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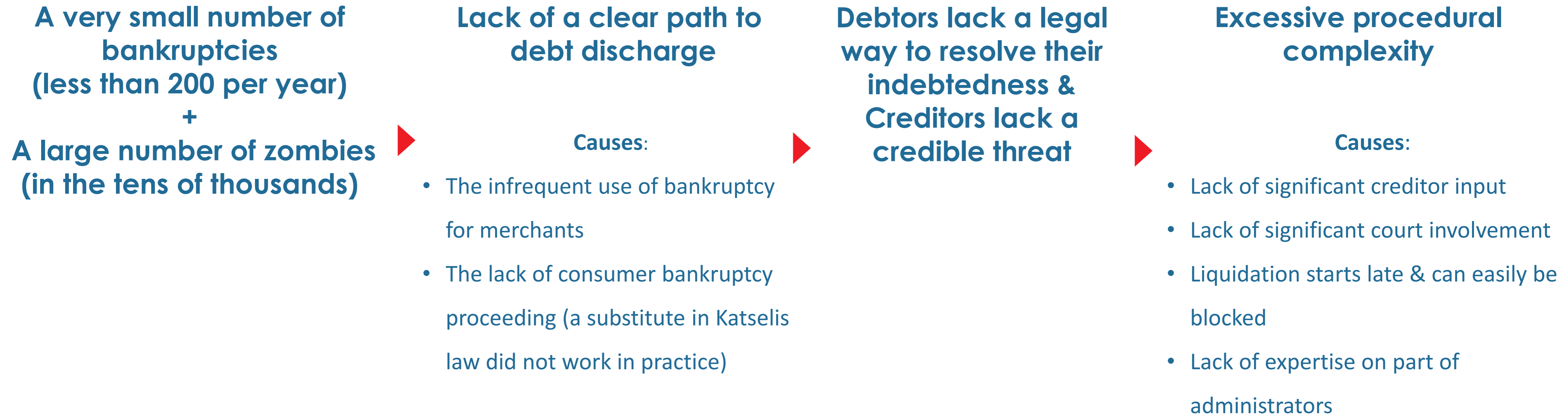
Capital Link Webinar

Improvements to the bankruptcy framework

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Deficiencies of current Greek insolvency framework

The background against which the new Code is introduced



#01.

#02.

#03.

#04.

The New Code



1st important reform

The speeding up of liquidation



2nd important reform

The strengthening of the role of creditors



3rd important reform

**The use of a digital registry for all
announcements, communications and for
the registration of procedural steps**



4th important reform

The introduction of consumer bankruptcy

4 Important Reforms

1st - The speeding up of liquidation

- At the time of bankruptcy declaration, court decides on piecemeal or going concern liquidation
- Going concern liquidation to be considered if supported by significant creditor percentage
- If adopted follows the procedure of the existing special administration proceeding
 - Streamlined selling of the business in one or more parts (which may also involve distinct assets)
 - Public sale without minimum price. *Where applied this process has worked swiftly*
- If piecemeal, assets sold in lots on the **e-auction platform**

Minimum price adjusted automatically in case no eligible offers received

New auction within 20 days

After 3rd unsuccessful auction, 3 months to seek bilateral sale

- If no sale then new e-auction without minimum price

Disputes among creditors on distribution to be resolved in one hearing at the time of distribution

2nd - The strengthening of the role of creditors

- The preference of the largest creditor is given particular weight in the court's appointment of the administrator and creditors are entitled to receive reports on progress every semester
- Creditors are given access to information on debtor through the administrator
- Creditors are also given the right to sue management for trading while insolvent
- Critically, except for going concern liquidations, bankruptcy to not impede enforcement by secured creditors
- Reducing privileges of the tax authorities and social security funds; towards a **more equal treatment among creditors**

3rd - The use of a digital registry for all announcements, communications and for the registration of procedural steps

- All publications are to be made on the digital platform
- Communications to and from the creditors via this registry
- The registry is also able to host creditor assembly voting
- The digital platform will allow compilation of statistics and **identification of procedural weakness for improvements**

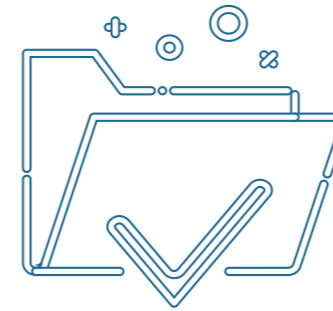
4th - The introduction of consumer bankruptcy

- **Bankruptcy proceedings** divided between big and small **depending on size of debtor**
- Small are streamlined and are expected to include most consumer bankruptcies (consumer procedure identical to small enterprises). Only piecemeal liquidation
- Bankrupt individuals discharged on their debts after 3 years, but creditors may object in cases of fraud or lack of full disclosure or lack of cooperation
- Individuals who contribute significant assets to estate may be discharged in one year
- Debts not discharged limited to certain penal sanctions and family maintenance

To Summarise:

Bankruptcy may be expected to have more substantial contribution to a quick restoration of productive means to potentially productive uses, providing creditors with a reasonable recovery and offering good faith debtors with a second (and third and fourth...) chance

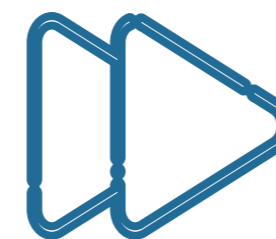
We are introducing a new framework, making bankruptcy:



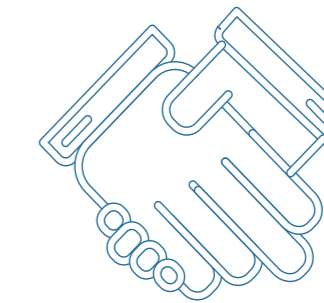
Simpler



**More
Transparent**



Faster



Fairer

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Thank You!

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