in particular: (i) any proposed restructuring measures as referred to in point (1) of Article 2(1); (ii) where applicable, the proposed duration of any proposed restructuring measures; (iii) the arrangements with regard to informing and consulting the employees' representatives in accordance with Union and national law; (iv) where applicable, overall consequences as regards employment such as dismissals, short-time working arrangements or similar; (v) the estimated financial flows of the debtor, if provided for by national law; and (vi) any new financing anticipated as part of the restructuring plan, and the reasons why the new financing is necessary to implement that plan; (h) a statement of reasons which explains why the restructuring plan has a reasonable prospect of preventing the	Fully compliant Fully compliant	

rights and obligations under applicable legislation, subject to the following: 2.1. a plan may place a claim or an interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests of such class. A plan may not place a secured claim in the same class as an unsecured claim or an equity interest, even if the holder of the secured claim also holds an unsecured claim or an equity interest; 2.2. a plan may place unsecured creditors in more than one (1) class so long as there is a business justification for such separate classification. Such a justification may include, but is not limited to, separately classifying a secured creditor's unsecured deficiency claim from the unsecured claims of creditors who supplied or supply the debtor or the estate with goods or services on credit; and 2.3. the proposer of the plan may designate a class.	insolvency of the debtor and ensuring the viability of the business, including the necessary pre-conditions for the success of the plan. Member States may require that that statement of reasons be made or validated either by an external expert or by the practitioner in the field of restructuring if such a practitioner is appointed. 2. Member States shall make available online a comprehensive check-list for restructuring plans, adapted to the needs of SMEs. The check-list shall include practical guidelines on how the restructuring plan has to be drafted under national law. The check-list shall be made available in the official language or languages of the Member State. Member States shall consider making the check-list available in at least one other language, in particular in a language used in international business.	Fully compliant	

Article 71 Uniform Treatment of Claims within Same Class Within a class, all class members must receive the same treatment unless the plan proponent proves that a particular class member has consented to less favorable treatment than other class members. Article 72 Claim Impairment 1. A plan of reorganization impairs a claim if it alters or affects any aspect of the claim, including, without limitation, by extending any maturity date, by lowering or eliminating interest or principal, or by providing that it should be exchanged for another claim or type of property. 2. A plan of reorganization leaves a claim unimpaired if it: 2.1. does not purport to alter or affect the claim in any way; or		Not applicable Not applicable	

2.2. pays the claim in full in cash, with any interest to the date of the case's opening; or 2.3. if the plan proponent: 2.3.1. cures any default existing as of the date the case was opened; 2.3.2. reinstates the original maturity date of the claim if the maturity date had been accelerated; and 2.3.3. compensates the holder of for any damages or injuries the creditor incurred as a result of any default Article 73 Mandatory Provisions that the Reorganization Plan should content 1. The provisions of a reorganization plan must specify: 1.1. any class of claims or equity interests that is not impaired under the plan;		Not applicable	

1.2. the proposed treatment for each class of claims that is impaired; 1.3. the debtor's proposal on appointment of its managements and proposal on compensation to be paid to that management; and 1.4. the changes necessary to any internal acts of the debtor if the plan is confirmed. Article 74 Optional provisions of the reorganization plan 1. The provisions of a reorganization plan may: 1.1. impair or leave unimpaired any class of claims, secured or unsecured, or of equity interests; 1.2. provide for the assumption, rejection, or assignment of any unperformed contract on the same terms and conditions as under Chapter IV of this Law, to the extent that such		Not applicable	

contract was not previously rejected under such Chapter; 1.3. provide for the following treatment of claims held by the debtor: 1.3.1. the settlement or adjustment of any claim or interest belonging to the debtor or to the estate; or 1.3.2. the enforcement of such claim or interest by the bankruptcy estate representative; 1.4. provide the opportunity of the sale of all the property of the bankruptcy estate and the distribution of the proceeds collected from the sales to the creditors and holders of equity; 1.5. modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims; and 1.6. include any other appropriate provision not inconsistent with the applicable provisions of this Law.		Not applicable	

Article 75 Adequate Means to Implement Financial Part of the Reorganisation Plan 1. All plans of reorganization must provide for adequate means for their implementation so that the debtor is not likely to require further financial relief after plan confirmation. Adequate means of implementation include, but are not limited to any one or more of the following: 1.1. retention by the debtor of all or any part of the property of the bankruptcy estate; 1.2. transfer of all or any part of the property of the bankruptcy estate to one or more entities, whether organized before or after the confirmation of such plan; 1.3. merger or consolidation of the debtor with one or more persons; 1.4. sale of all or any part of the property of the bankruptcy estate, either subject to or free of any lien, or the		Not applicable	

distribution of all or any part of the property of the bankruptcy estate among those having an interest in such property of the bankruptcy estate; 1.5. satisfaction or modification of any lien; 1.6. curing or waiving of any default; 1.7. extension of a maturity date, change in interest rates, other terms of financial instrument of credits, other credit securities; or 1.8. issuance of securities of the debtor, or of any entity referred to: 1.8.1. for cash; 1.8.2. for property; 1.8.3. for existing securities; 1.8.4. for newly issued securities; or 1.8.5. for any other appropriate purpose.		Not applicable	

Article 76 Procedure for Plan Proposal Disclosure 1.A plan proponent must file a disclosure statement with any plan of reorganization filed. 2.The disclosure statement must contain sufficient information to allow creditors and holders of equity interest to make an informed vote on the plan. Such information will include, but not be limited to, short descriptions or summaries of: 2.1. the reason why the debtor or the bankruptcy estate representative requested reorganization; 2.2. how the changes to be made by the plan of reorganization will benefit the reorganized debtor; 2.3. why distributions to creditors under the plan will exceed the distributions such creditors could reasonably expect in a liquidation; and		Not applicable	

2.4. the reorganized debtor's prospective cash flow for the five (5) year period following the anticipated confirmation, or if creditors will receive all distributions under the plan before the passing of five (5) year period, a summary of prospective cash flow until the last proposed distribution under the plan. 3.Before the plan proponent may distribute the plan of reorganization for a vote, the court must approve the disclosure statement. The court shall approve a disclosure statement if the plan proponent proves that it contains all material information necessary for a reasonable creditor to make an informed decision on whether to accept or reject the plan. 4.The court shall not count votes on a plan of reorganization that were solicited before the approval of a disclosure statement. 5.If the court approves the disclosure statement, it will then order the plan proponent to distribute the plan of			

reorganization, disclosure statement, and ballot to all creditors or equity holders who are entitled to vote on the plan. The decision regarding distribution shall set the date for the return of ballots, the date for any objections to be filed, and the hearing on plan confirmation. 6.The plan proponent need not solicit votes, and need not provide a disclosure statement and plan of reorganization, to any class that is deemed to accept or to reject a plan. Article 77 The Necessary Votes for Acceptance of Plan 1. A class accepts a plan of reorganization if creditors holding at least fifty percent (50%) of all claims voting in that class accept the plan of reorganization. 2. A class is deemed to accept the plan of reorganization without the need to solicit it if it leaves the claims or equity interests in that class unimpaired.	Article 9 Adoption of restructuring plans 1. Member States shall ensure that, irrespective of who applies for a preventive restructuring procedure in accordance with Article 4, debtors have the right to submit restructuring plans for adoption by the affected parties. Member States may also provide that creditors and practitioners in the field of restructuring have the right to submit restructuring plans, and provide for conditions under which they may do so. 2. Member States shall ensure that affected parties have	Partially compliant	

3.A class is deemed to reject the plan of reorganization without the need to solicit it if it eliminates the claims or equity interests in that class. Article 78 Requirements for Consensual Plan Confirmation 1.Except for cases defined in Article 79 of this Law, a court may confirm a plan of reorganization only if the plan proponent proves: 1.1. the plan of reorganization complies with this Law, and the plan proponent has complied with all provisions of this Law; 1.2. the plan proponent proposed the plan of reorganization in good faith; 1.3. the plan of reorganization provides that each impaired creditor or equity holder will receive or retain at least as much under the plan as the creditor would have received if the case been a liquidation case;	a right to vote on the adoption of a restructuring plan. Parties that are not affected by a restructuring plan shall not have voting rights in the adoption of that plan. 3. Notwithstanding paragraph 2, Member States may exclude from the right to vote the following: (a) equity holders; (b) creditors whose claims rank below the claims of ordinary unsecured creditors in the normal ranking of liquidation priorities; or (c) any related party of the debtor or the debtor's business, with a conflict of interest under national law. 4. Member States shall ensure that affected parties are treated in separate classes which reflect sufficient commonality of interest based on verifiable criteria, in accordance with national law. As a minimum, creditors of secured and unsecured claims shall be treated in separate classes for the purposes of adopting a restructuring plan. Member States may also provide that workers' claims are treated in a separate class of their own. Member States may provide that debtors that are SMEs can opt not to treat affected parties in separate classes. Member States shall put in place appropriate measures to ensure that class formation is done with a particular view to protecting	Partially compliant	

1.4. the means for implementing the plan of reorganization are adequate, a showing which shall include, but not be limited to, proof that 1.4.1.confirmation of the plan of reorganization is not likely to be followed by the need for the filing of a subsequent case under this Law; and 1.4.2. all payments and distributions under the plan of reorganization will be timely made; and 1.4.3. all classes of claims and equity interests have accepted the plan of reorganization or are unimpaired under the terms of the plan of reorganization. Article 79 Requirements for Non-Consensual Plan Confirmation 1.A court may confirm a plan of reorganization that is not accepted by all classes only if the plan proponent proves that the plan of reorganization:	vulnerable creditors such as small suppliers. 5. Voting rights and the formation of classes shall be examined by a judicial or administrative authority when a request for confirmation of the restructuring plan is submitted. Member States may require a judicial or administrative authority to examine and confirm the voting rights and formation of classes at an earlier stage than that referred to in the first subparagraph. 6. A restructuring plan shall be adopted by affected parties, provided that a majority in the amount of their claims or interests is obtained in each class. Member States may, in addition, require that a majority in the number of affected parties is obtained in each class. Member States shall lay down the majorities required for the adoption of a restructuring plan. Those majorities shall not be higher than 75 % of the amount of claims or interests in each class or, where applicable, of the number of affected parties in each class. 7. Notwithstanding paragraphs 2 to 6, Member States may provide that a formal vote on the adoption of a restructuring plan can be replaced by an agreement with the requisite majority.	Partially compliant	

1.1.complies with all confirmation requirements set forth in the prior Article except for acceptance by all impaired classes; 1.2. no payment is provided on the full payment of real claims to creditors; 1.3. does not provide for any distribution to a class of creditors or equity holders unless all classes of claims or equity holders which have priority are either paid in full or have accepted the plan. 2.For purposes of this Article, payment in full need not be in cash. A creditor is paid in full if the plan proponent proves that the plan of reorganization provides for distribution of property to a creditor that has a value, as of the date of confirmation, equal to the allowed amount of its claim. Property may be any of the following, or a combination of any of the following: 2.1. cash; 2.2. allowed securities;			

2.3. moveable or immovable property; or 2.4. equity interests in the debtor or any other entity. 3.If a plan of reorganization proposes to distribute property to a secured creditor in payment in full of the secured creditor's claim, and some or all of the property consists of a note, then payment in full as anticipated by this Article requires that the secured creditor must retain the lien on the collateral securing its claim, or must have a lien on all sales proceeds of its collateral. Article 80 Legal Consequences of the Plan Confirmation 1.The provisions of a confirmed plan of reorganization bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor or equity holder, whether or not the claim or interest of such creditor or equity holder is	Article 15 Effects of restructuring plans 1. Member States shall ensure that restructuring plans that are confirmed by a judicial or administrative authority are binding upon all affected parties named or described in accordance with point (c) of Article 8(1). 2. Member States shall ensure that creditors that are not involved in	Partially Compliant	

impaired under the plan of reorganization and whether or not such creditor or equity holder has accepted the plan. 2.Except as otherwise provided in the plan of reorganization or the court decision confirming the plan, the confirmation of a plan of reorganization vests all of the property of the bankruptcy estate in the debtor. 3.Except as otherwise provided in the plan, after confirmation of a plan of reorganization the property dealt with by the plan of reorganization is free and clear of all claims and equity interests of creditors and equity holders in the debtor. 4. Except as otherwise provided in the plan, the confirmation of a plan: 4.1. discharges the debtor from any claim that might arose before the plan confirmation without taking into consideration:	the adoption of a restructuring plan under national law are not affected by the plan.		

4.1.1. if there is filed a proof under this Law; 4.1.2. if it is filed, it is accepted as allowed or it declared as disallowed under this Law; 4.1.3. the holder of such claim has accepted the plan; and 4.2. terminates all rights and equity interests of equity holders provided for by the plan. 5.A discharge under this Chapter does not discharge a debtor who is an individual who is denied a discharge under Chapter VIII of this Law, or from any debt excepted from discharge under Chapter VIII of this Law. Article 81 Legal Consequences in Case of Failure to Perform the Plan 1.A party in interest may bring an action to revoke confirmation of the plan, but such an action may be brought only if the party in interest:		Partially Compliant	

1.1. proves that the plan proponent committed fraud or deceit in obtaining the votes for a confirmed plan or in requesting confirmation of the plan; and 1.2. brings such action within six (6) months of the confirmation of the plan. 2.If a reorganized debtor or other party does not perform any of the material terms of a confirmed plan of reorganization, any party in interest may bring an action in the court to: 2.1. compel the defaulting party to perform or pay damages as if the plan of reorganization and damage compensation arising from the reorganization plan, as the plan were a contract according to the provision of the Law on Obligational Relationships. 2.2.cancel the remaining unperformed obligations under the plan, revoke the debtor's discharge, and request the court to open a liquidation case; or 2.3.cancel the remaining unperformed obligations under the plan, revoke the			

debtor's discharge, and open a liquidation case. Article 82 Conversion of Reorganization into Liquidation 1.A court shall issue a ruling on conversion of a reorganization into a liquidation if a party in interest proves: 1.1.substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation; 1.2. gross mismanagement of the bankruptcy estate; 1.3. that more than one (1) year has elapsed since the opening of the case, unless the court finds that additional time is necessary to accomplish an effective reorganization, but in no even may such additional time extend beyond eighteen (18) months from the date the case was opened; 1.4. the debtor in possession's failure to maintain appropriate insurance policy		Not applicable	

that poses a risk to the estate or to the public; 1.5. the debtor in possession's failure to comply with a decision of the court; 1.6. the debtor in possession's failure timely to pay taxes owed after opening of the case or to file tax returns due after the opening of the case; or 1.7.the debtor in possession's failure to file a disclosure statement, or to file or confirm a plan, within the time fixed by a decision of the court. Article 83 Closing of a Case 1.A court ruling confirming a plan of reorganization closes a reorganization case. A confirmed plan of reorganization is an execution document with regard to the debtor's obligation therein contained. 2.The closure of a reorganization case terminates any restrictions on the administration or disposition of the		Not applicable	

debtor's assets, which shall be governed from that moment on by the provisions of the reorganisation plan.			
CHAPTER VII LIQUIDATION Article 84 Appointment of an Administrator 1.The court appoints an Administrator no later than in fifteen (15) days, in the following cases: 1.1. after the filing of a liquidation case by a debtor; 1.2. after the opening of a liquidation case following the filing of a bankruptcy petition by creditors; 1.3. after the conversion of reorganization into liquidation; 1.4. after the court discharges the debtor in possession or a previously appointed Administrator.		Not applicable	

Article 85 Removal of an Administrator from the case 1.If the court finds it as necessary and reasonable, it decides on removal of the Administrator upon the concrete case. 2.Cause for removal according to this Law shall be considered, but is not limited to: 2.1. proof that the Administrator does not meet the legal qualifications according to this Law; or 2.2. by a majority vote of all creditors, with such vote being made at a meeting called specifically for the purpose of removing the Administrator, or if he does not have a satisfactory performance. 2.3.failure to fulfill the duties of the administrator specified in this law. 2.4.proof that the Administrator has committed an offence of fraud or criminal offence. 3. The court can fine the Administrator, up to 1000 Euros, who, without any		Not applicable	

reasonable reason, does not submit the required reports within the specified period or does not fulfill his duties defined by this law without any reason. Article 86 Duties and Responsibilities of an Administrator 1. The Administrator shall: 1.1. collect income from the property of the bankruptcy estate which are under his administration and collect income from the bankruptcy estate as expeditiously as possible, in the interest of all parties in interest; 1.2. be accountable for all property received; 1.3. convene and preside over all creditor committee meetings; 1.4. review the financial affairs of the debtor; 1.5. to examine proofs of claims and object to the allowance of any claim that is improper;	Article 26 Practitioners in procedures concerning restructuring, insolvency and discharge of debt 1. Member States shall ensure that: (a) practitioners appointed by a judicial or administrative authority in procedures concerning restructuring, insolvency and discharge of debt ('practitioners') receive suitable training and have the necessary expertise for their responsibilities; (b) the conditions for eligibility, as well as the process for the appointment, removal and resignation of practitioners are clear, transparent and fair; (c) in appointing a practitioner for a particular case, including cases with cross-border elements, due consideration is given to the practitioner's experience and expertise, and to the specific features of the case; and (d) in order to avoid	Fully compliant	

1.6.to oppose the discharge of the debtor if advisable; 1.7. unless the court orders otherwise, furnish such information concerning the estate and the estate's administration as is requested by a party in interest; and 1.8. make a final report and file a final account of the administration of the estate with the court. An Administrator shall not be held personally liable for losses incurred by a creditor, the debtor, any shareholder or partner, owner, the bankruptcy estate, or any other party for consequences or damages flowing from decisions made or actions taken or not taken within the scope of his duties if it has exercised ordinary care and diligence in the timely performance of those duties.	any conflict of interest, debtors and creditors have the opportunity to either object to the selection or appointment of a practitioner or request the replacement of the practitioner. 2. The Commission shall facilitate the sharing of best practices between Member States with a view to improving the quality of training across the Union, including by means of the exchange of experiences and capacity building tools.		

Article 87 Engagement of the Experts by the Administrator 1.The Administrator, with the court's approval, shall engage one or more lawyers, accountants, appraisers, auctioneers, or other professional persons to represent or assist the Administrator in carrying out its duties under the Law. 2. In order to be eligible to be engaged as a professional, the person should prove that does not hold or represent an interest adverse to the estate; and 3.The court may authorize the Administrator to act as lawyer or accountant for the estate if such authorization is in the best interest of the estate. 4.If two (2) or more debtors are affiliated entities, the court may approve the engagement of common professional persons provided that the court is convinced that such engagement will be more beneficial for the bankruptcy estate than harm as a result from any conflict of interests.		Not applicable	

Article 88 The Fees of the Administrator 1.The fees for the Administrator, the method of calculation and the amount of fees related to the bankruptcy procedure are regulated by a by-law issued by the Minister of Justice. 2.An Administrator shall be paid based on the distributions actually made to creditors. Such payments shall be an administrative expense. 3.The court must approve the Administrator's fees and expenses for Administrator ´s work. 4.The court shall approve the payments according to paragraph 1 of this Article in compliance with the total value of distributions the Administrator makes to parties in interest, excluding the debtor, but including holders of secured claims.		Not applicable	

Article 89 Creditors' Committee in the liquidation case 1.Within five (5) days of the acceptance of the final list of creditors, , the court shall solicit indications of interest from unsecured creditors to serve on a creditors' committee. 2.There shall be included at least three (3) and not more than five (5) creditors in the creditors' committee. The court shall give priority to the creditors with the largest unsecured claims that want to serve in the creditors' committee. If there are less than three (3) such creditors that want to serve in the committees, then the committee shall not be established. 3.The rights and duties of the creditors' committee are: 3.1. to receive a copy of all letters addressed to the court by the debtor in possession, at the same time with the court; 3.2. to employ professional persons on the same basis and with the same restrictions as are binding upon the		Not applicable	

Administrator's employment of such persons; 3.3. to receive notices from the Court and decisions of the Court which affect the rights of creditors; 3.4. to convene in a session the debtor or its representatives that are obliged to answer questions of the creditors' committee regarding the case. Every answer of the debtor or its representative shall be considered as a declaration under oath; 3.5. with court approval, after the Administrator indicates it will not do so, initiate an action to avoid a transaction under Chapter IV of this Law; 3.6. to share access to information it has obtained with creditors who are not members of the committee; and 3.7. any other rights and duties as the court may specify, so long as such rights are consistent with the provisions of this Law. Article 90		Not applicable	

Special Rules for Liquidation of Different Types of Business Organizations 1.In addition to the duties specified in Article 86 of this Law, an Administrator shall ensure that after the debtor receives a discharge in accordance with Article 104 of this Law. 2.The formal existence of each debtor other than a debtor who is an individual is terminated through the closing of the business organization, no later than the closing of the case. 3. Such termination shall be accomplished by compliance with the applicable provisions of this Chapter of this Law. 4. If an Administrator is still serving after the entry of a discharge for a debtor, that Administrator shall have the exclusive power and authority to pursue claims and to take actions on behalf of the debtor until the closing of the cash. Article 91 Joint Stock Companies 1.If the debtor is a joint stock company under the Law on Business		Not applicable	

Organizations, then on or before the closing of the case, and subject to the provisions of this Chapter, the Administrator shall take all steps and actions necessary under such law to dissolve and terminate the existence of that joint stock company: 1.1. actions related to dissolution and termination shall not include any actions which include or involve any equity security holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders; 1.2. such actions related to the dissolution and termination include giving notice to the business and tax registries of the termination of the entity no later than the closing of the case. 2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the joint stock company.			

3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened. Article 92 Limited Liability Companies 1.If the debtor is a limited liability company under the Law on Business Organizations, then on or before the closing of the case the Administrator shall take all steps and actions necessary, under this Chapter and Law on Business Organizations, to dissolve and terminate the existence of that limited liability company: 1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity security holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders; 1.2. such actions undertaken by the Administrator related to the termination of limited liability company shall		Not applicable	

include giving notice to the business and tax administration registries regarding the closing of the case. 2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the limited liability company. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened. Article 93 General Partnerships 1.In cases when the debtor is a partner in a general partnership established under the Law on Business Organizations, then at the moment of the closing of the case, in accordance with the provisions foreseen in this Chapter and according to the Law on Business Organizations, the		Not applicable	

Administrator shall take all actions necessary to terminate the existence of the general partnership. 1.1. such actions related to dissolution and termination shall not include any actions which include or involve any equity holders of the debtor, each of which is hereby exempted. The exempted actions include the calling of any required meetings of the equity security holders or the giving of any notices to such equity security holders; 1.2 actions undertaken by the Administrator related to the termination of the partnership include giving notice to the business and tax registries regarding the closing of the case; 2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the general partnership. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2)			

years from the date the bankruptcy case was opened. Article 94 Limited Partnerships 1.In cases when the debtor is a limited partnership established under the Law on Business Organizations, then at the moment of the closing of the case, in accordance with the provisions foreseen in this Chapter and according to the Law on Business Organizations, the Administrator shall take all actions necessary to terminate the existence of the limited partnership. 1.1. such actions termination shall exclude all claims on calling the meetings of the partners in limited partnership. The exempted claims shall include the exclusion of the claims on calling of any required meetings or holding any kind of meeting related to the termination of limited partnership; 1.2 actions undertaken by the Administrator related to the termination of the limited partnership include even giving notice to the business and tax registries regarding the closing of the case;		Not applicable	

2.Only the Administrator, shall have the right to file claims arising from another Law except the Law on Bankruptcy, on behalf of creditors towards the promotors, shareholders, officers, directors, agents or senior managers of the limited company. 3.The right to file claims according to paragraph 2 of this Law shall expire at the moment of the closing of the bankruptcy case or at latest two (2) years from the date the bankruptcy case was opened. Article 95 General Partners of General Partnerships and of Limited Partnership 1.The Administrator shall file a claim against the general partner in a general partnership or limited partnership, in cases when: 1.1. the debtor is a general or limited partnership; and 1.2. the properties of the partnership or limited partnership after being converted into cash, are insufficient to pay all claims of creditors in full; and		Not applicable	

1.3. the general partner of the debtor would otherwise be personally liable for the payment of creditors' claims over and above the ability or the debtor to pay such claims. 2.The amount of such claim shall be limited to the amount for which the general partner has an unlimited personal liability for payment in compliance with other applicable Laws in Kosovo. 3.To the extent practicable, the Administrator shall first seek recovery of payment of the amount of creditors' claims from any general partner of the general partnership or limited partnership. Pending determination of such amount which needs to be paid for the creditors' claims and which cannot be paid from the estate of the general partnership or limited partnership, the court may order the general partner to provide the estate as a security measure or to order the general partner not to dispose of property. 4.The Administrator has a claim against the estate of each general partner in such partnership that is a debtor in a case under this title for the full amount of all claims of creditors allowed in the			

case concerning such partnership. The claim of the Administrator under this subsection is entitled to distribution in such partner's case the same as any other claim of a kind specified in such section. 5. If the amount that the Administrator recovers from the estates of general partners under paragraph 4 of this Article is greater than any deficiency not recovered under paragraph 3 of this Article, the court, after notice and a hearing, shall determine a reasonable distribution of the surplus so recovered, and the Administrator shall distribute such surplus to the estates of the general partners in such partnership according to such determination. Article 96 Cases with Assets of Small Value If the Administrator determines that the property of the estate, when liquidated and reduced to cash, will not exceed two hundred (200) Euro, and such amount will not pay all allowed claims in full, the Administrator shall notify creditors of this determination and shall make a motion to abandon all property of the estate under Article 35 of this		Not applicable	

Law. If the court approves the abandonment, the Administrator shall promptly take all steps necessary to close the case, including all steps required by this Chapter. In this case, the Administrator enjoys the right on his remuneration, if he would have sold the abandoned properties and realized the distribution. Article 97 Individual Businesses 1.Individual Businesses who are debtors are eligible for a discharge of claims related to their business activity under Article 104 of this Law. 2.Upon obtaining a discharge or closing of a case, whichever first occurs, unless the court shall order otherwise after notice and a hearing, an individual debtor who is an individual business shall cease trading under any assumed, fictitious, or "doing business as" names, or from using any trade dress or trade name similar to that used before obtaining a discharge. 3.After notice and a hearing, the court for cause may permit an Administrator to sell to the debtor or to any other entity the right to trade or do business		Not applicable	

under any trade name or style or dress the debtor used before discharge. Article 98 Sale of the assets in the liquidation procedure 1.Administrator shall be responsible for organizing the sale of assets of business organization in the liquidation procedure. 2.During the asset sale procedure, the administrator may engage an auction house or organize other forms of public bidding for the sale of the company's assets. 3.The sale of assets is carried out by auction and is considered a sale by public auction, in accordance with the relevant provisions of the Law on Enforcement Procedure. 4.The administrator makes a decision on the sale of assets and notifies the debtor. The debtor has the right to appeal to the Court within 15 days from the day of receiving the notification. 5.If within the period of 15 days specified in the paragraph 4 of this article the Debtor does not file a complaint, the sale of assets continues		Not applicable	

and is considered as a public auction sale that constitutes an executive title. 6.The court decides on the debtor's complaint in accordance with paragraph 4 of this article with a Decision. 7.When determining the minimum sale price of the company's assets, the Administrator will take as a basis the assessment of those assets by a professional engaged in accordance with this Law and will make maximum efforts so that the initial price of the assets is at the level or it approaches the amount of debts of the company in bankruptcy. Article 99 Termination of Business Organizations after the Completion of the Case 1.The Administrator shall wind up and terminate all the debtor's business operations, after the completion of the case. 2.The Administrator shall, upon completion of the case, take steps to ensure that the termination of the		Not applicable	

debtor's business has been noted in the registry of businesses. Article 100 Conversion of Case to Reorganization 1.Upon court approval, the Administrator may convert a liquidation case to a reorganization case if the Administrator can prove that it such a conversion would likely result in larger distributions to unsecured creditors. 2.Upon conversion in reorganization, the Administrator shall continue as the bankruptcy estate representative. 3.Court issues a decision to transform a liquidation case to reorganization case. Article 101 Closing of Case 1. The court may close a case when either: 1.1. the Administrator proves that it has reduced all property of the bankruptcy estate to cash, or reduced all property of the bankruptcy estate to cash that can be reduced to cash, and has distributed all		Not applicable Not applicable	

property of the bankruptcy estate to creditors; or 1.2. the Administrator proves that no further administration of the case will yield any material increase in distributions to unsecured creditors. 2. After the distribution has been completed or mostly completed and the final report has been approved by the court, the administrator will submit to the court the request for closing the case. The court, by ruling, decides to terminate the liquidation procedure and the case is closed. 3. The final report submitted by the administrator must contain evidence of the conversion of the bankruptcy estate into cash and the realization of distributions. Article 102 Resumption of bankruptcy proceedings 1. If at any time within one year from the end of the bankruptcy procedure, new assets belonging to the debtor are discovered or possible claims for avoidance of actions or responsibilities		Not applicable	

of the governing bodies are identified, any creditor may request the reopening of the bankruptcy case. 2. The resumption takes place regardless of the deletion and removal of the debtor from the register of commercial companies. The company will have to be reactivated, with the sole purpose of restarting the proceedings. 3. The court decides to resume the case only when the assets or causes of action that have been identified are or can be objectively sufficient to cover the costs of the procedure and to provide additional income for at least 5 percent for the creditors of the highest level high. 4. The resumed procedures will be liquidation procedures only. Their sole purpose is to receive assets, perform legal actions, file lawsuits, liquidate assets and distribute income among creditors. 5. The court appoints the same administrator, who draws up a new distribution list, based on the last distribution list, unless there are objective reasons to decide otherwise.		Not applicable	

6. In cases of the resumption of the bankruptcy procedure according to the request of the creditor, the court will schedule a hearing to which the debtor will be invited and if it verifies that the legal conditions for the resumption of the procedure have been met, it will annul the previous decision for closing the case and will decide on reopening the case.			
CHAPTER VIII DISCHARGE FROM DEBTS AND CLOSING OF THE CASE Article 103 Discharge from Remaining Debts 1. A discharge shall mean paying off debts and under this Law: 1.1. voids and invalidates any remaining claim arising on any basis, at any time, decision which creates full personal liability for the debtor to a claim, for any claim remaining after treatment in bankruptcy proceedings under this law; 1.2. has the effect of a final court decision and it constitutes a decided case, operates as an injunction and	TITLE III DISCHARGE OF DEBT AND DISQUALIFICATIONS Article 20 Access to discharge 1. Member States shall ensure that insolvent entrepreneurs have access to at least one procedure that can lead to a full discharge of debt in accordance with this Directive. Member States may require that the trade, business, craft or profession to which an insolvent entrepreneur's debts are related has ceased. 2. Member States in which a full discharge of debt is conditional on a partial repayment of debt by the entrepreneur shall ensure that the related repayment obligation is based on the individual situation of	Partially Compliant	

prohibition against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such claim as a personal liability of the debtor. Article 104 Timing of Discharge 1.Besides the exceptions set forth Chapter VIII of this Law, a debtor who is an individual shall receive a discharge of all claims which existed on or before the commencement of the bankruptcy proceedings until when there has commenced the bankruptcy proceeding. The debtor that is an individual shall receive a discharge to all debts created until: 1.1. the moment of opening a reorganization case; or 1.2. the moment of the closing of a liquidation case. 2. A debtor which is not an individual shall receive a discharge of all claims which existed until: 2.1. the moment of opening a reorganization case; or	the entrepreneur and, in particular, is proportionate to the entrepreneur's seizable or disposable income and assets during the discharge period, and takes into account the equitable interest of creditors. 3. Member States shall ensure that entrepreneurs who have been discharged from their debts may benefit from existing national frameworks providing for business support for entrepreneurs, including access to relevant and up-todate information about these frameworks. Article 21 Discharge period 1. Member States shall ensure that the period after which insolvent entrepreneurs are able to be fully discharged from their debts is no longer than three years starting at the latest from the date of either: (a) in the case of a procedure which includes a repayment plan, the decision by a judicial or administrative authority to confirm the plan or the start of the implementation of the plan; or (b) in the case of any other procedure, the decision by the judicial or administrative authority to open the procedure, or the establishment of the entrepreneur's insolvency estate. 2.	Partially compliant	

2.2. the moment of the closing of a liquidation case or the notification of the business registry and the tax administration of the closing of the case, depending on which of these happens the last. Article 105 Exceptions from Discharge Generally; Non-Disclosure; Lack of Cooperation 1.A debtor shall not receive a discharge if a party in interest proves that the debtor, or in the case of a debtor that is not an individual, any insider of the debtor: 1.1. did not cooperate with the Administrator; 1.2. concealed any material amount of property from creditors, the court, or the Administrator; 1.3. filed any document in the case that was materially false or misleading; 1.4. altered or in any way modified its books and records during the one (1) year period before the case was commenced in a manner that made such books and records materially misleading or inaccurate;	Member States shall ensure that insolvent entrepreneurs who have complied with their obligations, where such obligations exist under national law, are discharged of their debt on expiry of the discharge period without the need to apply to a judicial or administrative authority to open a procedure additional to those referred to in paragraph 1. Without prejudice to the first subparagraph, Member States may maintain or introduce provisions allowing the judicial or administrative authority to verify whether the entrepreneurs have fulfilled the obligations for obtaining a discharge of debt. 3. Member States may provide that a full discharge of debt does not hinder the continuation of an insolvency procedure that entails the realisation and distribution of assets of an entrepreneur that formed part of the insolvency estate of that entrepreneur as at the date of expiry of the discharge period.	Partially compliant	

1.5. failed to keep books and records of the debtor's business activities in a manner that would permit a reasonable person to examine and review the debtor's transactions during the one-year period prior to the commencement of bankruptcy proceeding; or 1.6. if an individual debtor, has received a discharge at any time during the ten (10) year period prior to the commencement of bankruptcy proceeding. Article 106 Exceptions from Discharge for Specific Creditors' Claims 1.According to this Law an individual debtor shall not be discharged from any of the following: 1.1. claims not related to the debtor's business activity; 1.2. domestic relations claims according to Article 57 of this Law; 1.3. claims arising from restitution of victims according to Article 57 of this Law;		Partially compliant	

1.4. tax claims accrued for the period of one (1) year from the day of the opening of the case; 1.5. claims not listed in the list of claims filed as required by Chapter IV of this Law; 1.6. claims for which the creditor has not received a regular notice and as a result could not file to the court the claim and proofs on time; 1.7. claims that have arisen as a result of debtor's fraud; 1.8. claims that have arisen as a result of the debtor's breach of a duty for good trust; 1.9. claims that do not result from contracts but which have incurred as a result of the intentional injury caused by the debtor to another entity or to the property of another entity; Article 107 Exempted Property of Individual Debtors 1.Property that is exempted from the mandatory execution according to the provisions of the Law on Enforcement		Not applicable	

Procedure shall be exempted from the bankruptcy estate. Article 108 Non-Discrimination against Discharged Debtors 1.A governmental unit may not deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, deny employment to, terminate the employment of, or discriminate with respect to employment against, a person that is or has been a debtor under this Law, or another person with whom such debtor has been associated, solely because such debtor: 1.1. is or has been a debtor under this Law; 1.2. has been insolvent before the commencement of a case under this Law, or during the case but before the debtor is granted or denied a discharge; or 1.3. has not paid a debt that is dischargeable in the case under this Law.		Not applicable	

1.4. no private employer may terminate the employment of, or discriminate with respect to employment against, an individual who is or has been a debtor under this Law, or an individual associated with such debtor, primarily because such debtor: 1.4.1. is or has been a debtor under this Law; 1.4.2. has been insolvent before the commencement of bankruptcy proceeding under this Law, or during the case but before the grant or denial of a discharge; or 1.4.3.has not paid a debt that is dischargeable in a case under this Law.			
Article 109 Effect on Co-Debtor Discharge granted to the debtor related to a claim of an entity does not affect the obligation of one debtor, other co-obligator that may have towards that entity or its properties.		Not applicable	

Article 110 Effect on Voluntary Payment No provision of this Law prevents a debtor from voluntarily repaying any discharged claim at any time after the closing of the case. Article 111 Effects of Discharge after Case Closed 1.If a party in interest makes any direct or indirect attempt to collect a claim discharged under this Law from an individual, the individual shall have a claim for relief against that party in interest for: 1.1. an immediate termination of any attempt on realization of discharged claim; and 1.2. Compensation of damage caused which is not less then: 1.2.1. one thousand (1,000) Euro; or 1.2.2. value of three times the amount of the claim sought to be collected.		Not applicable Not applicable	

2.Damages for violation of the discharge include, but are not limited to, any attorneys' fees expended to remedy the violation, and compensation for intangible injury such as pain, embarrassment, or loss of reputation.			
CHAPTER IX CROSS BORDER BANKRUPTCY Article 112 General Provisions 1. This Chapter of this Law applies where: 1.1. a foreign court or a foreign representative of bankruptcy estate seeks assistance from the competent court in Kosovo regarding the foreign bankruptcy proceeding; or 1.2. assistance is sought in a foreign state in connection with a proceeding under this Law; or 1.3. a foreign proceeding and a proceeding under this Law in respect of the same debtor are taking place concurrently; or		Not applicable	

1.4. creditors or other interested persons in a foreign State have an interest in requesting the commencement of, or participating in, a proceeding under this Law. 2.Chapter XI of this Law does not apply to a proceeding concerning entities not eligible to be a debtor under this Law. Article 113 International obligations of Kosovo To the extent that this Law conflicts with an international obligation of Kosovo arising out of any treaty or other form of international agreement to which it is a party with one or more other States, the requirements of the treaty or agreement prevail. Article 114 Competent court The functions referred to in this Law relating to recognition of foreign proceedings and cooperation with foreign courts shall be performed by the same court that hears all bankruptcy proceeding.		Not applicable Not applicable	

Article 115 Authorization of Bankruptcy Estate Representative to act in a foreign State An bankruptcy estate representative is authorized to act in a foreign State on behalf of a proceeding under this Law, as permitted by the applicable foreign law.		Not applicable	
Article 116 Public policy exception Nothing in this Law prevents the court from refusing to take an action governed by this Law if the action would be manifestly contrary to the public policy of the Republic of Kosovo.		Not applicable	
Article 117 Additional assistance under other laws Nothing in this Law limits the power of a court or a bankruptcy estate representative to provide additional assistance to a foreign representative under other laws of Kosovo.		Not applicable	

Article 118 Right of direct access A foreign representative is entitled to apply directly to the court in Kosovo. Article 119 Limited jurisdiction The sole fact that an application pursuant to this Law is made to a court in Kosovo by a foreign representative does not subject the foreign representative or the foreign assets and affairs of the debtor to the jurisdiction of the courts of Kosovo for any purpose other than the application. Article 120 Application by a foreign representative to commence a proceeding under this Law A foreign representative is entitled to apply to commence a proceeding under this Law if the conditions for commencing such a proceeding are otherwise met.		Not applicable Not applicable Not applicable	

Article 121 Participation of a foreign representative in a proceeding under this Law Upon recognition of a foreign proceeding, the foreign representative is entitled to participate in a proceeding regarding the debtor under this Law. Article 122 Access of foreign creditors to a proceeding under this Law 1.Subject to paragraph 2 of this Article, foreign creditors have the same rights regarding the commencement of, and participation in, a proceeding under this Law as creditors in Kosovo. 2.Paragraph 1 of this Article does not affect the ranking of claims in a proceeding under this Law, except that the claims of foreign creditors shall not be ranked lower than unsecured creditors without priority. Article 123 Application for recognition of a foreign proceeding		Not applicable Not applicable Not applicable	

1.A foreign representative may apply to the court for recognition of the foreign proceeding in which the foreign representative has been appointed. 2.An application for recognition shall be accompanied by: 2.1. a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative; or 2.2. a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or 2.3. in the absence of evidence referred to in paragraph 2.2 and 2.3 of this Article, any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative. 3.An application for recognition shall also be accompanied by a statement identifying all foreign proceedings in respect of the debtor that are known to the foreign representative.			

4.The court may require a translation of documents supplied in support of the application for recognition into an official language of Kosovo. Article 124 Presumptions concerning recognition of a foreign proceeding 1.If the decision or certificate referred to in paragraph 2 of Article 123 of this Law indicates that the foreign proceeding is a proceeding within the meaning of the definitions of this Law and that the foreign bankruptcy estate representative is a person within the meaning of the definitions of this Law, the court shall presume that those data are accurate. 2.The court shall presume that documents submitted in support of the application for recognition are authentic, whether or not they have been legalized. 3.In the absence of proof to the contrary, the debtor's registered office, or habitual residence in the case of an individual, is presumed to be the center of the debtor's main interests		Not applicable	

Article 125 Decision to recognize a foreign proceeding 1. The Court decides to recognize a foreign proceeding if: 1.1. the foreign proceeding is a proceeding within the meaning of paragraph 1.40 of Article 2 of this Law; 1.2. the foreign representative applying for recognition is a person or body within the meaning of paragraph 1.43 of Article 2 of this Law; 1.3. the application meets the requirements of paragraph 2 of Article 123 of this Law; 1.4. the application has been submitted to the court referred to in Article 114 of this Law. 2. The foreign proceeding shall be recognized: 2.1. as a foreign main proceeding if it istaking place in the state where the debtor has the main place of activity; or		Not applicable	

2.2. as a foreign non-main proceeding if it is taking place as a procedure in the state where the debtor has an establishment within the meaning of Article 2, paragraph 1.45 of this Law. 3.An application for recognition of a foreign proceeding shall be decided upon seven (7) days after the submission of complete application to the Court. 4.The provisions of Article 123, 124, 125, 126 of this Law do not prevent modification or termination of recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist. Article 126 Subsequent information 1.From the time of filing the application for recognition of the foreign proceeding, the foreign representative shall inform the court promptly of: 1.1. any substantial change in the status of the recognized foreign proceeding or the status of the foreign representative's appointment; and		Not applicable	

1.2. any other foreign proceeding regarding the same debtor that becomes known to the foreign representative. Article 127 Relief that may be granted upon application for recognition of a foreign proceeding 1.From the time of filing an application for recognition until the application is decided upon, the court may, at the request of the foreign representative, where relief is urgently needed to protect the assets of the debtor or the interests of the creditors, grant relief of a provisional nature, including: 1.1. staying execution against the debtor's assets; 1.2. entrusting the administration or realization of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy;		Not applicable	

1.3. any relief mentioned in paragraph 1.3, 1.4, and 1.7 of Article 129 of this Law. 2.Unless extended under paragraph 1.6 of Article 129 of this Law the relief granted under this article terminates when the application for recognition is decided upon. 3.The court may refuse to grant relief under this Article if such relief would interfere with the administration of a foreign main proceeding. Article 128 Effects of recognition of a foreign main proceeding 1. Upon recognition of a foreign proceeding that is a foreign main proceeding: 1.1. commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities is stayed; 1.2. execution against the debtor's assets is stayed; and		Not applicable	

1.3. the right to transfer, encumber or otherwise dispose of any assets of the debtor is suspended. 2.The scope, and the modification or termination, of the stay and suspension referred to in paragraph 1 of this Article are subject to the provisions of Chapter IV of this Law. 3.Paragraph 1.1 of this Article does not affect the right to commence individual actions or proceedings to the extent necessary to preserve a claim against the debtor. 4.Paragraph 1 of this Article does not affect the right to request the commencement of a proceeding under this Law or the right to file claims in such a proceeding. Article 129 Relief that may be ordered upon recognition of a foreign proceeding 1.Upon recognition of a foreign proceeding, whether main or non-main, where necessary to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including:		Not applicable	

1.1.staying the commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities, to the extent they have not been stayed under paragraph 1.1 of Article 128 of this Law; 1.2. setting the moratorium towards the execution actions against the debtor's assets to the extent it has not been stayed under paragraph 1.2 of Article 128 of this Law; 1.3. suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under paragraph 1.3 of Article 128 of this Law; 1.4. providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities; 1.5. entrusting the administration or realization of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court;			

1.6. extending relief granted under paragraph 1 of Article 128 of this Law; 1.7.granting any additional relief that may be available to bankruptcy estate representative under the laws of Kosovo. 2.Upon recognition of a foreign proceeding, whether main or non- main, the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor's assets located in Kosovo to the foreign representative or another person designated by the court, provided that the court is satisfied that the interests of creditors in Kosovo are adequately protected. 3.In granting relief to a representative of a foreign non-main proceeding, in accordance with this Article, the court should be ensured that the relief relates to assets that, under the laws of Kosovo, should be administered in the foreign non-main proceeding or concerns information required in that proceeding. Article 130 Protection of creditors and other interested persons		Not applicable	

1.In granting or denying relief under Article 123 or Article 129 of this Law, or in modifying or terminating relief under paragraph 3 of this Article, the court must be satisfied that the interests of the creditors and other interested persons, including the debtor, are adequately protected. 2.The court may condition the granting of the relief under Article 127 and Article 129 of this Law under the conditions it considers appropriate. 3.The court may, at the request of the foreign representative or a person affected by relief granted under Article 127 or Article 130 of this Law, or at its own motion, modify or terminate such relief. Article 131 Actions to avoid acts detrimental to creditors 1.Upon recognition of a foreign proceeding, the foreign estate representative has standing to initiate avoiding powers actions under Chapter IV of this Law. 2.When the foreign proceeding is a foreign non-main proceeding, the court		Not applicable	

must be satisfied that the action relates to assets that, under the law of Kosovo, should be administered in the foreign non-main proceeding. Article 132 Intervention by a foreign representative in proceedings in Kosovo Upon recognition of a foreign proceeding, the foreign representative may, provided the requirements of the law of Kosovo are met, intervene in any proceedings in which the debtor is a party. Article 133 Cooperation and direct communication between the court of Kosovo and foreign courts or foreign representatives 1.In matters referred to in Article 112 of this Law the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through a bankruptcy estate representative.		Not applicable Not applicable	

2.The court is entitled to communicate directly with, or to request information directly from, foreign courts or foreign representatives. Article 134 Cooperation and direct communication between the bankruptcy estate representative in Kosovo with foreign courts or representatives 1.In matters referred to in Article 112 of this Law a bankruptcy estate representative shall, in the exercise of its functions and subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives. 2.The bankruptcy estate representative is entitled, in the exercise of its functions and subject to the supervision of the court, to communicate directly with foreign courts or foreign representatives.		Not applicable	

Article 135 Forms of cooperation 1.Cooperation referred to in Article 133 and Article 134 of this Law may be implemented by any appropriate means, including: 1.1. appointment of a person or body to act at the direction of the court; 1.2. communication of information by any means considered appropriate by the court; 1.3. coordination of the administration and supervision of the debtor's assets and affairs; 1.4. approval or implementation by courts of agreements concerning the coordination of proceedings; 1.5. coordination of concurrent proceedings regarding the same debtor; and 1.6. joint hearings between the court of Kosovo and courts of another state conducted by appropriate electronic means.		Not applicable	

Article 136 Concurrent Proceedings- Commencement of a proceeding under this Law after recognition of a foreign main proceeding After recognition of a foreign main proceeding, a proceeding under this Law may be commenced only if the debtor has assets in Kosovo; the effects of that proceeding shall be restricted to the assets of the debtor that are located in Kosovo and, to the extent necessary to implement cooperation and coordination under all articles contained in Article 133 till 135 of this Law, to other assets of the debtor that, under the law of Kosovo should be administered in that proceeding.		Not applicable	
Article 137 Coordination of a proceeding under this Law and a foreign proceeding 1.Where a foreign proceeding and a proceeding under this Law are taking place concurrently regarding the same debtor, the court shall seek cooperation and coordination under all Articles contained in Articles 133 till 135 of this Law, and the following shall apply:		Not applicable	

1.1. when the proceeding in Kosovo is taking place at the time the application for recognition of the foreign proceeding is filed: 1.1.1. any relief granted under Article 127 or Article 129 of this Law must be consistent with the proceeding in Kosovo; and 1.1.2. if the foreign proceeding is recognized in Kosovo as a foreign main proceeding, Article 124 of this Law does not apply; 1.2. when the proceeding in Kosovo commences after recognition, or after the filing of the application for recognition, of the foreign proceeding: 1.2.1. any relief in effect under Article 127 or Article 129 of this Law shall be reviewed by the court and shall be modified or terminated if inconsistent with the proceeding in Kosovo; and 1.2.2. if the foreign proceeding is a foreign main proceeding, the stay and suspension referred to in paragraph 1 of Article 130 of this Law shall be modified or terminated pursuant to paragraph 2 of Article 130 of this Law			

if inconsistent with the proceeding in Kosovo; 1.3. in granting, extending or modifying relief granted to a representative of a foreign non-main proceeding, the court must be satisfied that the relief relates to assets that, under the law of Kosovo, should be administered in the foreign non-main proceeding or concerns information required in that proceeding. Article 138 Coordination of more than one foreign proceeding 1.In respect of more than one foreign proceeding regarding the same debtor, the court shall seek cooperation and coordination under all Articles contained in Articles 129 and 130 of this Law, and the following shall apply: 1.1. any relief granted under Article 127 or Article 129 of this Law should be consistent with the foreign proceeding being developed in Kosovo; 1.2. when the proceeding in Kosovo commences after the recognition of the foreign proceeding, or after the filing of an application for recognition of a		Not applicable	

foreign proceeding, any relief in effect under Article 127 or Article 129 of this Law shall be reviewed by the court and shall be modified or terminated if inconsistent with the proceeding being developed in Kosovo; and 1.3. if, after recognition of a foreign non-main proceeding, another foreign non-main proceeding is recognized, the court shall grant, modify or terminate relief for the purpose of facilitating coordination of the proceedings. Article 139 Presumption of insolvency based on recognition of a foreign main proceeding In the absence of evidence to the contrary, recognition of a foreign main proceeding is, for the purpose of commencing a proceeding under this Law, proof that the debtor is insolvent. Article 140 Rule of payment in concurrent proceedings Without prejudice to secured claims or rights in rem, a creditor who has received part payment in respect of its claim in a proceeding pursuant to a law		Not applicable Not applicable	

relating to insolvency in a foreign state may not receive a payment for the same claim in a proceeding under this Law regarding the same debtor, so long as the payment to the other creditors of the same class is proportionately less than the payment the creditor has already received.			

CHAPTER X CHAMBER OF BANKRUPTCY ADMINISTRATORS Article 141 Chamber of Bankruptcy Administrators of Kosovo 1.Chamber of Bankruptcy Administrators of Kosovo (hereinafter: Chamber) is a professional organization in which all bankruptcy administrators are members. 2.The seat of the Chamber is in Pristina. 3.The Chamber has the status of a legal entity and acts as a non-governmental organization. 4.The Chamber is represented by the chairman and when he is absent by his substitutes. Article 142 Authorizations of the Chamber		Not applicable Not applicable	

1.The Chamber has the following authorizations: 1.1.preserves the prestige, dignity and rights of the bankruptcy administrator's profession; 1.2.issues the Statute, the Code of Ethics for the Insolvent Administrators and other acts in accordance with the law and the Statute of the Chamber; 1.3.represents the Bankruptcy Administrators to public institutions for the purpose of protecting the rights and interests of the profession; 1.4.takes care that the Bankruptcy Administrators act with conscience and in accordance with the law; 1.5.takes care of the professional advancement of Bankruptcy Administrators through organizing professional meetings, seminars and professional workshops on enforcement; 1.6.establishes and maintains the cooperation with Chambers of			

Bankruptcy Administrators of other countries, and 1.7.performs other work defined by law and by the Statute of the Chamber. Article 143 Statute and general acts 1.The Chamber statute and other bylaws govern the organization and operation of the Chamber, as well as its bodies, their composition and their appointment procedures. 2.Minister shall provide the consent over the Statute and other general acts of the Chamber. Article 144 Bodies of the Chamber 1.The bodies of the Chamber are: Assembly of the Chamber, Executive Board, Control Council and President of the Chamber. Article 145 Assembly		Not applicable Not applicable Not applicable	

1.The Assembly of the Chamber consists of all the Bankruptcy Administrators of registered in the register of the Ministry. 2. The Assembly of the Chamber is competent for: 2.1.issuance of the statute of the Chamber, the rules of procedure of the Bankruptcy Administrators and other general acts of the Chamber; 2.2.the selection of members of the Executive Board and other members of the Chamber; 2.3.decide on the amount of the membership fee and the method of its payment; 2.4.decides on the issues provided for by this law and the statute of the Chamber. Article 146 Assembly meetings of the Chamber 1.Regular or extraordinary meetings of the chamber assembly are called in the		Not applicable	

cases provided by the statute of the chamber. 2.Public work and other issues important for the work of the chamber assembly are regulated by the statute of the chamber. Article 147 Executive Board 1. The Executive Board has powers to: 1.1. select the Chairman of the executive board from among its members; 1.2. proposes the draft statute and other general acts of the Chamber; 1.3. prepare the sessions and the implementation of the decisions of the Assembly of the Chamber; 1.4. takes care of the smooth running of the work of the Chamber; 1.5. decide on other issues in accordance with this law and the statute of the Chamber. 2. Every year the Board compiles a report on the activities of the Assembly		Not applicable	

of the Chamber. Submit this report to the Minister no later than March 31 of each year. 3. Every year the Board compiles the work plan containing its financial part and the budget for the next financial year with explanatory notes and sends these documents to the Assembly for approval. Article 148 Composition of the Executive Board 1. The Executive Board consists of at least five (5) members. 2. The composition of the board as much as possible reflects the proportion within the assembly between the bankruptcy administrators. 3. The chairman and his deputy must be bankruptcy administrators. 4. Members are appointed for a term of three (3) years and after expiry of the mandate they have the right to be reappointed once again for the same period.		Not applicable	

Article 149 The President 1. The President of the Chamber presents and represents the Chamber. 2. The President of the Chamber has authorizations to: 2.1. cares whether the principles of conscientious performance of duties are being respected bankruptcy administrators; 2.2. takes care that the Chamber is working and developing activities in accordance with the law; 2.3. implements the decisions of the Assembly of the Chamber and the Executive Board when provided by the statute of the Chamber; 2.4. select the staff of the Chamber and 2.5. performs other work as provided by the Chamber's statute. Article 150 Internal Audit Unit		Not applicable Not applicable	

1. The responsibilities and operation of the audit unit are regulated by the Statute and internal acts of the Chamber. 2. The audit unit is responsible for its activity to the Assembly of the Chamber. 3. When the Audit Unit finds a violation of the statute, general acts or decisions of the Assembly of the Chamber, it compiles a report and presents it to the Executive Board or the Assembly of the Chamber. Article 151 Property 1.The property of the Chamber shall consist of: 1.1.the obligatory initial, annual and supplementary contributions of its members; 1.2.service fees; 1.3.donations permitted by law;		Not applicable	

1.4.other sources. Article 152 Annual and supplementary contributions to the Chamber 1.The Chamber shall bear all costs arising from the execution of the duties entrusted to it by the present Law. To cover these costs, it may charge its members annual membership fees. 2.At the proposal of the Executive Board the Assembly shall determine the amount of the membership fee for the financial year. The amount may be different for different categories of members. 3.The bankruptcy administrator shall make the required payments to the Chamber based on the terms and conditions specified in the bylaws of the Chamber and in compliance with the resolutions of the Assembly of the Chamber. Article 153 Bylaws issued by the Chamber		Not applicable Not applicable	

1.Bylaws shall be adopted only with regard to subjects that pursuant to this Law must be (further) regulated by bylaw. 2.Bylaws shall not contain any obligations or requirements that are not strictly necessary to accomplish the objective envisaged by this law. 3.Proposals for bylaws are presented to the Assembly of the Chamber by the Executive Board. 4.The bylaws of the Chamber shall be binding only for its members and bodies. 5.A bylaw may grant power to the Executive Board to define more detailed rules regarding the subject dealt with in the bylaw. Article 154 Procedure The proposal for a bylaw and the explanatory notes shall be notified to the members of the Chamber at least		Not applicable	

two (2) months prior to the date on which it will be discussed by the Assembly of the Chamber. Article 155 Approval by the Minister 1. A bylaw, proposed by the Chamber, shall require the approval of the Minister. The approval may be withheld if the proposal is contrary to the law or public interest. 2. After the approval the Executive Board shall arrange that the bylaw will become known by publication in the Official Gazette. The bylaw shall become binding only after publication. It enters into force one (1) month after the publication or earlier as the board determines, on the understanding that at least ten (10) days must pass from the date of publication and entry into force. CHAPTER XI EXAM AND LICENSING OF BANKRUPTCY ADMINISTRATORS Article 156 Conditions for taking the exam		Not applicable Not applicable	

1.The candidate for taking the exam must meet the following conditions: 1.1.to be a citizen of the Republic of Kosovo; 1.2.to have completed the Faculty of Law or Economics; 1.3.to have at least three (3) years of work experience in legal or economic fields. Article 157 Exam requirements 1.The request for the exam is submitted to the Ministry of Justice. 2.The candidate shall attach to the application for the exam, the certificate on the fulfillment of the conditions according to Article 156 of this law. 3.The candidate declares in the application in which official language he wants to take the exam. 4.The commission appointed by the Minister of Justice, by decision, determines whether the candidate		Not applicable	

fulfills or or not the conditions to undergo the exam. 5.Against the decision from paragraph 4 of this article, the candidate can file an appeal within eight (8) days. The appeal is submitted to the Minister of Justice, who decides within a period of five (5) days. According to the Minister's decision, the dissatisfied party can initiate the administrative conflict according to the law in force. 6.The commission from paragraph 4 of this article is appointed by decision of the Minister of Justice, it consists of the chairman and two members who are officials of the Ministry of Justice. Article 158 Organization and Terms The terms for organizing the exam for the insolvent Administrator are set by the Ministry of Justice.		Not applicable	

Article 159 Exams 1. The content of the examination for the bankruptcy administrator exams shall be closely defined by by-laws issued by the Minister, and shall ensure the knowledge of bankruptcy administrators in all matters of the bankruptcy procedure. 2. The exams shall be publicly announced at least one (1) month prior to its administration, and all members of the public shall be invited to participate; 3.The candidate who will undergo the exams for bankruptcy administrator is obliged to bear the expenses for the exam. 4.The Minister determines the amount of expenses for taking the exam, including the amount necessary for the preparation and start of the written part of the exams, the preparation and delivery of the material and invitations, the preparation of certificates and		Not applicable	

compensation for the work of the members and secretary of the Commission for test. 5.If the expenses are not paid into the appropriate account of the Ministry of Justice fifteen (15) days before the date set for conducting the exam, the candidates will not be allowed to enter the exam. 6. The Minister shall appoint for the position of bankruptcy administrator the candidates with the highest scores on the examination. The Minister shall inform candidates of the scores achieved on the examination and shall inform unsuccessful candidates of the specific reason for their non-appointment. 7.The Ministry shall announce the appointments within one (1) month after the end of the exams. Article 160 The program and organization of the exam for bankruptcy administrator		d Not applicable	

The Minister of Justice with by-law determines the procedures for the organization, content and conduction of the exam for administrators as well as the Program for the exam of bankruptcy administrators which contains the subjects, legal resources and literature for each subject as provided by the provisions of this law. Article 161 Exam subjects for bankruptcy administrator 1.The bankruptcy administrator exam consists of the following subjects: 1.1. Bankruptcy procedure; 1.2. Civil law (material and procedural); 1.3. Commercial law, 1.4. Labor law and administrative law;		Not applicable	

1.5. Basics of finance and accounting. Article 162 Assessment of knowledge The Commission evaluates knowledge of legal provisions and practice in the field of bankruptcy, knowledge of legal institutions, skills of argumentation and legal writing and judging according to the law. The commission is appointed by the Minister. Article 163 Certificate of examination for insolvency administrator 1. After passing the exam, the bankrupt administrator is issued the exam certificate signed by the Minister of Justice. 2. The Examination Certificate according to paragraph 1 of this article is the basis for becoming part of the Register of Insolvent Administrators which is maintained and updated by the Ministry of Justice. 3. The Ministry keeps the registers for the persons who passed the bankruptcy		Not applicable Not applicable	

administrator's exam and proceeds the same to the Commercial Court. Article 164 Commission for granting the bankruptcy administrator exam 1. The bankruptcy administrator exam is given before the professional commission for the bankruptcy administrator exam (hereinafter: Exam Commission). 2. The composition of the Commission for the exam is determined by the minister by decision. The members of the Commission are appointed from among the judges of the respective fields, lawyers and certified auditors or accountants. 3. For the work in the Commission for examination, the chairman, the members of the commission and the secretary of the commission have the right to compensation in the certain amount determined by the Decision of the Minister. Article 165 The method for conducting the Exam		Not applicable Not applicable	

1.The bankruptcy administrator exam is held in two (2) parts, the written exam oral exam. 2.The candidate who does not pass the written exam does not have the right to continue in the oral exam. 3.The way of organizing and conducting the written and oral exams, the assessment of the exams and the progress of the exams are regulated by a sub-legal act approved by the Minister of Justice. Article 166 Secretary of the Commission The Secretary of the Commission handles the professional and administrative work for the needs of the Commission for organizing the exam, appointed by the decision of the Minister of Justice. Article 167 Licensing of Bankruptcy Administrators 1. The person who fulfills the following conditions is licensed as a bankruptcy administrator:		Not applicable Not applicable	

1.1. to be a citizen of the Republic of Kosovo; 1.2. have full capacity to act, and must be fit in terms of health; 1.3. to have graduated from the law or economics faculty, 1.4. to have passed the bankruptcy administrator exam; 1.5. to have at least three (3) years of work experience in legal or economic fields; 1.6. that there is no investigative procedure against him for a criminal offense, namely that he has not been convicted of a criminal offense punishable by imprisonment for at least six (6) months, or for a criminal offense that made him unfit to exercising the work of the executor; 2. Insolvent administrators who are in the register of the Ministry of Justice before the entry into force of this law, will not be re-examined but must apply for licensing according to this law.			

Article 168 Licensing procedure for Bankruptcy Administrators 1. The Ministry licenses the bankruptcy administrator on the basis of a public call. 2. The Ministry of Justice (hereinafter: the Ministry) announces the competition in at least two (2) daily newspapers. 3. The time limit for competition will not be less than thirty (30) days from the date of the announcement according to paragraph 2. of this article. Candidates must attach to the competition application the documentation proving that they meet the conditions from Article 167 of this law. 4. The Commission for the evaluation of candidates (hereinafter the Evaluation Commission) is appointed by the Minister, which is composed as follows:		Not applicable	

4.1. two (2) judges from the Commercial Court proposed by the Judicial Council of Kosovo; 4.2. two (2) bankruptcy administrators proposed by the Chamber of Bankruptcy Administrators; 4.3. one (1) representative from the Ministry of Justice who has at least ten (10) years of work experience in the field of justice; 5. The Evaluation Committee, after evaluating the applications and documentation of the candidates, will compile a list of proposals for the licensing of the candidates, which will be submitted to the Minister. 6. In case of selection among more candidates, their result in the bankruptcy administrator exam will be taken into account. 7. The Minister issues a by-law for the work of the Evaluation Commission. 8. The Minister, within thirty (30) days from the day of receiving the list of candidate proposals, makes a decision			

on the licensing of bankrupt administrators. 9. The minister's decision on licensing is sent to the bankrupt administrator and published on the Ministry's official website, this decision cannot be subject to administrative appeal, administrative conflict can be initiated against it.			

CHAPTER XII SUPERVISION Article 169 Control over the work of bankruptcy administrators 1. The supervision of the legality of the work of the bankruptcy administrators and the Chamber is carried out by the Ministry through authorized persons (inspectors) of the Ministry, according to official duties or at the proposal of the President of the competent Court, the President of the Chamber, as well as at the initiative of the parties and of the participants in the procedure. 2. The Ministry is authorized to: 2.1. request from the administrator all the necessary data for his business; 2.2. receive data on the administrator's business from the competent bodies and organizations; 2.3. initiate the disciplinary procedure against the administrator. 3. In the framework of the supervision of the legality of the work of the administrator and the Chamber, the	Article 27 Supervision and remuneration of practitioners 1. Member States shall put in place appropriate oversight and regulatory mechanisms to ensure that the work of practitioners is effectively supervised, with a view to ensuring that their services are provided in an effective and competent way, and, in relation to the parties involved, are provided impartially and independently. Those mechanisms shall also include measures for the accountability of practitioners who have failed in their duties. 2. Member States shall ensure that information about the authorities or bodies exercising oversight over practitioners is publicly available. 3. Member States may encourage the development of and adherence to codes of conduct by practitioners. 4. Member States shall ensure that the remuneration of practitioners is governed by rules that are consistent with the objective of an efficient resolution of procedures. Member States shall ensure that appropriate procedures are in place to resolve any disputes over remuneration.	Fully Compliant	

authorized person, the official of the Ministry, can order measures to eliminate defects in the work of the administrator, and set the deadline for acting according to those measures. Article 170 Report on the work of the Bankruptcy Administrator 1. The administrator is obliged to submit the annual work report to the Ministry and the Chamber once a year within three (3) months. 2. The Minister issues a bylaw on the manner of reporting and the content of the report. 3. Annual reports include the following data: 3.1. the total number of subjects at work; 3.2. the total number of resolved cases; 3.3. the total number of outstanding cases at the end of the year, and 3.4. the ratio of the total amount of funds realized through enforcement		Not applicable	

actions and the total amount of requests; 3.5. the data from the annual report of the private executor are published on the Official Website of the Ministry and the Chamber, the data from that report are public until the data for the next year are published. Article 171 Disciplinary responsibility of the Bankruptcy Administrator 1.The administrator has disciplinary responsibility if, with his actions in the exercise of his activity, he violates the provisions of this law and other provisions, if he does not fulfill the obligations stipulated by the statute and other acts of the Chamber, and if he violates the prestige of the profession of Administrator. 2. The administrator in the procedure of determining disciplinary responsibility can only be imposed disciplinary measures which are foreseen by this law. 3. Responsibility for a criminal offense or misdemeanor does not exclude the		Not applicable	

disciplinary responsibility of the administrator. Article 172 Initiation of disciplinary procedure The proposal for the initiation of the disciplinary procedure can be presented by the President of the Competent Court, the Ministry and the President of the Chamber, according to his own initiative as well as according to the complaints and initiatives of the parties in the procedure, the representatives of the parties and their authorized representatives. Article 173 Disciplinary violations 1. Disciplinary violations can be as follows: 1.1. if the administrator exceeds the authorizations entrusted by this law; 1.2. if the administrator does not comply with the law while performing actions within his activity; 1.3. if the administrator during the licensing process has not intentionally		Not applicable Not applicable	

discovered the legal obstacles which are a condition of his licensing; 1.4. if the administrator has violated the duties provided by this law, jeopardizing trust in his impartiality and in the actions he undertakes; 1.5. if the administrator takes actions in the procedure regardless of the reasons for exclusion; 1.6. if the administrator violates the duty to maintain official secrecy; 1.7. if the administrator requests higher compensation than that provided for in the fee; 1.8. if the administrator without reasonable reasons refuses professional training; 1.9. if the administrator does not keep the records for the subjects in which he/she works or the records of the subjects in which he/she works are not in order; 1.10. violation of duties defined by other provisions;			

1.11. if the administrator, in accordance with the act of the chamber, does not pay the membership. Article 174 Disciplinary measures 1. Disciplinary measures for disciplinary violations are as follows: 1.1. notice; 1.2. public notice; 1.3. fines in money from five hundred (500) to three thousand (3000) Euros; 1.4. prohibition of practicing the profession for a period of three (3) months to one (1) year; 1.5. obtaining the license. 2. The minister can suspend the administrator during the disciplinary procedure. 3. Fines in money from subsection 1.3. of paragraph 1. of this article is paid in the budget of the Republic of Kosovo. 4. In the case of imposing disciplinary measures, all the circumstances that may affect the type of measures and especially the extent and consequences		Not applicable	

of the violation, the damage caused, the degree of responsibility and the previous disciplinary measures are taken as a basis. 5. Data on the disciplinary measures imposed by sub-paragraphs 1.3. until 1.5. of paragraph 1. of this article, are announced on the website of the Ministry and the Chamber. Article 175 Disciplinary committee The Disciplinary Commission implements the disciplinary procedure for determining the disciplinary responsibility of the private bailiff and pronounces disciplinary measures in accordance with this law. Article 176. Composition of the Commission 1. The Disciplinary Commission, appointed by the Minister, consists of three (3) members and the following: 1.1. two (2) members from the ranks of judges, who are proposed by the Judicial Council of Kosovo; and 1.2. one (1) member from among the administrators proposed by the Chamber.		Not applicable Not applicable	

2. The chairman and members of the disciplinary commission have their deputies. The members of the disciplinary commission are appointed for a term of two (2) years, and may be appointed again. 3. The members of the disciplinary commission have the right to the remuneration for the work from the means of the Ministry, at the level set by the minister with a legal act. 4. The provisions of the law on contentious procedure which apply to the exclusion of judges apply analogously to the exclusion of members of the disciplinary commission. 5. The Minister by decision decides on the exemption from paragraph 4. of this article. The Minister's decision is final. Article 177 Disciplinary procedure 1. The disciplinary procedure is considered to have started on the day of submission of the proposal for the initiation of the disciplinary procedure against the private executor.		Not applicable	

2. The disciplinary commission immediately sends the private bailiff the proposal for initiating the disciplinary procedure, who has the right to submit a written defense regarding the proposal within a period of fifteen (15) days. Article 178 Hearing Session 1. The chairman sets the date of the hearing for the case. The Disciplinary Commission invites the administrator and the complaining party to appear at the hearing at least ten (10) days before the hearing. 2. Together with the invitation, the written response is also sent to the proposer for initiating the disciplinary procedure. 3. If during the hearing the examination of the case is postponed or suspended for a period of time, no new notification has any effect as referred to in paragraph 1. of this article. 4. The hearing of the Disciplinary Committee is public. For important reasons, the Disciplinary Commission may order that the hearing be held in whole or in part without the public.		Not applicable	

5. The administrator and the complainant may be assisted or represented by a lawyer. 6. The Disciplinary Commission may reject individuals designated as defense counsel if they are not lawyers. 7. The Disciplinary Commission gives the administrator and the complainant, as well as their lawyers or others who assist them, an opportunity to take notes on the documents related to the case. 8. The administrator and the complainant or their lawyers and others who assist them are given the opportunity to address the Disciplinary Committee and elaborate their position. 9. The Disciplinary Commission can call and listen to witnesses and experts. One of the members of the Disciplinary Commission may be instructed to hear witnesses and experts. Anyone called as a witness or expert shall comply with the summons. He is further required to answer the questions asked or provide the requested services. The provisions of the Law on Contested Procedure law			

apply mutatis mutandis to witnesses and experts. 10. After implementing the disciplinary procedure, the Disciplinary Commission issues a decision. 11. The disciplinary procedure will be regulated in detail by a sub-legal act of the Ministry. Article 179 The decision of the disciplinary committee 1. As a result of the decision of the Disciplinary Committee regarding the complaint against the administrator, the complaint is declared inadmissible, baseless or founded. The decision must contain the reasoning and be announced. 2. If the Disciplinary Commission declares the complaint fully or partially founded, it will impose disciplinary measures as provided for in Article 174 of this law. 3. Disciplinary action is taken only after the decision has become final or is postponed until later if it is specified in the decision. 4. Without delay, the disciplinary commission forwards the decision in		Not applicable	

writing to the minister, the administrator and Odesa. The decision is publicly announced on the official website of the Ministry and Odesa. 5. The decision of the disciplinary committee is final. Administrative conflict can be initiated against the decision of the disciplinary commission. Article 180 The period within which the disciplinary procedure can be initiated The disciplinary procedure can be initiated within six (6) months from the date of the violation, but no later than one (1) year from the date of the violation.		Not applicable	
CHAPTER XIII TRANSITIONAL AND FINAL PROVISIONS Article 181 Implementation of the provisions of this Law towards the bankruptcy cases opened in the court After the entry into force of this Law, the Court shall implement the		Not applicable	

provisions of this Law, for all cases that are opened at the court before entry into force of this Law and that are still under procedure before the Court. Article 182 Repeal of Prior Laws This Law repeals the Law No. 05/L-083 on Bankruptcy. Article 183 Entry into force This Law shall enter into force fifteen (15) days after publication in the Official Gazette of the Republic of Kosovo.		Not applicable Not applicable	

Assembly of the Republic of Kosovo,

Pursuant to Article 65 (1) of the Constitution of the Republic of Kosovo

Adopts the following:

DRAFT LAW ON LATE PAYMENTS IN COMMERCIAL TRANSACTIONS

Article 1
Purpose

1. The purpose of this Law shall be to prevent delays in payments in commercial transactions, as well as to define the rules on deadlines and the method of calculation of late payment interest, in cases of the supply of goods and services between business organizations as well as between business organizations and public authorities, in order to ensure the proper functioning of the market by promoting the competitiveness of business organizations.

2. This Law shall be partially aligned with Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on "Combating Late Payment in Commercial Transactions", Official Journal of the European Union, L Series, No. 48, dated 23 February 2011, p. 1-10.

Article 2
Scope

1. This Law shall apply to all payments made as compensation for commercial transactions between business organizations, as well as between business organizations and public authorities.

2. This Law shall not apply to liabilities or payments in commercial transactions as follows:
   2.1 Late payment interest for transactions between natural and legal persons and financial institutions licensed in Kosovo, which are regulated by the relevant applicable legislation of the Central Bank of the Republic of Kosovo (CBK);
   2.2 Payments and debts for commercial transactions that are subject to insolvency proceedings initiated against the debtor, including debt restructuring procedures;
   2.3 Those arising from contracts with consumers.

Article 3
Definitions

1. Terms used in this Law shall have the following meaning:

1.1 **Commercial transactions** – commercial transactions between business organizations as well as between business organizations and public authorities, which shall have as their object the delivery of goods or the provision of services against payment;

1.2 **Public authority** – any public contracting authority, including central and local government units, public enterprises and all institutions established under the Constitution of Kosovo, regardless of the contract value;

1.3 **Business organization** – any business organization established in accordance with the respective Law on Business Organizations;

1.4 **Late payment** – a payment which is not made within the contractual or statutory payment period, and where the conditions set out in Articles 4 and 5 of this Law shall be fulfilled;
1.5 **Late payment interest** – the legal interest for late payment or interest at a rate agreed between the parties, but not higher than the reference interest rate defined by this Law;
1.6 **Statutory late payment interest** – a simple interest for delay, at a rate equal to the sum of the reference rate and including eight (8) percentage points per year;
1.7 **Reference interest rate** – for the purposes of this Law shall be the average interest rate on new loans over the last six months as published by the Central Bank of Kosovo;
1.8 **Amount payable** – the amount of the principal debt which should have been paid within the contractual or statutory payment period, including taxes, customs duties, fees, charges or other applicable levies specified in the invoice or in an equivalent request for payment;
1.9 **Commercial load** – a business-to-business financial arrangement, whereby a creditor shall allow the debtor to receive goods or services immediately, but to pay for them at a later date;
1.10 **Retention of title** – a contractual agreement under which the seller shall retain ownership of the goods concerned until the price has been paid in full;
1.11 **Ministry –** the respective Ministry of Finance;
1.12 **CBK** – Central Bank of the Republic of Kosovo.

Article 4
Transactions between business organizations

1. In commercial transactions between business organizations, the creditor shall be entitled to late payment interest without the need for a reminder when the following conditions are fulfilled:
   1.1 The creditor has fulfilled its contractual and legal obligations; and
   1.2 The creditor has not received the amount due on time, unless the debtor is not responsible for the delay.

2 In commercial transactions, statutory interest shall be applied to late payments.

3 The reference interest rate as part of the statutory late payment interest shall be published by the CBK every six months within the calendar year.

4 In cases where the CBK has not published the applicable reference interest rate, the most recently published reference interest rate of the CBK shall be used.

5 The statutory late payment interest applicable in commercial transactions shall be the reference interest rate applicable for the following six months, increased by eight (8) percentage points.

6 Where the conditions set out in paragraph 1 of this Article are fulfilled:
6.1 The creditor shall be entitled to late payment interest starting from the day following the expiry of the payment date or the expiry of the period determined in the contract;
6.2 Where the date or period for payment is not specified in the contract, the creditor shall be entitled to late payment interest upon expiry of any of the following periods:
6.2.1 Thirty (30) calendar days after the date of receipt of the invoice or an equivalent request for payment by the debtor;

6.2.2 Where the date of receipt of the invoice or equivalent request for payment is uncertain, thirty (30) calendar days after the date of receipt of the goods or services;
6.2.3 Where the date of receipt of the invoice or equivalent request for payment is uncertain, thirty (30) calendar days after the date of receipt of the goods or services;
6.2.4 Where a procedure of acceptance or verification, by which the conformity of the goods and services is ascertained, is provided for by law or in the contract, and where the debtor receives the invoice or an equivalent request for payment earlier or on the date on which such acceptance or verification takes place, payment shall be effected within thirty (30) calendar days after that date.

7 Where a procedure of acceptance or verification, by which the conformity of the goods and services with the contract is ascertained, is provided for in the contract, the maximum duration of such procedure shall not exceed thirty (30) calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and provided that this is not grossly unfair to the creditor as defined in Article 8 of this Law.

8 The contracting parties shall ensure that the payment period set in the contract shall not exceed sixty (60) calendar days.

9 In derogation from paragraph 8 of this Article, where the circumstances referred to in Article 4 of this Law do not exist, in contracts for commercial loan, the parties may agree in writing on a longer period for the fulfillment of the financial liability, which in no case shall exceed ninety (90) days and provided that such extension is not grossly unfair to the creditor.

Article 5
Transactions between business organizations and public authorities

1. In commercial transactions where the debtor is a public authority, the creditor shall be entitled to statutory late payment interest for delayed payment after the expiry of the deadline defined in paragraphs 3, 4 or 5 of this Article, without the need for a reminder, where the following conditions are fulfilled:

1.1 The creditor has fulfilled its contractual and legal obligations; and
1.2 The creditor has not received the amount due on time, unless the debtor is not responsible for the delay.

2. In commercial transactions, statutory late payment interest shall apply to delayed payments, as well as to delayed deliveries of goods and services.

3. The reference rate, as part of the statutory interest, shall be published by the CBK every six months within the calendar year.

4. In cases where the CBK has not published the reference rate, the last reference rate published by the CBK shall apply.

5. The statutory late payment interest applicable in commercial transactions shall be the reference rate applicable for the following six months, increased by eight (8) percentage points.
6. In commercial transactions where the debtor is a public authority:

6.1 The payment period shall not exceed any of the following time limits:

6.1.1 Thirty (30) calendar days after the date of receipt of the invoice or an equivalent request for payment by the debtor;

6.1.2 Where the date of receipt of the invoice or equivalent request for payment is uncertain, thirty (30) calendar days after the date of receipt of the goods or services;

6.1.3 Where the debtor receives the invoice or equivalent request for payment before the goods or services, thirty (30) calendar days after the date of receipt of the goods or services;

6.1.4 Where a procedure of acceptance or verification, by which the conformity of goods or services is established, is provided by law or contract, and where the debtor receives the invoice or equivalent request for payment earlier or on the date on which such acceptance or verification takes place, payment shall be made within thirty (30) calendar days after that date.

6.2 The date of receipt of the invoice shall not be subject to any contractual agreement between the debtor and the creditor.

7. The time limit referred to in subparagraph 6.1 may be extended up to sixty (60) calendar days for public authorities, the purpose of which is the provision of healthcare services.

8. The duration of the acceptance or verification procedure referred to in paragraph 6.1.4 of this Article shall not exceed thirty (30) calendar days from the date of receipt of the goods or services, unless otherwise agreed in the contract or in another document, and provided that this is not unfair to the creditor in accordance with Article 9 of this Law.

9. The payment period under the contract shall not exceed the legal time limits set out in paragraph 6 of this Article, unless expressly agreed by the parties and provided that such agreement is objectively justified, taking into account the nature and specific characteristics of the contract, and provided that it shall in any event not exceed sixty (60) calendar days.

Article 6
Payment deadlines

This Law shall not prejudice the parties' ability to agree, subject to the relevant provisions of the Law on Obligational Relationships, on payment deadlines providing for installments. In such cases, if any installment is not paid on the agreed date, the interest and compensation provided for in this Law shall be calculated only on the outstanding amounts.

Article 7
Late payment interest

1. If the debtor delays the fulfillment of a monetary liability, the debtor shall owe the creditor, without any additional notice, in addition to the principal amount, interest for late payment, provided that the creditor has fulfilled its contractual and legal obligations.

2. In commercial transactions between business companies and public authorities, where the public authority is the debtor of a monetary liability, the creditor shall be entitled to claim the late payment interest without the need for a prior request, if the following conditions are met:

   2.1 The creditor has fulfilled its contractual and legal obligations; and
   2.2 The creditor has not received the amount due on time, except where the debtor is not responsible for the delay.

3. Where the conditions set out in paragraph 1 of this Article are fulfilled, the creditor shall have the right to claim late payment interest from the day following the expiry of the payment period or the expiry of the payment deadline determined in the contract.

4. Where the payment date or payment period is not specified in the contract, the creditor shall have the right to claim late payment interest upon expiry of one of the following periods:

   4.1 Thirty (30) calendar days from the date of receipt by the debtor of the invoice or an equivalent request for payment;
   4.2 Where the date of receipt of the invoice or equivalent request for payment is not determined, thirty (30) calendar days from the date of receipt of the goods or services;
   4.3 Where the debtor receives the invoice or equivalent request for payment before the supply of goods or provision of services, thirty (30) calendar days from the date of receipt of the goods or services;
   4.4 Where a procedure of acceptance or verification to establish the conformity of the goods or services with the contract is provided for by law or contract, and where the debtor receives the invoice or the relevant request for payment before or on the date on which such acceptance or verification is carried out, the period shall be thirty (30) calendar days after that date.

5. In commercial transactions, statutory interest shall be applied to deferred payments as well as to deferred supplies of goods and services.

6. The statutory interest rate for late payment in commercial transactions between business organizations as well as between business organizations and public authorities, where the latter is the debtor of a monetary obligation, shall be equal to the reference rate increased by eight (8) percentage points.

7. The reference interest rate for late payment applied to commercial transactions is the interest rate, valid for the following six (6) months, plus at least eight (8) percentage points. In cases where the CBK has not published a reference rate, the last rate published by the CBK shall be the applicable rate.

8. In commercial transactions, business organizations may agree on a different rate of interest for late payment, but not higher than the statutory interest rate for late payment as defined in paragraph 4 of this Article, which was applicable on the date of conclusion of the contract. Where payment of interest has been agreed but the rate has not been specified, the statutory interest for late payment shall be applied.

Article 8
Compensation for recovery costs

1. Where late payment interest becomes payable in commercial transactions between business organizations in accordance with Article 4 of this Law, and in commercial transactions between business organizations and public authorities in accordance with Article 5 of this Law, the creditor shall also be entitled to obtain from the debtor, as compensation for recovery costs, a minimum fixed amount of EUR 40.00 (forty).

2. The fixed sum referred to in paragraph 1 of this Article shall be payable without the need for a reminder and shall constitute compensation for the creditor's recovery costs.

3. In addition to the fixed sum referred to in paragraph 1 of this Article, the creditor shall be entitled to obtain from the debtor reasonable compensation for any recovery costs exceeding that fixed sum and incurred due to the debtor's late payment. This may include costs incurred, inter alia, for engaging a lawyer or a private enforcement agent.

4. The provisions of paragraphs 1 and 2 of this Article shall in no way reduce, limit or exclude the creditor's right to compensation for damages, costs of compulsory enforcement proceedings, and other rights arising from the debtor's delay.

Article 9
Unfair contractual terms and practices

1. A contractual term or practice relating to the date or period for payment, the rate of late payment interest, or compensation for recovery costs shall be either unenforceable or shall give rise to a claim for damages if it is unfair to the creditor. When determining whether a contractual term or practice is unfair to the creditor, all circumstances of the case shall be taken into account, including:

   1.1 Any gross deviation from good commercial practice, contrary to the principle of good faith and fair dealing;
   1.2 The nature of the product or service; and
   1.3 Whether the debtor has objective reasons to deviate from the statutory provisions on late payment interest, from the payment period set out in Article 4, paragraph 6 of this Law, Article 5, paragraphs 6 and 8 of this Law, or from the fixed sum provided for in Article 7, paragraph 1 of this Law.

2. For the purposes of paragraph 1 of this Article, a contractual term or practice that excludes late payment interest shall be considered unfair.

3. For the purposes of paragraph 1 of this Article, a contractual term or practice that excludes compensation for recovery costs as provided for in Article 7 of this Law shall be considered unfair.

4. The Government of the Republic of Kosovo shall, upon the proposal of the Ministry of Finance, by a bylaw, designate the persons having a legitimate interest in protecting the collective interests and rights of creditors of monetary liabilities.

Article 10
Installment payments

1. This Law shall apply to each installment of payment separately, where the contracting parties have agreed that payment for delivered goods or services performed shall be made in installments.

2. In the cases provided for in paragraph 1 of this Article, if any installment is not paid within the specified time limit, default interest and compensation for recovery costs shall be calculated only on the unpaid amounts of that specific installment.

3. The calculation of default interest for a delayed installment shall begin on the first day following the expiry of the deadline set for that installment, in accordance with the rules laid down in Articles 4 or 5 of this Law.

Article 11
Invoice

1. The date of issuance of the invoice shall be considered as the date on which the debtor has received the invoice.

2. The Ministry responsible for finance shall define in more detail the manner and procedure for the registration of invoices in the central invoice register, as well as the manner of maintaining and the content of the central invoice register through a bylaw.

Article 12
Transparency and awareness

1. The Ministry responsible for Industry and Trade shall ensure transparency regarding the rights and obligations arising from this Law, and shall prepare specific publications, promotional campaigns or any other appropriate means to increase awareness of legal remedies for late payment interest among business organizations and public authorities.

2. The Ministry responsible for Finance shall compile a register/statistical report on mandatory and unpaid claims of business organizations and public authorities.

3. The CBK shall make the reference interest rate available to the public every six months, as defined by the applicable legislation.

Article 13
Retention of ownership rights

The seller shall retain the ownership right over the goods until they have been paid in full, provided that the buyer and the seller have expressly agreed on a retention of title clause prior to the delivery of the goods.

Article 14
Implementation and oversight

1. The Ministry responsible for Finance shall, through its enforcement mechanisms, be responsible for the implementation of this Law in relation to commercial transactions where public sector entities are debtors, as well as in relation to commercial transactions between business organizations.

2. For the purpose of carrying out oversight under paragraph 1 of this Article, data on outstanding liabilities shall be obtained from the relevant unit within the Ministry of Finance.

3. The Ministry responsible for Industry and Trade shall, in accordance with its mandate and Article 11 of this Law, provide the necessary support in the implementation process.

Article 15
Enforcement procedures

For the enforcement procedure of obligations arising from this Law, the provisions of the relevant applicable legislation on enforcement procedure, as well as the provisions of the applicable legislation on obligational relationships, shall apply.

CHAPTER [X]: PUNITIVE PROVISIONS

Article 16
Minor offenses for business organizations, public authorities and responsible persons

1. A business organization (the debtor) shall be subject to a fine of 1,000 to 10,000 Euro for a minor offense if:

1.1. It fails to fulfill its monetary obligations within the time limits set out in Articles 4 and 7 of this Law;
1.2. It stipulates payment terms in a contract that are manifestly unfair in accordance with Article 9 of this Law.

2. For the violations referred to in paragraph 1 of this Article, the responsible person of the legal entity (Director or Manager) shall also be subject to a fine of 500 to 2,000 Euro.

3. Where the debtor is a public authority, the fines provided for in paragraphs 1 and 2 shall apply to the institution and the responsible person within that institution, mutatis mutandis, in accordance with Article 5 of this Law.

Article 17
Liability of the responsible person during liquidation

4. In derogation from Article 16 of this Law, if a business organization is found to be in a state of insolvency, the responsible person (Director) shall bear personal liability for the imposed fines if it is established that they have prioritized voluntary payments or the distribution of dividends over statutory obligations relating to late payments.

5. Liability under this Article shall also extend to compensation of creditors for delays caused intentionally or by gross negligence.

Article 18
Initiation of the procedure

1. When the TAK identifies a violation by a business organization, it shall issue an Administrative Decision granting the debtor a period of 14 days to settle the debt towards creditors.

2. When TAK identifies a violation by a public authority, it shall issue an Administrative Decision granting the debtor a period of 30 days to settle the debt towards creditors. TAK shall also notify the Treasury of the issuance of the Administrative Decision.

3. If the debtor proves settlement of the debt within this period, the procedure for imposing a fine shall be discontinued.

4. The Ministry of Finance shall determine the rules for the imposition and enforcement of Administrative Orders through a bylaw.

Article 19
Execution of fines

1. If a public institution fails to comply with the Administrative Order within the prescribed deadline, the Ministry of Finance shall enforce the fine in accordance with the procedure set out in Article 39.2 of the Law on Public Financial Management and Accountability.

2. The Director General of the Treasury shall issue a “Notice of Expense Transfer” for the amount of the fine from the allocations under the “Goods and Services” category of the debtor institution, without the need for prior approval from the budget organization.

3. If the business organization fails to comply with the order, TAK shall apply enforced collection measures until full recovery of the fine.

CHAPTER [X]: OVERSIGHT AND COMPETENCIES

Article 20
Competencies of the Ministry of Finance

1. The Ministry of Finance shall, through the Treasury, be the sole competent authority for:

   1.1. Overseeing the implementation of payment deadlines by all public authorities;
   1.2. Identifying delays through the Kosovo Financial Management Information System (KFMIS);
   1.3. Reporting delays for inspection to TAK;
   1.4. Direct collection of fines through deductions from the budget allocations of the debtor institution.

Article 21
Supervision of transactions between business organizations

1. The Tax Administration of Kosovo (TAK) shall be the competent authority for:

   1.1. Overseeing payment deadlines between business organizations by using data from the Fiscalization System;
   1.2. Developing administrative procedures and imposing fines on business organizations and public authorities;
   1.3. Enforcing the collection of fines through procedures provided for under the applicable legislation for business organizations.

Article 22
Exchange of data between the Ministry of Finance and TAK

The Ministry of Finance shall, by bylaw, determine the procedures for the exchange of data between the Ministry of Finance and the Tax Administration of Kosovo for the purpose of implementing this Law.

Article 23
Inspection powers and inspection visits

1. In order to verify the accuracy of the data from the KFMIS and the Fiscalization System, TAK inspectors shall have the authority to conduct inspection visits at the premises of debtors.

2. During the inspection visit, the inspector shall have the right to:

   1.1. Request access to accounting books, warehouse registers and logistics documentation to verify the exact date of receipt of goods or services.
   1.2. Request copies of acceptance reports, delivery notes and any other communication proving the existence of the principal debt.

1.3. Obtain written statements from responsible persons and accounting staff regarding delays in payments.

2. Any obstruction of the inspector in the exercise of duties under this Article shall be considered a serious violation and shall be subject to the fines provided for in Article 16 of this Law.

3. Detailed procedures for conducting inspection visits and the format of the report on the finding of violations shall be determined by a bylaw issued by the Ministry responsible for finance.

Article 24
Reporting obligation of Auditors and Accountants

3. External Auditors and Certified Accountants shall, during the audit of financial statements, be obliged to report to the supervisory authority (MoF or TAK) any case of systematic delays in payments exceeding the statutory deadlines of 60 or 90 days.

4. Failure to report systematic violations of this Law by the persons referred to in paragraph 1 shall be considered a breach of professional standards and shall be subject to disciplinary measures by the respective regulatory bodies.

Article 25
Coordination and data exchange

1. The Ministry of Finance and TAK shall be obliged to exchange data on a quarterly basis regarding the level of payment delays in both sectors.

2. For the purpose of preventing chain delays, TAK shall notify the Ministry of Finance if delays in debt payments between private enterprises are a direct consequence of non-payments by public authorities.

Article 26
Prioritization and selection of entities for monitoring

1. Due to the volume of transactions and administrative capacities, the supervisory authority shall act in accordance with the principle of risk analysis in order to prioritize the entities that will be subject to inspection and enforcement procedures.

2. The Ministry of Finance shall issue a bylaw which shall define the methodology and rules for risk analysis and prioritization based thereon.

Article 27
Final provisions

The provisions of the Law on Obligational Relationships governing late payment interest shall remain applicable to contracts concluded and invoices issued prior to the entry into force of this Law.

Article 28
Repeal

Law No. 05/L-110 on Late Payments in Commercial Transactions shall be repealed upon entry into force of this Law.

Article 39
Entry into force

This Law shall enter into force fifteen (15) days following its publication in the Official Gazette of the Republic of Kosovo.

Albulena Haxhiu

Speaker of the Assembly of the Republic of Kosovo

REPUBLIKA E KOSOVËS/REPUBLIKA KOSOVA/REPUBLIC OF KOSOVO
MINISTRIA E INDUSTRISË, NDËRMARRËSISË DHE TREGTISË
MINISTARSTVO INDUSTRIJE, PREDUZETNIŠTVA I TRGOVINE
MINISTRY OF INDUSTRY, ENTREPRENEURSHIP AND TRADE
Nr./Br./No. 1134/02 Nr.faq/Br.str/No.pg
Data/Datum/Date 20.03.2025
PRISHTINË

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada – Government
Ministria e Industrisë, Ndërmarrësisë dhe Tregtisë
Ministarstvo Industrije, Preduzetništva i Trgovine - Ministry of Industry, Entrepreneurship and Trade
Zyra e Sekretares së Përgjithshme - Ured Generalnog Sekretara - Office of the Secretary General

Ref. 02/No. 54

Date:20.03.2025

The Secretary General of the Ministry of Industry, Entrepreneurship and Trade, pursuant to Article 18 of Law No. 06/L-113 on the Organization and Functioning of the State Administration and Independent Agencies (Official Gazette, No. 07/01, March 2019), as well as Article 31 of Regulation (GRK) No. 17/2024 on the Rules of Procedure of the Government of the Republic of Kosovo, issues:

DECISION

1. A working group is hereby established for the drafting of the Draft Law on Late Payment Interest in Commercial Transactions.
2. The working group is composed of:
   2.1. Buline Gashi (MIET) – Chairperson;
   2.2. Artan Demolli (MIET) – Member;
   2.3. Nysret Vojvoda (MIET) – Member;
   2.4. Qefsere Ajeti (MIET) – Member;
   2.5. Merlinda Ramaj (MIET) – Member;
   2.6. Arjeta Islami Muja (MIET) – Member;
   2.7. Mevlyde Beqiri (MIET) – Member;
   2.8. Liridona Hoti (OPM) – Member;
   2.9. Arlinda Alishiqi (MJ) – Member;
   2.10. Delvina Hana (MAFRD) – Member;
   2.11. Albulena Blaku (MFLT) – Member;
   2.12. Adelina Jupolli (CBK) – Member;
   2.13. Fitim Dragusha (TAK) – Member.

3. The deadline for drafting the Draft Law is 21.04.2025.
4. This Decision shall enter into force on the day of its signing.



The Decision shall be sent to:

- The Office of Secretary General;
- The members of the working group;
- Department of Trade;
- Legal Department;
- MIET Archive.

REPUBLIC OF KOSOVO
MINISTRY OF INDUSTRY, ENTREPRENEURSHIP AND TRADE

Org. Unit. 02 Prot.No.. 1097

No.pages _____ Date: 17/03/2026
PRISHTINA

Republic of Kosovo
Government
Ministry of Industry, Entrepreneurship, Trade and Innovation

Office of the Secretary General

Ref.02/No.96
Date: 17.03.2026

The Secretary General of the Ministry of Industry, Entrepreneurship, Trade and Innovation, based on Article 18 of Law No. 06/L-113 on Organization and Functioning of State Administration and Independent Agencies (Official Gazette, No. 7/01 March 2019), Article 31 of the Regulation (GRK) - no.17/2024 on Rules of Procedure of the Government of the Republic of Kosovo, issues the following:

D E C I S I O N

1. The Working Group for Drafting the Draft Law on Late Payments in Commercial Transactions is hereby established.

2. The Working Group is composed as follows:

2.1. Zef Dedaj	- Chairman;
2.2. Artan Demolli	- member;
2.3. Mirsad Simnica	- member:
2.4. Nysret Vojvoda	- member;
2.5. Besart Binaku	- member;
2.6. Lulzim Kadriu	- member:
2.7. Arjeta Islami	- member;
2.8. Liridona Hoti	- member (OPM);
2.9. Fadilete Hoxha Blakçori	- member (MD);
2.10. Lulzim Shamolli	- member (MAFRD);
2.11. Shqiptar Ibra	- member (MoF);
2.12. Atdhe Bytyqi	- member (CBK):
2.13. Valdete Morina	- member (ATK)

3. The deadline for the drafting and completion of the Draft Law is by 06.04.2026.

4. This Decision repeals the Decision with Prot. No. 1134/02 of 20.03.2025.

5. This Decision enters into force on the day of its signature.

Agim XHURAJ
[signature and seal]
Acting Secretary General

Decision is sent to:

- *Cabinet of the Minister;*
- *Office of the Secretary General;*
- *Members of the Working Group;*
- *Trade Department;*
- *Legal Department;*
- *MIETI archive.*

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government

Ministria Industrisë, Ndërmarrësisë, Tregtisë dhe Inovacionit
Ministarstvo Industrije, Preduzetništva, Trgovine i Inovacija – Ministry of Industry, Entrepreneurship, Trade and Innovation

Option/possible alternative:

1. Title of the normative act - Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on "Combating Late Payment in Commercial Transactions", Official Journal of the European Union, L Series, No. 48, dated 23 February 2011, p. 1-10.
2. Proposing body: **Ministry of Industry, Entrepreneurship, Trade and Innovation**
3. Table: 23.04.2026
4. List of relevant national legislation (full title of the act and number) with which the normative act of the EU is compliant : **DRAFTLAW ON LATEPAYMENTS IN COMMERCIAL TRANSACTIONS** **LAW NO. 04/L-077 ON OBLIGATIONAL RELATIONSHIPS** **LAW NO. 04/L-139 ON ENFORCEMENT PROCEDURE**
5. The level of compliance (fully compliant, partially compliant, not compliant or not applicable) of the normative act with EU legislation: **Partially compliant**
Eropean Union - Republic of Kosovo

a)	b)	c)	d)
EU normative act (Article, paragraph, sub-paragraph, etc.)	Provisions of normative act of Kosovo (Article, paragraph, sub-paragraph, etc.)	Compliance of EU legislation with Kosovo legislation (fully compliant, partially compliant, non-compliant or not applicable)	Comments on reasons for partial compliance or non-compliance and the period foreseen for achieving full compliance
DIRECTIVE 2011/7/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL **of 16 February 2011** **on combating late payment in commercial transactions** **Article 1** **Subject matter and scope** 1. The aim of this Directive is to combat late payment in commercial transactions, in order to ensure the proper functioning of the internal market, thereby fostering the competitiveness of undertakings and in particular of SMEs.	**LAW** **ON LATE PAYMENTS IN COMMERCIAL TRANSACTIONS** **Article 1** **Purpose** 1. The purpose of this Law shall be to prevent delays in payments in commercial transactions, as well as to define the rules on deadlines and the method of calculation of late payment interest, in cases of the supply of goods and services between business organizations as well as between business organizations and public authorities, in order to ensure the	Fully Compliant	

	proper functioning of the market by promoting the competitiveness of business organizations.		
2. This Directive shall apply to all payments made as remuneration for commercial transactions.	**Article 2** **Scope** 1. This Law shall apply to all late payments as compensation for commercial transactions between business organizations, as well as between business organizations and public authorities.	Fully compliant	
3. Member States may exclude debts that are subject to insolvency proceedings instituted against the debtor, including proceedings aimed at debt restructuring.	**Article 2** **Scope** 2. This Law shall not apply to liabilities or payments in commercial transactions as follows: 2.2. Payments and debts for commercial transactions that are subject to insolvency proceedings initiated against the debtor, including debt restructuring procedures;	Fully compliant	

Article 2 **Definitions** For the purposes of this Directive, the following definitions shall apply:	**Article 3** **Definitions** 1. Terms used in this Law shall have the following meaning:	Fully compliant	
1) 'commercial transactions' means transactions between undertakings or between undertakings and public authorities which lead to the delivery of goods or the provision of services for remuneration;	1.1.Commercial transactions – commercial transactions between business organizations as well as between business organizations and public authorities, which shall have as their object the delivery of goods or the provision of services against payment;	Fully compliant	
2) 'public authority' means any contracting authority, as defined in point (a) of Article 2(1) of Directive 2004/17/EC and in Article 1(9) of Directive 2004/18/EC, regardless of the subject or value of the contract;	1.2. Public authority – any public contracting authority, including central and local government units, public enterprises and all institutions established under the Constitution of Kosovo, regardless of the contract value;	Fully compliant	
3) 'undertaking' means any organisation, other than a public authority, acting in the course of its independent economic or professional activity, even where that activity is carried out by a single person;	1.3 Business organization – any business organization established in accordance with the respective Law on Business Organizations;	Partially compliant	Kosovo Law does not include the single persons that are not registered acording to the Law on Business Organizations

(4) 'late payment' means payment not made within the contractual or statutory period of payment and where the conditions laid down in Article 3(1) or Article 4(1) are satisfied;	1.4 Late payment – a payment which is not made within the contractual or statutory payment period, and where the conditions set out in Articles 4 and 5 of this Law shall be fulfilled;	Fully compliant	
5) 'interest for late payment' means statutory interest for late payment or interest at a rate agreed upon between undertakings, subject to Article 7;	1.5 Late payment interest – the interest for late payment or interest at a rate agreed between the parties, but not higher than the reference interest rate defined by this Law;	Fully compliant	
(6) 'statutory interest for late payment' means simple interest for late payment at a rate which is equal to the sum of the reference rate and at least eight percentage points;	1.6 Statutory late payment interest – a simple interest for delay, at a rate equal to the sum of the reference rate and including eight (8) percentage points per year;	Fully compliant	
7) 'reference rate' means either of the following: (a) for a Member State whose currency is the euro, either: (i) the interest rate applied by the European Central Bank to its most recent main refinancing operations; or	1.7 Reference interest rate – for the purposes of this Law, shall be the average interest rate on new loans over the last six months as published by the Central Bank of Kosovo;	Fully compliant	

(ii) the marginal interest rate resulting from variable- rate tender procedures for the most recent main refinancing operations of the European Central Bank;			
(8) 'amount due' means the principal sum which should have been paid within the contractual or statutory period of payment, including the applicable taxes, duties, levies or charges specified in the invoice or the equivalent request for payment;	1.8 Amount payable – the amount of the principal debt which should have been paid within the contractual or statutory payment period, including taxes, customs duties, fees, charges or other applicable levies specified in the invoice or in an equivalent request for payment;	Fully compliant	
(9) 'retention of title' means the contractual agreement according to which the seller retains title to the goods in question until the price has been paid in full;	1.9 Retention of title – a contractual agreement under which the seller shall retain ownership of the goods concerned until the price has been paid in full;	Fully compliant	
(10) 'enforceable title' means any decision, judgment or order for payment issued by a court or other competent authority, including those that are provisionally enforceable, whether for immediate payment or	**LAW NO. 04/L-139 ON ENFORCEMENT PROCEDURE** **Article 21** **Legal basis for awarding**	Fully compliant	

payment by instalments, which permits the creditor to have his claim against the debtor collected by means of forced execution.	**enforcement** The enforcement authority shall award, respectively perform enforcement only on the basis of enforcement document (titulus executions) and authentic document unless otherwise foreseen by this law. **Article 22** **Enforcement Document** 1. Enforcement documents are: 1.1. enforcement decision of the court and enforcement court settlement (reconciliation); 1.2. enforcement decision awarded in administrative procedure and administrative settlement (hereinafter: the settlement) 1.3. notarized document enforceable according to the law on notary; 1.4. agreements reached in the mediation procedure in accordance with the law on mediation after approval of the Court; 1.5. the judgments, acts, and memoranda on court settlements of foreign courts, as well as the awards of foreign arbitration courts and the		

	settlements reached before such courts in arbitration cases, which have been accepted to enforcement within the territory of the Republic of Kosovo; 1.6. decision and enforcement agreement of the arbitration of the Republic of Kosovo declared enforceable by the Court; 1.7. mortgage agreements certified by the competent body and registered in the public registry in accordance with law; 1.8. court decision certified as European enforcement writ; 1.9. other document which is qualified by the law as an enforcement document. **Article 29** **Authentic document** 1. Enforcement for the purpose of settlement of monetary claims shall be also assigned based in the authentic document. According to this law, authentic document is: 1.1 bills of exchange and cheques with potest and return invoice, if required for establishing the claim; 1.2. extracts verified from business books for payment of utilities, water		

	supply, power and waste services; 1.3. invoices; 1.4. documents with significance of public documents according to legal provisions; 2. Calculation of interest is considered a part of the authentic document. 3. Authentic document is eligible for enforcement if it shows the creditor and debtor, the object, type, amount and time of fulfillment of the monetary obligation.		
Article 3 **Transactions between undertakings** 1. Member States shall ensure that, in commercial transactions between undertakings, the creditor is entitled to interest for late payment without the necessity of a reminder, where the following conditions are satisfied:	**LAW ON LATE PAYMENTS IN COMMERCIAL TRANSACTIONS** **Article 4** **Transactions between business organizations** 1. In commercial transactions between business organizations, the creditor shall be entitled to late payment interest without the need for a reminder when the following conditions are fulfilled:	Fully compliant	
(a) the creditor has fulfilled its	1.1 The creditor has fulfilled its	Fully compliant	

contractual and legal obligations; and	contractual and legal obligations; and		
(b) the creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	1.2 The creditor has not received the due amount on time, unless the debtor is not responsible for the delay.	Fully compliant	
2. Member States shall ensure that the applicable reference rate: (a) for the first semester of the year concerned shall be the rate in force on 1 January of that year; (b) for the second semester of the year concerned shall be the rate in force on 1 July of that year.	2. In commercial transactions, default interest shall be applied to late payments. 3.The reference interest rate, as part of the default interest, shall be published by the Central Bank of Kosovo every six months within the calendar year.	Partially Compliant	Draft law in line with the practices of the CBK, foresees publishing of the reference interest rates twice a year without specifing dates.
3.Where the conditions set out in paragraph 1 are satisfied, Member States shall ensure the following: (a) that the creditor is entitled to interest for late payment from the day following the date or the end of the period for payment fixed in the contract;	6 Where the conditions set out in paragraph 1 of this Article are fulfilled: 6.1 The creditor shall be entitled to late payment interest starting from the day following the expiry of the payment date or the expiry of the period determined in the contract;	Fully compliant	
(b) where the date or period for payment is not fixed in the contract,	6.2 Where the date or period for payment is not specified in the contract, the creditor shall be entitled to late payment interest upon expiry of	Fully compliant	

that the creditor is entitled to interest for late payment upon the expiry of any of the following time limits:	any of the following periods:		
(i) 30 calendar days following the date of receipt by the debtor of the invoice or an equivalent request for payment;	6.2.1 Thirty (30) calendar days after the date of receipt of the invoice or an equivalent request for payment by the debtor;	Fully compliant	
(ii) where the date of the receipt of the invoice or the equivalent request for payment is uncertain, 30 calendar days after the date of receipt of the goods or services;	6.2.2 Where the date of receipt of the invoice or equivalent request for payment is uncertain, thirty (30) calendar days after the date of receipt of the goods or services;	Fully compliant	
(iii) where the debtor receives the invoice or the equivalent request for payment earlier than the goods or the services, 30 calendar days after the date of the receipt of the goods or services;	6.2.3 When the debtor receives the invoice or an equivalent request for payment before the acceptance of the goods or services, thirty (30) calendar days after the date of acceptance of the goods or services;	Fully compliant	

(iv) where a procedure of acceptance or verification, by which the conformity of the goods or services with the contract is to be ascertained, is provided for by statute or in the contract and if the debtor receives the invoice or the equivalent request for payment earlier or on the date on which such acceptance or verification takes place, 30 calendar days after that date.	6.2.4 Where a procedure of acceptance or verification, by which the conformity of the goods and services is ascertained, is provided for by law or in the contract, and where the debtor receives the invoice or an equivalent request for payment earlier or on the date on which such acceptance or verification takes place, payment shall be effected within thirty (30) calendar days after that date.	Fully compliant	
4. Where a procedure of acceptance or verification, by which the conformity of the goods or services with the contract is to be ascertained, is provided for, Member States shall ensure that the maximum duration of that procedure does not exceed 30 calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and provided it is not grossly unfair to the creditor within the meaning of Article 7.	7 Where the contract provides for the acceptance or verification, by which the conformity of the goods and services with the contract is ascertained, the maximum duration of such procedure shall not exceed thirty (30) calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and provided that this is not grossly unfair to the creditor as defined in Article 8 of this Law.	Fully compliant	

5. Member States shall ensure that the period for payment fixed in the contract does not exceed 60 calendar days, unless otherwise expressly agreed in the contract and provided it is not grossly unfair to the creditor within the meaning of Article 7.	8 The payment deadline set in the contract shall not exceed sixty (60) calendar days.	Partially compliant	The draft law sets the deadline of 60 days and does not specify other deadlines.
Article 4 **Transactions between undertakings and public authorities** 1. Member States shall ensure that, in commercial transactions where the debtor is a public authority, the creditor is entitled upon expiry of the period defined in paragraphs 3, 4 or 6 to statutory interest for late payment, without the necessity of a reminder, where the following conditions are satisfied:	**Article 5** **Transactions between business organizations and public authorities** 1. In commercial transactions where the debtor is a public authority, the creditor shall be entitled to statutory late payment interest for delayed payment after the expiry of the deadline defined in paragraph 6 of Article 4 of this Law, without the need for a reminder, where the following conditions are fulfilled:	Fully compliant	
(a) the creditor has fulfilled its contractual and legal obligations; and	1.1. The creditor has fulfilled its contractual and legal obligations; and	Fully compliant	
b) the creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	1.2 The creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	Fully compliant	

2. Member States shall ensure that the applicable reference rate: (a) for the first semester of the year concerned shall be the rate in force on 1 January of that year; (b) for the second semester of the year concerned shall be the rate in force on 1 July of that year.	**Article 4** **Transactions between business organizations** 2. In commercial transactions, default interest shall be applied to late payments. 3.The reference interest rate, as part of the default interest, shall be published by the Central Bank of Kosovo every six months within the calendar year.	Partially Compliant	Draft law in line with the practices of the CBK, foresees publishing of the reference interest rates twice a year without specifing dates.
3. Member States shall ensure that in commercial transactions where the debtor is a public authority:	**Article 4** **Transactions between business organizations** 6 Where the conditions set out in paragraph 1 of this Article are fulfilled:	Fully compliant	In the draft law the reference for deadlines is from the *Article 4- the transaction between business organizations.* The same deadlines apply in Article 5 therefore are not repeated just references as: In commercial transactions where the debtor is a public authority, the creditor shall be entitled to statutory late payment interest for delayed payment after the expiry of **the deadline defined in paragraph 6 of Article 4 of this Law**, without the need for a reminder, where the

			following conditions are fulfilled:
(a) the period for payment does not exceed any of the following time limits:	**Article 4** **Transactions between business organizations** 6.1 The creditor shall be entitled to late payment interest starting from the day following the expiry of the payment date or the expiry of the period determined in the contract;	Fully compliant	
(i) 30 calendar days following the date of receipt by the debtor of the invoice or an equivalent request for payment;	**Article 4** **Transactions between business organizations** 6.2.1. Thirty (30) calendar days after the date of receipt of the invoice or an equivalent request for payment by the debtor;	Fully compliant	
(ii) where the date of receipt of the invoice or the equivalent request for payment is uncertain, 30 calendar days after the date of the receipt of the goods or services;	**Article 4** **Transactions between business organizations** 6.2.2 Where the date of receipt of the invoice or equivalent request for payment is uncertain, thirty (30) calendar days after the date of receipt of the goods or services;	Fully compliant	

(iii) where the debtor receives the invoice or the equivalent request for payment earlier than the goods or the services, 30 calendar days after the date of the receipt of the goods or services;	**Article 4** **Transactions between business organizations** 6.2.3 When the debtor receives the invoice or an equivalent request for payment before the acceptance of the goods or services, thirty (30) calendar days after the date of acceptance of the goods or services;	Fully compliant	
(iv) where a procedure of acceptance or verification, by which the conformity of the goods or services with the contract is to be ascertained, is provided for by statute or in the contract and if the debtor receives the invoice or the equivalent request for payment earlier or on the date on which such acceptance or verification takes place, 30 calendar days after that date;	**Article 4** **Transactions between business organizations** 6.2.4 Where a procedure of acceptance or verification, by which the conformity of the goods and services is ascertained, is provided for by law or in the contract, and where the debtor receives the invoice or an equivalent request for payment earlier or on the date on which such acceptance or verification takes place, payment shall be effected within thirty (30) calendar days after that date.	Fully compliant	

(b) the date of receipt of the invoice is not subject to a contractual agreement between debtor and creditor.	**Article 5** **Transactions between business organizations and public authorities** 5. The date of receipt of the invoice shall not be subject to any contractual agreement between the debtor and the creditor.	Fully compliant	
4. Member States may extend the time limits referred to in point (a) of paragraph 3 up to a maximum of 60 calendar days for: (a) any public authority which carries out economic activities of an industrial or commercial nature by offering goods or services on the market and which is subject, as a public undertaking, to the transparency requirements laid down in Commission Directive 2006/111/EC of 16 November 2006 on the transparency of financial relations between Member States and public undertakings as well as on financial transparency within certain undertakings (1); (b) public entities providing healthcare which are duly recognised for that		Not applicable	

purpose.			
If a Member State decides to extend the time limits in accordance with this paragraph, it shall send a report on such extension to the Commission by 16 March 2018.		Not applicable	
On that basis, the Commission shall submit a report to the European Parliament and the Council indicating which Member States have extended the time limits in accordance with this paragraph and taking into account the impact on the functioning of the internal market, in particular on SMEs. That report shall be accompanied by any appropriate proposals.		Not applicable	
5. Member States shall ensure that the maximum duration of a procedure of acceptance or verification referred to in point (iv) of point (a) of paragraph 3 does not exceed 30 calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and any tender documents and provided it is not	**Article 4** **Transactions between business organizations** 7 Where the contract provides for the acceptance or verification, by which the conformity of the goods and services with the contract is ascertained, the maximum duration of such procedure shall not exceed thirty	Fully compliant	

grossly unfair to the creditor within the meaning of Article 7.	(30) calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and provided that this is not grossly unfair to the creditor as defined in Article 8 of this Law.		
6. Member States shall ensure that the period for payment fixed in the contract does not exceed the time limits provided for in paragraph 3, unless otherwise expressly agreed in the contract and provided it is objectively justified in the light of the particular nature or features of the contract, and that it in any event does not exceed 60 calendar days.	**Article 4** **Transactions between business organizations** 8 The payment deadline set in the contract shall not exceed sixty (60) calendar days.	Partially compliant	The draft law sets the deadline of 60 days and does not specify other deadlines.
Article 5 **Payment schedules** This Directive shall be without prejudice to the ability of parties to agree, subject to the relevant provisions of applicable national law, on payment schedules providing for instalments. In such cases, where any of the	**Article 6** **Payment deadlines** The parties shall reach an agreement through a written contract in accordance with the relevant provisions of the applicable legislation on obligations, specifying the time limits for full payment or payment in	Partially compliant	The Draft law is partially compliant because it allows payment in instalments by agreement of the parties but it does not include the rule that interest and compensation must be calculated only on overdue

instalments is not paid by the agreed date, interest and compensation provided for in this Directive shall be calculated solely on the basis of overdue amounts.	installments, with a maximum term of up to 60 days.		instalments. It also introduces a fixed 60-day maximum payment term
Article 6 **Compensation for recovery costs** 1. Member States shall ensure that, where interest for late payment becomes payable in commercial transactions in accordance with Article 3 or 4, the creditor is entitled to obtain from the debtor, as a minimum, a fixed sum of EUR 40.	**Article 7** **Compensation for covered costs** 1.Where late payment interest becomes payable in commercial transactions between business organizations in accordance with Article 4 of this Law, and in commercial transactions between business organizations and public authorities in accordance with Article 5 of this Law, the creditor shall also be entitled to obtain from the debtor, as compensation for covered costs, a minimum fixed amount of EUR 40.00 (forty).	Fully compliant	
2. Member States shall ensure that the fixed sum referred to in paragraph 1 is payable without the necessity of a reminder and as compensation for the	2. The fixed sum referred to in paragraph 1 of this Article shall be payable without the need for a reminder and shall constitute compensation for the creditor's	Fully compliant	

creditor's own recovery costs.	recovery costs.		
3. The creditor shall, in addition to the fixed sum referred to in paragraph 1, be entitled to obtain reasonable compensation from the debtor for any recovery costs exceeding that fixed sum and incurred due to the debtor's late payment. This could include expenses incurred, inter alia, in instructing a lawyer or employing a debt collection agency.	3. In addition to the fixed sum referred to in paragraph 1 of this Article, the creditor shall be entitled to obtain from the debtor reasonable compensation for any costs exceeding that fixed sum and incurred due to the debtor's late payment. This may include costs incurred, inter alia, for engaging a lawyer or a private enforcement agent.	Fully compliant	
Article 7 **Unfair contractual terms and practices** 1. Member States shall provide that a contractual term or a practice relating to the date or period for payment, the rate of interest for late payment or the compensation for recovery costs is either unenforceable or gives rise to a claim for damages if it is grossly unfair to the creditor. In determining whether a contractual term or a practice is grossly unfair to	**Article 8** **Unfair contractual terms and practices** A contractual provision or practice relating to the date or period of payment, the level of default interest, or the compensation of recovery costs shall be either unenforceable or give rise to a claim for damages if it is unfair to the creditor. In order to assess whether a contractual provision or practice is unfair to the creditor, all the	Fully compliant	

the creditor, within the meaning of the first subparagraph, all circumstances of the case shall be considered, including:	circumstances of the case shall be considered, including:		
(a) any gross deviation from good commercial practice, contrary to good faith and fair dealing;	1.1 Any gross deviation from good commercial practice, contrary to the principle of good faith and fair dealing;	Fully compliant	
(b) the nature of the product or the service; and	1.2 The characteristics of the product or service; and	Fully compliant	
(c) whether the debtor has any objective reason to deviate from the statutory rate of interest for late payment, from the payment period as referred to in Article 3(5), point (a) of Article 4(3), Article 4(4) and Article 4(6) or from the fixed sum as referred to in Article 6(1).	1.3 Whether the debtor has objective reasons to deviate from the statutory default interest or from the payment period set out in this Law.	Fully compliant	
2.For the purpose of paragraph 1, a contractual term or a practice which excludes interest for late payment shall be considered as grossly unfair.	2. For the purposes of paragraph 1 of this Article, a contractual provision or practice that excludes late payment interest shall be considered unfair.	Fully compliant	
3. For the purpose of paragraph 1, a contractual term or a practice which	3.For the purposes of paragraph 1 of this Article, a contractual provision or	Fully compliant	

excludes compensation for recovery costs as referred to in Article 6 shall be presumed to be grossly unfair.	practice that excludes compensation for covered costs as provided for in Article 7 of this Law shall be considered unfair.		
4. Member States shall ensure that, in the interests of creditors and competitors, adequate and effective means exist to prevent the continued use of contractual terms and practices which are grossly unfair within the meaning of paragraph 1.	**LAW NO. 04/L-077 ON OBLIGATIONAL RELATIONSHIPS** **Article 4** **Principle of conscientiousness and fairness** 1. When concluding obligational relationships and when exercising the rights and performing the obligations deriving from such relationships the participants must observe the principle of conscientiousness and fairness. 2. Participants in obligational relationships must act in accordance with good business custom in their transactions. Participants may not exclude or restrict this obligation. **Article 6** **Prohibition of misuse of rights** 1. The rights deriving from obligational relationships shall be performed in accordance with the basic principles of the present Law	Fully compliant	

	and their purpose. 2. When exercising their rights participants in an obligational relationship must refrain from action by which the performance of the obligations of other participants would be rendered more difficult. 3. Any action by which the holder of a right acts with the sole or clear intention of harming another shall be deemed as misuse of the right. **Article 11** **Business customs, usages and practice** 3 The business customs, usages and practice established between parties shall be taken into consideration in the assessment of the behaviour required and effects thereof in the obligational relationships of commercial entities. **Article 12** **Commercial contracts** 1. The provisions of the present Law shall apply to all types of contract, unless expressly stipulated otherwise within this Law. 2. Commercial contracts are contracts		

	concluded by commercial entities among themselves. 3. Commercial entities established with the Law and other legal persons that perform lucrative activities shall be deemed commercial entities in the sense of the present Law. 4. Other legal persons shall be deemed commercial entities in the sense of the present Law when in accordance with legal provisions they are occasionally or during their primary activities involved in lucrative activities, if it is a matter of a contract in connection with such lucrative activities. **Article 35** **Null contract** 8 A contract shall be null and void if the subject of the obligation is absolutely impossible, impermissible, unspecific or un-specifiable. **Article 39** **Permissible basis** 1. Each contractual obligation must have a permissible basis (grounds). 2. The basis shall be deemed impermissible if it contravenes provisions of the public order,		

	compulsory regulations or moral principles. 3. It shall be presumed that an obligation has a basis, even if such is not expressed. 4. If there is no basis or the basis is impermissible the contract shall be null and absolutely void.		
5. The means referred to in paragraph 4 shall include provisions whereby organizations officially recognized as representing undertakings, or organizations with a legitimate interest in representing undertakings may take action according to the applicable national law before the courts or before competent administrative bodies on the grounds that contractual terms or practices are grossly unfair within the meaning of paragraph 1, so that they can apply appropriate and effective means to prevent their continued use.		Not compliant	To be transposed in future amended laws (Law on Business Organizations or Law on Obligational Relationships)
Article 8 **Transparency and awareness raising** 1. Member States shall ensure transparency regarding the rights and	**Article 11** **Transparency and awareness** 1.The Ministry responsible for Industry and Trade shall ensure transparency regarding the rights and obligations arising from this Law, and	Fully compliant	

obligations stemming from this Directive, including by making publicly available the applicable rate of statutory interest for late payment.	shall prepare specific publications, promotional campaigns or any other appropriate means to increase awareness of legal remedies for late payment interest among business organizations and public authorities. 2.The CBK shall make the reference interest rate available to the public every six months, as defined by the applicable legislation.		
2. The Commission shall make publicly available on the Internet details of the current statutory rates of interest which apply in all the Member States in the event of late payment in commercial transactions.		Not applicable	
3. Member States shall, where appropriate, use professional publications, promotion campaigns or any other functional means to increase awareness of the remedies for late payment among undertakings.	**Article 11** **Transparency and awareness** 1.The Ministry responsible for Industry and Trade shall ensure transparency regarding the rights and obligations arising from this Law, and shall prepare specific publications, promotional campaigns or any other	Fully compliant	

	appropriate means to increase awareness of legal remedies for late payment interest among business organizations and public authorities.		
4. Member States may encourage the establishment of prompt payment codes which set out clearly defined payment time limits and a proper process for dealing with any payments that are in dispute, or any other initiatives that tackle the crucial issue of late payment and contribute to developing a culture of prompt payment which supports the objective of this Directive.		Not applicable	
Article 9 **Retention of title** 1. Member States shall provide in conformity with the applicable national provisions designated by private international law that the seller retains title to goods until they are fully paid for if a retention of title clause has been expressly agreed between the buyer and the seller before the delivery of the goods.	**LAW NO. 04/L-077 ON OBLIGATIONAL RELATIONSHIPS** **SUB-CHAPTER 8** **SALES ORDER** **Article 531** **Definition** 1. Through a sales order contract the recipient of the order undertakes to sell a specific thing delivered thereto by the mandator for specific purchase money by a specific deadline or to	Partially compliant	Kosovo legislation reflects elements of retention of title, such as ownership remaining with the mandator and protection against creditors, but it does not establish a clear and general right based on an explicit contractual clause agreed before delivery as required by the Directive.

	return the thing by the deadline. 2. It shall not be possible to cancel a sales order. **Article 532** Risk of destruction of and damage to thing. The thing delivered to the recipient of the order shall remain the mandator's and the mandatory shall bear the risk of it being accidentally destroyed or damaged; however it shall not be at the disposal of the mandator until returned thereto. **Article 533** When recipient of order is deemed to have purchased thing 1. If the recipient of the order fails to sell the thing or to deliver the stipulated purchase money to the mandator by the stipulated deadline and fails to return it by this deadline the recipient shall be deemed to have		

	purchased the thing. 2. However the recipient's creditors may not sequestrate the thing until the purchase money is paid to the mandator.		
2. Member States may adopt or retain provisions dealing with down payments already made by the debtor.		Not applicable	
Article 10 **Recovery procedures for unchallenged claims** 1. Member States shall ensure that an enforceable title can be obtained, including through an expedited procedure and irrespective of the amount of the debt, normally within 90 calendar days of the lodging of the creditor's action or application at the court or other competent authority, provided that the debt or aspects of the procedure are not disputed. Member States shall carry out this duty in accordance with their respective	**LAW NO. 04/L-139** **ON ENFORCEMENT PROCEDURE** **Article 3** **Enforcement Authority and Decisions** 1.The enforcement procedure in first instance shall be managed and decided by the private enforcement agent, and exceptionally by the individual (single) judge when this law provides that the enforcement is set and enforced by the court (first instance body). The court or the public enforcement agent shall decide on the	Fully compliant	

national laws, regulations and administrative provisions.	enforcement proposal within seven (7) days of receipt of the proposal. **Article 74** **Enactment and enforceability of decisions in enforcement procedure** 1. The decision against which an objection is not filed within the foreseen deadline shall become final and enforceable. 2. The decision against which an objection is refused as untimely becomes enforceable, while if an appeal against the decision is not permitted, then it also becomes final. 3. The decision in which the objection is rejected becomes final if an appeal against it is not filed in the foreseen legal deadline, or if the filed appeal is dismissed as ungrounded.		
2. National laws, regulations and administrative provisions shall apply the same conditions for all creditors who are established in the Union.		Not Applicable	

3. When calculating the period referred to in paragraph 1, the following shall not be taken into account:		Not compliant	To be transposed in the amended Law on Enforcement Procedure
(a) periods for service of documents;		Not compliant	To be transposed in the amended Law on Enforcement Procedure
(b) any delays caused by the creditor, such as periods devoted to correcting applications		Not compliant	To be transposed in the amended Law on Enforcement Procedure
4. This Article shall be without prejudice to the provisions of Regulation (EC) No 1896/2006.		Not applicable	
Article 11 **Report** By 16 March 2016, the Commission shall submit a report to the European Parliament and the Council on the implementation of this Directive. The report shall be accompanied by any appropriate proposals.		Not applicable	

Article 12 **Transposition** 1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 8 and 10 by 16 March 2013. They shall forthwith communicate to the Commission the text of those provisions		Not applicable	
When Member States adopt those measures, they shall contain a reference to this Directive or shall be accompanied by such reference on the occasion of their official publication. They shall also include a statement that references in existing laws, regulations and administrative provisions to the repealed Directive shall be construed as references to this Directive. The methods of making such reference and the formulation of such statement shall be laid down by Member States.		Not applicable	
2. Member States shall communicate to the Commission the text of the main		Not applicable	

provisions of national law which they adopt in the field covered by this Directive.			
3. Member States may maintain or bring into force provisions which are more favourable to the creditor than the provisions necessary to comply with this Directive		Not applicable	
4. In transposing the Directive, Member States shall decide whether to exclude contracts concluded before 16 March 2013.		Not applicable	
Article 13 **Repeal** Directive 2000/35/EC is repealed with effect from 16 March 2013, without prejudice to the obligations of the Member States relating to the time limit for its transposition into national law and its application. However, it shall remain applicable to contracts concluded before that date to which this Directive does not apply pursuant to Article 12(4).		Not applicable	

References to the repealed Directive shall be construed as references to this Directive and be read in accordance with the correlation table set out in the Annex.		Not applicable	
Article 14 **Entry into force** This Directive shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.		Not applicable	

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada - Government

Ministria Industrisë, Ndërmarrësisë, Tregtisë dhe Inovacionit
Ministarstvo Industrije, Preduzetništva, Trgovine i Inovacija – Ministry of Industry, Entrepreneurship, Trade and Innovation

Option/possible alternative:

1.Title of the normative act: **DRAFT ON LATE PAYMENTS IN COMMERCIAL TRANSACTIONS**
2 Proposing body: **Ministry of Industry, Entrepreneurship, Trade and Innovation**
3. Table: 23.04.2026
4. List of relevant EU legislation (full title of the act and number) with which the normative act of the Republic of Kosovo is compliant: Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011, on "Combating Late Payment in Commercial Transactions" Official Gazette of the European Union, Series L, no. 48, dated 23.2.2011, p. 1–10
5.The level of compliance (fully compliant, partially compliant, not compliant or not applicable) of the normative act with EU legislation: **Partially compliant**
Republic of Kosovo -European Union

a)The provisions of national normative act (Article, paragraph, sub-paragraph, etc.)	b) The EU normative act (Article, paragraph, sub-paragraph, etc.)	c) Compliance of Kosovo legislation with EU legislation (fully compliant, partially compliant, non-compliant or not applicable)	d) Comments on reasons for partial compliance or non-compliance and the period foreseen for achieving full compliance
LAW ON LATE PAYMENTS IN COMMERCIAL TRANSACTIONS **Article 1** **Purpose** 1.The purpose of this Law shall be to prevent delays in payments in commercial transactions, as well as to define the rules on deadlines and the method of calculation of late payment interest, in cases of the supply of goods and services between business organizations as well as between business organizations and public authorities, in order to ensure the proper functioning of the market by promoting the competitiveness of business organizations.	**Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011, on "Combating Late Payment in Commercial Transactions" Official Gazette of the European Union, Series L, no. 48, dated 23.2.2011, p. 1–10** **Article 1** **Subject matter and scope** 1. The aim of this Directive is to combat late payment in commercial transactions, in order to ensure the proper functioning of the internal market, thereby fostering the competitiveness of undertakings and in particular of SMEs	Fully compliant	

2. This Law shall be partially aligned with Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on "Combating Late Payment in Commercial Transactions", Official Journal of the European Union, L Series, No. 48, dated 23 February 2011, p. 1-10.		Not Applicable	
Article 2 **Scope** 1. This Law shall apply to all late payments as compensation for commercial transactions between business organizations, as well as between business organizations and public authorities.	Article 1 **Subject matter and scope** This Directive shall apply to all payments made as remuneration for commercial transactions.	Fully compliant	
2. This Law shall not apply to liabilities or payments in commercial transactions as follows: 2.1 Late payment interest for transactions between business organizations and financial institutions licensed in Kosovo, which are regulated by the relevant applicable legislation of the Central Bank of the Republic of Kosovo (CBK);		Not applicable	It is foreseen in the Recital (8)

2.2 Payments and debts for commercial transactions that are subject to insolvency proceedings initiated against the debtor, including debt restructuring procedures;	3. Member States may exclude debts that are subject to insolvency proceedings instituted against the debtor, including proceedings aimed at debt restructuring.	Fully compliant	
2.3 Those arising from contracts with consumers.		Not applicable	It is foreseen in the Recital (8)
Article 3 **Definitions** 1. For the purposes of this Law, the following definitions shall apply: 1.1 Commercial transactions – commercial transactions between business organizations as well as between business organizations and public authorities, which shall have as their object the delivery of goods or the provision of services against payment;	Article 2 **Definitions** For the purposes of this Directive, the following definitions shall apply: 1.commercial transactions' means transactions between undertakings or between undertakings and public authorities which lead to the delivery of goods or the provision of services for remuneration;	Fully compliant	

1.2 Public authority – any public contracting authority, including central and local government units, public enterprises and all institutions established under the Constitution of Kosovo, regardless of the contract value;	2.public authority' means any contracting authority, as defined in point (a) of Article 2(1) of Directive 2004/17/EC and in Article 1(9) of Directive 2004/18/EC, regardless of the subject or value of the contract;	Fully compliant	
1.3 Business organization – any business organization established in accordance with the respective Law on Business Organizations;	3.undertaking' means any organisation, other than a public authority, acting in the course of its independent economic or professional activity, even where that activity is carried out by a single person;	Partially compliant	Kosovo Law does not include the single persons that are not registered acording to the Law on Business Organizations
1.4 Late payment – a payment which is not made within the contractual or statutory payment period, and where the conditions set out in Articles 4 and 5 of this Law shall be fulfilled;	(4).'late payment' means payment not made within the contractual or statutory period of payment and where the conditions laid down in Article 3(1) or Article 4(1) are satisfied;	Fully compliant	
1.5 Late payment interest – the interest for late payment or interest at a rate agreed between the parties, but not higher than the reference interest rate defined by this Law;	(5) 'interest for late payment' means statutory interest for late payment or interest at a rate agreed upon between undertakings, subject to Article 7;	Fully compliant	
1.6 Statutory late payment interest – a simple interest for delay, at a rate equal to the sum of the reference rate and including eight (8) percentage points per year;	(6) 'statutory interest for late payment' means simple interest for late payment at a rate which is equal to the sum of the reference rate and at least eight percentage points;	Fully compliant	

1.7 Reference interest rate – for the purposes of this Law, shall be the average interest rate on new loans over the last six months as published by the Central Bank of Kosovo;	(7) 'reference rate' means either of the following: (a) for a Member State whose currency is the euro, either: (i) the interest rate applied by the European Central Bank to its most recent main refinancing operations; or (ii) the marginal interest rate resulting from variable- rate tender procedures for the most recent main refinancing operations of the European Central Bank; (b) for a Member State whose currency is not the euro, the equivalent rate set by its national central bank	Fully compliant	
1.8 Amount payable – the amount of the principal debt which should have been paid within the contractual or statutory payment period, including taxes, customs duties, fees, charges or other applicable levies specified in the invoice or in an equivalent request for payment;	(8) 'amount due' means the principal sum which should have been paid within the contractual or statutory period of payment, including the applicable taxes, duties, levies or charges specified in the invoice or the equivalent request for payment;	Fully compliant	
1.9 Responsible person – shall mean the authorized natural person who, within public institutions or business organizations, on the basis of their competencies, is responsible for initiating, approving or executing payments on behalf of the respective entity;		Not Applicable	

1.10 Ministry – the respective Ministry of Finance;		Not Applicable	
1.11 CBK – Central Bank of the Republic of Kosovo.		Not Applicable	
Article 4 **Transactions between business organizations** 1. In commercial transactions between business organizations, the creditor shall be entitled to late payment interest without the need for a reminder when the following conditions are fulfilled:	**Article 3** **Transactions between undertakings** 1. Member States shall ensure that, in commercial transactions between undertakings, the creditor is entitled to interest for late payment without the necessity of a reminder, where the following conditions are satisfied:	Fully compliant	
1.1 The creditor has fulfilled its contractual and legal obligations; and	(a) the creditor has fulfilled its contractual and legal obligations; and	Fully compliant	
1.2 The creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	(b) the creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	Fully complaint	
2 In commercial transactions, default interest shall be applied to late payments.	**Article 3** **Transactions between undertakings** 2. Member States shall ensure that the applicable reference rate:	Fully complaint	

3 The reference interest rate, as part of the default interest, shall be published by the Central Bank of Kosovo every six months within the calendar year.	(a) for the first semester of the year concerned shall be the rate in force on 1 January of that year; (b) for the second semester of the year concerned shall be the rate in force on 1 July of that year.	Partially complaint	Draft law in line with the practices of the CBK, foresees publishing of the reference interest rates twice a year without specifing dates.
4 In cases where the Central Bank of Kosovo has not published the applicable reference interest rate, the latest published reference interest rate of the Central Bank of Kosovo shall be applied.		Not applicable	
5 The late payment interest applicable to commercial transactions shall be the sum, expressed as a percentage, of the reference interest rate and the statutory default interest rate.		Not applicable	
6 Where the conditions set out in paragraph 1 of this Article are fulfilled:	3.Where the conditions set out in paragraph 1 are satisfied, Member States shall ensure the following:	Fully complaint	
6.1 The creditor shall be entitled to late payment interest starting from the day following the expiry of the payment date or the expiry of the period determined in the contract;	(a) that the creditor is entitled to interest for late payment from the day following the date or the end of the period for payment fixed in the contract;	Fully complaint	
6.2 Where the date or period for payment is not specified in the contract, the creditor shall be entitled to late payment interest upon expiry of any of the following periods:	(b) where the date or period for payment is not fixed in the contract, that the creditor is entitled to interest for late payment upon the expiry of any of the following time limits:	Fully complaint	

6.2.1 Thirty (30) calendar days after the date of receipt of the invoice or an equivalent request for payment by the debtor;	(i) 30 calendar days following the date of receipt by the debtor of the invoice or an equivalent request for payment;	Fully complaint	
6.2.2 Where the date of receipt of the invoice or equivalent request for payment is uncertain, thirty (30) calendar days after the date of receipt of the goods or services;	(ii) where the date of the receipt of the invoice or the equivalent request for payment is uncertain, 30 calendar days after the date of receipt of the goods or services;	Fully complaint	
6.2.3 When the debtor receives the invoice or an equivalent request for payment before the acceptance of the goods or services, thirty (30) calendar days after the date of acceptance of the goods or services;	(iii) where the debtor receives the invoice or the equivalent request for payment earlier than the goods or the services, 30 calendar days after the date of the receipt of the goods or services;	Fully complaint	
6.2.4 Where a procedure of acceptance or verification, by which the conformity of the goods and services is ascertained, is provided for by law or in the contract, and where the debtor receives the invoice or an equivalent request for payment earlier or on the date on which such acceptance or verification takes place, payment shall be effected within thirty (30) calendar days after that date.	(iv) where a procedure of acceptance or verification, by which the conformity of the goods or services with the contract is to be ascertained, is provided for by statute or in the contract and if the debtor receives the invoice or the equivalent request for payment earlier or on the date on which such acceptance or verification takes place, 30 calendar days after that date.	Fully complaint	

7 Where the contract provides for the acceptance or verification, by which the conformity of the goods and services with the contract is ascertained, the maximum duration of such procedure shall not exceed thirty (30) calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and provided that this is not grossly unfair to the creditor as defined in Article 8 of this Law.	4. Where a procedure of acceptance or verification, by which the conformity of the goods or services with the contract is to be ascertained, is provided for, Member States shall ensure that the maximum duration of that procedure does not exceed 30 calendar days from the date of receipt of the goods or services, unless otherwise expressly agreed in the contract and provided it is not grossly unfair to the creditor within the meaning of Article 7.	Fully complaint	
8 The payment deadline set in the contract shall not exceed sixty (60) calendar days.	5. Member States shall ensure that the period for payment fixed in the contract does not exceed 60 calendar days, unless otherwise expressly agreed in the contract and provided it is not grossly unfair to the creditor within the meaning of Article 7.	Partially compliant	The draft law sets the deadline of 60 days and does not specify other deadlines.
Article 5 **Transactions between business organizations and public authorities** 1. In commercial transactions where the debtor is a public authority, the creditor shall be entitled to statutory late payment interest for delayed payment after the expiry of the deadline defined in paragraph 6 of Article 4 of this Law, without the need for a reminder, where the following conditions are fulfilled:	*Article 4* **Transactions between undertakings and public authorities** 1. Member States shall ensure that, in commercial transactions where the debtor is a public authority, the creditor is entitled upon expiry of the period defined in paragraphs 3, 4 or 6 to statutory interest for late payment, without the necessity of a reminder, where the following conditions are satisfied:	Fully complaint	

1.1 The creditor has fulfilled its contractual and legal obligations; and	(a) the creditor has fulfilled its contractual and legal obligations; and	Fully complaint	
1.2 The creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	(b) the creditor has not received the amount due on time, unless the debtor is not responsible for the delay.	Fully complaint	
2.Where a business organization has not been paid an invoice or payment request by a public authority, and the obligation has not been settled for a period exceeding sixty (60) days, the commercial company shall submit a copy of the invoice or payment request to the Treasury		Not applicable	
3. Upon receipt of the invoice or payment request, the Treasury shall, within the following thirty (30) days, conduct an inquiry with the public authority to verify whether the invoice or payment request is valid and whether the goods and services have been delivered or the works have been performed, and that the corresponding amount has not been paid by the public authority for a period exceeding sixty (60) days.		Not applicable	

4. If the outcome of the inquiry is positive, the Treasury shall pay the amount of the obligation together with the default interest, without the need to obtain prior approval from the relevant public authority. In such cases, the Treasury shall be authorized to execute a notice of expenditure transfer without prior approval from the relevant public authority.		Not applicable	
5. The date of receipt of the invoice shall not be subject to any contractual agreement between the debtor and the creditor.		Not applicable	
Article 6 **Payment deadlines** The parties shall reach an agreement through a written contract in accordance with the relevant provisions of the applicable legislation on obligations, specifying the time limits for full payment or payment in installments, with a maximum term of up to 60 days.	*Article 5* **Payment schedules** This Directive shall be without prejudice to the ability of parties to agree, subject to the relevant provisions of applicable national law, on payment schedules providing for instalments. In such cases, where any of the instalments is not paid by the agreed date, interest and compensation provided for in this Directive shall be calculated solely on the basis of overdue amounts.	Partially compliant	The Draft law is partially compliant because it allows payment in instalments by agreement of the parties but it does not include the rule that interest and compensation must be calculated only on overdue instalments. It also introduces a fixed 60-day maximum payment term

Article 7 **Compensation for covered costs** 1. Where late payment interest becomes payable in commercial transactions between business organizations in accordance with Article 4 of this Law, and in commercial transactions between business organizations and public authorities in accordance with Article 5 of this Law, the creditor shall also be entitled to obtain from the debtor, as compensation for covered costs, a minimum fixed amount of EUR 40.00 (forty).	***Article 6*** **Compensation for recovery costs** 1. Member States shall ensure that, where interest for late payment becomes payable in commercial transactions in accordance with Article 3 or 4, the creditor is entitled to obtain from the debtor, as a minimum, a fixed sum of EUR 40.	Fully compliant	
2. The fixed sum referred to in paragraph 1 of this Article shall be payable without the need for a reminder and shall constitute compensation for the creditor's recovery costs.	2. Member States shall ensure that the fixed sum referred to in paragraph 1 is payable without the necessity of a reminder and as compensation for the creditor's own recovery costs.	Fully compliant	
3. In addition to the fixed sum referred to in paragraph 1 of this Article, the creditor shall be entitled to obtain from the debtor reasonable compensation for any costs exceeding that fixed sum and incurred due to the debtor's late payment. This may include costs	3. The creditor shall, in addition to the fixed sum referred to in paragraph 1, be entitled to obtain reasonable compensation from the debtor for any recovery costs exceeding that fixed sum and incurred due to the debtor's late payment. This could include expenses incurred, inter alia, in instructing a lawyer or employing a debt collection agency.	Fully compliant	

incurred, inter alia, for engaging a lawyer or a private enforcement agent.			
4. The provisions of paragraphs 1 and 2 of this Article shall in no way reduce, limit or exclude the creditor's right to compensation for damages, costs of compulsory enforcement proceedings, and other rights arising from the debtor's delay.		Not Applicable	
Article 8 **Unfair contractual terms and practices** 1. A contractual provision or practice relating to the date or period of payment, the level of default interest, or the compensation of recovery costs shall be either unenforceable or give rise to a claim for damages if it is unfair to the creditor. In order to assess whether a contractual provision or practice is unfair to the creditor, all the circumstances of the case shall be considered, including:	*Article 7* **Unfair contractual terms and practices** 1. Member States shall provide that a contractual term or a practice relating to the date or period for payment, the rate of interest for late payment or the compensation for recovery costs is either unenforceable or gives rise to a claim for damages if it is grossly unfair to the creditor. In determining whether a contractual term or a practice is grossly unfair to the creditor, within the meaning of the first subparagraph, all circumstances of the case shall be considered, including:	Fully compliant	

1.1 Any gross deviation from good commercial practice, contrary to the principle of good faith and fair dealing;	(a) any gross deviation from good commercial practice, contrary to good faith and fair dealing;	Fully compliant	
1.2 The characteristics of the product or service; and	(b) the nature of the product or the service; and	Fully compliant	
1.3 Whether the debtor has objective reasons to deviate from the statutory default interest or from the payment period set out in this Law.	c) whether the debtor has any objective reason to deviate from the statutory rate of interest for late payment, from the payment period as referred to in Article 3(5), point (a) of Article 4(3), Article 4(4) and Article 4(6) or from the fixed sum as referred to in Article 6(1).	Fully compliant	
2. For the purposes of paragraph 1 of this Article, a contractual provision or practice that excludes late payment interest shall be considered unfair.	2. For the purpose of paragraph 1, a contractual term or a practice which excludes interest for late payment shall be considered as grossly unfair.	Fully compliant	
3. For the purposes of paragraph 1 of this Article, a contractual provision or practice that excludes compensation for covered costs as provided for in Article 7 of this Law shall be considered unfair.	3. For the purpose of paragraph 1, a contractual term or a practice which excludes compensation for recovery costs as referred to in Article 6 shall be presumed to be grossly unfair.	Fully compliant	
Article 9 **Installment payments** 1. This Law shall apply to each installment of payment separately, where the contracting parties have agreed that payment		Not Applicable	

for delivered goods or services performed shall be made in installments.			
2. In the cases provided for in paragraph 1 of this Article, if any installment is not paid within the specified time limit, default interest and compensation for covered costs shall be calculated only on the unpaid amounts of that specific installment.		Not Applicable	
3. The calculation of default interest for a delayed installment shall begin on the first day following the expiry of the deadline set for that installment, in accordance with the rules laid down in Articles 4 or 5 of this Law.		Not Applicable	
Article 10 **Invoice** 1. The date of issuance of the invoice shall be considered as the date on which the debtor has received the invoice.		Not Applicable	

2. The Ministry responsible for finance shall define the manner and procedure for the registration of invoices in the central invoice register, as well as the manner of maintaining and the content of the central invoice register through a bylaw.		Not applicable	
Article 11 **Transparency and awareness** 1. The Ministry responsible for Industry and Trade shall ensure transparency regarding the rights and obligations arising from this Law, and shall prepare specific publications, promotional campaigns or any other appropriate means to increase awareness of legal remedies for late payment interest among business organizations and public authorities.	**Article 8** **Transparency and awareness raising** 1. Member States shall ensure transparency regarding the rights and obligations stemming from this Directive, including by making publicly available the applicable rate of statutory interest for late payment. 3. Member States shall, where appropriate, use professional publications, promotion campaigns or any other functional means to increase awareness of the remedies for late payment among undertakings.	Fully Compliant	
2. The CBK shall make the reference interest rate available to the public every six months, as defined by the applicable legislation.	**Article 8** **Transparency and awareness raising** 1. Member States shall ensure transparency regarding the rights and obligations stemming from this Directive, including by making publicly available the applicable rate of statutory	Fully Compliant	

	interest for late payment.		
Article 12 **Enforcement procedures** For the enforcement procedure of obligations arising from this Law, the provisions of the relevant applicable legislation on enforcement procedures, the legislation on general administrative procedure, as well as the provisions of the applicable legislation on obligational relationships shall apply.		Not applicable	
Article 13 **Oversight of transactions between business organizations and public authorities** 1. The Tax Administration of Kosovo (TAK) shall be the competent authority for:		Not applicable	
1.1. Overseeing payment deadlines between business organizations by using data from the Fiscalization System;		Not applicable	
1.2. Conducting administrative procedures and imposing fines on private sector and public authorities;		Not applicable	

1.3. Enforcing the collection of fines through procedures provided for under the applicable legislation.		Not applicable	
Article 14 **Minor offenses for business organizations, public authorities and responsible persons** 1. The Tax Administration of Kosovo shall be authorized to impose a fine ranging from 1,000 to 20,000 Euro on a business organization (debtor) for a minor offense if:		Not applicable	
1.1. It has failed to fulfill its monetary obligations even sixty (60) days after the creditor's right to default interest has commenced, in accordance with Article 4, paragraph 6 of this Law;		Not applicable	
1.2. It stipulates payment terms in a contract that are manifestly unfair in accordance with Article 8 of this Law.		Not applicable	
2. For violations under paragraph 1 of this Article, the responsible person of the legal entity shall also be fined in the amount of 500 to EUR 2,000 Euro.		Not applicable	
3.Where the debtor is a public authority, the fines provided for in paragraphs 1 and 2 shall apply to		Not applicable	

the institution and the responsible person within that institution, mutatis mutandis, in accordance with Article 5 of this Law.			
4. The parties shall have the right to appeal within a period of 8 days to the Complaints Unit within the TAK against any final decision issued under this Article.		Not applicable	
Article 15 **Repeal** Law No. 05/L-110 on Late Payments in Commercial Transactions shall be repealed upon entry into force of this Law.		Not applicable	
Article 17 **Entry into force** This Law shall enter into force fifteen (15) days following its publication in the Official Gazette of the Republic of Kosovo.		Not applicable	

REPUBLIC OF KOSOVO
GOVERNMENT OF KOSOVO
MINISTRY OF JUSTICE
No. 02-1652
Date: 03/09/2024
Annex 2
PRISHTINA

Republika e Kosovës
Republika Kosova - Republic of Kosova
Qeveria - Vlada - Government
Ministria e Drejtësisë - Ministarstvo Pravde - Ministry of Justice

Zyra e Sekretares së Përgjithshme – Kancelarija Generalnog Sekretara – Office of the General Secretary

No. 106/2024
Date: 03/09/2024

Pursuant to Article 18 of Law No. 06/L-113 on Organization and Functioning of State Administration and Independent Agencies, based on Article 31 (paragraph 1) of Regulation No. 17/2024 on Rules of Procedure of the Government of the Republic of Kosovo, and in accordance with Article 11 (paragraph 3) of Regulation GRK No. 01/2020 on Standards of International Organization, Systematization of Job Positions and Cooperation with Institutions of State Administration and Independent Agencies, the Secretary General of the Ministry of Justice, issues this:

D E C I S I O N

1. The Working Group for the drafting and finalization of sub-legal acts emerging from Law No. 08/L-256 on Bankruptcy is hereby established, consisting of:

   1.1. Feride Podvorica, LD/MoJ, Chairperson;
   1.2. Eros Gashi, Cabinet of the Minister/MoJ, Member;
   1.3. Alberita Hyseni, LO/OPM, Member;
   1.4. Elbasan Dervishaj, DLA/MoJ, Member;
   1.5. Mehdi Pllashniku, KBRA/MIET, Member;
   1.6. Besim Mustafa, Kosovo Judicial Council, Member;
   1.7. Mehmet Berisha, OAF, Member;
   1.8. Ardiana Bunjaku, KDWV, Member;
   1.9. Trendelina Qorraj, DEIPC/MoJ, Member;
   1.10. Arlinda Alshiqi, LD/MoJ, Member;
   1.11. Novitet Nezaj, EULD/OPM, Member;
   1.12. Gëzim Bislimi, MF, Member;
   1.13. Hajrije Zogaj, DBF/MoJ, Member;
   1.14. Partin Pruthi, KBA, Member.

2. The following are invited to join the work of the Working Group:

2.1.Representatives of IFC/World Bank Group in Kosovo.

3. As needed and in order to fulfill the obligations set forth in this decision, the Chairperson of the Working Group may also invite representatives from other local and international institutions as well as civil society organizations.

4. The working group referred to in paragraph one (1) of this decision is obliged to adhere to the rules and procedures set out in the Rules of Procedure of the Government of the Republic of Kosovo No. 17/2024 as well as the standards in force for the drafting of legislation.

5. The decision enters into force on the day of signing.

Anita KALANDERI
[stamped and signed]
Secretary General

The decision shall be sent to:

- *Members of the Working Group;*
- *Cabinet of the Minister;*
- *Office of the Secretary General;*
- *Archives of the Ministry of Justice*.

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria - Vlada – Government

Ministria e Drejtësisë-Ministarstvo Pravde– Ministry of Justice

ADMINISTRATIVE INSTRUCTION MoJ - NO. 07/2025 ON THE EXAM, THE PROCEDURE OF ORGANIZATION, THE CONTENT AND CONDUCT OF THE EXAM, THE EVALUATION OF THE EXAM AND THE PROGRAM FOR THE EXAM OF BANKRUPTCY ADMINISTRATORS[1]

[1] Administrative Instruction MoJ - No. 07/2025 on the exam, the procedure of organization, the content and conduct of the exam, the evaluation of the exam and the program for the exam of Bankruptcy Administrators, signed by the Acting Minister of the Ministry of Justice, on 07.10.2025, with Decision No. 394/2025 of 07.10.2025.

The Minister of the Ministry of Justice,

Based on Article 159 (paragraph 1), Article 160 and Article 165 (paragraph 3) of Law No. 08/L-256 on Bankruptcy, in accordance with Article 11, paragraph 1, sub-paragraph 1.5 of Law No. 08/L-117 on the Government of the Republic of Kosovo;

Issues:

ADMINISTRATIVE INSTRUCTION MoJ - NO. 07/2025 ON THE EXAM, THE PROCEDURE OF ORGANIZATION, THE CONTENT AND CONDUCT OF THE EXAM, THE EVALUATION OF THE EXAM AND THE PROGRAM FOR THE EXAM OF BANKRUPTCY ADMINISTRATORS

Article 1
Purpose

This Administrative Instruction determines the manner and procedure of organizing, content and holding the examination for bankruptcy administrators, the evaluation of the examinations and the program for the examination of bankruptcy administrators.

Article 2
Scope

The provisions of this Administrative Instruction apply to all procedures related to the examination for bankruptcy administrators.

Article 3
Examination Program

1. The examination program is based on the relevant legislation in force and consists of the following subjects:

1.1. Bankruptcy procedure;

1.2. Civil law (substantive and procedural);

1.3. Commercial law;

1.4. Labor law and administrative law;

1.5. Basics of finance and accounting;

2. The examination program for bankruptcy administrators is Annex 1 to this Administrative Instruction.

3. All laws that supplement and amend the laws on which the examination program is based, according to Annex 1 of this Instruction, shall be part of the examination program.

Article 4
Conditions for taking the examination

A person who meets the conditions set out in Article 156 of Law No. 08/L-256 on Bankruptcy (hereinafter: the Law), may submit a request for taking the examination to the Ministry of Justice (hereinafter: the Ministry).

Article 5
Application procedure

1. The Ministry publishes the announcement for the bankruptcy administrator exam in the Electronic System of Free Professions (hereinafter: SEPL) and on the official website of the Ministry in the official languages, which contains:

1.1. the time when applications for the bankruptcy administrator exam are accepted;

1.2. the time of organizing the written exam;

1.3. the time of organizing the oral exam;

1.4. the evidence and information necessary for the application;

1.5. the method of application;

1.6. the program for taking the bankruptcy administrator exam;

1.7. information regarding the time and method of filing a complaint;

2. The time according to subparagraphs 1.1, 1.2 and 1.3 of this article is determined by the Ministry.

3. The bankruptcy administrator exam calendar is published in the SEPL and on the official website of the Ministry, at least one (1) month before the date of the exam.

Article 6
Application for taking the exam

1. The application for the bankruptcy administrator exam is made electronically through the e-Kosova platform. The application contains the following data:

1.1. name, parent's name and surname;

1.2. date and place of birth;

1.3. data on education and knowledge acquisition;

1.4. personal number;

1.5. data on work experience;

1.6. e-mail address;

1.7. telephone number;

1.8. address of residence or place of residence;

1.9. where applicable, information that the candidate is entitled to exemption from payment;

1.10. consent or disagreement with the publication of personal data.

2. When applying to take the bankruptcy administrator exam, candidates provide evidence and information to meet the requirements set forth in Article 156 of the Law, including:

2.1. information in electronic form or a certified copy of the diploma of the Faculty of Law or Economics. If the candidate has completed the faculty at a university outside Kosovo, the diploma must be authenticated by the Ministry of Education, Science and Technology or the relevant electronic evidence of authentication;

2.2. evidence of work experience in accordance with the relevant legislation in force;

2.3. information proving the citizenship criterion.

3. During the application, the candidate chooses the official language in which he will take the exam.

4. In case of impossibility to apply electronically on the e-Kosova platform, the application may be made in other ways as provided for by the rules for submitting the request under the relevant Law on General Administrative Procedure.

5. In the cases from paragraph 5 of this article, with the consent of the applicant, the Ministry official enters the application data in the SEPL.

Article 7
The Committee for Granting Permission to Take the Exam

1. The relevant Commission is appointed by decision of the Minister of Justice (hereinafter: the Minister).

2. The relevant Commission consists of the chairperson and two (2) members who are officials of the Ministry with a mandate of three (3) years.

Article 8
Responsibilities of the relevant Commission

1.The chairperson of the relevant Commission has the following responsibilities:

1.1. leads the work of the relevant Commission;

1.2. convenes the meetings of the relevant Commission;

1.3signs the decision on whether or not the candidate meets the conditions for taking the examination in accordance with the rules set out in the relevant Law on General Administrative Procedure.

1.4. prepares a final report on the reviewed requests for permission to take the exam.

2. The Commission makes a decision by a majority of votes of all members.

3. The Commission's decision is published in the SEPL.

4. Against the Commission's decision, the candidate may file a complaint with the Minister of Justice in accordance with Article 157, paragraph 5 of the Law through e-Kosova.

5. Notification of candidates is made through the e-Kosova platform by SMS and/or e-mail and includes:

5.1. for candidates who meet the conditions: information on the deadline, method and amount of payment as well as a warning that if the payment is not made, the candidate cannot take the exam;

5.2. for candidates who do not meet the conditions: legal advice that also includes instructions for submitting the complaint electronically on the *e-Kosova* platform.

Article 9
Expenses

1. The candidate who will take the exam is obliged to bear the expenses for the exam.

2.The amount of expenses is determined by decision of the Minister.

Article 10
Manner of holding the exam

The exam is held in writing and orally.

Article 11
Organization of the written exam

1. The written exam is held in the following subjects: bankruptcy procedure, civil law (substantive and procedural); commercial law, labor law and administrative law; basics of finance and accounting.

2. The written exam is compiled by the Commission for administering the exam for bankruptcy administrator.

3. Through the written exam, the candidate's knowledge of legal provisions and practice in the field of bankruptcy, knowledge of legal institutions, skills of argumentation and legal writing and judging according to the law are assessed.

Article 12
Identification of candidates

1. Candidates taking the exam must have a photo identification document with them.

2. The candidate taking the exam will receive an identification code that will be used during the written exam.

Article 13
Procedure during the written exam

1. Candidates are given the test and are informed of the legal provisions in force that they must respect during the exam.

2. The written exam is held for all candidates for a duration of two (2) hours from the time of the test. If the candidate does not submit the test within the specified time, or during the exam duration, he/she withdraws from the test, he/she is considered to have failed the exam.

3. The written exam is conducted anonymously with an identification code assigned by the Secretary.

4. During the written examination, the candidate is not allowed to contact other persons, use smart devices or leave the examination room, except in reasonable cases.

5. The candidate who submits the assignment must leave the examination room.

Article 14
Evaluation of the written exam

1. The written test is controlled by the Commission for the examination of bankruptcy administrators.

2. The evaluation of the success achieved in the written exam is carried out in accordance with Article 162 of the Law.

3. The written test is evaluated up to a maximum of fifty (50) points. The written exam is considered passed if the candidates achieve a minimum of thirty (30) points.

Article 15
Announcement of the results of the written exam

1. The Commission in its full composition announces the list of candidates who have passed the written exam no later than five (5) days from the date of the written exam.

2. The Commission from paragraph 1 of this article may authorize the Secretary of the Commission to notify each candidate through the e-Kosova platform by SMS and/or e-mail about the result of the written exam. Candidates who pass the written exam are informed about the oral exam in the same notice.

Article 16
Organization of the oral exam

1. Candidates who pass the written exam part have the right to enter the oral exam.

2. For candidates who have passed the written exam part, the Ministry in cooperation with the Chairman of the Commission determines the place and time of holding the oral exam.

Article 17
Oral Exam Procedure

1. After communicating the results of the written exam, candidates are evaluated orally in the subjects specified in Article 161 of the Law.

2. The oral exam is public and is held before the Commission in its full composition.

3. If the candidate withdraws from the oral exam part or does not appear for the exam at the specified time without reason, he is considered to have failed the exam.

4. In order to maintain order, the Commission may limit the number of persons who wish to be present during the examination.

5. In the event of the inability of a candidate to participate in the oral examination, for reasonable cases assessed by the Commission, the candidate's written examination remains valid until the next examination date.

Article 18
Evaluation of the oral examination

1. The evaluation of the oral examination subjects is as follows:

1.1. Bankruptcy procedure is evaluated up to ten (10) points;

1.2. Civil law (substantive and procedural) is evaluated up to ten (10) points;

1.3. Commercial law is evaluated up to ten (10) points;

1.4. Labor law and administrative law are evaluated up to ten (10) points;

1.5. Fundamentals of finance and accounting are evaluated up to ten (10) points;

2. The oral examination is considered passed if the candidate achieves a minimum of thirty-five (35) points.

Article 19
Final Result

1. The examination committee in its full composition, after the completion of the oral examination, compiles the final list of candidates who have passed the examination.

2. The final list is published no later than five (5) days after the end of the oral examination.

3. The final list of candidates is signed by the Chairman of the Commission or his authorized representative after the end of the oral examination.

4. Candidates who are not part of the list are notified of the final result through the e-Kosova platform, which also contains the method of submitting a request for reconsideration in accordance with the provisions of the Law on the e-Kosova platform by SMS and/or e-mail.

Article 20
Protection of candidates' rights

1. A candidate who considers that his/her overall success or success in a subject has not been assessed fairly may file a complaint with the Commission, within fifteen (15) days from the communication of the exam result.

2. The Commission is obliged to decide on the complaint within five (5) days after the day of receipt of the complaint and notify the candidate accordingly.

3. If the candidate's complaint is approved, the Commission must repeat the exam.

4. The Commission's decision is final

Article 21
Minutes

1. A separate minute must be kept for each candidate during the exam, which is created for each candidate in the SEPL;

2. The minutes include the following data:

2.1. number of the minute and date;

2.2.name, parent's name, surname and address of the candidate;

2.3.date and time of the oral part of the examination;

2.4. tasks for the written part of the examination given to the candidate;

2.5. the decision of the Examination Committee on the course of the written part of the examination for the candidate and the remarks related to the answers given;

2.6.questions asked to the candidate in the written and oral part of the examination;

2.7. the decision of the Examination Committee on the final result of the examination;

2.8.important remarks on the results of the written and oral part of the examination;

2.9. the signature according to paragraph 2 of Article 26 of the Law shall be made in accordance with the rules set forth in the relevant Law on General Administrative Procedure.

Article 22
Certificate for passing the exam

1. A candidate who has passed the exam shall be issued a certificate for passing the exam, no later than one (1) month from the date of passing the exam.

2. The certificate for passing the exam shall be signed by the Minister.

3. The certificate shall contain:

3.1. the logo of the institution issuing the certificate;

3.2. the legal basis for issuing the certificate;

3.3. the number and date the certificate was issued;

3.4. the name, name of the parent, surname;

3.5. date and place of birth;

3.6. the date the exam was taken;

3.7. the certificate shall be signed in accordance with the rules set forth in the relevant Law on General Administrative Procedure;

3.8. official seal.

4.In SEPL, an electronic certificate is created which contains all the elements according to paragraph 3 of this article and has the same value as the physical certificate which can be downloaded by the candidate at any time through the e-Kosova platform.

Article 23
Record Keeping

1. For candidates who have applied for the exam and candidates who have passed the exam, the Ministry keeps electronic records created by SEPL. For candidates who have passed the exam, a physical register is also kept.

2. The register is kept separately for each calendar year and is closed on the last working day of the respective year. At the end of the calendar year, the register is downloaded from SEPL, certified by the Ministry and archived according to the legal provisions in force.

Article 24
Issue of a duplicate certificate

1. A person who has a certificate only in physical copy and which is not part of SEPL in the event of loss or damage, may request the Ministry to issue a duplicate of the lost or damaged certificate.

2. The person requesting the issuance of a duplicate certificate must attach to the request for a duplicate the confirmation that the lost certificate has been declared invalid.

Article 25
Annex to this Instruction

1. The following annexes are part of this Administrative Instruction:

1.1. Program of the Exam for Bankruptcy Administrator;

Article 26
Revocation

Upon the entry into force of this Administrative Instruction, Administrative Instruction No. 03/2017 on the Procedures for the Organization, Content and Holding of the Exam for Bankruptcy Administrator is revoked.

Article 27
Entry into Force

This Administrative Instruction shall enter into force seven (7) days after its publication in the Official Gazette of the Republic of Kosovo.

Blerim Sallahu

Acting Minister of Justice
07/10//2025

ANNEX 1

PROGRAM FOR THE BANKRUPTCY ADMINISTRATOR EXAM

I. BANKRUPTCY PROCEDURE;

1. The subject of bankruptcy proceedings includes the following legal sources:

1.1. Law No. 08/L-256 on Bankruptcy;

1.2. Law No. 08/L-015 on the Commercial Court;

II. CIVIL LAW (MATERIAL AND PROCEDURAL)

2. The subject, the foundations of civil law, commercial law and company law includes the following legal sources:

2.1. Law No. 03/L-154 on Property and Other Real Rights, Part III, articles 18 to 77, Part V, articles 115 to 124 and Part VI, articles 125 to 217.

2.2. Law No. 2002/4 on Mortgages, articles from 3 to 22.

2.3. Law No. 04/L-136 on the registration of pledges in the register of movable property, amended and supplemented by Law No. 08/l-176, articles 4 to 16.

2.4. Law No. 03/L-006 on the contested procedure, amended and supplemented by Law No. 04/L-118, articles 43, 95, 277, 280 and article from 505 to 510.

2.5. Law No. 08/L-237 on the cadastre of immovable property, articles 29 to 37.

2.6. Law No. 04/L- 077 on obligations, articles 373, 725, 782, 783, 802, 803, 944, 997, 1016, 1019 dhe 1043.

III.COMMERCIAL LAW

3. The subject, the foundations of commercial law, includes the following legal sources:

3.1. Law No. 06/L -016 on Bussines organisations, article 24, articles from 112 to 117 and articles from 210 to 215.

3.2. Law No. 02/L-75 on arbitration, articles od 5 do 8.

3.3. Law No. 08/L-075 on trademarks, articles from 9 to 23.

3.4. Law No. 08/L-059 on patents, articles from 20 to 25 and 30 to 34.

3.5. Law No. 08/L- 055 on industrial design, articles 21 -26.

IV.LABOR LAW AND ADMINISTRATIVE LAW

4. The subject, the basics of commercial law includes these legal sources

4.1. Law No. 03/L- 212 on labor, articles from 17 to 19 and 67 to 76.

4.2. Law No. 05/L-031 on general administrative procedure, articles from 125 to 139.

V.BASIC FINANCE AND ACCOUNTING

5. The subject, Basic Finance and Accounting includes these legal sources:

5.1. Law No. 08/L-257 on the administration of tax procedures.

Republika e Kosovës
Republika Kosova-Republic of Kosovo
Qeveria - Vlada – Government

Ministria e Drejtësisë –Ministarstvo Pravde –Ministry of Justice

REGULATION MOJ- No. 06/2025 ON REPORTING THE WORK OF THE BANKRUPTCY ADMINISTRATOR AND DISCIPLINARY PROCEDURE AGAINST THE BANKRUPTCY ADMINISTRATOR [1]

[1]Regulation MoJ- No. 06/2025 on reporting the work of the bankruptcy administrator and disciplinary procedure against the bankruptcy administrator, signed by the Acting Minister of the Ministry of Justice, on 09.10.2025, with Decision No. 395/2025 of 09.10.2025.

The Minister of the Ministry of Justice

Based on Article 170 and 178, (paragraph 11) of Law No. 08/L-256 on Bankruptcy; in accordance with Article 11, paragraph 1, sub-paragraph 1.5 of Law No. 08/L-117 on the Government of the Republic of Kosovo,

Issues:

REGULATION MoJ- No. 06/2025 ON REPORTING THE WORK OF THE BANKRUPTCY ADMINISTRATOR AND DISCIPLINARY PROCEDURE AGAINST THE BANKRUPTCY ADMINISTRATOR

Article 1
Purpose

This Regulation defines the reporting method and content of the bankruptcy administrator's report, as well as the implementation of disciplinary procedures against the bankruptcy administrator in the execution of their professional activities.

Article 2
Scope

This Regulation applies to the Ministry of Justice (hereinafter: the Ministry), bankruptcy administrators, and all relevant institutional mechanisms related to this field.

Article 3
Report on the work of the bankruptcy administrator

1.The administrator is obligated to submit the annual work report to the Ministry and the Chamber of Bankruptcy Administrators (hereinafter: the Chamber) within the first quarter of the following year.

2.The annual reports shall include the following information:

2.1. The total number of cases handled;

2.2. The total number of resolved cases;

2.3. The total number of unresolved cases at the end of the year;

2.4. A summary of the total funds realized during bankruptcy procedures and the total amount of claims.

3. The data from the annual report of the bankruptcy administrator shall be published on the official websites of the Ministry and the Chamber. The data remains public until the next year’s data is published.

Article 4
Reporting Method

1.Bankruptcy administrators shall submit their annual work reports to the Ministry and the Chamber both electronically and in printed form.

2.The report format is outlined in Annex 1 of this Regulation.

Article 5
Body for the implementation of disciplinary proceedings

1. The disciplinary procedure shall be implemented by the Disciplinary Committee (hereinafter: the Committee) in accordance with the relevant provisions of the Bankruptcy Law (hereinafter: the Law) and this Regulation.

2. In matters not regulated by this Regulation, the provisions regulating administrative proceedings shall apply mutatis mutandis.

3. The decision on the disciplinary measure of the bankruptcy administrator shall be taken by the Committee.

4. The administrative and technical work for the Commission is carried out by the Ministry through the relevant Department for Justice System Policies, Liberal Professions and Statistics (hereinafter: the Department).

Article 6
Initiation of disciplinary proceedings

1. Disciplinary proceedings shall commence upon the submission of a proposal for the initiation of disciplinary proceedings against the bankruptcy administrator in accordance with the relevant provisions of the Law.

2. Disciplinary proceedings shall be deemed to have commenced on the day of submission of the proposal for the initiation of disciplinary proceedings to the department.

3. The proposal for the initiation of disciplinary proceedings shall contain the following information:

3.1. name and surname of the bankruptcy administrator;

3.2. disciplinary violation allegedly committed by the bankruptcy administrator;

3.3. facts and evidence on which the proposal is based;

3.4. proposal for evidence to be examined in the disciplinary proceedings;

3.5. proposal for disciplinary measures;

3.6. name, surname and signature of the proposer, respectively the person authorized to initiate the disciplinary procedure.

4. Complaints and initiatives for the initiation of disciplinary proceedings contain the note of the body to which they are submitted and other data specified in paragraph 3 of this article.

5. If the proposal for the initiation of disciplinary proceedings is incomplete, the responsible official in the department will call the proposer or the complainant or initiator himself to complete the proposal within ten (10) days in accordance with paragraph 3 of this article.

6. Upon receipt of the proposal, a case is formed which is registered according to the date of receipt in the register and receives its own number.

7. The department, within twenty (20) days from the date of receipt of the proposal, prepares a report which, together with all received materials, it sends to the Commission.
8. After receiving the proposal, the Commission, within eight (8) days, shall reject the proposal by a conclusion as:

8.1. incomplete, if it does not contain all the data from paragraph 3 of this article;

8.2. not allowed, if it has not been submitted by the persons authorized to initiate disciplinary proceedings.

9. If the Commission, within eight (8) days from the date of receiving the proposal, does not reject the proposal, it shall send a copy of the proposal with the annexes to the bankruptcy administrator, who, within fifteen (15) days, has the right to declare in writing to the Commission regarding his liability and may present facts or arguments to support his legal position.

10. The procedure for determining the disciplinary liability of the bankruptcy administrator must be completed within three (3) months from the date of submission of the proposal.

Article 7
Hearing Session

1. The scheduling, convening and holding of the hearing session shall be carried out in accordance with Article 178 of the Law.

2. The hearing session shall be held at the premises of the Ministry of Justice.

3. The summons for the hearing session shall contain the name and surname of the person summoned, the time and place of the hearing session, the reasons for the summons and the capacity for which the person is summoned.

4. Before the start of the hearing, the Chairperson of the Commission shall verify whether all invited persons are present and shall verify their identity. The hearing session may be held in the absence of the bankruptcy administrator and his/her defense counsel if they have been duly summoned, while they are absent for unreasonable reasons.

Article 8
Exclusion and objection

1. The Chairperson and members of the Commission are obliged to declare whether a potential conflict of interest exists. If such a situation exists, they are obliged to immediately notify the

Minister of Justice (hereinafter referred to as the Minister).

2. The parties to the procedure have the right to request the exclusion of one or more members on the basis of a potential conflict of interest. Such a request shall be submitted to the Commission. The Commission shall adjourn the session and refer the matter to the Minister.

3. If it is established that a conflict of interest exists, the Minister shall decide by decision on the exclusion of the Chairperson or members of the Commission. The Minister's decision shall be final.

4. The Minister shall decide on the exclusion or rejection of the Chairperson or members of the Commission within a period of five (5) days.

5. If the exclusion and objection are not covered by this Regulation, the provisions of the law on contested procedure that regulate the exclusion or objection shall apply accordingly.

Article 9
Recording of the disciplinary hearing

1. Disciplinary hearings shall be recorded audio or visual. The recording of disciplinary hearings shall serve as the official record of the proceedings.

2. By way of exception to paragraph 1 of this Article, in certain cases, the disciplinary hearing may be held without recording the disciplinary hearing, for which the consent of the majority of the members of the Commission shall be required.

Article 10
Opening of the Hearing

1. If the conditions for holding the hearing are met, the Chairperson of the Commission shall open the hearing and declare:

1.1 the name of the case;

1.2 the file number;

1.3 the date, time and place of the hearing;

1.4 the composition of the members present;
1.5 the parties to the proceedings;

1.6 the representatives of the parties to the proceedings present, if any, and

1.7 other participants in the proceedings.

2. The Chairperson of the Commission shall determine whether the parties agree on the composition of the Commission and are willing to continue the disciplinary hearing.

3. The Chairperson of the Commission shall offer the bankruptcy administrator the opportunity to accept disciplinary responsibility. In such a case, the Commission may impose a more lenient disciplinary measure.

4. The Chairman of the Commission gives the floor to the bankruptcy administrator or his defense counsel, and then to the witnesses and other summoned persons, in which case he takes care of maintaining the order of the disciplinary procedure.

5. The Chairman and members of the Commission may ask questions and request explanations from the bankruptcy administrator and the complainant or their defense counsel and others who assist them. After the declaration of the bankruptcy administrator, the complainant or their defense counsel, the Commission proceeds to the examination of the proposed evidence. The evidence is examined by reading or questioning the witnesses and, if necessary, an expert opinion is also appointed.

6. The hearing session, as a rule, ends on the same day it began.

Article 11
Effects of the Hearing

1. The person appointed by the Chairperson of the Commission for the hearing session shall keep minutes, which shall contain data on the composition of the Commission, the submitter of the proposal, the bankruptcy administrator and his/her defense counsel if he/she has appointed one, the legal basis for the disciplinary violation, the basic content of the bankruptcy administrator's statement, the witnesses and the evidence examined.

2. The minutes shall be signed by: the Chairperson, the bankruptcy administrator against whom the disciplinary procedure is being conducted, respectively his/her defense counsel and the record keeper. If the bankruptcy administrator or his/her defense counsel refuse to sign the minutes, the reasons for refusal shall be noted.

3. A copy of the minutes shall be provided to the parties to the procedure.

Article 12
Issuance of the Commission's decision

1. After the hearing session, the Chairperson of the Commission shall issue a decision. A separate record shall be drawn up for consultation and voting, which shall contain:

1.1. the composition of the Commission;

1.2. the place and time of the consultation;

1.3. the course of voting, and

1.4. the disciplinary measure imposed.

2. Separate opinions, if any, shall be noted in the record. The record of consultation and voting shall be signed by all members of the Commission and the record keeper, and shall be closed in a separate envelope, and may only be viewed by the court competent to decide on the administrative conflict.

3. Decisions shall be issued by the Commission, and shall be signed by the Chairperson of the Commission.

4. The decision to impose a disciplinary measure shall contain:

4.1. an introduction, in which the data of the members who issued the decision and the date of issuance of the decision shall be noted;

4.2. the name and surname of the proposer;

4.3. the disposition, which states the type of disciplinary measure imposed and a brief description of the violation;

4.4. the reasoning, which states the facts and evidence on which the factual situation was established, the level of assessment of the evidence examined and the circumstances taken into account when imposing the disciplinary measure; and

4.5. the instruction on the legal remedy.

Article 13
Actions of the Commission in urgent cases

1. Urgent cases are considered when:

1.1. an indictment has been filed against the bankruptcy administrator;

1.2. the bankruptcy administrator has been arrested, detained or detained.

2. In urgent cases specified in paragraph 1 of this article and in order to maintain public confidence in the bankruptcy administrator, the Commission shall act urgently and conclude the disciplinary matter in its entirety within 24 hours.

3. The Minister shall be immediately informed of the decision taken by the Commission in such urgent cases.

4. The publication of the case in the media constitutes sufficient grounds for the responsible bodies to submit a proposal for disciplinary measures.

5. The urgent issuance of a disciplinary measure by the Commission shall not prevent the department from preparing a full disciplinary report against the bankruptcy administrator.

Article 14
Records of disciplinary proceedings

1. The Ministry shall keep records of disciplinary proceedings, the number and date of the disciplinary decision, the type of measure imposed, as well as the decision to temporarily suspend the bankruptcy administrator for the duration of the disciplinary procedure, the termination of those measures, and other important data for permanent records regarding the development and outcome of the disciplinary procedure.

2. After the expiry of a period of three (3) years from the date of the final decision to impose a disciplinary measure, regardless of the degree of responsibility and the disciplinary measure, except for the dismissal of the bankruptcy administrator from office, the imposed disciplinary measures shall not create any legal consequences against the bankruptcy administrator.

Article 15
Entry into force

This Regulation shall enter into force seven (7) days after its publication in the Official Gazette of the Republic of Kosovo.

Blerim Sallahu

Acting Minister of Justice
09/10//2025

ANNEX 1

Report on the work of the Bankruptcy Administrator

_____

Name, surname, year of report

The total number of cases in the work	Total number of resolved cases	Total number of outstanding cases at the end of the year	The amount of total funds realized by actions	Additional remarks

Prishtina, date,

Bankruptcy Administrator

_____

Republika e Kosovës
Republika Kosova-Republic of Kosovo
Qeveria - Vlada – Government

Ministria e Drejtësisë –Ministarstvo Pravde –Ministry of Justice

REGULATION MoJ - No. 05/2025 ON THE WORK OF THE EVALUATION COMMISSION FOR ASSESSING CANDIDATES FOR LICENSING BANKRUPTCY ADMINISTRATORS[1]

[1] Regulation Moj - No. 05/2025 on the work of the Evaluation Commission for assessing Candidates for Licensing Bankruptcy Administrator, signed by the Acting Minister of the Ministry of Justice, on 13.10.2025, with Decision No. 396/2025 of 13.10.2025.

The Minister of the Ministry of Justice,

Based on Article 168 (paragraph 7) of Law No. 08/L-256 on Bankruptcy; in accordance with Article 11, paragraph 1, sub-paragraph 1.5 of Law No. 08/L-117 on the Government of the Republic of Kosovo,

Issues:

REGULATION MoJ - No. 05/2025 ON THE WORK OF THE EVALUATION COMMISSION FOR ASSESSING CANDIDATES FOR LICENSING BANKRUPTCY ADMINISTRATORS

Article 1
Purpose

This Regulation defines the work of the Commission for the Evaluation of Candidates for Licensing as Bankruptcy Administrators (hereinafter: the Evaluation Commission).

Article 2
Scope

The provisions of this Regulation shall apply to all procedures related to the licensing of bankruptcy administrators.

Article 3
Evaluation Commission for Candidates

1.The Evaluation Commission for candidates bankruptcy administrators (hereinafter: the Evaluation Commission) is appointed by the Minister of Justice.

2. The mandate of the Evaluation Commission is three (3) years.

Article 4
Announcement for Licensing Applications

The Ministry announces the competition for licensing applications as bankruptcy administrators through the Electronic System of Free Professions (hereinafter: SEPL) and on the official website of the Ministry, in the official languages, in accordance with the relevant Law on the Use of Languages.

Article 5
Content of the Public Competition for Licensing Bankruptcy Administrators

1. Applications for licensing a bankruptcy administrator are submitted electronically through the *e-Kosova* platform. The application includes the following information:

1.1. The period within which the application must be submitted;

1.2. The required documentation;

1.3. Notification of candidates' rights;

1.4. A contact phone number.

2.If electronic application through the *e-Kosova* platform is not possible, applications may be submitted through other means as provided by the rules for filing requests under the relevant Law on General Administrative Procedure.

3.The public competition for licensing applications, as specified in paragraph 1 of this article, will remain open for thirty (30) days after the announcement.

Article 6
Documents Required for Licensing a Bankruptcy Administrator

1.Applicants must submit the following documents when applying for licensing:

1.1. Proof that they have not been deprived of legal capacity;

1.2. A medical certificate;

1.3. A certificate of passing the bankruptcy administrator examination.

Article 7
Responsibilities of the Evaluation Commission

1.After evaluating the applications and documentation of candidates, the Evaluation Commission prepares an evaluation report within five (5) working days. This report, containing a list of candidates proposed for licensing bankruptcy administrators, is submitted to the Minister of Justice.

2.The evaluation report includes, but is not limited to, the reasons for rejecting any candidate from appointment.

3. The evaluation report must be signed by all members of the Evaluation Commission.

4.The evaluation report for each candidate is generated by the SEPL.

5.The signing of the list of candidates proposed for licensing, as mentioned in paragraph 1 of this article, is carried out in accordance with the rules set forth in the relevant Law on General Administrative Procedure.

Article 8
Chairperson of the Evaluation Commission

1.The Chairperson of the Evaluation Commission:

1.1 Convenes and presides over meetings of the Evaluation Commission;

1.2 Ensures the implementation of this Regulation;

1.3 Performs other duties in accordance with this Regulation.

Article 9
Responsibilities of the Members of the Evaluation Commission

1.Members of the Evaluation Commission have the following responsibilities:

1.1.regularly attend meetings of the Evaluation Commission, except in justified cases, in which they are obliged to inform the Chairperson of the Evaluation Commission;

1.2.maintain the confidentiality of information related to their work in evaluating applications and documents, and refrain from disclosing information pertaining to the evaluation process;

1.3.avoid conflicts of interest in accordance with the applicable law on preventing conflicts of interest.

Article 10
Administrative and Professional Duties

The technical administrative and professional duties for the Evaluation Commission are performed by the relevant department for justice system policies, free professions, and statistics within the Ministry of Justice.

Article 11
Entry into Force

This Regulation enters into force seven (7) days after its publication in the Official Gazette of the Republic of Kosovo.

Blerim Sallahu

Acting Minister of Justice

13/10/2025

Republika e Kosovës
Republika Kosova - Republic of Kosovo
Qeveria – Vlada – Government
Ministria e Drejtësisë - Ministarstvo Pravde – Ministry of Justice

REGULATION MoJ – NO. 01/2026 ON THE FEES OF BANKRUPTCY ADMINISTRATORS AND MONITORS[1]

[1] Regulation MoJ - No. 01/2026 on the Fees of Bankruptcy Administrators and Monitors, signed by the Deputy Prime Minister and Minister of Justice on 23.06.2026, by Decision No. 123/2026, dated 23.06.2026.

Deputy Prime Minister and Minister of Justice,

Pursuant to Article 10 (paragraph 3) and Article 88 (paragraph 1) of Law No. 08/L-256 on Bankruptcy, in accordance with Article 11 (paragraph 1, subparagraph 1.5) and Article 12 of Law no. 08/L-117 on the Government of the Republic of Kosovo,

Issues:

REGULATION MoJ – NO. 01/2026 ON THE FEES OF BANKRUPTCY ADMINISTRATORS AND MONITORS

Article 1
Purpose

This Regulation determines the amount, method of calculation, approval and payment of the fees of bankruptcy administrators and monitors.

Article 2
Scope

The provisions of this Regulation are mandatory for all bankruptcy administrators and monitors appointed in bankruptcy proceedings by the competent courts in the Republic of Kosovo.

Article 3
Types of Fees

1. The bankruptcy administrator and the monitor have the right to be compensated for their work performed in the bankruptcy procedure.

2. The compensation under paragraph 1 of this Article includes:

2.1. fixed base fee;

2.2. real distribution-linked fee;

2.3. additional compensation for complex cases.

Article 4
Fixed base fee

1. The bankruptcy administrator is entitled to a fixed base fee as follows:

1.1. fee in the amount of two hundred and fifty (250) euros, for procedures under bankruptcy measure up to twenty-five thousand (25,000) euros;

1.2. fee in the amount of five hundred (500) euros, for procedures under bankruptcy measure from twenty-five thousand and one (25,001) to fifty thousand (50,000) euros;

1.3. fee in the amount of one thousand (1,000) euros, for procedures under bankruptcy measure from fifty thousand and one (50,001) to one hundred thousand (100,000) euros;

1.4. fee in the amount of one thousand five hundred (1,500) euros, for procedures under bankruptcy measure higher than one hundred thousand (100,000) euros.

Article 5
Fees related to real distributions

1. In addition to the fixed base fee, the bankruptcy administrator is entitled to a fee that is based on the value of real distributions made to creditors.

2. The fee is calculated as per the following scale:

2.1. ten percent (10%) for the portion of distribution up to ten thousand (10,000) euros;

2.2. eight percent (8%) for the portion of distribution from ten thousand and one (10,001) to fifty thousand (50,000) euros;

2.3. six percent (6%) for the portion of distribution from fifty thousand and one (50,001) to two hundred and fifty thousand (250,000) euros;

2.4. four percent (4%) for the portion of distribution from two hundred and fifty thousand and one (250,001) to one million (1,000,000) euros;

2.5. two percent (2%) for the portion of distribution above one million (1,000,000) euros.

3. For the purposes of this article, the value of distributions shall also include payments to secured creditors.

Article 6
Additional compensation for complex cases

1. The court may approve additional compensation up to thirty percent (30%) of the administrator’s general fee, if it is established that the case involves:

1.1. a large number of creditors;

1.2. numerous assets or assets distributed in different locations;

1.3. correlated legal proceedings;

1.4. necessity for ongoing business management;

1.5. complex financial or corporate assets;

1.6. cross-border proceedings.

2. Any additional compensation must be justified by a separate report from the administrator and approved by the court.

Article 7
Monitor's fees

1. The monitor has the right to a fixed base fee for the work performed in the procedure where the debtor is a small and medium-sized enterprise.

2. The fixed base fee is determined as follows:

2.1. fee in the amount of five hundred (500) euros for procedures lasting up to three (3) months;

2.2. fee in the amount of one thousand (1,000) euros for procedures lasting from three (3) to six (6) months;

2.3. fee in the amount of one thousand five hundred (1,500) euros for procedures lasting over six (6) months

3. In cases where the monitor contributes to the preparation, negotiation or approval of a reorganization plan, the court may approve additional compensation of up to two percent (2%) of the value of the restructured liabilities, but not more than twenty thousand (20,000) euros.

4. In complex cases, the court may approve additional compensation of up to thirty percent (30%) of the fixed base fee of the monitor**.**

5. The monitor has the right to reimbursement of necessary documented expenses.

Article 8
Procedure for approval of fees and expenses

1. The bankruptcy administrators and the monitor shall submit a written request for approval of fees and expenses to the court.

2. The request shall contain:

2.1. description of the work performed;

2.2. report of distributions made, when a base fee is requested based on real distributions;

2.3. calculation of the fee;

2.4. list of expenses;

2.5. supporting documentation.

3. Creditors and the debtor have the right to submit objections regarding the requested fees and expenses.
4. The court shall decide on the approval of fees and expenses by a reasoned ruling.

Article 9
Restrictions

1. The bankruptcy administrator and the monitor are not entitled to a fee or compensation for the part of the procedure that is caused by their delay, negligence or inaction.

2. The court may reduce the fee of the administrator or monitor by up to 30% if the administrator or monitor:

2.1. has unreasonably delayed the procedure;

2.2. has not reported in time within the established deadlines;

2.3. has not taken the necessary actions to protect the bankruptcy measure or the interests of creditors;

2.4. has incurred unnecessary and disproportionate expenses.

Article 10
Entry into force

This Regulation shall enter into force on the day of its publication in the Official Gazette of the Republic of Kosovo.

Donika Gërvalla – Schwarz

Deputy Prime Minister and Minister of Justice

23/06/2026