

Legea 85/25-iun-2014 LAW no. 85 of 25 June 2014 on insolvency prevention and insolvency procedures (traducere)

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Legea 85/25-iun-2014 (traducere) LAW no. 85 of 25 June 2014 on insolvency prevention and insolvency procedures (traducere)

Data act: 25-iun-2014

Emitent: Parlamentul

The Parliament of Romania adopts this law.

TITLE 0:PRELIMINARY TITLE

CHAPTER I:Regulatory scope

Article 1

This law establishes the rules in the field of insolvency prevention and insolvency.

Article 2

The purpose of this law is to establish insolvency prevention procedures to which debtors in difficulty may resort and, respectively, collective insolvency procedures to cover the debtor's liabilities, within which the debtor benefits, when possible, from the chance to recover his activity.

Article 3

(1)The procedures provided for in this Law shall apply to professionals as defined in Article 3(2) of Law no. 287/2009 on the Civil Code, republished, with subsequent amendments, except for those regarding which special provisions are provided regarding the regime of prevention of insolvency

and their insolvency. In the case of liberal professions, the procedures provided for by this law concern their undertaking, and not their professional status.

(2) If a professional individual in insolvency has both personal and professional debts, which either cannot be reasonably separated or are in divisions of the patrimony constituted according to Article 2.324 paragraph (3) of Law no. 287/2009, republished, with subsequent amendments, they are treated within the insolvency procedure provided for by this law, in order to obtain the definitive discharge of obligations.

(3) If a professional natural person in insolvency has both personal debts and professional debts that are part of divisions of the patrimony constituted according to Article 2.324 paragraph (4) of Law no. 287/2009, republished, with subsequent amendments, the latter are treated within the insolvency procedure provided for by this law, in order to obtain the discharge of obligations.

(4) The procedures provided by this law are not applicable to pre-university and university education units and institutions and to the entities provided for in Article 7 of Government Ordinance no. 57/2002 on scientific research and technological development, approved with amendments and completions by Law no. 324/2003, with subsequent amendments and completions.

(5) The provisions of Title I shall not apply:

a) credit institutions, investment firms, as well as other financial institutions and entities subject to the provisions of Law no. 312/2015 on the recovery and resolution of credit institutions and investment firms, as well as for the amendment and completion of certain normative acts in the financial field, with subsequent amendments and completions, to undertakings for collective investment in transferable securities, as defined in Article 2 paragraph (1) of the Government Emergency Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for amending and supplementing Law no. 297/2004 on the capital market, approved with amendments and completions by Law no. 10/2015, as subsequently amended and supplemented, and alternative investment funds, defined in Article 3 item 20 of Law no. 74/2015 on alternative investment fund managers, as subsequently amended and supplemented;

b) insurers and reinsurers, as defined by Article 1(2)(3) and 45 of Law no. 237/2015 on the authorization and supervision of the insurance and reinsurance activity, with subsequent amendments and completions, subject to the provisions of the aforementioned law, as well as Law no. 246/2015 on the recovery and resolution of insurers, with subsequent amendments;

c) CCPs, as defined in Article 2(1) of Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;

d) central securities depositories, as defined in Article 2(1)(1) of Regulation (EU) No 2(1). 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) no. 236/2012.

(6) With regard to insolvency prevention procedures, this law does not affect the rights and obligations of the debtor with regard to the personal assets accumulated by the debtor in a privately managed pension fund and/or in voluntary pension funds and/or occupational pension funds or in respect of the private pensions from which the debtor benefits, under and under the conditions of the legislation on private pensions.

CHAPTER II: Principles and definitions

SECTION 1: Principles

Article 4

The provisions of this law are based on the following principles:

1. maximizing the degree of capitalization of assets and recovery of debts;
2. giving debtors a chance for efficient business recovery, in order to maintain economic activity and protect jobs, through the debtor's effective access to early warning means, through insolvency prevention procedures or through the judicial reorganization procedure, without prejudice to other recovery solutions;
3. ensuring efficient insolvency and insolvency prevention procedures, including through adequate mechanisms for communication and conduct of the procedure in a timely and reasonable manner, in an objective and impartial manner, with a minimum of costs, likely to lead to the discharge of obligations;
4. ensuring equal treatment of creditors of the same rank;
5. ensuring a high degree of transparency and predictability in the procedures provided for by this law;
- 5¹. the protection of competitive information on the debtor's business, without hindering creditors' access to the necessary and relevant information to enable them to take a decision in insolvency prevention and judicial reorganisation proceedings;
6. recognition of creditors' existing rights and respect for the order of priority of claims, based on a set of clearly determined and uniformly applicable rules;

7. limiting credit risk and systemic risk associated with derivatives transactions by recognising immediate set-off in the event of insolvency or a co-contractor's insolvency prevention procedure, with the effect of reducing credit risk to a net amount due between the parties or even to zero where, in order to hedge the net exposure, financial guarantees have been transferred;
8. ensuring access to sources of financing in the insolvency prevention procedures, during the observation and reorganization period, with the granting of an adequate treatment, priority to payment, in order to protect these claims;
9. substantiating the vote for the approval of the restructuring or reorganization agreement/plan on clear criteria, ensuring equal treatment between creditors of the same rank, recognition of comparative priorities and acceptance of a majority decision, with the other creditors being offered equal or higher payments than they would receive in the case of the next optimal or bankrupt alternative, as the case may be;
10. favoring, in insolvency prevention procedures, the amicable negotiation/renegotiation of receivables and the conclusion of a restructuring agreement or, as the case may be, of an arrangement with creditors, ensuring the continuity of the enterprise;
11. timely and efficient capitalization of assets;
12. in the case of the group of companies, coordinating the insolvency prevention and insolvency procedures, in order to take an integrated approach to them;
13. administration of insolvency prevention and insolvency procedures by insolvency practitioners and their conduct under the control of the court, within the limits provided by this law.

SECTION 2: Definitions

Article 5

(1) For the purposes of this law, the terms and expressions have the following meanings:

1. Bilateral netting agreement represents:

- a) any master netting agreement – any agreement or clause in a qualified financial contract between two parties, which provides for a netting of payments or a performance of obligations or a realization of present or future rights arising out of or in connection with one or more qualified financial contracts;
- b) any master netting agreement - master netting - any master netting agreement between two

parties, which provides for netting between two or more master netting agreements;

c) any collateral agreement or in connection with one or more master netting agreements;

2. Current activities are those activities of production, trade or provision of services and financial operations, proposed to be carried out by the debtor during the observation period and during the reorganization period, in the normal course of its activity, such as:

a) the continuation of the contracted activities and the conclusion of new contracts, according to the object of activity;

b) carrying out the related collection and payment operations;

c) ensuring the financing of working capital within current limits;

3. (text of Article 5(1)(3) of Title 0, Chapter II, Section 2 was repealed on 14 December 2015 by Article 630(1) of Title XI, Chapter II of Law 312/2015)

4. special administrator is the natural or legal person appointed by the general meeting of shareholders/associates/members of the debtor, empowered to represent their interests in the procedure and, when the debtor is allowed to manage its activity, to perform, in its name and on its behalf, the necessary administrative acts;

4¹. independent assembly represents a group of assets of the debtor that ensures the realization of goods or services and allows the development of the company's activity;

5. the debtor's assets represent the totality of his assets and patrimonial rights, including those acquired during the insolvency proceedings, which may be subject to forced execution according to the Code of Civil Procedure;

5¹. early warning is the alert to the existence of circumstances that could give rise to the debtor's state of difficulty or insolvency and that can signal to the debtor the need to act without delay and/or the provision, free of charge, of information on recovery solutions;

6. The Bulletin of Insolvency Proceedings, hereinafter referred to as BPI, is the publication published by the National Trade Register Office, which aims to publish summonses, summonses, notifications and communications of procedural acts carried out by the courts, the judicial administrator/judicial liquidator after the opening of the insolvency procedure provided for by this law, as well as other acts that, according to the law, must be published;

7. The center of the debtor's main interests, in the case of the insolvency procedure with a foreign element, is, until proven otherwise, as the case may be:

a) the registered office of the legal entity;

b) the place of business of the natural person exercising an economic activity or a self-employed

profession;

c)the domicile of the natural person who does not exercise an economic activity or a self-employed profession;

8. The joint application for the opening of the insolvency procedure is the request made by the debtor or creditor, with the purpose of opening the insolvency procedure simultaneously against 2 or more members of the group of companies, within separate files, assigned for resolution to the same syndic judge;

8¹. ongoing contracts are those contracts that have not been fully or substantially executed by all parties on the date of confirmation of the restructuring agreement or, as the case may be, on the date of the opening of the arrangement with creditors or insolvency proceedings;

8². Essential ongoing contracts are contracts in the category referred to in paragraph 8¹ necessary for the continuation of the current business, including those for the supply of goods or services, the suspension of which would lead to its interruption, including but not limited to leasing, licensing, franchising, long-term supply such as electricity, water, telecommunications, gas;

9. Control is the ability to determine or influence in a dominant way, directly or indirectly, the financial and operational policy of a company or the decisions at the level of the corporate bodies. A person will be considered in control when:

a)directly or indirectly holds a qualified shareholding of at least 40% of the voting rights of that company and no other partner or shareholder directly or indirectly holds a higher percentage of voting rights;

b)directly or indirectly holds the majority of the voting rights in the general meeting of the respective company;

c)as a partner or shareholder of that company, he has the power to appoint or dismiss the majority of the members of the administrative, management or supervisory bodies;

10. captive consumer is the consumer who, for technical, economic or regulatory reasons, cannot choose the supplier;

11. The qualified financial contract is:

a)any contract concerning derivative transactions;

b)any repo agreement and reverse repo agreement;

c)any buy-sellback and sell-buyback contract; and

d)any contract having as its object securities lending operations, carried out on regulated

markets, assimilated markets or markets to good understanding, as they are regulated;

12. A bilateral compensation contract is any of the following:

I.(A) any contract or clause contained in a contract concluded between the debtor credit institution and any other entity, including natural persons, having as its object derivative transactions carried out on regulated markets, assimilated markets or on markets to good understanding, stipulating the set-off of payment obligations or obligations to make, present or future, arising out of or in connection with one or more such contracts, including any warranty incidental to or relating thereto; or

II.(B) any contract or clause, of the nature provided for in point A, stipulating the set-off of payment obligations or obligations to make, present or future, arising out of one or more bilateral set-off contracts, including any collateral or related thereto, pursuant to which bilateral contractual set-off may be made in one or more of the following ways:

- a) the extinguishing and/or bringing forward the maturity of any payment obligation or obligations arising from one or more contracts in the category of those provided above;
- b) the calculation or estimation of a compensation value, market values, liquidation values or replacement values of any obligation that has been extinguished or whose maturity has been brought forward according to the provisions of letter a);
- c) conversion into a single currency of any value calculated in accordance with point (b);
- d) the offsetting, until a net amount is obtained, of any values calculated according to the provisions of letter b), as converted according to the provisions of letter c);
- e) liquidation of assets and rights from the assets of the debtor credit institution;

12¹. payment agreement - the agreement between the debtor and the creditor regarding the extinguishment in one or more installments of the obligations at terms other than those due according to the contractual or legal provisions;

13. procedural coordination is the set of measures designed to correlate the insolvency proceedings opened against the members of a group of companies, in order to ensure the speed and harmonization of the procedures, as well as the minimization of costs;

14. Budgetary receivables represent the receivables consisting of taxes, fees, contributions, fines and other budgetary revenues, as well as their accessories. It retains this nature and the budgetary receivables that are not fully covered by the value of the privileges, mortgages or pledges held, for the part of the uncovered receivable;

15. Claims that benefit from a preference cause are those claims that are accompanied by a lien and/or a mortgage right and/or rights assimilated to the mortgage, according to Article 2.347 of

the Civil Code, and/or a pledge right on the debtor's assets, regardless of whether the debtor is the main debtor or a third party guarantor towards the beneficiaries of the preference cases. If the debtor is a third-party guarantor, the creditor who benefits from a preferential cause will exercise the correlative rights only with regard to the property or right in question. These causes of preference have the meaning given to them by the Civil Code, unless otherwise provided by special law;

16. The category of disadvantaged receivables is considered to be the category of receivables for which the reorganization plan provides for at least one of the following changes for the receivables of that category:

- a) a reduction of the amount of the claim and/or its accessories to which the creditor is entitled under this law;
- b) a reduction of guarantees or rescheduling of payments to the detriment of the creditor, without the express consent of the creditor;

16¹. disputed claims are claims whose existence or extent is disputed and in respect of which no final decision has been rendered by the date of drawing up the restructuring agreement or, as the case may be, of the opening of the composition procedure;

16². unaffected claims are claims that are not directly modified by a restructuring agreement or arrangement with creditors; any claim not included in the list of affected claims is an unaffected claim;

17. (the text of Article 5(1), point 17 of Title 0, Chapter II, Section 2 was repealed on 17 July 2022 by Article I, point 10 of Law 216/2022)

18. Salary claims are claims arising from employment relationships and similar relationships between the debtor and his employees. These claims are automatically recorded in the table of claims by the judicial administrator/liquidator;

19. The creditor entitled to participate in the procedure is the holder of a right of claim on the debtor's property, who has registered a request for registration of the claim, following the admission of which he acquires the rights and obligations regulated by this law for each stage of the procedure. The quality of creditor ceases as a result of the non-registration or removal from the creditors' tables drawn up successively in the procedure, as well as by the closure of the procedure; the debtor's employees have the status of creditor, without personally submitting the debt statements;

20. The creditor entitled to request the opening of the insolvency procedure is the creditor

whose claim on the debtor's patrimony is certain, liquid and payable for more than 60 days. By certain claim, within the meaning of this law, we mean that claim whose existence results from the debt deed itself or from other acts, even inauthentic, emanating from the debtor or recognized by him. The creditors will be able to request the opening of the insolvency procedure only if, after the compensation of the mutual debts, of any nature, the amount due to them exceeds the amount provided for in item 72;

*) In the interpretation and application of the provisions of Article 5 item 20, in conjunction with the provisions of Article 1.617 paragraph (1) and (3) of the Civil Code, establishes that: The waiver of set-off is compatible with the insolvency procedure, unless the claim subject to set-off belongs to the creditor entitled to request the opening of the procedure.

It is permissible to invoke the legal set-off of the mutual debts between a creditor registered in the insolvency estate and the debtor in insolvency, by another creditor entitled to participate in the procedure, if the latter can prove the damage caused by the refusal or negligence of the insolvent debtor and the insolvency practitioner in exercising this right.

21. A creditor with current claims or a current creditor is a creditor who has certain, liquid and payable claims arising during the insolvency proceedings, and who has the right to have his claim paid as a matter of priority, according to the documents from which it results;

22. Unsecured creditors are the creditors of the debtor registered in the tables of claims that do not benefit from a cause of preference. Unsecured creditors are creditors who benefit from preferential causes, whose claims are not fully covered by the value of the privileges, mortgages or pledges held, for the part of the uncovered claim. The mere registration of a claim in the Electronic Archive of Security Interests does not determine its transformation into a claim that benefits from a preferential cause;

23. indispensable creditors are suppliers that cannot be replaced under reasonable economic or financial conditions, in relation to the continuation of the debtor's activity;

24. foreign creditor is the creditor whose domicile or, as the case may be, registered office is in a foreign state;

25. The date of the opening of the procedure is:

a) in the case of the debtor's request to open the procedure, the date of pronouncement of the syndic judge's conclusion, provided for in Article 71;

b) in the case of the creditor's request to open the procedure, the date of pronouncement of the syndic judge's sentence, provided for in Article 72;

c) in the case of cross-border insolvency, the time at which the decision to open the procedure takes effect, even if it is not final;

26. the debtor is the natural or legal person who may be subject to a procedure provided for by this law;

26¹. Definitive discharge of obligations represents the extinguishment, under the conditions of this law, of the differences between the debts existing on the date of the opening of the procedure and the debts reduced by a restructuring agreement, composition plan or reorganization, as the case may be, as a result of the closure of the procedure for the reason of the successful fulfillment of the agreement/plan proposed under the law. In the event of bankruptcy, it operates on the basis of the final decision closing the procedure;

26². hardship is the condition generated by any circumstance that causes a temporary impairment of the activity that gives rise to a real and serious threat to the debtor's future ability to pay its debts when due, if appropriate measures are not taken; the debtor in difficulty is able to perform its obligations as they become due;

27. (text of Article 5(1), point 27 of Title 0, Chapter II, Section 2 was repealed on 17 July 2022 by Article I, point 13 of Law 216/2022)

28. The extract of the activity report represents a summary of the measures taken by the judicial administrator/liquidator. The mention of the following elements is mandatory:

a) the specialized persons designated according to the provisions of Article 61, as well as their fees;

b) the acts of disposition on the debtor's assets and the documents concluded in this regard, including the adjudication report or the sale contract, as the case may be;

c) the conclusion, modification or termination of contracts to which the debtor is a party;

d) the situation of receipts and payments, in summary;

e) promoting actions provided for in Articles 117 to 122 or Article 169;

f) measures to provide adequate protection to the creditor who benefits from a preferential cause;

g) the status of the inventory, if applicable;

28¹. Interim financing means any financing, including the provision of guarantees, supplier credit with a payment term of more than 90 days, granted by an existing creditor or a new creditor, for the period of suspension of individual foreclosures, in the arrangement with creditors procedure and during the observation period, in the insolvency procedure. It must be reasonable and immediately necessary for the debtor's activity to continue to be carried out or

for the value of the debtor's business to be preserved or increased;

28². new financing means any financing, including collateral, supplier credit with a payment term of more than 90 days, granted by an existing creditor or a new creditor, for the purpose of implementing an agreement/restructuring plan/reorganization plan and included therein;

29. insolvency is that state of the debtor's patrimony which is characterized by the insufficiency of the funds available for the payment of certain, liquid and payable debts and which is presumed when the debtor, after 60 days from the maturity, has not paid his debt to the creditor; the presumption is relative;

30. The insolvency of the credit institution is that state of the credit institution in one of the following situations:

- a) manifest inability to pay the debts due with the cash availability;
- b) the decrease below 2% of the credit institution's solvency indicator;
- c) withdrawal of the authorization to operate the credit institution, according to the legal provisions, as a result of the impossibility of financial recovery of a credit institution;

31. The insolvency of the insurance/reinsurance company is that state of the insurance/reinsurance company characterized by one of the following situations:

- a) manifest inability to pay the debts due with the cash availability;
- b) withdrawal of the operating authorization following the finding of non-compliance or impossibility of restoring the level of eligible own funds to cover SCR - solvency capital requirement and/or MCR - minimum capital requirement, according to Law no. 237/2015, as subsequently amended and supplemented, cumulatively with the existence of negative equity, including if this situation manifests itself after the withdrawal of the respective authorization, in the case of companies supervised according to Part I of the same law;
- c) withdrawal of the operating authorization as a result of the decrease in the value of the available solvency margin below half of the minimum limit provided by the legal regulations in force for the safety fund, in the case of companies supervised according to Part II "National Supervisory Regime" of Law no. 237/2015, as subsequently amended and supplemented, cumulatively with the existence of negative equity, including if this situation manifests itself after the withdrawal of the respective authorization, in the case of companies supervised according to Part II of the same law;
- d) withdrawal of the authorization in the case of the residual insurer resulting from the resolution process according to the provisions of Article 71 of Law no. 246/2015, as subsequently amended.

32. the foreign court is the judicial authority or any other authority competent under the law of the State of origin, empowered to initiate and control or supervise a foreign proceeding or to adopt decisions in the course of such proceedings;

33. financial instruments are transferable securities, equity securities of collective investment undertakings, money market instruments, futures contracts, including contracts involving the payment of cash differences, forward interest rate contracts, interest rate swaps, exchange rate swaps and shares, options on any financial instrument provided for in these categories, including contracts involving the payment of differences in cash, as well as exchange rate options, interest rate and derivatives on commodities and any other instrument admitted to trading on a regulated market in a Member State or for which an application has been made for admission to trading on such a market;

34. Collateral agreement is any contract/instrument guaranteeing a netting agreement or qualified financial contracts, including: pledges, letters of guarantee, personal guarantees and the like;

35. group of companies means two or more companies interconnected by control and/or holding of qualifying shareholdings;

36. (text of Article 5(1), point 36 of Title 0, Chapter II, Section 2 was repealed on 17 July 2022 by Article I, point 16 of Law 216/2022)

37. a member of the group can be any of the companies in the group, regardless of whether it is the parent company or a controlled member of the group;

38. a controlled member of the group is a company controlled by the parent company;

39. **The obligation to cooperate is the duty of courts and insolvency practitioners to ensure procedural coordination by the following means:**

a) the exchange of information on the procedure, in particular with regard to claims, assets and measures taken by the judicial administrator/liquidator;

b) the simultaneous opening of insolvency proceedings of the members of the group, at the request of debtors or creditors;

c) the correlated fixing of the procedural deadlines, as well as of the meetings of the creditors' meeting;

d) if the same insolvency practitioner has not been appointed for each member of the group, the coordination of communication between the insolvency practitioners by the practitioner appointed in the file regarding the parent company or, as the case may be, the company with the

highest turnover according to the last published annual financial statement;

40. The bilateral netting operation involves the realization, in relation to one or more qualified financial contracts, of one or more of the following operations:

a) termination of a qualified financial contract and/or acceleration of any payment or performance of an obligation or enforcement of a right under one or more qualified financial contracts based on a bilateral netting agreement;

b) the calculation or estimation of a clearing value, market value, liquidation value or replacement value of any of the obligations or rights referred to in point (a);

c) conversion into a single currency of any value, calculated in accordance with point (b);

d) off-set, up to the obtaining of a net amount (off-set), of any values calculated according to letter b) and converted according to the provisions of letter c);

41. qualified participation means the fraction of capital between 20% and 50% held by a person in another company;

42. the observation period is the period between the date of the opening of the insolvency procedure and the date of confirmation of the reorganization plan or, as the case may be, of the entry into bankruptcy;

42¹. the suspicious period represents any of the intervals provided by this law, prior to the opening of an insolvency procedure, in which fraudulent acts or operations of the debtor are concluded to the detriment of the creditors' rights, subject to verification according to the provisions of this law;

42². The person closely related to the debtor is considered to be the person who, within a period of 2 years prior to the opening of a procedure provided for by this law, has had at least one of the following qualities:

a) affiliated person within the meaning of Article 7 item 26 of Law no. 227/2015 on the Fiscal Code, with subsequent amendments and completions;

b) member of the debtor's administrative, management or supervisory bodies;

c) legal entity in which the debtor's directors, administrators or associates/shareholders are members of the administration, management or supervisory bodies;

d) persons who have access to non-public information about the debtor's business and who have the possibility to control its operations, including if they are in an employment relationship with the debtor, or who have the opportunity to derive benefits from the debtor's financial situation, as external advisers, accountants or auditors;

e) spouse or relatives up to the third degree, including the persons referred to in letters a) and b);

f) the debtor's real beneficiary, within the meaning of Article 4 of Law no. 129/2019 for preventing and combating money laundering and terrorist financing, as well as for amending and supplementing some normative acts, with subsequent amendments and completions.

43. The regulated market is the trading system provided for by Article 125 of Law no. 297/2004 on the capital market, with subsequent amendments and completions;

43¹. The restructuring agreement procedure is the insolvency prevention procedure by which the debtor submits to the confirmation of the syndical judge a restructuring agreement previously negotiated with the creditors whose claims are affected and approved under the conditions of this law, based on which it recovers its activity and pays all or part of its affected claims within the period established by the restructuring agreement;

44. the collective procedure is the procedure in which the creditors participate together in the prosecution and recovery of their claims, in the manner provided by this law;

44¹. The arrangement with creditors procedure represents the judicial procedure for the prevention of insolvency, the opening of which suspends the forced executions under the conditions of this law, and the debtor recovers his activity and pays all or part of his affected claims based on a restructuring plan voted by the creditors whose claims are affected and approved by the syndical judge;

45. The bankruptcy procedure is the insolvency, insolvency, collective and egalitarian procedure, which is applied to the debtor in order to liquidate his assets to cover the liabilities, followed by the removal of the debtor from the register in which he is registered;

46. the general procedure means the insolvency procedure provided for by this law, whereby a debtor who fulfils the conditions laid down in Article 38(1), without simultaneously fulfilling those of Article 38(2), enters, after the observation period, successively, into the judicial reorganisation procedure and the bankruptcy procedure or, separately, only into judicial reorganisation or only into bankruptcy proceedings;

47. simplified procedure means the insolvency procedure provided for by this law, whereby the debtor who meets the conditions set out in Article 38(2) enters directly into bankruptcy proceedings, either at the time of the opening of the insolvency proceedings or after an observation period of a maximum of 20 days, during which time the elements referred to in Article 38(2)(c) and (d) will be analysed;

48. the Romanian insolvency procedure is any procedure regulated by this law, with the exception of insolvency prevention procedures;

49. foreign proceedings are collective, public, judicial or administrative proceedings conducted in accordance with the insolvency laws of a foreign state, including interim proceedings, in which the debtor's assets and activity are subject to the control or supervision of a foreign court, for the purpose of reorganising or liquidating that debtor's business;

50. the main foreign procedure is the foreign insolvency procedure that takes place in the state where the center of the debtor's main interests is located;

51. the secondary foreign procedure is the foreign insolvency procedure, other than the main one, which takes place in the state where the debtor has established an establishment;

52. The liberal profession is the profession exercised on the basis of a professional qualification, in a personal capacity, on one's own responsibility and independently, involving activities of an intellectual nature in the interest of the client and serving the public interest. Characteristics for these professions are: the existence of a code of ethics, continuous professional training and confidentiality of relations with the client;

53. The receivables payment schedule is the receivables payment schedule, mentioned in the restructuring agreement, restructuring plan or reorganization plan, which includes:

- a) the amount of the amounts that the debtor undertakes to pay to the creditors; but not more than the amounts due according to the list of affected claims or the final table of claims; in the case of creditors benefiting from a preferential cause, the amounts may also include interest;
- b) the deadlines by which the debtor is to pay these amounts;

54. Judicial reorganization is the procedure that applies to the debtor in insolvency, a legal entity, in order to pay his debts, according to the debt payment schedule. The reorganization procedure involves the preparation, approval, confirmation, implementation and compliance with a plan, called a reorganization plan, which may provide, without limitation, together or separately:

- a) operational and/or financial restructuring of the debtor;
- b) corporate restructuring by changing the share capital structure;
- c) restricting the activity by partially or totally liquidating the assets from the debtor's estate;

55. the Romanian representative is the insolvency practitioner appointed as administrator or judicial liquidator or composition administrator, within a Romanian insolvency or insolvency prevention procedure according to the provisions of this law;

56. foreign representative is the natural or legal person, including persons provisionally appointed, authorized, in a foreign proceeding, to administer the reorganization or liquidation of

the debtor's assets and business or to act as a representative of a foreign proceeding;

57. the registered office is any place of work where the debtor exercises, with human and material means and of a non-transitory nature, an economic activity or an independent profession;

58. the main office is, in the case of insolvency proceedings with a foreign element, the place where, in a manner verifiable by third parties, the main centre for the management, supervision and management of the statutory activity of the legal entity is located, even if the decisions of the respective management body are adopted according to the directives sent by members, shareholders or associates from other states;

59. the professional headquarters is the place where the management of the economic activity or the exercise of the liberal profession of the natural person operates, in a manner verifiable by third parties;

60. the alternative trading system is the trading system provided for in Article 2(1)(26) of Law no. 297/2004, as subsequently amended and supplemented;

61. company means any private law entity established under the Companies Law no. 31/1990, republished, with subsequent amendments and completions;

62. parent company is the company that exercises control or dominant influence over the other companies in the group;

63. The insurance/reinsurance company is the insurer and/or the reinsurer, as defined in Article 2 of Law no. 32/2000 regarding the insurance activity and insurance supervision, with subsequent amendments and completions;

64. The State in which an asset is found is:

a)for tangible property - the state on whose territory the property is located;

b)for goods and rights which the owner or holder must enter in a public register - the State under whose authority the register is kept;

c)for claims - the State in whose territory the centre of the main interests of the debtor of the claim is located, as determined in paragraph 7;

65. (text of Article 5(1), point 65 of Title 0, Chapter II, Section 2 was repealed on 17 July 2022 by Article I, point 21 of Law 216/2022)

66. The supervision exercised by the judicial administrator, in the conditions in which the debtor's right of administration has not been lifted, consists in the permanent analysis of its activity, the prior approval of both the measures involving the debtor's assets and those

meant to lead to its restructuring/reorganization and the follow-up of the operations carried out based on the prior approval. The approval is carried out based on a report prepared by the special administrator, which also mentions the fact that the conditions regarding the reality and opportunity of the legal operations subject to the approval have been verified and are met. The supervision of the debtor's patrimony management operations is done by the prior opinion granted at least on the following operations:

- a) payments, both through the bank account and through the cashier; this can be done either by endorsing each payment or by general instructions on how to make payments;
- b) concluding contracts during the observation period and during the reorganization period;
- c) legal operations in disputes involving the debtor, approval of proposed measures for debt recovery;
- d) operations involving the reduction of assets, such as scrapping, revaluation, etc.;
- e) the transactions proposed by the debtor;
- f) the financial statements and the activity report attached to them;
- g) restructuring measures or amendments to the collective labour agreement;
- h) mandates for creditors' meetings and committees of insolvent companies in which the debtor company holds the status of creditor, as well as in the general meetings of shareholders of companies in which the debtor holds shareholdings;
- i) the alienation of fixed assets from the patrimony of the company in which the debtor holds shares or the encumbrance of their encumbrances - it is necessary, in addition to the opinion of the judicial administrator, to go through the procedure provided for in Article 87 (2) and (3);

67. The final table of claims is the table that includes all the claims on the debtor's assets on the date of the opening of the procedure, accepted in the preliminary table and against which no appeals have been filed, as well as the claims admitted following the resolution of the appeals or those provisionally admitted by the syndic judge. In the case of the simplified procedure, the final table of claims includes, in addition to the claims arising prior to the opening of the procedure, also the claims arising during the observation period, which were admitted to the insolvency estate. This table shows the amount requested, the amount admitted and the priority rank of the claim according to the provisions of Articles 159 and 161;

68. The final consolidated table of claims includes all the claims that appear as admitted in the final table of claims and those in the supplementary table that are not contested, as well as those resulting from the resolution of appeals to the supplementary table. In the event that bankruptcy has been ordered after the confirmation of a reorganization plan, the consolidated final table

will include: all the receivables that appear as admitted in the final table of receivables, those in the additional table that are not contested, those resulting from the resolution of the appeals to the additional table, from which the amounts paid during the reorganization plan will be deducted;

69. The preliminary table of claims includes all overdue or non-due claims, conditional or in dispute, arising before the date of the opening of the procedure, accepted by the judicial administrator following their verification. The table will mention: the amount requested by the creditor, the amount accepted, the priority rank, and in the situation of the creditor in the insolvency procedure, the appointed judicial administrator/liquidator will also be shown. In the case of the simplified procedure, this table will also record the claims arising after the opening of the procedure and until the moment of bankruptcy. For the claims of creditors who belong to the category of persons closely related to the debtor, the preliminary table of claims shall additionally mention the documents stating the claim and the data entered in the publicity registers.

70. The supplementary table includes all the claims arising after the date of the opening of the general procedure and until the date of the commencement of the bankruptcy procedure, accepted by the judicial liquidator following their verification. The table will mention both the amount requested by the creditor, as well as the accepted amount and the preference rank;

71. The private creditor test represents the comparative analysis of the degree of sufficiency of the budgetary claim in relation to an average diligent creditor, within an insolvency prevention or reorganization procedure, compared to a bankruptcy procedure. The analysis is based on an appraisal report prepared by an authorized appraiser and also refers to the duration of a bankruptcy procedure compared to the proposed payment schedule. The situation in which the private creditor test certifies that the distributions that the budgetary creditor would receive in the event of an insolvency prevention or reorganization procedure are higher than those that it would receive in bankruptcy proceedings does not constitute State aid. The private creditor test may also be carried out at the request of the party proposing a restructuring agreement/plan or a reorganization plan, at its expense, by an independent expert, including the insolvency practitioner in the proceedings, and will be communicated to the budgetary creditor together with the restructuring agreement/restructuring plan or with the reorganization plan;

72. The threshold value represents the minimum amount of the claim, in order to be able to submit the application for the opening of the insolvency procedure. The threshold value is RON 50,000 for both creditors and debtors, including for the requests made by the

liquidator appointed in the liquidation procedure provided by the Companies Law no. 31/1990, republished, with subsequent amendments and completions, for claims of a nature other than the salary ones, and for employees it is 6 average gross salaries per economy/employee.

*) In the interpretation of the provisions of Article 5(1) item 72 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as amended by the Government Emergency Ordinance no. 88/2018, published in the Official Gazette of Romania, Part I, no. 840 of 2 October 2018, the requirement regarding the amount of budgetary claims less than 50% of the total declared debts of the debtor is not applicable for the applications for opening the insolvency procedure formulated by the liquidator appointed in the liquidation procedure provided for by Law no. 31/1990.

*) During the state of alert, the applicability of the final sentence of Article 5 item 72 and the final sentence of Article 143 paragraph (1) of Law no. 85/2014, as subsequently amended and supplemented.

During the state of alert, in the case of debtors who have totally or partially interrupted their activity as a result of the measures adopted during the state of emergency, established by Decree no. 195/2020 and extended by Decree no. 240/2020, by the competent public authorities according to the law, for the prevention of the spread of the SARS-Cov-2 virus, maintained, as the case may be, and during the state of alert, the threshold value provided for in Article 5 item 72 of Law no. 85/2014, as subsequently amended and supplemented, is RON 50,000, both for creditors and debtors.

73. goodwill represents the set of movable and immovable property, tangible and intangible - trademarks, firms, emblems, patents of inventions, commercial goods - used by an economic operator in order to carry out its activity;

74. Activity of public interest means any activity of general interest, local or national, which, in order to meet social needs, is carried out regularly and continuously.

75. Debt instruments - within the meaning of Article 161¹ (8) and Article 234(8), means bonds and other forms of transferable liabilities and instruments that create or recognise a debt and that meet all the conditions of Article 234¹.

(2)For the purposes of applying the provisions of Article 196¹, Article 196³ and Articles 204-214, 216-230 and 232-241, the terms and phrases group, group entity, investment firm, resolution, resolution authority, institution subject to resolution, conditions for triggering the resolution

procedure, resolution action, resolution tools, resolution powers, public financial stabilisation instrument, capital instruments, addressee, special administrator have the meaning provided by the legislation on the recovery and resolution of credit institutions and investment firms.

CHAPTER III: Early warning

Article 5¹

Professionals, with the exceptions provided for in Article 3(1), (4) and (5), shall be alerted by the tax authority to the non-fulfilment of obligations and shall be provided free of charge with information on the recovery solutions provided for by law through a website.

Article 5²

(1) Professionals, with the exceptions provided for in Article 3(1), (4) and (5), are alerted by means of an alert notification automatically transmitted through the electronic communication system by electronic means of remote transmission developed by the Ministry of Finance/National Agency for Fiscal Administration (A.N.A.F.) in relation to the non-execution of obligations to the state budget, to the state social insurance budget or to the unemployment insurance budget.

(2) The procedure for communicating the alert notifications, including the amount of the outstanding obligations that entail the issuance of the alert message, by categories of debtors established according to the tax legislation, the date of issuance of the first alert message and, if applicable, the frequency of the alert message and its format, is approved under the provisions of Law no. 207/2015 on the Fiscal Procedure Code, with subsequent amendments and completions.

Article 5³

(1) The Ministry of Entrepreneurship and Tourism makes available to the public on its website, in a section dedicated to information and guidance in the field of early warning:

- a) detailed information on early warning and its role in signalling to the debtor the need to act without delay;
- b) indicators for an overall assessment of the financial situation, in order to diagnose the state of difficulty or insolvency, using available diagnostic programs;
- c) systematized information presented in an easy-to-use format on recovery solutions, including insolvency prevention and insolvency procedures, also resulting in the discharge of obligations;
- d) the list of insolvency practitioners and the authorities and bodies that exercise their supervision;
- e) information on programmes and other support facilities.

(2)With regard to the obligations highlighted in the alert notification, the guidance and assistance services offered to taxpayers, under the law, by A.N.A.F. At the same time, the alerted individuals or legal entities may notify the tax authority of the intention to mediate, attaching to the notification documents and information that support its economic and financial situation, Article 230¹ paragraphs (2)-(4) and (8) of Law no. 207/2015, with subsequent amendments and completions, being applied accordingly, or they can access the tax facilities in force.

Article 5⁴

(1)The Ministry of Entrepreneurship and Tourism provides a hotline for guidance and assistance in the field of early warning, for a general assessment of the business in order to access recovery solutions.

*) The provisions of Article I, item 23, with reference to Article 5¹, Article 5² paragraph (1) and Article 5³ of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, shall apply from 17 July 2022, and the provisions of Article 5⁴ paragraph (1) shall apply from 17 July 2023.

(2)The procedure for providing guidance and assistance is established by order of the Minister of Entrepreneurship and Tourism.

Article 5⁵

The Ministry of Entrepreneurship and Tourism can set up a network of consultants, who can also be from the private sector, and/or initiate, with the involvement of representative associations of the business environment, the formation of a network of mentors in the field of early warning.

Article 5⁶

Early warning tools can also be developed by private entities.

TITLE I:Insolvency prevention procedures

CHAPTER I:General provisions

Article 6

(1)The insolvency prevention procedures provided for in this Title shall apply to debtors who are in difficulty but who are not in insolvency.

(2)The debtor proves that he is in difficulty by the report drawn up by the restructuring administrator or the composition administrator, which includes at least the following elements:

- a) the nature of the state of difficulty, respectively the description of the circumstance that determines the temporary impairment of the activity and the foreseen effects;
- b) the internal and external factors that determined the debtor's state of difficulty;
- c) the financial indicators applicable to that debtor, which may justify the existence of a threat to the debtor's future ability to pay its debts at maturity within a maximum period of 24 months from the occurrence of that circumstance;
- d) the reason why the difficulty cannot be considered naturally reversible by continuing the debtor's planned activity without taking appropriate recovery measures.
- e) analysis of the debtor's economic situation showing elements proving that the debtor is not in a state of insolvency, indicating the documents on which this analysis is based.

(3) The report and the documents referred to in paragraph (2)(e) shall be annexed to the restructuring agreement, and in the case of the composition procedure, to the debtor's request for the opening of the procedure.

Article 6¹

If an insolvency prevention procedure has resulted in a definitive discharge of obligations, the debtor may not access another insolvency prevention procedure within 12 months from the date of closure of that procedure.

Article 6²

A debtor who, in the last 3 years prior to the submission of the request for confirmation of the restructuring agreement or the request for the opening of the composition procedure, has been definitively convicted of committing an intentional crime against the patrimony, corruption, service, forgery, for the crimes provided by the Companies Law no. 31/1990, republished, with subsequent amendments and completions, Law no. 129/2019 for the prevention and combating of money laundering and terrorist financing, as well as for the amendment and completion of certain normative acts, with subsequent amendments and completions, Law no. 227/2015 on the Fiscal Code, with subsequent amendments and completions, Law no. 241/2005 for the prevention and combating of tax evasion, with subsequent amendments and completions, Competition Law no. 21/1996, republished, with subsequent amendments and completions, as well as for the offences provided for in Articles 240 and 241 of Law no. 286/2009 on the Criminal Code, with subsequent amendments and completions.

Article 6³

The fact that the debtor is in a procedure provided for by this title does not prejudice some of his rights or obligations provided by other normative acts. Any forfeiture, limitations or prohibitions established by legal norms for the debtor to reach a state of difficulty within the meaning of this law are not applicable, and the contractual provisions in this regard are considered unwritten. The proposal of a restructuring agreement, the submission of a confirmatory request or the confirmation of a restructuring agreement, or the filing of an application for the opening of an arrangement procedure, the opening of such proceedings or the confirmation of a restructuring plan do not automatically lead to a change in the classification of the debtor's exposures and the calculation of provisions, the prudential regulatory frameworks remaining applicable.

Article 6⁴

(1) The general provisions regarding the organization and functioning of the debtors subject to this title remain applicable.

(2) During the procedures provided for in this title, the debtor shall retain the right of administration under the conditions of the common law.

(3) The individual and collective rights of employees, including the rights of information and consultation, provided by law or by collective agreements, shall not be affected by the procedures provided for in this title.

Article 7

(1) The bodies that apply the procedures provided for in this title are: the courts through the syndic judge, the restructuring administrator, respectively the composition administrator. The restructuring administrator and the composition administrator must be insolvency practitioners.

(2) Creditors participate in the proceedings individually, to the extent permitted by their claims rights, as well as collectively, through collective meetings whenever they deem it necessary to meet. Wage creditors may also exercise their rights provided for in this title through a representative chosen from among them.

Article 8

(1) The court in whose jurisdiction the debtor's registered office or business place is located shall be competent to settle the claims referred to in this title. The provisions of Article 41(1) to (3) shall apply accordingly.

(2) The requests regarding the procedures provided for in this title are within the competence of the syndic judge, appointed according to the provisions of Law no. 304/2004 on judicial organization,

republished, with subsequent amendments and completions.

(3)The decisions pronounced by the syndic judge, in application of this title, are enforceable.

(4)The decisions of the syndic judge may be appealed by the parties only by appeal, within 7 days, which shall be calculated from the communication. The party filing the appeal must prove that it has been sent to all parties with opposing interests, within the appeal period. Proof of sending the appeal can be submitted no later than the first trial term. If the appeal court determines that it is necessary to serve parties other than those with opposing interests, it will order the service to them as well, setting a deadline for fulfilling this obligation. Failure to comply with the communication obligations provided for in this paragraph entails the imposition of a judicial fine according to Law no. 134/2010 on the Code of Civil Procedure, with subsequent amendments and completions. The limits of the judicial fines provided for in Article 187 of Law no. 134/2010, as subsequently amended and supplemented, shall be doubled.

Article 9

(1)The Court of Appeal is the court of appeal for the decisions pronounced by the syndic judge. The decisions of the Court of Appeal are final. The provisions of Article 480 of Law no. 134/2010, as subsequently amended and supplemented, shall be applied accordingly, to the extent of their compatibility with the provisions relating to insolvency prevention procedures.

(2)By way of derogation from the provisions of Article 480 of Law no. 134/2010, as subsequently amended and supplemented, if, by means of an appeal against a decision confirming the agreement/approval of the plan, the appellant invokes:

a)the fact that a claim on the list is non-existent or fictitious, has been entered in an amount different from its scope or has been entered in a category of claims other than the one corresponding to its legal situation;

b)violation of fair and equitable treatment, including in relation to the values determined in the evaluation report;

c)The classification of claims as unaffected The appeal court may order, as the case may be:

1. dismissal of the appeal;
2. the admission of the appeal and the invalidation of the restructuring agreement/plan and, if applicable, the restitution of the payments already made for the payment of non-existent or fictitious claims or over the amount due, if the disputed claim was decisive for the result of the vote on the agreement/plan;
3. admitting the appeal and making amendments to the restructuring agreement/plan regarding

the treatment of the appellant's claim, in relation to the criticisms formulated by the appellant if the rights of the other creditors in the restructuring agreement/plan are not affected, and, as the case may be, the granting of compensation if he has suffered monetary damage. The modification of the restructuring agreement/plan will be carried out by the debtor within the term set by the court of appeal.

(3) In the case referred to in paragraph 2(a), if the claim would have been decisive for the outcome of the vote, the court may suspend the execution of the confirmed restructuring agreement/plan, pending the resolution of the appeal, if the continued execution of the agreement/plan could prejudice the appellant's interests.

(4) For all requests for appeal filed against the decisions pronounced by the syndic judge within the procedures provided for in this title, a single file shall be constituted. The panel of appeal to which the first appeal has been randomly assigned will be the one that will settle all subsequent appeals on the same procedure, exercised against the same decision or successive decisions pronounced by the syndic judge in that procedure.

(5) Applications made under this Title shall not be subject to the general rules of civil procedure relating to the regularisation of the claim. Also, by derogation from the provisions of Article 201 paragraph (1) of Law no. 134/2010, as subsequently amended and supplemented, the response is submitted within 10 days from the communication of the call, and the response to the response is not mandatory.

Article 9¹

(1) In the event of the debtor's subsequent insolvency, the new financing provided for in the restructuring agreement or in the restructuring plan, as well as the interim financing, may not be abolished unless it is proved, under the conditions of Articles 117 to 122, that they are fraudulent.

(2) Persons who grant new or intermediate financing cannot be held civil, administrative or criminal liable exclusively on the grounds that such financing affects the degree of sufficiency of creditors in insolvency or has been granted to a debtor in difficulty.

(3) For new and/or intermediate financing granted under the conditions of this title, a privilege shall be established over all the debtor's movable and immovable property, free of encumbrances at the time of establishment. The debtor's lien on these assets shall be entered in the related publicity registers and shall have priority over any other subsequent privileges or mortgages.

Article 9²

(1) In the event of the debtor's subsequent insolvency, the reasonable and immediately necessary acts and operations for the continuation of the debtor's activity until the date of approval of the composition with creditors may not be abolished, unless it is proved, under the conditions of Articles 117-122, that they are fraudulent.

(2) The acts and operations referred to in paragraph 1 shall include at least:

- a) payment of costs for negotiating, adopting or confirming a restructuring agreement/plan;
- b) payment of costs for professional advice requested in close connection with the restructuring;
- c) payment of workers' wages for work already performed, without prejudice to other forms of protection provided for in Union or national law;
- d) any payments and transfers made in the normal course of activity, other than those provided for in letters a)-c).

(3) In the event of the debtor's subsequent insolvency, the acts and operations carried out in accordance with the confirmed restructuring agreement or the approved arrangement with creditors, as well as those reasonable and immediately necessary for their implementation concluded during the restructuring period in the normal course of the debtor's activity, cannot be abolished.

Article 9³

The implementation period provided for in the confirmed restructuring agreement or the period after the opening of the arrangement with creditors procedure shall be added to the suspect period.

Article 9⁴

The ongoing contracts are executed according to the contractual provisions.

Article 9⁵

Contractual clauses that provide for termination or the possibility for the creditor to suspend or refuse enforcement because he is in a state of difficulty, within the meaning of this law, in an insolvency prevention procedure, shall be considered unwritten. The provisions of the first sentence do not apply to qualified financial contracts and bilateral clearing operations on the basis of a qualified financial contract or a bilateral clearing agreement, except for contracts for the supply of goods, services or energy necessary for the operation of the debtor's business, unless the latter contracts take the form of a position traded on a stock exchange or on other markets, in such a way that it can be replaced at the current market value at any time.

Article 9⁶

(1)The budgetary receivables for which a payment facility is in progress according to the provisions of the tax legislation, including those that represent a condition for maintaining the validity of the payment facilities, will be paid in accordance with the documents from which it results, being considered unaffected receivables.

(2)The measures provided for in this Title shall be applied in compliance with the State aid rules.

Article 9⁷

(1)In the event of the opening of the insolvency proceedings, the outstanding fees of the insolvency practitioner chosen in an insolvency prevention procedure shall be entered in the table of creditors, similar to the new and interim financing granted under this Title.

(2)After the confirmation of the restructuring agreement or after the approval of the arrangement, the syndic judge may sanction the insolvency practitioner with a judicial fine between 1,000 lei and 5,000 lei for the culpable failure to fulfill the obligations provided for in this title.

(3)After the confirmation of the restructuring agreement or after the approval of the composition, the syndic judge may replace the insolvency practitioner, at the request of any interested party, in case of conflict of interest or for reasons of incompatibility.

Article 9⁸

(1)The procedures provided for in this title shall apply without prejudice to the agreements and operations, rights and obligations regulated by the provisions of Law no. 253/2004 on the definitive nature of settlement in payment systems and in systems for settlement of transactions with financial instruments, with subsequent amendments and completions, and by the provisions of Government Ordinance no. 9/2004 regarding some financial guarantee contracts, approved with amendments and completions by Law no. 222/2004.

(2)The procedures provided for in this title shall apply without prejudice to the requirements for carrying out the activity and the measures ordered according to Law no. 209/2019 on payment services and for the amendment of some normative acts and the requirements for access to activity and the measures ordered according to Law no. 210/2019 on the activity of electronic money issuance and according to the Regulation of the National Bank of Romania no. 5/2019.

(3)The procedures provided for in this Title shall apply without prejudice to qualified financial contracts and bilateral clearing operations on the basis of a qualified financial contract or bilateral clearing agreement, other than those referred to in paragraph 2. A claim against a debtor, which arises from the application of bilateral clearing operations on the basis of a qualified financial

contract or a bilateral clearing agreement, may, however, be an affected claim and may be induced into a restructuring agreement or restructuring plan.

Article 9⁹

(1) By way of derogation from the provisions of Article 117 (1) and (4) of Law no. 31/1990, republished, with subsequent amendments and completions, after the confirmation of the restructuring agreement/approval of the restructuring plan, the deadline for convening the general meeting of shareholders/associates for the adoption of decisions regarding the increase or reduction of the share capital, the lifting of the shareholders' right of preference, the acquisition of own shares in order to reduce the share capital, for the fulfillment of the measures provided for in the restructuring agreement/restructuring plan, restructuring is 20 days from the publication of the notice in the Official Gazette of Romania, Part IV/in the Electronic Bulletin of the Trade Register. The convocation can also be made only by registered letter or by letter sent electronically, sent at least 20 days before the date of the meeting, to the address of the shareholder/associate, registered in the register of shareholders/associates.

(2) By way of derogation from Article 117¹ of Law no. 31/1990, republished, with subsequent amendments and completions, after the confirmation of the restructuring agreement/approval of the restructuring plan, the deadline for introducing new items on the agenda and the deadline for publishing the agenda supplemented with the items proposed by the shareholders are reduced by 5 days.

CHAPTER II: Restructuring agreement procedure

Article 10

(text of Article 10 of Title I, Chapter II was repealed on 17 July 2022 by Article I, point 30 of Law 216/2022)

Article 11

(the text of Article 11 of Title I, Chapter II was repealed on 17 July 2022 by Article I, point 30 of Law 216/2022)

Article 12

(the text of Article 12 of Title I, Chapter II was repealed on 17 July 2022 by Article I, point 30 of Law 216/2022)

Article 13

(the text of Article 13 of Title I, Chapter II was repealed on 17 July 2022 by Article I, point 30 of Law 216/2022)

Article 14

(text of Article 14 of Title I, Chapter II was repealed on 17 July 2022 by Article I, point 30 of Law 216/2022)

Article 15

(the text of Article 15 of Title I, Chapter II was repealed on 17 July 2022 by Article I, point 30 of Law 216/2022)

Article 15¹

(1)The debtor in difficulty may propose a restructuring agreement, which is drawn up by the restructuring manager or the debtor, with the assistance of the restructuring manager.

(2)The restructuring administrator is contracted by the debtor from among the active insolvency practitioners who have valid professional insurance. Its fee is the one established in agreement with the debtor, in compliance with the criteria provided in Article 38 of the Government Emergency Ordinance no. 86/2006 on the organization of the activity of insolvency practitioners, republished, with subsequent amendments and completions, and shall be borne from its assets.

(3)The main duties of the restructuring administrator are the following:

a)verifies and justifies the fact that the debtor is in a state of difficulty and that it is not in a state of insolvency;

a¹)analyzes the documents from which the claims against the debtor's assets result and draws up the list of claims with the identification of the creditors, grouped by categories of claims and divided into: claims whose realization will be affected by the restructuring agreement, indicating the degree of their sufficiency; unaffected claims, together with a description of the reasons why the debtor proposes that they should not be affected by the restructuring agreement; the disputed claims and their treatment;

b)draw up or, where appropriate, assist the debtor in drawing up the restructuring agreement;

c)assists the debtor or, at his request, negotiates the restructuring agreement and takes steps for the amicable settlement of any dispute between the debtor and creditors or between creditors;

d)ensure that the restructuring agreement complies with the conditions of legality;

e)monitors the implementation of the restructuring agreement;

f) monitors and, where appropriate, assists the debtor in the implementation of the restructuring agreement through any actions provided for therein or necessary for its implementation, such as: operational measures, recovery of assets, recovery of the undertaking or part of it as an independent whole;

g) performs any other duties, provided for in this chapter or established by the restructuring agreement.

Article 15²

(1) The restructuring agreement shall contain at least the following information/documents:

a) the identification data of the debtor and the restructuring administrator;

b) the composition of the debtor's patrimony, broken down by patrimonial masses where applicable, respectively the assets and liabilities and their value at the date of drawing up the agreement;

c) analysis of the economic situation of the debtor, of the situation of the employees, as well as a description of the causes and level of the debtor's difficulties at the time of drawing up the agreement, according to the report drawn up according to Article 6 (2);

d) The list of receivables, with the identification of creditors, grouped by categories of receivables and divided into:

- receivables whose realization will be affected by the restructuring agreement, with an indication of their sufficiency;

- unaffected claims, together with a description of the reasons why the debtor proposes that they should not be affected by the restructuring agreement;

e) the disputed claims and their treatment; the proposal of treatment for the disputed claims does not amount to the recognition of the disputed right;

f) explanatory memorandum explaining why the restructuring agreement has reasonable prospects of preventing the debtor's insolvency and ensuring the viability of the business, including the necessary prerequisites for its success. This explanatory memorandum will be prepared or validated by the restructuring manager;

g) proposed restructuring measures or a combination thereof, such as:

- the operational restructuring of the activities carried out by the debtor;

- changing the composition, conditions or structure of the debtor's assets or liabilities;

- capitalization of some assets of the debtor;

- capitalizing on the enterprise as an independent whole;

- the merger or division of the debtor, under the law;

- changing the debtor's share capital structure by increasing the share capital by co-opting new shareholders or associates or by converting receivables into shares, with the corresponding increase of the share capital;

h) the ways of informing and consulting the employees' representatives, carried out according to the law and the collective labor agreements, and the ways in which the restructuring agreement will affect the debtor's workforce - individual dismissal procedures, collective dismissal procedures, possible cases of suspension of employment contracts at the initiative of the employer, reduction of the working hours corresponding to the temporary reduction of activity;

i) the income and expenditure budget and the estimated financial flows of the debtor during the duration of the restructuring agreement, with the division of creditors between holders of affected claims and holders of unaffected claims;

j) the new funding and the reasons why it is needed for the implementation of the agreement;

k) the simulation of the distributions that the affected creditors would benefit from in the case of the scenario of the next optimal alternative, a scenario that can even be bankruptcy, carried out on the basis of a valuation report, drawn up by an authorized appraiser no more than 6 months prior to the date of the opening of the procedure, of the assets existing in the debtor's patrimony and the comparative presentation of these distributions with those provided for by the restructuring agreement;

l) the private creditor test drawn up in accordance with Article 5(1)(71), if, by agreement, reductions of the budgetary claim are proposed;

m) the receivables payment schedule, in relation to the financial flows and the duration of the agreement.

(2) For the preparation of the agreement, the most recent data and information will be used, but not older than 6 months before the date of communication of the agreement to the creditors holding affected claims.

(3) The list of receivables will have as a reference the date of drafting the agreement, which will be updated, if necessary, during the negotiation with the creditors and will mention at least the following information:

a) identification of the creditor and contact address;

b) the value of the receivables;

c) the categories into which the claims are grouped for the purpose of voting on the agreement;

d) preferential rights.

(4) The debtor ensures that the amount provided for in the plan for the payment of salary claims is at

least equal to the amount he would obtain in the case of forced execution, but not less than he would receive in the scenario of the next optimal alternative.

(5)The provisions of Article 133(5)(K) and Article 135¹ shall apply accordingly.

Article 15³

(1)The proposed restructuring agreement is communicated to the creditors whose claims are affected, by the restructuring administrator, by any means of communication that allow confirmation of receipt. With the transmission of the proposed restructuring agreement, the restructuring administrator will also indicate the voting procedure, as well as the correspondence address, including e-mail, to which the vote can be communicated. The deadline for submitting the vote may not be less than 20 days from the date of communication of the agreement.

(2)After the restructuring agreement has been communicated, the restructuring administrator assists the debtor or, at the debtor's request, conducts negotiations with the creditors both individually and by convening them at a collective meeting, at the discretion of the restructuring administrator or at the request of the creditors. If, as a result of the negotiations, the restructuring agreement needs to be amended, the restructuring administrator will communicate to the creditors the amended version of the restructuring agreement in order to exercise the voting rights, including the updated list of claims, if applicable. The voting procedure shall be resumed after each amendment.

Article 15⁴

(1)The restructuring agreement is voted only by the creditors whose claims are affected, the creditors whose claims are not affected not having a right to vote on it.

(2)Any vote received within 10 days after the expiry of the term set by the restructuring administrator will be attached to the confirmation request and taken into account by the syndic judge when confirming the agreement. Any conditioning of the vote, abstention or absence of the vote is considered a negative vote. The positive vote cannot be withdrawn.

(3)The following claims are constituted in distinct categories, which vote separately:

- a)receivables benefiting from preferential rights;
- b)salary claims;
- c)the claims of indispensable creditors, if applicable;
- d)budgetary receivables;
- e)other claims.

(4)In order to vote on the restructuring agreement, the category of indispensable creditors can be

constituted.

(5) An agreement will be considered accepted by a category of claims if in that category it is accepted by an absolute majority of the value of the claims.

(6) For debtors who have a net turnover or, as the case may be, a gross income of up to the RON equivalent of the amount of EUR 500,000, in RON equivalent, in the previous year, it is not mandatory to establish the categories of claims.

(7) When the debtor does not opt for the constitution of the categories of claims, according to paragraph (6), the agreement will be considered accepted if it is voted by an absolute majority of the value of the affected claims.

Article 15⁵

After completing the voting procedure and within a maximum period of 3 days from the conclusion of the voting record, the debtor submits to the competent court a request for confirmation of the restructuring agreement, accompanied by the following documents:

- a) the report of the restructuring administrator analysing the state of difficulty;
- b) the debtor's declaration that he/she is not in one of the situations provided for in Articles 6¹ and 6² ;
- c) documents certifying to the restructuring administrator the quality of active insolvency practitioner and the valid professional insurance;
- d) the restructuring agreement, in the final form voted by the creditors according to this law;
- e) the valuation report of the debtor's assets taken into account when drawing up the restructuring agreement;
- f) proof of receipt by the affected creditors of the proposed restructuring agreement and the voting procedure or, if proof of receipt is missing, proof of transmission to the registered office mentioned in the registers in which they are registered/their domicile;
- g) the minutes of the creditors' vote and the votes cast by them.

Article 15⁶

(1) The request for confirmation of the restructuring agreement is judged in a non-contentious procedure, without summoning the parties, in the council chamber, and the syndic judge will pronounce a solution within a maximum of 10 days from the date of registration of the application.

The syndic judge, if he considers that additional explanations are necessary, may summon the debtor and/or the administrator of the restructuring.

- (2) Within a maximum of 48 hours from the registration of the confirmation request, the syndic judge may request from the debtor or the administrator of the restructuring any missing documents.
- (3) The application for confirmation of the restructuring agreement can only be rejected on grounds of legality.
- (4) The decision by which the request for confirmation is resolved shall be communicated to the debtor, the restructuring administrator and all creditors whose claims have been affected by the restructuring agreement, as well as to the creditors holding unaffected claims.
- (5) The restructuring agreement, approved by the creditors and confirmed by the syndic judge, shall be communicated to the affected creditors and to the creditors holding unaffected claims, through the restructuring administrator, within 48 hours from the issuance of the decision.

Article 15⁷

(1) If the debtor is in a state of difficulty, the syndic judge, confirming that the administrator of the restructuring meets the legal conditions for the exercise of this capacity:

A. will admit the request for confirmation of the restructuring agreement, by enforceable conclusion, if the following conditions are cumulatively met:

- a) the restructuring agreement is approved by the creditors of each category of claims by an absolute majority;
- b) creditors in the same category of claims are treated equally and proportionately with their claim;
- c) the communication of the restructuring agreement to all affected parties was made under the conditions of this law;
- d) if there are creditors who did not vote on the restructuring agreement or did not participate in the vote, they benefit from fair and equitable treatment;
- e) the new financing, where appropriate, is justified by the implementation of the restructuring agreement and does not unfairly prejudice the interests of creditors;
- f) the agreement presents reasonable prospects for preventing the debtor's insolvency and ensuring the viability of the company;
- g) the voting conditions were respected and the division into categories of receivables was made according to the provisions of this chapter;
- h) claims proposed not to form part of the restructuring agreement are not directly affected by the measures provided for in the restructuring agreement and the grounds for their exclusion from the agreement are well-founded;

B. If the condition in item A, letter a), will be able to admit the request for confirmation if

the following conditions are cumulatively met:

a)The conditions of item A letter b)-h);

b)The agreement was approved:

(i)a majority of the categories of claims, one of which shall be a preferential class of claims or any class of claims other than the class of claims referred to in Article 15⁴(3)(e) or, failing that;

(ii)at least one category of voting claims, other than a category of claims that would not receive any payment in the event of bankruptcy, provided that, if for at least one category of claims, by agreement, a reduction in the amount and/or accessories of the claim has been provided, the favourable vote belongs to at least one of these categories;

c)categories of claims which have not voted for the agreement shall be treated more favourably than any other lower-ranking category of claims, as is apparent from the hierarchy set out in Article 15⁴(3);

d)The agreement was voted by at least 30% of the total affected claims.

(2)The fair and equitable treatment is verified in relation to the value of all claims from the same date, both affected and unaffected, so that:

a)no creditor receives more than the amount of his claim;

b)the holder of an affected claim who does not vote for the agreement receives no less than the value of the distributions that would be made in the scenario of the next optimal alternative, if the restructuring agreement were not confirmed, a scenario that may even be bankruptcy, according to the simulation provided for in the agreement;

c)creditors should receive less favourable treatment than other creditors in the same category of claims, according to the list of claims, only if they expressly consent to such treatment.

Article 15⁸

(1)If a restructuring agreement is confirmed by the court, the debtor's activity will have to be restructured in accordance with its provisions, and the rights of creditors holding affected claims are to be modified in accordance with the provisions of the restructuring agreement confirmed from the date of the confirmation decision.

(2)A confirmed restructuring agreement is enforceable against all creditors, including those creditors who voted against or did not vote on it. The confirmed restructuring agreement will have no effect on creditors not affected by its provisions.

(3)The restructuring agreement will be enforceable against budgetary creditors, provided that the legal provisions on state aid are complied with, according to the provisions of Article 5 item 71.

(4) For a period of 3 years after the confirmation, on a quarterly basis, the restructuring administrator will monitor the implementation of the agreement, even if the period envisaged for its execution is longer. If the period of the agreement is less than 3 years, then the monitoring period shall be reduced to its period.

(5) In the exercise of monitoring duties, the restructuring administrator will communicate to the affected creditors a quarterly analysis report presenting the manner of fulfilling the restructuring agreement, as well as the fact that, by carrying it out, the viability of the business is maintained.

(6) In order to fulfill the monitoring task, the debtor has the obligation to submit to the restructuring administrator all the information necessary for the preparation of the analysis report, within 15 days from the date of conclusion of the financial statements related to the monitored quarter. The failure of the debtor to communicate the information is presumed to represent the failure of the agreement.

Article 15⁹

(1) If the confirmed agreement provides for reductions of claims, any taxes owed by the debtor become due on the date of a decision by the syndic judge stating the fulfillment of the agreement.

(2) For the claims in dispute on the date of drawing up the agreement, the determination of their amount will be made according to the common law. Until the final settlement of the common law dispute, the disputed claim will have the treatment provided for by the confirmed agreement. For the additional claim established, it will be considered an unaffected claim, if the creditor does not accept the treatment proposed by the debtor.

(3) The disputed claims will have voting rights with the value included in the restructuring plan.

Article 15¹⁰

(1) After the confirmation of the agreement by a final decision and until the closure of the procedure, in case of discovery of the existence of a forgery, fraud or an essential error or of decisive and hitherto unknown titles that determined the inclusion of a claim in the list, any of the creditors may challenge to the syndic judge the inclusion of a claim in the list of claims:

- a) non-existent or fictitious;
- b) in an amount different from its scope;
- c) in a category of claims other than the one corresponding to its legal situation.

(2) Finding the appeal to be well-founded, the syndic judge may order:

- a) maintaining the confirmatory decision, modifying the list of claims according to the legal situation thus established and, with the debtor's consent, modifying the agreement, if the disputed claim was

not decisive for the result of the vote. The modification of the agreement will be made by the debtor within the term established by the syndic judge, will be submitted to the case file and will be communicated to the creditors;

b) revocation of the confirmatory decision, annulment of the restructuring agreement and, where appropriate, restitution of payments already made for the payment of a non-existent or fictitious claim or over the amount due, if the disputed claim was decisive for the result of the vote on the agreement, leading to the adoption of a decision confirming it.

(3) The appeal shall be submitted within 7 days from the date on which its holder knew or should have known the situation that determines the promotion of the appeal.

(4) The appeal shall be resolved by the syndic judge within a maximum of 15 days from the submission, and the debtor, the administrator of the restructuring, the disputing creditor and the creditor whose claim is contested shall be summoned.

(5) The contestant must prove that the appeal has been sent to all parties with opposing interests within the appeal period. The proof of sending the appeal can be submitted no later than the first trial term. If the court determines that it is necessary to serve parties other than those to whom the challenger has communicated the challenge, it will order the communication to them as well, setting a deadline for fulfilling this obligation. Failure to comply with the obligations mentioned in this article entails the application of a judicial fine according to the provisions of Law no. 134/2010, as subsequently amended and supplemented. The limits of the judicial fines provided for in Article 187 of Law no. 134/2010, as subsequently amended and supplemented, shall be doubled.

(6) The appeal filed on the basis of this article does not suspend the implementation of the restructuring agreement until a final court decision is pronounced.

Article 15¹¹

(1) The restructuring agreement procedure shall be terminated by the syndic judge pronouncing a decision to close the procedure, in an associated case, in the event of:

a) fulfilling the provisions of the restructuring agreement, at the request of any party or of the restructuring administrator, addressed to the syndic judge. In this case, if the agreement provides for reductions of claims, the reductions remain final from the date of the decision to close the proceedings;

b) failure to comply with the provisions of the restructuring agreement, upon request:

(i) to a creditor to whom the claim has not been paid in accordance with the provisions of the agreement within a maximum of 60 days from the date provided for in the payment agreement, if the

parties have not concluded an agreement on it, in compliance with the rights of the other creditors;

(ii) to any creditor, if the debtor's activity during the course of the agreement causes losses to its assets and does not present reasonable prospects of maintaining the viability of the business;

(iii) to the debtor, if he is unable to fulfill the obligations assumed by the agreement;

c) failure to comply with the obligation to amend the agreement ordered by the syndic judge or the court of appeal within the period established by the decision ordering the amendment, ex officio or at the request of any interested party.

(2) Following the failure of the agreement under paragraph 1(b):

a) the reduced claims are revived on the date of the decision to close the proceedings, reduced as a result of the payments made during the restructuring agreement procedure;

b) Creditors whose rights to calculate interest, increases or penalties of any kind or expense, generically called accessories, have been suspended by the agreement may calculate their accessories retroactively during the period of the agreement.

Article 15¹²

(1) After the confirmation of the restructuring agreement and until the closure of the procedure, the debtor will not be able to access another insolvency prevention procedure.

(2) After the confirmation of the restructuring agreement and until the closure of the procedure, the insolvency procedure against the debtor cannot be opened at the request of an affected creditor.

Article 15¹³

(1) For debtors who have achieved in the previous year a net turnover or, as the case may be, a gross income of up to the RON equivalent of the amount of 500,000 euros, and the restructuring agreement was voted unanimously, the confirmation of the agreement by the syndic judge is no longer necessary.

(2) In this situation, the debtor will contact, only once, an insolvency practitioner contracted in order to endorse the agreement.

(3) The insolvency practitioner will endorse the agreement drawn up and negotiated by the debtor, verifying the following:

a) the debtor is in difficulty;

b) the restructuring agreement is unanimously approved by the affected creditors;

c) the votes were collected within 90 days of the first approval vote received by the debtor;

d) the communication of the restructuring agreement to all affected creditors was made under the

conditions of this law;

e)The agreement presents reasonable prospects for preventing the debtor's insolvency and ensuring its viability.

(4)The restructuring agreement voted in this manner shall be endorsed by the insolvency practitioner within a maximum of 30 days from the expiry of the term provided for in paragraph (3)(c).

(5)The insolvency practitioner shall draw up a report stating, as the case may be, that the conditions set out in paragraph 3 have been met and shall confirm the agreement or non-fulfilment thereof and shall reject the agreement. The report will be submitted to the National Union of Insolvency Practitioners in Romania, will be registered in a special register and will be communicated by the insolvency practitioner to the debtor and the affected and unaffected creditors, according to the provisions of Law no. 134/2010, as subsequently amended and supplemented. At the same time, the minutes confirming the agreement will also be mentioned in the trade register.

(6)An appeal may be lodged against the report concluded by the insolvency practitioner within 10 days from the communication, the provisions of Article 59(7) being applied accordingly.

(7)The procedure provided for in this Article shall not apply in the event of the existence of new financing, as well as if the restructuring agreement provides for the dismissal of more than 25% of the employees.

(8)The provisions of this chapter shall remain applicable, to the extent of compatibility, including with regard to the tax regime of receivables reduced by agreement.

CHAPTER III:Composition with creditors

SECTION 1:Beneficiaries of the procedure. Bodies applying the procedure

Article 16

Any debtor in difficulty may resort to the composition with creditors procedure, with the following exceptions:

- a)if in the 3 years prior to the submission of the request to open the procedure, the debtor has also benefited from the arrangement with creditors procedure, the fulfillment of which has failed;
- b)is in the situations referred to in Article 6²;
- c)is in a state of insolvency.

Article 17

(1)**The syndic judge has the following attributions in the arrangement with creditors**

procedure:

- a) solving the request for the opening of the composition with creditors procedure;
- b) the appointment of the composition administrator contracted by the debtor;
- c) approval, at the request of the composition administrator, of the restructuring plan;
- d) verifying the legality of the constitution of the categories and subcategories of claims in order to exercise the right to vote on the restructuring plan;
- e) adjudication of appeals according to Article 29¹;
- f) ordering, by conclusion, the maintenance or extension of the judicial suspension of the forced executions against the debtors or the lifting of the suspension under the conditions of this chapter;
- g) solving the request for closure of the composition procedure;
- h) any other duties provided by law.

(2) The syndic judge, on a quarterly basis, analyzes and takes note of the status of the procedure, based on the reports drawn up by the composition administrator, being able to establish, under the law, other obligations incumbent on the debtor.

Article 18

(1) The applications formulated under this title shall be judged in the council chamber, as a matter of urgency and in particular, the parties being summoned within 48 hours from the receipt of the application.

(2) The parties based abroad are summoned by rapid means of communication, at their registered office or, as the case may be, at their known domicile or residence; In the absence of this, the summons shall be made by posting at the door of the court.

Article 19

The main duties of the composition administrator are the following:

- a) prepares the report on the debtor's state of difficulty;
 - a¹) justifies, on the basis of the elements included in the report, that the debtor is not in a state of insolvency;
 - a²) analyzes the documents from which it ascertains the claims against the debtor's assets and draws up the list of claims with the identification of the creditors, grouped by categories of claims and divided into: claims whose realization will be affected by the restructuring plan, indicating the degree of their sufficiency; unaffected claims, together with a description of the reasons why the debtor proposes that they should not be affected by the restructuring plan; the disputed claims and their treatment;

- b) prepares or, as the case may be, assists the debtor in the preparation of the restructuring plan;
- c) assists the debtor or, at his request, negotiates the restructuring plan and takes steps for the amicable settlement of any dispute between the debtor and creditors or between creditors;
- d) may request the syndic judge to verify the legality of the constitution of the categories and subcategories of claims;
- e) convenes, if necessary, collective meetings of the creditors holding affected claims and draws up their minutes;
- f) supervises the fulfillment of the obligations assumed by the debtor through the restructuring plan;
- g) prepares, submits to the case file and sends quarterly reports on its activity and that of the debtor to the affected creditors;
- h) monitors and, where appropriate, assists the debtor in the implementation of the restructuring plan through any actions provided for therein or that are necessary for the implementation of the plan, such as: operational measures, recovery of assets, recovery of the enterprise or part of it as an independent whole;
- i) asks the court to close the arrangement with creditors procedure;
- j) performs any other duties provided for in this chapter, established by the restructuring plan or established by the syndic judge.

Article 20

The fee of the contracted arrangement administrator shall be established in agreement with the debtor, in compliance with the criteria provided in Article 38 of the Government Emergency Ordinance no. 86/2006, republished, with subsequent amendments and completions, and shall be borne from his assets.

Article 21

If one or more creditors holding at least 30% of the total value of the receivables affected by the restructuring plan requests the creditors to be summoned to a collective meeting, the composition administrator is obliged to convene them within a maximum of 5 days from the date of receipt of the request. The summons is sent to the creditors by means of rapid communication and which ensures confirmation of its receipt.

Article 22

(1) The vote of the creditors in composition can also be exercised by correspondence, including by means of rapid communication.

(2) A collective meeting of the creditors in composition may be organized and chaired by the administrator of the composition, if the vote on the plan is to be granted during such a meeting.

(3) The debtor may also be invited to the meetings of the creditors.

(4) If the creditors' collective meeting is organized on an electronic platform indicated by the composition administrator in the convening notice, the minutes of the meeting will be signed only by the representative of the composition administrator and will be communicated, by means of rapid communication, to all creditors who participated in the meeting, including those who exercised their vote by correspondence.

Article 23

(1) Any debtor in difficulty, with the exceptions provided for in Article 16(a), (b) and (c), may apply to the competent court for the opening of the arrangement with creditors procedure.

(2) The application will include:

a) the report of the composition administrator analyzing the state of difficulty and justifying the fact that the debtor is not in a state of insolvency, accompanied by the documents that were the basis of the administrator's analysis;

b) the indication of the contracted composition administrator, the documents attesting to him or her as an active insolvency practitioner and the valid professional insurance;

c) the debtor's statement that he is not in one of the situations provided for in letters a) and b) of Article 16.

(3) An arrangement with creditors procedure may also be opened at the request of one or more creditors who hold a certain and liquid claim, provided that the prior agreement of the debtor in difficulty is obtained. The application will be accompanied by the following documents:

a) the debtor's consent, expressed in writing, together with the indication of the practitioner chosen by the debtor;

b) justification of the difficulty, through the report of the composition administrator, either by the debtor or by the creditor who formulates the request;

c) the debtor's statement that he is not in one of the situations provided for in letters a), b) and c) of Article 16.

(4) If the creditor has the debtor's consent, but the other documents that must accompany the application are missing, the syndic judge may grant a deadline for their submission.

(5) The syndic judge, by means of an enforceable conclusion, pronounced in a non-contentious

procedure, finding that the conditions provided by Article 16 have been met, opens the arrangement with creditors procedure and appoints the arrangement administrator contracted by the debtor or, if these conditions are not met, rejects the request to open the procedure. The conclusion shall also be communicated, in order to make the mention, to the register in which the debtor is registered.

(6) The conclusion is subject only to appeal, within 7 days running from the date of communication to the debtor and from the date of the mention regarding the opening of the composition procedure in the register in which the debtor is registered, for any other interested person. The appeal is heard in the council chamber, urgently and especially.

Article 24

(1) Within 60 days from the opening of the procedure, the composition administrator shall draw up or, as the case may be, assist the debtor in drawing up the restructuring plan.

The restructuring plan must contain at least the following information:

- a) the identification data of the debtor and of the composition administrator;
- b) the composition of the debtor's patrimony, broken down by patrimonial masses where applicable, respectively the assets and liabilities at the time of drawing up the restructuring plan, their value at the date of drawing up the plan;
- c) analysis of the debtor's economic situation, the situation of the employees, as well as a description of the causes and level of the debtor's difficulties at the time of proposing the plan;
- d) **The list of receivables, with the identification of creditors, grouped by categories of receivables and divided into:**

- receivables whose realization will be affected by the restructuring plan, indicating the degree of their sufficiency; an affected claim of a creditor with several joint and several debtors in composition proceedings will be entered in the list of claims with the nominal value of the claim held, with an indication of the degree of sufficiency, the creditor having the obligation to report any amount collected if he has received a partial payment from a co-debtor or guarantor, within 3 days from the moment of collection, the list of receivables being duly updated or, as the case may be, the receivable will be entered in the list of receivables only for the part that has not yet been collected;

- unaffected claims, together with a description of the reasons why the debtor proposes that they should not be affected by the restructuring plan;

e) the disputed claims and their treatment; the proposal of treatment for the disputed claims does

not amount to the recognition of the disputed right;

f) explanatory memorandum explaining why the restructuring plan has reasonable prospects of preventing the debtor's insolvency and ensuring the viability of the business, including the necessary prerequisites for its success. This explanatory memorandum will be made or validated by the composition administrator;

g) proposed restructuring measures or a combination thereof, such as:

- the operational restructuring of the activities carried out by the debtor;
- changing the composition, conditions or structure of the debtor's assets or liabilities;
- capitalization of some assets of the debtor;
- capitalizing on the enterprise as an independent whole;
- the merger or division of the debtor, under the law;
- changing the debtor's share capital structure by increasing the share capital by co-opting new shareholders or associates or by converting receivables into shares, with the corresponding increase of the share capital;

h) the ways of informing and consulting the employees' representatives and the ways in which the plan will affect the debtor's workforce (individual dismissal procedures, collective dismissal procedures, possible cases of suspension of employment contracts at the initiative of the employer, reduction of the working hours corresponding to the temporary reduction of activity);

i) the income and expenditure budget and the estimated financial flows of the debtor during the restructuring plan, with the division of creditors between holders of affected claims and holders of unaffected claims;

j) new funding, interim funding, as well as the reasons why it is needed for the implementation of the plan;

k) simulation of the distributions that the affected creditors would benefit from in the case of the scenario of the next optimal alternative, a scenario that can even be bankruptcy, made on the basis of a valuation report of the assets existing in the debtor's patrimony, drawn up by an authorized appraiser no more than 6 months prior to the date of the opening of the procedure, and the comparative presentation of these distributions with those provided for by the restructuring plan;

l) the private creditor test drawn up in accordance with Article 5(1)(71), if, by the plan, reductions of the budgetary claim are proposed;

m) the receivables payment schedule, in relation to the financial flows and the duration of the plan.

(2) The debtor shall ensure that the amount provided for in the restructuring plan for the payment of

salary claims is at least equal to the amount he would obtain in the event of foreclosure, but not less than what he would receive in the scenario of the next optimal alternative.

(3)The valuation report will be drawn up on the basis of the assumptions underlying the restructuring measures envisaged to be proposed in the restructuring plan, as indicated by the debtor. The report can be consulted in electronic format by interested creditors.

(4)The debtor has the possibility to include in the restructuring plan the disputed claims, in whole or in part, without their inclusion in the restructuring plan being equivalent to the recognition of the disputed right. The disputed claims will have voting rights with the value included in the restructuring plan.

(5)The provisions of Article 133(5)(K) and Article 135¹ shall apply accordingly.

(6)In the case of contracts whose maturity exceeds the term provided for the implementation of the restructuring plan or those for which payment rescheduling is proposed outside this period, after the closure of the composition procedure, they will continue under the conditions agreed by the parties.

(7)The maximum term for the implementation of the measures established by the restructuring plan is 48 months from the date of its approval by enforceable decision, with the possibility of extending it by 12 months. In the first year, the payment of at least 10% of the value of the receivables affected by the composition is mandatory.

(8)The restructuring plan is communicated by the composition administrator to the creditors whose claims are affected by means of rapid communication, which allow proof of receipt of the documents submitted.

(9)The restructuring plan will be submitted to the case file. Its submission and notification shall be mentioned in the register in which the debtor is registered.

(10)The list of claims will have as a reference the date of the opening of the procedure, which will be updated, if necessary, during the negotiation with the creditors. It shall mention at least the following information:

- a)identification of the creditor and contact address;
- b)the value of the receivables;
- c)the categories and, if applicable, the subcategories into which the claims are grouped for the purpose of voting on the composition;
- d)preferential rights.

(1) From the date of the opening of the composition procedure, all forced executions directed against the debtor are suspended by law or they do not begin, regardless of the nature of the claim, for a period of 4 months. During the duration of the suspension, the prescription of the right to request forced execution will also be suspended.

(2) During the period provided for in paragraph (1), it will not be possible to order the lifting of the suspension measure.

(3) By exception to the provisions of paragraph (1), the forced execution of salary claims is not suspended by law. It may be suspended by the syndic judge at the debtor's request, if the debtor proves the ability to pay the amounts for which the suspension is ordered, even in a staggered manner, at least in the amount in which they would be covered in the forced execution procedure.

(4) The legal suspension of forced executions is maintained for a maximum period of 4 months, but no later than the date of a decision approving the restructuring plan or closing the procedure as a result of the failure to meet the conditions for its confirmation.

(5) For good reasons, at the request of the debtor, a creditor or the composition administrator, the syndic judge may order the extension of the measure of suspensions of forced executions or may grant a new suspension for one or more determined periods. The total duration of the suspension, with extensions and renewals, may not exceed 12 months from the date of the opening of the arrangement with creditors procedure. They may constitute good reasons, but are not limited to:

a) relevant progress has been made in the negotiations on the restructuring plan or the negotiations have been completed and the restructuring plan has not yet been confirmed;

b) there is no unfair infringement of creditors' rights.

(6) The request for extension of the suspension measure, for granting a new suspension, as well as the request for suspension provided for in paragraph (3), second sentence, shall be judged in the council chamber, as a matter of urgency and in particular, without summoning the parties, within 48 hours from the date of submission of the request.

(7) If the syndic judge does not issue a decision approving the restructuring plan within the time limit set out in paragraph 1, creditors whose foreclosures have been suspended may proceed to the debtor's forced execution, if the syndic judge has not ordered, at the request of the debtor or the composition administrator, the extension of the suspension or a new suspension, for good reasons.

(8) By exception to the provisions of paragraph (5), forced executions that are not likely to jeopardize the restructuring and for which the debtor has expressed his agreement may continue, at

the request of the creditor addressed to the syndic judge, within a maximum of 5 days from the date of termination of the suspension by law.

(9)The syndic judge may lift the suspension of forced executions ordered according to paragraph (5), in the following cases:

a)at the request of creditors, when there are solid indications that the restructuring plan is not supported by the majority required by law or when one or more creditors are or would be unfairly prejudiced by the suspension of foreclosures;

b)at the request of the composition administrator or the debtor.

(10)During the suspension of the forced execution, the insolvency procedure against the debtor cannot be opened.

(11)During the period of suspension of forced executions, the flow of interest, late payment penalties and any other expenses related to the affected receivables shall be suspended by law, until the date of approval of the plan. After the approval of the restructuring plan, their regime will be the one provided by the plan.

Article 25¹

(1)The stay of foreclosures does not apply to bilateral set-off agreements. However, the suspension applies in the case of enforcement by a creditor of a claim against a debtor resulting from the application of a bilateral set-off agreement.

(2)The first sentence of paragraph 1 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 a stock exchange or on other markets in such a way that it can be replaced at current market value at any time.

Article 25²

(1)Until the approval of the restructuring plan, creditors may not refuse the execution of essential ongoing contracts, may not terminate, execute early or modify these contracts to the detriment of the debtor, for claims arising prior to the suspension of enforcement, exclusively for non-payment of claims, provided that the debtor complies with its obligations under these contracts that mature during the suspension of enforcement.

(2)Prior to the approval of the restructuring plan, the debtor may access intermediate financing, with the prior approval of the composition administrator.

Article 25³

(1) Economic operators in an arrangement with creditors procedure, opened before July 17, 2022, have the right to request an extension of the deadline for satisfying the claims established by the arrangement by another 24 months.

(2) The provisions of paragraph (1) apply to economic operators who have already benefited from extensions of the composition with creditors. The maximum total duration of the arrangement, including extensions, will be 60 months calculated from the date of approval.

(3) The request for extension of the deadline for the satisfaction of the claims established by the composition may be made at any time by the composition administrator, until the closure of the procedure is ordered, in accordance with the provisions of this law.

(4) The request provided for in paragraph (3) shall be accompanied by the decision of the meeting of the creditors to approve the extension.

Article 25⁴

The creditors who voted against the extension of the composition with creditors under the conditions of Article 25³ may recover their claim by any other means provided by law.

Article 25⁵

Starting with the date of the extension provided for in Article 25³ paragraph (1), the creditors of the composition with creditors who voted against the extension of the composition with creditors under the conditions of Article 25³, as well as the creditors of the composition with creditors, shall be able to submit requests for the opening of the insolvency proceedings against the debtor.

SECTION 2: SECTION 2: Negotiation, voting and approval of the restructuring plan

Article 26

(1) In order to exercise the creditors' vote on the restructuring plan, the debtor together with the composition administrator may organize one or more negotiation meetings, collective or individual, with the creditors.

(2) The period in which negotiations are carried out and the vote on the restructuring plan is expressed may not exceed a period of 60 calendar days from the date of its submission. At any time during this period, the application for approval of the restructuring plan can be submitted, if the majority provided by law is obtained.

(3) If, as a result of the negotiations, the restructuring plan needs to be amended, the composition administrator will communicate to the creditors its modified version in order to exercise the right

to vote, including the updated list of claims, if applicable. The voting procedure shall be resumed after each amendment.

(4)The debtor shall record the outcome of the negotiations and, if applicable, the vote of the affected creditor in a document signed by all parties involved. The affected creditor may also submit his vote in a separate document. Any conditioning of the vote, abstention or absence of the vote is considered a negative vote. The positive vote cannot be withdrawn.

(5)By exception to the provisions of paragraph (2), the syndic judge may extend the period of negotiations and voting by a maximum of 30 days, at the request of the debtor or the composition administrator, for the situation in which the negotiations with the creditors are at a sufficiently advanced stage and present reasonable prospects of acceptance of the proposed restructuring plan.

(6)Failure to approve the restructuring plan within the period provided for in paragraph (2) or paragraph (5) shall entail the debtor's forfeiture of the right to request its approval.

Article 27

(1)The restructuring plan is voted only by the creditors who hold affected claims, the creditors whose claims are not affected not having the right to vote on it.

(2)If, during the negotiations, amendments have been made to the restructuring plan, it shall be communicated by the composition administrator to the affected creditors for the purpose of casting their votes, including the updated list of claims, if applicable, at least 10 days before the expiry of the period laid down in Article 26(2) or, as the case may be, in paragraph 5.

(3)The creditors' vote shall be sent by means of rapid communication to the address mentioned in the restructuring plan or communicated later. The vote on the amended plan following negotiations shall be taken within the time limit laid down in Article 26(2) or, as the case may be, in paragraph 5.

(4)The following claims are constituted in distinct categories, which vote separately on a restructuring plan:

- a)receivables benefiting from preferential rights;
- b)salary claims;
- c)the claims of indispensable creditors, if applicable;
- d)budgetary receivables;
- e)other claims.

(5)In order to vote on the restructuring plan, one or more subcategories belonging to creditors with specific common interests may be constituted within the same category of

claims, whose treatment may be different from one subcategory of claims to another. For the determination of specific common interests, the debtor may use the following criteria which include, but are not limited to:

- a) the nature of the claims;
- b) the nature and rank of the causes of preference;
- c) the actions available to the titular creditors in the absence of the composition procedure and the degree of sufficiency of these claims in the event of the exercise of these actions;
- d) belonging to a group of companies, within the meaning of this law.

(6) In order to vote on the restructuring plan, the category of indispensable creditors' claims can be constituted.

(7) A restructuring plan will be considered accepted by a category of claims if in that category it is accepted by an absolute majority of the value of the claims. In the case of the constitution of subcategories of claims within a category, the category is considered to have voted for the restructuring plan if the acceptance is made by an absolute majority of the value of the claims in that category.

(8) For debtors who have a net turnover or, as the case may be, a gross income of up to the RON equivalent of the amount of 500,000 euros in the previous year, it is not mandatory to establish categories of claims.

(9) When the debtor does not opt for the constitution of the categories of claims, according to paragraph (8), the list of claims individualizes each claim against the debtor's assets, and the plan will be considered accepted if it is voted by an absolute majority of the value of the affected claims.

(10) Creditors who, directly or indirectly, control, are controlled or are under common control with the debtor may participate in the meeting, but may vote on the restructuring plan only if the restructuring plan grants them less than they would receive in the event of bankruptcy.

Article 28

(1) After the approval of the restructuring plan by the creditors, the debtor asks the syndic judge, within a maximum of 3 days from the conclusion of the minutes approving the restructuring plan, to approve the restructuring plan. The application for approval will be accompanied by the following documents:

- a) the restructuring plan, in the final form voted by the creditors, according to this law;
- b) the valuation report of the debtor's assets taken into account when drawing up the restructuring

plan;

c) proof of receipt by the affected creditors of the restructuring plan, and if proof of receipt is missing, proof of transmission to the registered office mentioned in the registers in which they are registered/their domicile;

d) the minutes of the creditors' vote and the votes cast by them.

(2) Following the analysis of the approval application:

A. The syndic judge will admit the application for approval if the following conditions are cumulatively met:

a) the restructuring plan was approved by the creditors of each category of claims with an absolute majority;

b) creditors in the same category of claims are treated equally and proportionately with their claim; in the case of the establishment of subcategories, the provisions of paragraph (3) shall apply;

c) the communication of the restructuring plan to all affected parties was made under the conditions of this law;

d) if there are creditors who did not vote for the restructuring plan or did not participate in the vote, they benefit from fair and equitable treatment;

e) the new financing, where appropriate, is justified by the implementation of the restructuring plan and does not unfairly prejudice the interests of creditors;

f) the plan presents reasonable prospects for preventing the debtor's insolvency and ensuring the viability of the company;

g) the voting conditions were respected and the division into categories and subcategories of claims was made according to the provisions of this chapter;

h) the claims proposed not to be part of the restructuring plan are not directly affected by the measures provided for in the restructuring plan and the reasons for excluding them from the agreement are well-founded;

B. If the condition in item A, letter a), the syndic judge will be able to admit the application for approval if the following conditions are cumulatively met:

a) The conditions set out in item 201 are met. A letter b)-h);

b) The restructuring plan was approved:

(i) a majority of the categories of claims, one of which shall be a class of claims benefiting from preferential causes or any class of claims other than the class of claims referred to in Article 27(4)(e);

or, failing that,

(ii) at least one category of voting claims, other than a category of claims that would not receive any payment in the event of bankruptcy, provided that, if for at least one category of claims, by the plan, a reduction in the amount and/or accessories of the claim has been provided, the vote in favour belongs to at least one of these categories.

c) categories of claims that have not voted for the restructuring plan shall be treated more favourably than any other category of lower-ranking claims, as is apparent from the hierarchy set out in Article 27(4);

d) The restructuring plan was voted by at least 30% of the total affected debts.

(3) In the case of the creation of subcategories of claims according to the provisions of Article 27 paragraph (5), the syndic judge shall also verify whether:

a) the absolute majority condition is fulfilled in the category of claims from which the subcategories originate;

b) creditors in subcategories are treated equally and in proportion to their claim;

c) the criteria for the creation of the subcategories of claims were complied with, according to Article 27(5).

(4) The fair and equitable treatment is verified in relation to the value of all claims from the same date, both affected and unaffected, so that:

a) no creditor receives more than the amount of his claims;

b) the holder of an affected claim who does not vote for the restructuring plan receives no less than the value of the distributions that would be made in the scenario of the next optimal alternative, if the restructuring plan is not confirmed, which scenario may even be bankruptcy, according to the simulation provided for in the plan;

c) creditors shall receive less favourable treatment than other creditors in the same category of claims or, as the case may be, sub-category of claims, according to the list of claims, only if they expressly consent to such treatment.

(5) The syndic judge, in a non-contentious procedure, approves the restructuring plan by a decision pronounced in the council chamber, within a maximum of 10 days from the date of registration of the application. The syndic judge, if he considers that additional explanations are necessary, may summon the debtor and/or the administrator of the arrangement. The application for approval of the restructuring plan can be rejected exclusively on grounds of legality. The decision by which the request for approval is resolved shall be communicated to the debtor, the composition administrator and all creditors whose claims have been affected by the restructuring plan, as well

as to the creditors holding unaffected claims.

(6)The restructuring plan, approved by the creditors and approved by the syndic judge, shall be communicated to the affected creditors and to the creditors holding unaffected claims, through the composition administrator within 48 hours from the pronouncement of the conclusion, and shall be mentioned in the register in which the debtor is registered.

(7)The modification of the restructuring plan, including its extension, can be made at any time during the procedure, without exceeding the maximum total duration of the plan since the initial approval. The modification and voting of the modification of the plan shall be made under the same conditions provided for the preparation and voting of the plan, in relation to the affected receivables remaining in balance on the date of the vote. The modification of the plan will have to be approved by the syndic judge.

Article 29

(1)From the date of the pronouncement of the decision approving the restructuring plan, the individual forced executions on the debtor having as object the recovery of affected claims and the expiry of the prescription of the right to request the forced execution of their claims shall be suspended by law.

(2)Interest, late payment penalties and any other accessories related to the affected claims will have the treatment provided for in the approved restructuring plan.

(3)If the approved restructuring plan provides for reductions of receivables, any taxes owed by the debtor become due on the date of a decision by the syndic judge stating the fulfillment of the restructuring plan.

Article 29¹

(1)After the approval of the restructuring plan by a final decision and until the closure of the procedure, in case of discovery of the existence of a forgery, fraud or an essential error or of decisive and hitherto unknown titles that determined the inclusion of a claim in the list, any of the creditors may challenge to the syndic judge the inclusion of a claim in the list of claims:

- a)non-existent or fictitious;
- b)in an amount different from its scope;
- c)in a category of claims other than the one corresponding to its legal situation.

(2)Finding the appeal to be well-founded, the syndic judge may order:

- a)maintaining the approval decision, modifying the list of claims according to the legal situation

thus established and, with the debtor's consent, modifying the restructuring plan, if the disputed claim was not decisive for the result of the vote. The modification of the restructuring plan will be made by the debtor within the term set by the syndic judge, will be submitted to the case file and will be communicated to the creditors;

b) the revocation of the confirmatory decision, the invalidation of the restructuring plan and, if applicable, the restitution of the payments already made for the payment of a non-existent or fictitious claim or over the amount due, if the disputed claim was decisive for the result of the vote on the restructuring plan, leading to the adoption of a decision confirming it.

(3) The appeal shall be submitted within 7 days from the date on which its holder knew or should have known the situation that determines the formulation of the appeal.

(4) The appeal shall be resolved by the syndic judge within a maximum of 15 days from the date of submission, and the debtor, the composition administrator, the disputing creditor and the creditor whose claim is contested shall be summoned.

(5) The contestant must prove that the appeal has been sent to all parties with opposing interests within the appeal period. The proof of sending the appeal can be submitted no later than the first trial term. If the court determines that it is necessary to serve parties other than those to whom the challenger has communicated the challenge, it will order the communication to them as well, setting a deadline for fulfilling this obligation. Failure to comply with the obligations provided by this article entails the application of a judicial fine according to the provisions of Law no. 134/2010, as subsequently amended and supplemented. The limits of the judicial fines provided for in Article 187 of Law no. 134/2010, as subsequently amended and supplemented, shall be doubled.

(6) The appeal filed on the basis of this article does not suspend the development of the restructuring plan until a final court decision is pronounced.

Article 30

(1) The creditor whose claim is not affected is obliged, prior to the commencement of any enforcement proceedings, to notify the debtor in this regard. Within 30 days of receipt of the notification, the debtor may conduct negotiations on the conditions for adherence to the restructuring plan, including by establishing conditions for granting appropriate protection, negotiation in which the creditor is obliged to participate.

(2) By exception to the provisions of paragraph (1), the mediation procedure provided for in Article 230¹ of Law no. 207/2015, as subsequently amended and supplemented, and, where appropriate, the provisions of Article 5² paragraph (2).

Article 31

From the date of approval until the date of a court decision to terminate the procedure, the insolvency procedure against the debtor may not be opened at the request of an affected creditor.

Article 32

For creditors who hold claims arising after the date of approval of the restructuring plan and not paid at maturity, the provisions of Article 30 shall apply accordingly.

Article 33

(1) If a restructuring plan is approved by the court, the debtor's activity will have to be restructured in accordance with its provisions, and the rights of the creditors holding affected claims are to be modified in accordance with its provisions, from the date of the approval decision.

(2) An approved restructuring plan is enforceable against all creditors, including those creditors who voted against or did not vote on it. The approved restructuring plan will have no effect on creditors not affected by its provisions.

(3) The restructuring plan shall be enforceable against budgetary creditors, provided that the legal provisions on state aid are complied with, according to the provisions of Article 5(1)(71).

(4) After approval, the debtor carries out its activity within the limits of its usual business, under the conditions of the restructuring plan, under the supervision of the composition administrator.

(5) In the exercise of the powers of supervision of the restructuring plan, the composition administrator will communicate to the creditors affected by the restructuring plan a quarterly analysis report presenting the manner of fulfilling the restructuring plan, as well as the fact that, by carrying it out, the viability of the business is maintained.

(6) In order to fulfill the supervisory task, the debtor has the obligation to submit to the composition administrator all the information necessary for the preparation of the analysis report, within 15 days from the date of conclusion of the financial statements for the monitored quarter. The debtor's failure to provide information is presumed to represent the failure of the restructuring plan.

SECTION 3: Closure of the arrangement with creditors procedure

Article 34

(1) The arrangement with creditors procedure is closed by decision of the syndic judge in the following situations:

a) fulfilling the provisions of the restructuring plan, at the request of any party or of the composition administrator. In this case, if the restructuring plan provided for reductions in claims, the reductions remain final from the date of the decision to close the proceedings;

b) failure to comply with the provisions of the restructuring plan, at the request:

(i) to any creditor, if the debtor's activity during the course of the restructuring plan causes losses to its assets and does not present reasonable prospects of maintaining the viability of the business;

(ii) to a creditor to whom the claim has not been paid in accordance with the provisions of the restructuring plan within a maximum of 60 days from the date provided for in the restructuring plan for payment, if the parties have not concluded an agreement in this regard, in compliance with the rights of the other creditors;

(iii) to the debtor, if it is unable to fulfill its obligations under the restructuring plan;

c) failure to comply with the obligation to amend the restructuring plan ordered by the syndic judge or the court of appeal within the term established by the decision ordering the amendment, ex officio or at the request of any interested party;

d) If the restructuring plan is not voted by the creditors within the negotiation period, it is not approved by the syndic judge or if the debtor considers that the negotiations cannot lead to the approval of a restructuring plan.

e) ex officio or at the request of any interested party, if the restructuring plan has not been submitted within the time limit provided for in Article 24(1) and a request for an extension of the negotiation period has not been made, in accordance with Article 26(5), or has not been approved by the syndic judge.

(2) As a result of the failure of the restructuring plan according to paragraph 1(b):

a) any reduced claims are reborn on the date of the decision to close the procedure, reduced as a result of the payments made during the arrangement with creditors procedure;

b) Creditors who are entitled to the collection of interest, increases or penalties of any kind or expense, generically called accessories, suspended by the restructuring plan, may calculate their accessories retroactively during the period of the restructuring plan.

Article 35

(the text of Article 35 of Title I, Chapter III, Section 3 was repealed on 17 July 2022 by Article I, point 54 of Law 216/2022)

Article 36

(text of Article 36 of Title I, Chapter III, Section 3 was repealed on 17 July 2022 by Article I, point 54 of Law 216/2022)

Article 37

(text of Article 37 of Title I, Chapter III, Section 3 was repealed on 17 July 2022 by Article I, point 54 of Law 216/2022)

Article 37¹

(1)The provisions of this Chapter shall also apply to companies that are part of a group, which have made a joint request to open the arrangement with creditors procedure. The provisions of Article 185 shall apply accordingly.

(2)In the situation provided for in paragraph (1), associated files will be formed for each company that has requested the opening of the arrangement with creditors procedure, and the syndic judge will analyze the conditions for opening the procedure for each company.

(3)Each company will appoint the same composition administrator, who will draw up a single restructuring plan.

(4)The restructuring plan will be communicated according to the provisions of this law to each affected creditor of each company.

(5)The fulfillment of the voting conditions will be verified by the syndic judge in each associated file. Failure to meet the voting conditions for one of the companies will lead to the rejection of the request for approval of the restructuring plan.

(6)The approval of the restructuring plan shall be made by the syndic judge within the parent company's file or, if the procedure has not been opened against it, within the first registered file, by means of a single enforceable conclusion, which may be appealed, under the conditions of this title.

(7)The provisions of chap. III shall apply, accordingly, to the extent of compatibility, to the group of companies.

TITLE II:Insolvency procedure

CHAPTER I:Common provisions

SECTION 1:General

Article 38

(1)The general procedure provided for in this Chapter shall apply to the debtors referred to in Article 3, with the exception of those to whom the simplified procedure applies.

(2)The simplified procedure provided for in this chapter shall apply to debtors in a state of insolvency who fall into one of the following categories:

a)(the text of Article 38(2)(A) of Title II, Chapter I, Section 1 was repealed on 17 July 2022 by Article I, point 56 of Law 216/2022)

b)(the text of Article 38(2)(B) of Title II, Chapter I, Section 1 was repealed on 17 July 2022 by Article I, point 56 of Law 216/2022)

c)debtors who belong to the categories referred to in paragraph (1) and meet one of the following conditions:

1. they do not hold any assets in their patrimony;
2. accounting documents cannot be found;
3. the company no longer has management bodies or they can no longer function;
4. the conditions regarding the registered office/professional headquarters are no longer met;

d)legal persons dissolved voluntarily, judicially or by law, prior to the filing of the application, even if the judicial liquidator was not appointed or, although appointed, the mention regarding his appointment was not entered in the trade register;

e)debtors who have declared their intention to enter bankruptcy through the application;

f)any person who carries out activities specific to professionals, who has not obtained the authorization required by law for the operation of an enterprise and is not registered in the special advertising registers; The application of this law to these persons shall not exclude the penalties applicable for the lack of authorization or registration of that person.

Article 39

(1)All expenses related to the procedure established by this law, including those related to the notification, convening and communication of procedural acts carried out by the judicial administrator and/or the judicial liquidator, shall be borne from the debtor's assets.

(2)Payments will be made from an account opened at a bank unit, based on orders issued by the debtor or, as the case may be, by the judicial administrator, and during bankruptcy, by the judicial liquidator.

(3)The money available can be kept in a special bank deposit account.

(4)In the absence of availabilities in the debtor's account, the liquidation fund will be used, the

payments being made according to the provisions of the Government Emergency Ordinance no. 86/2006 on the organization of the activity of insolvency practitioners, republished, with subsequent amendments and completions, based on a forecast budget.

(5) During the creditors' meeting, the judicial administrator will be able to request the creditors to advance the amounts necessary for the continuation of the procedure.

(6) For the purpose and within the limits necessary to cover the procedural expenses, at any time during the procedure, in the absence of liquidity in the debtor's patrimony, the judicial administrator/liquidator will identify recoverable assets free of encumbrances, which are not essential for the reorganization, and will proceed to the emergency recovery, starting from their market value, or, in exceptional cases, thoroughly justified, at least the liquidation value, established by an authorized appraiser. Until the creditors' committee is appointed, the valuation decision belongs to the judicial administrator/judicial liquidator. The proposal for capitalization, included in the report provided for in Article 59(1), which shall be submitted to the case file and published in an extract in the BPI, may be challenged by any interested party within 3 days from the date of publication of the extract of the report in the BPI. After the appointment of the creditors' committee, the recovery shall be made with the agreement of the committee, according to the provisions of Article 87(2).

(7) The fund provided for in paragraph (4) shall be supported from the state budget, through the budget of the Ministry of Justice, as well as from the takeover of 2.0% of the amounts recovered in the insolvency proceedings, including from the funds obtained from the sale of assets from the debtor's estate, an amount which shall be included in the category of expenses related to the procedure within the meaning of paragraph 1.

(8) The amounts referred to in paragraph (1) shall be paid with priority at the time of the existence of the available amount in the debtor's account. The amounts paid from the liquidation fund for procedural expenses are considered advances and will be returned by the insolvency practitioner from the debtor's assets at the time of their existence.

(9) The National Union of Insolvency Practitioners of Romania will communicate to the National Trade Register Office and to the courts of law under which the register of agricultural companies operates, respectively the register of associations and foundations, the account number and the unit to which it is opened and any subsequent changes thereto.

SECTION 2: Bodies applying the procedure. Participants in the procedure

SUBSECTION 0:

Article 40

(1)The bodies that apply the procedure are: the courts, the syndic judge, the judicial administrator and the judicial liquidator.

(2)The bodies referred to in paragraph (1) shall ensure the prompt performance of the acts and operations provided for by this law, as well as the realization, under the law, of the rights and obligations of the other participants in these acts and operations.

Article 40¹

(1)For all applications, appeals, actions based on the provisions of this title, responses, as well as all documents submitted in proof of the claims made, their holder shall also submit proof of their communication to the debtor, the judicial administrator/judicial liquidator, the creditor and/or the creditors' committee as the case may be, in the form and deadlines provided by law. If the law provides for the communication to all creditors of the procedure, then this will be done by the court through BPI.

(2)Failure to comply with the obligations provided for in paragraph (1) entails the imposition of a judicial fine according to the provisions of Law no. 134/2010, as subsequently amended and supplemented. The limits of the judicial fines provided for in Article 187 of Law no. 134/2010, as subsequently amended and supplemented, shall be doubled.

(3)The provisions of paragraphs (1) and (2) shall also apply accordingly to the resolution of appeals filed under this Title.

SUBSECTION 1:§ 1. Courts

Article 41

(1)All the procedures provided for in this chapter, except for the appeal, shall be under the jurisdiction of the court or, where appropriate, of the specialized court in whose district the debtor had its registered office for at least 6 months prior to the date of the referral to the court. If a special insolvency section has been created within the court, it shall have the competence to carry out the procedures provided for in this law.

*) By Decision no. 17/2020, the High Court of Cassation and Justice establishes that in the unitary interpretation and application of the provisions of Article 41 paragraph (1) of Law no. 85/2014 on insolvency prevention and insolvency procedures, the substantive competence to settle appeals regarding the forced execution initiated by the budgetary creditors pursuant to the

provisions of Article 143 paragraph (1) final sentence of Law no. 85/2014 belongs to the syndic judge entrusted with the insolvency procedure in which the respective appeals are formulated, according to Article 45(1)(r) and (2) of Law no. 85/2014.

(2)The debtor's registered office is the one with which he appears in the register in which he is registered. If the registered office has been changed less than 6 months prior to the submission of the application for the opening of the insolvency procedure, the debtor's registered office is the one with which it appeared in the register in which it was registered.

(3)The court, legally vested with an application for the opening of insolvency proceedings pursuant to paragraph 1, remains competent to hear the case, irrespective of subsequent changes of the debtor's seat.

(4)All applications, appeals, actions based on the provisions of this chapter shall be judged according to the provisions of the Code of Civil Procedure regarding the trial in the first instance, with the mention that the deadline for filing the defence is a maximum of 15 days from the communication, the response to the defence is not mandatory, and the syndic judge shall fix, by resolution, within a maximum of 5 days from the date of filing the defence, the first trial term, which will be no more than 30 days from the date of the resolution. As regards the requests for the opening of the insolvency procedure or in other cases where the law provides for special deadlines, these special deadlines will be taken into account. In the case of the application for the opening of the insolvency procedure, the provisions of Article 200 of the Code of Civil Procedure regarding the regularization of the application are not applicable.

(5)In disputes that have been promoted under the common law, after the opening of the insolvency procedure, the summons of the debtor will be made at its headquarters and at the headquarters of the judicial administrator/judicial liquidator.

Article 42

(1)The summons of the parties, as well as the service of any procedural documents is carried out by BPI. The communication of summonses, summonses and notifications to the participants in the trial, whose headquarters, domicile or residence is abroad, is subject to the provisions of the Code of Civil Procedure in conjunction with the provisions of Regulation (EC) no. 1.346/2000 of 29 May 2000 on insolvency proceedings, as subsequently amended and supplemented, and of Regulation (EC) no. 1.393/2007 of the European Parliament and of the Council of 13 November 2007 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (service of documents) and repealing Regulation (EC) no. 1.348/2000 of the

Council, as the case may be. BPI will be carried out in electronic form. The coverage of the expenses of publishing the BPI is borne from the state budget, through the budget of the Ministry of Justice.

(2) In the contentious proceedings regulated by this chapter, only persons whose rights or interests are submitted to the syndic judge for settlement shall be summoned as parties, under adversarial conditions. In all other cases, the provisions of the Code of Civil Procedure relating to non-contentious procedure shall apply, insofar as they do not contravene express provisions provided for in this law.

(3) By exception to the provisions of paragraph (1), the communication of the procedural documents prior to the opening of the procedure and the notification of the opening of the procedure shall be carried out in accordance with the provisions of the Code of Civil Procedure. Creditors who have not been notified in accordance with the provisions of Article 99(3) shall be considered by right within the deadline for submitting applications for admission of claims, by submitting an application for admission to the insolvency estate and shall take over the procedure at the stage in which they were at the time of their registration in the insolvency estate.

(4) By exception to the provisions of paragraph (1), the first summons and communication of the procedural documents to the persons against whom an action is brought, pursuant to the provisions of this law, after the opening of the insolvency procedure, shall be carried out in accordance with the provisions of the Code of Civil Procedure and by BPI. The courts will transmit the procedural documents in question, ex officio, for publication in the BPI.

(5) If the debtor is a company traded on a regulated market, the syndic judge will communicate to the Financial Supervisory Authority the decision to open the procedure.

(6) The format and framework content of the documents that are published in the BPI and of the proof regarding the fulfillment of the summons, summons, notification and service procedure are established by order of the Minister of Justice and are mandatory used by all participants in the procedure.

(7) The notifications, unless the task of notification belongs to other bodies applying the procedure, and the summons provided for by this law shall be the responsibility of the judicial administrator or the judicial liquidator, as the case may be.

(8) Creditors who have registered requests for admission of claims are presumed to be aware of the deadlines provided for in Article 100 or Article 146 or 147, as the case may be, and will not

be summoned again.

(9) In order to publish the summonses, summons and notifications of procedural acts carried out by the courts, after the opening of the procedure provided for by this law, the BPI shall be published.

(10) The publication of procedural documents or, as the case may be, of court decisions in the BPI replaces, from the date of their publication, the summons, summoning and service of procedural acts carried out individually against the participants in the trial, which are presumed to have been fulfilled on the date of publication.

Article 43

(1) The Court of Appeal will be the court of appeal for the decisions pronounced by the syndic judge. The decisions of the Court of Appeal are final.

(2) The appeal deadline is 7 days from the communication of the decision made by publication in the BPI, unless otherwise provided by law. The appeal will be judged by specialized panels, as a matter of urgency. The summons of the appellants, the judicial administrator/judicial liquidator and the respondents in the appeal and the communication of the decisions rendered are made through BPI. The courts will transmit the procedural documents in question, ex officio, for publication in the BPI. The procedure will be considered fulfilled if the summons is published at least 5 calendar days before the date set for the appearance. In order to resolve the appeal, only the documents that are relevant to the resolution of the appeal, selected by the syndic judge, are sent to the court of appeal, in certified copy, by the chief clerk of the tribunal, for which no associated file has been formed. If the court of appeal considers other documents from the merits file necessary, it will ask the interested parties, by resolution upon receipt of the appeal request or by conclusion during the resolution of the appeal, to submit them in a certified copy or will request them from the syndic player.

(3) The appeal is judged according to the provisions of the Code of Civil Procedure, with the following exceptions: the deadline for filing the defence is a maximum of 10 days from the communication of the request and the grounds of appeal, the response to the defence is not mandatory, and the syndic judge sets, by resolution, within a maximum of 3 days from the date of filing the defence, the first trial term, which will be no more than 30 days from the date of resolution.

(4) By way of derogation from the provisions of the Code of Civil Procedure, the appeal does not suspend the execution of the decisions of the syndic judge.

(5)The following decisions of the syndic judge may be suspended by the court of appeal:

- a)the sentence of opening the insolvency procedure against the debtor;
- b)the sentence by which it is decided to enter the simplified procedure;
- c)the sentence by which the bankruptcy is decided;
- d)the sentence of settlement of the challenge to the plan for the distribution of the funds obtained from the liquidation and from the collection of receivables;
- e)the sentence for settling the appeals against the measures of the judicial administrator/judicial liquidator;
- f)the conclusion confirming the insolvency practitioner;
- g)the conclusion by which the insolvency practitioner was replaced;
- h)the sentence by which the actions for annulment provided for in Articles 117-122 were resolved.

(6)For all appeals filed against the decisions pronounced by the syndic judge in the procedure, a single file shall be constituted. The panel of appeal to which the first appeal has been randomly assigned will be the one that will solve all subsequent appeals regarding the same procedure, exercised against the same decision or successive decisions pronounced by the syndic judge in the same insolvency file.

(7)The Court of Appeal hearing the appeal against the decision of the syndic judge rejecting the request to open the insolvency proceedings, admitting the appeal, shall annul the decision and refer the case to the syndic judge for the opening of the insolvency proceedings.

*) By Decision no. 4/2021, the High Court of Cassation and Justice admits the appeal in the interest of the law and establishes that in application of the provisions of Article 45(1)(a) and Article 43(7) of Law no. 85/2014 in conjunction with the provisions of Article 480(2) and (3) of the Code of Civil Procedure, the Court of Appeal, hearing the appeal against the decision of the syndic judge rejecting a request for the debtor to proceed to bankruptcy proceedings or confirming a reorganization plan, admitting the appeal, shall annul the decision and refer the case to the syndic judge, with a mandatory provision to pass the debtor into bankruptcy.

Article 44

The assignment of cases, having as object the procedure provided for in this title, to the judges designated as syndic judges shall be carried out randomly, in a computerized system, according to Article 53 of Law no. 304/2004, republished, with subsequent amendments and completions.

SUBSECTION 2:§ 2. The syndic judge

Article 45

(1)The main duties of the syndic judge, within this chapter, are:

a)the reasoned pronouncement of the decision to open the insolvency procedure and, as the case may be, to enter into bankruptcy, both through the general procedure and through the simplified procedure;

*) By Decision no. 4/2021, the High Court of Cassation and Justice admits the appeal in the interest of the law and establishes that in application of the provisions of Article 45(1)(a) and Article 43(7) of Law no. 85/2014 in conjunction with the provisions of Article 480(2) and (3) of the Code of Civil Procedure, the Court of Appeal, hearing the appeal against the decision of the syndic judge rejecting a request for the debtor to proceed to bankruptcy proceedings or confirming a reorganization plan, admitting the appeal, shall annul the decision and refer the case to the syndic judge, with a mandatory provision to pass the debtor into bankruptcy.

b)judging the debtor's appeal against the creditors' application for the initiation of the procedure;

c)judging the creditors' opposition to the opening of the procedure;

d)the reasoned designation, after verifying any incompatibilities, by the sentence opening the procedure, as the case may be, of the provisional judicial administrator/provisional judicial liquidator, requested by the creditor who submitted the request for the opening of the procedure or by the debtor, if the request belongs to him. In the absence of such a proposal made by the debtor or by any of the creditors, the designation will be made from among the insolvency practitioners registered in the Register of the National Union of Insolvency Practitioners in Romania, who have submitted their offer to the file. If no bid has been submitted, it will randomly designate any of the insolvency practitioners registered in the Register of the National Union of Insolvency Practitioners in Romania. If both the debtor and the creditor have requested the appointment of a judicial administrator/liquidator, the creditor's request will prevail. If the creditors request to be appointed different judicial administrators/liquidators, the syndic judge will appoint one of those proposed by them. The designation will be made for the administration of the procedure until it is confirmed in accordance with the law. At the same time, the syndic judge will set the fee in accordance with the criteria established by the Government Emergency Ordinance no. 86/2006, republished, with subsequent amendments and completions, as well as its attributions for this period;

e)confirmation, by conclusion, of the judicial administrator or the judicial liquidator appointed by the creditors' meeting or by the creditor who holds more than 50% of the value of the claims.

If there are no appeals on the legality of the decision of the creditors' meeting or the decision of the creditor who holds more than 50% of the value of the claims, the confirmation shall be made in the council chamber, without summoning the parties, within 5 days from the notification of the syndic judge;

f) replacing, for good reasons, by conclusion, the judicial administrator or the judicial liquidator, in accordance with the provisions of Article 57(4);

f¹) the appointment of the first creditors' committee and the confirmation, by conclusion, of the creditors' committee appointed by the creditors' meeting;

g) judging the requests to deprive the debtor of the right to continue to conduct his activity;

h) judging the requests for the liability of the members of the management bodies that contributed to the debtor's insolvency, according to Article 169, or notifying the criminal prosecution bodies when there is data on the commission of a crime;

i) judging the actions brought by the judicial administrator or the judicial liquidator for the annulment of fraudulent acts or operations, according to the provisions of Articles 117-122 and of the actions for the nullity of payments or operations carried out by the debtor, without right, after the opening of the procedure;

j) judging the objections of the debtor, the creditors' committee or any interested person against the measures taken by the judicial administrator or the judicial liquidator;

k) confirmation of the reorganization plan, after its vote by the creditors;

*) By Decision no. 28/2022, the High Court of Cassation and Justice admits the referral for a preliminary decision and establishes that the provisions of Article 45(1)(k) of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, must be interpreted as meaning that the syndic judge can confirm a reorganization plan only to the extent that there is a decision approving the creditors' meeting of that reorganization plan.

l) solving the request of the judicial administrator or creditors to interrupt the judicial reorganization procedure and to enter bankruptcy;

m) solving the appeals formulated to the reports of the judicial administrator or the judicial liquidator;

n) judging the action for annulment of the decision of the creditors' meeting;

o) judging the requests of the judicial administrator/judicial liquidator in situations where a decision cannot be taken in the meetings of the creditors' committee or of the creditors' meeting due to the lack of quorum caused by the non-appearance of the legally summoned

creditors, at at least two of their meetings having the same agenda;

*) By Decision no. 28/2022, the High Court of Cassation and Justice admits the referral for a preliminary decision and establishes that the provisions of Article 45(1)(o) of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, must be interpreted as meaning that the syndic judge can confirm a reorganization plan only to the extent that there is a decision approving the creditors' meeting of that reorganization plan.

p)ordering the convening of the creditors' meeting, with a certain agenda;

q)the decision to close the proceedings;

r)any other duties provided by law.

(2)The powers of the syndic judge are limited to the judicial control of the activity of the judicial administrator and/or the judicial liquidator and to the lawsuits and applications of a judicial nature related to the insolvency procedure. The managerial duties belong to the judicial administrator or the judicial liquidator or, exceptionally, to the debtor, if the debtor has not been deprived of the right to administer his assets. The managerial decisions of the judicial administrator, the judicial liquidator or the debtor who has retained the right of administration can be controlled from the point of view of opportunity by the creditors, through their bodies.

*) By Decision no. 17/2020, the High Court of Cassation and Justice establishes that in the unitary interpretation and application of the provisions of Article 45 paragraph (2) sentence I of Law no. 85/2014 on insolvency prevention and insolvency procedures, the substantive competence to settle appeals regarding the forced execution initiated by the budgetary creditors pursuant to the provisions of Article 143 paragraph (1) final sentence of Law no. 85/2014 belongs to the syndic judge entrusted with the insolvency procedure in which the respective appeals are formulated, according to Article 45(1)(r) and (2) of Law no. 85/2014.

Article 46

(1)The decisions of the syndic judge are enforceable and can be appealed, separately, only by appeal.

(2)The provisions of Article 42(1) of the Code of Civil Procedure regarding incompatibility are not applicable to the syndic judge who pronounces successive judgments in the same case, except in the case of retrial, after the annulment of the decision on appeal.

(3)The decisions pronounced by the syndic judge will be motivated by him within 20 days from

the date of the decision.

SUBSECTION 3:§ 3. Creditors' meeting. Creditors' Committee

Article 47

(1)The creditors' meeting shall be convened and chaired by the judicial administrator/liquidator, unless otherwise provided by this law or by the syndic judge. The secretariat of the meetings of creditors' meetings is the responsibility of the judicial administrator/judicial liquidator.

(2)The known creditors shall be summoned by the judicial administrator or by the judicial liquidator in the cases expressly provided for by this law and whenever necessary.

(3)The creditors' meeting may also be convened by the creditors' committee or by creditors holding claims in the amount of at least 30% of the total value of the claims entitled to vote. In this situation, if the judicial administrator or the judicial liquidator refuses to preside over the creditors' meeting or does not appear at the date and place of the convening, it will be chaired by the chairman of the creditors' committee or, failing that, by the creditor who requested the convening, represented or assisted by a lawyer or a legal adviser. In this case, the summons and any other documents and information related to it will be urgently communicated to the judicial administrator/liquidator. The minutes drawn up will be sent for publication in the BPI within 3 days by the person who chaired the meeting.

Article 48

(1)The creditors are summoned by publication in the BPI at least 5 days before the meeting is held and must include its agenda. The convening notice is submitted to the BPI 3 days before the date on which the publication must be made.

(2)Any deliberation on a matter not included in the convocation is null and void, unless the holders of all claims participate in the meeting and they agree to the introduction of that matter on the agenda of the meeting.

(3)Creditors may be represented in the meeting by proxies with special power of attorney or, in the case of budgetary creditors and other legal entities, with a delegation signed by the head of the unit.

(4)If the law does not expressly prohibit it, creditors will also be able to vote by mail. The letter expressing his/her vote, signed by the creditor, or the document in electronic format signed with a qualified electronic signature or, as the case may be, with an advanced electronic signature created with a certificate for electronic signature issued by a public authority or institution in

Romania may be communicated by any means, until the day and time set for the vote, to the judicial administrator or the judicial liquidator.

(5) At the meetings of the creditors' meeting, the debtor's employees may be represented by a delegate from among them, who will vote for the entire value of the claims representing salaries and other monetary rights due to them.

(6) The deliberations and decisions of the creditors' meeting shall be contained in a report, which shall be signed by the chairman of the meeting, the members of the creditors' committee, as well as by the judicial administrator or the judicial liquidator, as the case may be. If the meeting of creditors is organized by electronic means of remote communication indicated by the judicial administrator or by the judicial liquidator in the convening notice, which allows the identification of the participants, the minutes shall be signed only by the judicial administrator or by the judicial liquidator. In this case, the recording of the meeting is mandatory and constitutes evidence in court in case of contestation of the minutes of the meeting. The minutes will be submitted, by the care of the judicial administrator/judicial liquidator, to the case file and sent for publication in the BPI, within two working days from the date of the creditors' meeting.

(7) The decision of the creditors' meeting may be annulled by the syndic judge for illegality, at the request of the creditors who voted against the taking of the respective decision and had it recorded in the minutes of the meeting, as well as at the request of the creditors who were absent for reasons from the meeting of creditors or whose votes were not recorded in the minutes drawn up. The decision, except for the one by which it was appointed, may also be appealed, on grounds of illegality, by the judicial administrator/judicial liquidator.

(8) The application provided for in paragraph (7) shall be submitted to the case file, including in electronic format, within 7 days from the date of publication in the BPI of the minutes of the creditors' meeting and shall be resolved in the council chamber, with the summons of the person who submitted the application, the judicial administrator/judicial liquidator and the creditors. The summons of the parties and the communication of the documents to them are made through BPI.

Article 49

(1) Except in cases where the law requires a special majority, the meetings of the creditors' meeting take place in the presence of the holders of claims totaling at least 30% of the total value of the claims with voting rights on the debtor's assets, and the decisions of the creditors' meeting are adopted with the express favorable vote of the holders of the majority, by value, of the claims

present with the right to vote. The conditional vote is considered a negative vote. Creditors who voted validly by correspondence are also considered present.

(2)The calculation of the total value of the claims referred to in paragraph (1) against the debtor's assets shall be determined by reference to:

a)after the publication in the BPI of the preliminary table and until the publication in the BPI of the final table, the value of the claims verified and accepted by the judicial administrator, as shown in the preliminary table;

b)after the publication in the BPI of the final table and until a reorganisation plan is confirmed or, in case of non-confirmation of the plan, until the publication of the final consolidated table, as shown in the final table;

c)after the confirmation of the reorganization plan and until the opening of the bankruptcy procedure, according to the amount contained in the payment schedule, modified following the extinguishment of the receivables paid in the plan;

d)after the opening of the bankruptcy proceedings until the publication of the final consolidated table, as it appears from the final table as amended following the settlement of the claims;

e)after the publication in the BPI of the final consolidated table, as is apparent from its content.

(3)If, after the adoption of the decision of the creditors' meeting, it is found, by a final decision, that the vote has been vitiated by the introduction or elimination of a claim for which its holder had requested inclusion in the table of claims and if the vote thus vitiated could have led to the adoption of another decision, the creditors' meeting shall be reconvened with the same agenda. If the new decision of the creditors' meeting is different from the initial one, the syndic judge may decide to dissolve in whole or in part the acts or operations concluded under the initial decision.

(4)In cases concerning creditors whose claims have been totally or partially extinguished, an appropriate modification of the table of claims shall be made, as the case may be. Along with the convening notice of the creditors' meeting, the table of creditors updated with the amounts paid during the procedure will also be published. Once the minutes of the meeting are challenged, the creditors will be able to challenge the table thus published under the same terms and conditions.

Article 50

(1)The syndic judge may appoint, in relation to the number of creditors, a committee consisting of 3, 5 or 7 creditors, from among those with voting rights, with the claims benefiting from preferential causes, the salary claims, the budgetary and unsecured claims the largest, by value. If, due to the small number of creditors, the syndic judge does not consider it necessary to set up

a creditors' committee, the committee's powers will be exercised by the creditors' meeting.

(2)The designation will be made, by conclusion, after the preliminary table of claims has been drawn up.

(3)For the needs of the procedure, the syndic judge will appoint, on the basis of the creditors' proposal, a chairman of the creditors' committee. The creditors' committee shall be summoned in the person of the chairman so appointed, and in his absence, by any of the members of the creditors' committee.

(4)During the first meeting of the creditors' meeting, they will elect a committee consisting of 3, 5 or 7 creditors, from the first 20 creditors with voting rights, from those holding claims benefiting from preferential causes, salary claims, budgetary claims and unsecured claims, the largest in order of value and which are offered voluntarily, the selection being made by meeting these cumulative criteria based on the highest voting percentage of the value of the present receivables. The committee thus appointed will replace the committee previously appointed by the syndic judge.

(5)If the necessary majority is not obtained, the committee previously appointed by the syndic judge shall be maintained. At the proposal of the judicial administrator/judicial liquidator or of the other members of the creditors' committee, the syndic judge shall record, by conclusion, the change in its composition, so that the criteria provided for in paragraph (4) are complied with in all phases of the procedure.

(5¹)No more than one creditor who belongs to the category of persons closely related to the debtor referred to in Article 5(1)(42² (a) to (c) and (f) may be appointed as a member of the creditors' committee, and the creditor may not hold the position of chairman.

(5²)A creditor who belongs to the category of persons closely related to the debtor referred to in Article 5(1)(42²(a)-(c) and (f) shall be obliged to inform the insolvency administrator/liquidator of his or her relationship with the debtor. The judicial administrator/liquidator verifies the classification of a creditor in the category of persons closely related to the debtor by consulting the trade register, the register of beneficial owners, as well as the register of shareholders of the debtor company, kept by the debtor company or by an independent company, and informs the syndic judge and the creditors' meeting convened for the appointment of the creditors' committee, and after the appointment informs the creditors and the syndic judge of the creditors' committee. as soon as it establishes the status of a person closely related to the debtor, within the meaning of Article 5(1)(42²(a) to (c) and (f), of a member of the creditors' committee.

(5³) If, within the period set out in Article 48(8), the decision of the creditors' meeting is not challenged, the syndic judge shall verify that the legal conditions are met and shall confirm, by conclusion, the committee proposed by the creditors.

(6) During the proceedings, the syndic judge may request the assistance of the creditors' committee or a delegate thereof.

Article 51

(1) The creditors' committee has the following attributions:

- a) to analyze the debtor's situation and make recommendations to the creditors' meeting regarding the continuation of the debtor's activity and the proposed reorganization plans;
- b) to negotiate with the judicial administrator or with the judicial liquidator who wishes to be appointed by the creditors in the file the conditions of the appointment;
- c) to take note of the reports drawn up by the judicial administrator or the judicial liquidator, to analyse them and, if necessary, to lodge appeals against them;
- d) to draw up reports, to be presented to the creditors' meeting, on the measures taken by the judicial administrator or by the judicial liquidator and their effects and to propose, reasoned, other measures;
- e) to request the lifting of the debtor's right of administration;
- f) to bring actions for the annulment of fraudulent acts or operations, made by the debtor to the detriment of creditors, according to the provisions of Article 117 (1), when such actions have not been brought by the judicial administrator or the judicial liquidator.

(2) The creditors' committee shall meet whenever necessary, at the request of the judicial administrator or the judicial liquidator, as the case may be, or at the request of any member of the creditors' committee. Communication and voting may be carried out by any means that ensures the transmission of the text and the confirmation of its receipt.

(3) The deliberations of the creditors' committee will take place in the presence of the judicial administrator/liquidator and will be recorded in a report, which will briefly record the content of the deliberations, as well as the decisions taken. If the meeting of the creditors' committee is organized by electronic means of remote communication indicated by the judicial administrator or by the judicial liquidator in the convening notice that allows the identification of the participants, the minutes shall be signed only by the judicial administrator or by the judicial liquidator. In this case, the recording of the meeting is mandatory and constitutes evidence in court in case of contestation of the minutes of the committee. The report shall be submitted, by

the care of the judicial administrator/judicial liquidator, to the case file and sent for publication in the BPI, within two working days from the date of the creditors' committee.

(4)The decisions of the creditors' committee are taken by a simple majority of the total number of its members.

(5)If a member of the creditors' committee is, because of his own interest, in a conflict of interest with the insolvency interest of the creditors participating in the proceedings, he shall abstain from voting, under penalty of annulment of the decision of the creditors' committee, if the required majority would not have been met without his vote. In such cases, the annulment of the decision does not exclude the liability of the creditor proven to have been in a conflict of interest, for the damages caused to the debtor's assets by such an act.

(6)Against the actions, measures and decisions taken by the creditors' committee, any creditor may lodge an appeal with the syndic judge, within 7 days from the date of publication of the minutes of the creditors' committee in BPI.

(7)Where a member of the Creditors' Committee votes repeatedly in a situation of conflict of interest or in the event of repeated unjustified absences from the meetings of the Creditors' Committee, and, if it is established, after appointment, that a member of the Creditors' Committee belongs to the category of persons closely related to the debtor referred to in Article 5(1)(42²(a) to (c) and (f), At the request of any creditor or the judicial administrator, the syndic judge will replace the respective member of the creditors' committee, on a provisional basis, and the creditors' meeting will confirm the provisional one or elect another member, according to the criteria provided in Article 50 paragraph (4).

SUBSECTION 4:§ 4. The Special Administrator

Article 52

(1)After the opening of the procedure, the general meeting of shareholders/associates/members of the debtor will appoint, at their expense, the special administrator.

(2)A natural or legal person who also has the status of creditor cannot be appointed as a special administrator.

Article 53

(1)The general meeting of shareholders, associates or members of the legal entity shall be convened by the judicial administrator or by the judicial liquidator for the appointment of the special administrator, within a maximum of 10 days from the notification of the opening of the

procedure by the judicial administrator/provisional liquidator.

(2)The general meeting will be chaired by the judicial administrator or the judicial liquidator, as the case may be. If the meeting of associates/shareholders/members, convened according to paragraph (1), does not appoint a special administrator, the debtor's right of administration shall be revoked, if it has not already been lifted, and the debtor, respectively the associates/shareholders/members, are deprived of the rights recognized by the procedure and which are exercised through a special administrator.

(3)If a special administrator has not been appointed to settle the actions provided for in Articles 117 to 122 or those resulting from non-compliance with Article 84, the debtor shall be represented by a special curator appointed from among the statutory management bodies in office on the date of the opening of the procedure. The appointment shall be made by the syndical judge in the council chamber and without summoning the parties. If the general meeting of associates/shareholders/members subsequently elects a special administrator, he will take over the procedure at the stage in which he is on the date of appointment.

Article 54

The mandate of the statutory administrators shall cease from the date of withdrawal of the right of administration or from the date of appointment of the special administrator. The termination of the mandate imposes the obligation to hand over the management.

Article 55

After the opening of the procedure and the appointment of the special administrator, the general meeting of shareholders/associates/members shall suspend its activity and may meet, at the summons of the judicial administrator, in the express and restrictive cases provided for by this law.

Article 56

(1)The special administrator has the following attributions:

- a)participates, as the debtor's representative, in the trial of the actions provided for in Articles 117 to 122 or those resulting from the non-compliance with Article 84;
- b)formulates appeals within the procedure regulated by this law;
- c)proposes a reorganisation plan;
- d)administers the debtor's activity, under the supervision of the judicial administrator, after the confirmation of the plan, only in the situation in which the debtor's right of administration has

not been lifted;

e) after entering bankruptcy, participates in the inventory, signing the deed, receives the final report and the closing financial statement and participates in the meeting convened to settle the objections and approve the report;

f) receives notification of the closure of the procedure.

(2) After the right of administration is lifted, the debtor is represented by the judicial administrator/judicial liquidator, who also manages its business activity, and the mandate of the special administrator will be reduced to representing the interests of the shareholders/associates/members.

SUBSECTION 5:§ 5. Judicial administrator

Article 57

(1) The interested insolvency practitioners will submit to the file an offer to take over the position of judicial administrator in the respective file, to which they will attach the proof of the quality of insolvency practitioner and a copy of the professional insurance policy. In the offer, the interested insolvency practitioner will also be able to show the availability of time and human resources, as well as the general or specific experience necessary to take over the file and the good management of the case. If the debtor, respectively the creditor(s) have not made proposals and there are no offers submitted to the file, the syndic judge will provisionally appoint, until the first meeting of creditors, an insolvency practitioner randomly chosen from the National Union of Insolvency Practitioners in Romania.

(2) At the first meeting of the creditors' meeting, creditors who hold more than 50% of the total value of the claims with voting rights may decide to appoint a judicial administrator, setting the fee with the same majority. If the fee is to be paid from the fund constituted according to the provisions of Article 39 paragraph (4), it shall be established on the basis of the criteria provided in the Government Emergency Ordinance no. 86/2006, republished, with subsequent amendments and completions. Creditors who hold more than 50% of the value of the claims with voting rights may decide to confirm the judicial administrator or the provisionally appointed judicial liquidator, establishing the fee with the same majority. In the latter situation, it will no longer be necessary to confirm the syndic judge. The first meeting of the creditors' meeting will necessarily have on the agenda both the confirmation/appointment of the judicial administrator/liquidator, as well as the establishment of his fee.

(3) The creditor who holds more than 50% of the total value of the claims may decide, without

consulting the creditors' meeting, at the latest on the date of the first meeting of the creditors' meeting having as agenda the confirmation/appointment of the judicial administrator/liquidator, to appoint a judicial administrator or judicial liquidator instead of the judicial administrator or provisional judicial liquidator or to confirm the provisional judicial administrator/liquidator provisional and to establish the fee.

(4) At any stage of the procedure, the syndic judge, ex officio or following the adoption of a decision of the creditors' meeting in this regard, with the vote of more than 50% of the total value of the claims with voting rights, may replace the judicial administrator/liquidator, for good reasons. The replacement shall be judged in the council chamber, as a matter of urgency, with the summons of the judicial administrator and the creditors' committee. An appeal may be lodged against the conclusion within 5 days from the communication.

(5) At any time during the procedure, at the request of the judicial administrator/judicial liquidator, for well-justified reasons, the syndic judge may approve his replacement, following the analysis of the request. In this case, the syndic judge shall appoint another judicial administrator/provisional judicial liquidator, under the conditions provided for in Article 45(1)(d).

(6) Creditors may appeal to the syndic judge, on grounds of illegality, the decision provided for in paragraphs (2) and (3), within 5 days from the date of its publication in the BPI. The judge shall settle, urgently and at once, all appeals by means of a conclusion by which he shall appoint the appointed judicial administrator/judicial liquidator or, as the case may be, shall request the creditors' meeting to appoint another judicial administrator/judicial liquidator.

(7) If, within the period set out in paragraph (6), the decision of the creditors' meeting or of the creditor holding more than 50% of the value of the claims is not contested, the syndic judge, by conclusion, shall appoint the judicial administrator proposed by the creditors or by the creditor holding more than 50% of the value of the claims, if he meets the conditions provided by law, while ordering the termination of the duties of the provisional judicial administrator whom he has appointed by his conclusion, as the case may be, the sentence of opening the procedure.

(8) The judicial administrator, natural person or legal person, including its representative, must have the quality of insolvency practitioner, according to the law.

(9) Before his appointment, the judicial administrator must prove that he is insured for professional liability, by subscribing to a valid insurance policy, which covers any damages caused in the performance of his duties. The insured risk must represent the consequence of the

activity of the judicial administrator during the exercise of his capacity.

(10) It is forbidden for the judicial administrator, under penalty of dismissal from office and compensation for any damages caused, to reduce, directly or indirectly, the value of the amount insured by the insurance contract.

(11) The insolvency practitioner, in his capacity as the body that applies the procedure, may not be sanctioned or ordered to pay any court costs, fines, damages or any other amounts, by the court of law or by another authority, for acts or omissions attributable to the debtor.

(12) If the creditors' meeting has invalidated the judicial administrator/judicial liquidator, before the fee has been established, for the activity carried out until the date of invalidation the fee will be established by the syndic judge in accordance with the criteria established by the Government Emergency Ordinance no. 86/2006, republished, with subsequent amendments and completions. The fee provisionally approved by the court decision on the designation, if it has been collected, will be deducted from the approved amount.

(13) In the event of the annulment of the decision to open the proceedings for any reason, the court that will annul the decision will decide on the practitioner's fee, applying paragraph 2 accordingly, and the payment of this fee and the costs of the proceedings will be borne by the defendant or the plaintiff, according to the regulations on court costs of the Code of Civil Procedure.

(14) If the creditors' meeting confirms the judicial administrator/judicial liquidator, but does not approve his fee offer, the judicial administrator/judicial liquidator may accept the fee voted by the creditors or will reconvene the meeting within a maximum period of 30 days for negotiation with creditors and discussion of the fee. If the offer of the judicial administrator/judicial liquidator is not accepted by the creditors at this meeting either, the judicial administrator/judicial liquidator may declare that he withdraws. In case of resignation, the judicial administrator/judicial liquidator will convene a new meeting within a maximum of 30 days, in order to appoint the new judicial administrator/judicial liquidator. If another judicial administrator/judicial liquidator is not appointed at this meeting, the chairman of the creditors' committee or, if it has not been constituted, a creditor appointed by the creditors' meeting shall request the syndic judge to appoint a judicial administrator/provisional judicial liquidator, within a maximum of 5 days from the date of the meeting. The syndic judge will appoint a judicial administrator/provisional judicial liquidator within 5 days from the notification, in the council chamber. The provisions of paragraph 1 shall apply accordingly.

Article 58

(1) The main duties of the judicial administrator, within this title, are:

- a) examining the debtor's economic situation and the documents submitted in accordance with the provisions of Article 67 or 74, as the case may be, and drawing up a report proposing either the entry into the simplified procedure or the continuation of the observation period within the general procedure and submitting that report to the syndic judge's approval, within a period set by him, but which may not exceed 20 days from the appointment of the judicial administrator;
- b) examining the debtor's activity and drawing up a detailed report on the causes and circumstances that led to the appearance of the state of insolvency, mentioning any indications or preliminary elements regarding the persons to whom it would be attributable and on the existence of the premises for engaging their liability, under the provisions of Articles 169-173, as well as on the real possibility of reorganizing the debtor's activity or the reasons that do not allow the reorganization and submission to the case file, within a term set by the syndic judge, but which may not exceed 40 days from the appointment of the judicial administrator;
- b¹) periodic assessment of the maintenance of the real possibility of effective reorganization of the debtor's activity or, as the case may be, the reasons that no longer allow the reorganization and, in this case, will propose bankruptcy;
- c) drawing up the documents provided for in Article 67(1), if the debtor has not fulfilled its respective obligation within the legal deadlines, as well as verifying, correcting and supplementing the information contained in those documents, when they have been submitted by the debtor;
- d) elaboration of the plan for the reorganization of the debtor's activity, depending on the content of the report provided for in letter a);
- e) supervision of the debtor's asset management operations;
- f) the full management, respectively in part, of the debtor's activity, in the latter case in compliance with the express specifications of the syndic judge regarding his duties and the conditions for making payments on behalf of the debtor's assets;
- g) convening, chairing and providing the secretariat for the meetings of the creditors' meeting or shareholders, associates or members of the legal entity debtor;
- h) bringing actions for the annulment of fraudulent acts or operations of the debtor, concluded to the detriment of creditors' rights, as well as transfers of a patrimonial nature, commercial operations concluded by the debtor and the constitution of guarantees granted by him, likely to prejudice the rights of creditors;

- i) urgent notification of the syndic judge if he finds that there are no assets in the debtor's estate or that they are insufficient to cover the procedural costs;
- j) denunciation of contracts concluded by the debtor;
- k) verification of claims and, where appropriate, formulation of objections to them, notification of creditors in case of non-registration or partial registration of claims, as well as drawing up tables of claims;
- l) collection of receivables, follow-up of the collection of receivables related to the assets of the debtor's estate or to the amounts of money transferred by the debtor before the opening of the procedure, formulation and support of actions in claims for the collection of the debtor's receivables, for which he may hire lawyers;
- m) conclusion of transactions, discharge of obligations, discharge of guarantors, waiver of collateral, provided that these operations are confirmed by the syndic judge;
- n) notifying the syndic judge in relation to any problem that would require a solution by him;
- o) inventory of the debtor's assets;
- p) ordering the valuation of the debtor's assets, so that it is carried out by the date set for the submission of the final table of claims;
- q) sending for publication in the BPI an announcement regarding the submission of the evaluation report to the file, within two days from the submission.

(2) The syndic judge may establish for the judicial administrator, by conclusion, any other duties other than those provided for in paragraph (1), except those provided by law in his exclusive competence.

Article 59

(1) The judicial administrator shall submit a monthly report containing a description of the manner in which he/she has fulfilled his/her duties, including those related to the follow-up of the operations carried out on the basis of prior approval, the justification of the expenses incurred in administering the procedure or other expenses incurred from the funds existing in the debtor's estate, as well as, if applicable, the status of the inventory. The report will include information on the compliance with tax obligations, regarding the obtaining or need to update the authorizations/authorizations for carrying out the activity, the control acts concluded by the control bodies and the fee collected by the judicial administrator, specifying the method of calculating it.

(2) The report is submitted to the case file, and an extract is published in the BPI. The report shall

also be sent by e-mail, upon request, to any creditor at the e-mail address indicated to the judicial administrator.

(3) Every 120 days, the syndic judge will analyze and rule on the stage of the continuation of the procedure, through a resolution, by which he will be able to entrust the judicial administrator with certain measures and will grant an administrative term of control or judgment, as the case may be.

(4) In the event that there are contentious or non-contentious requests, as well as in the event that the syndic judge deems it necessary, he will order the urgent summons of the interested persons and the judicial administrator, in order to solve the requests or to order the necessary measures.

(5) The debtor who is a natural person, the special administrator of the debtor who is a legal person, any of the creditors, as well as any other interested person may appeal against the measures taken by the judicial administrator.

(6) The appeal must be submitted within 7 days from the publication in the BPI of the extract provided for in paragraph (2).

(7) The syndic judge will settle the appeal, within 15 days from its registration, in the council chamber, summoning the challenger, the judicial administrator and the creditors' committee, being able, at the request of the challenger, to suspend the execution of the contested measure. The suspension shall be judged in the council chamber, immediately, without summoning the parties.

(8) The fee of the judicial administrator will be paid on the basis of the minutes of the creditors' meeting by which its amount was established, based on the decision published in the BPI or on the basis of the court decision for cases in which the provisional fee was established by the syndic judge.

Article 60

(1) If the judicial administrator appointed by a conclusion pronounced in the council chamber without summoning the parties, refuses the appointment, he has the obligation to notify the court, within 5 days from the communication of the appointment. The syndic judge will sanction with a judicial fine from 500 lei to 1,000 lei the failure to communicate the refusal within the deadline, without solid reasons. The syndic judge will take note of the refusal of the insolvency practitioner, and will appoint another insolvency practitioner as provisional judicial administrator. If the debtor or the creditors have not made proposals and there are no offers submitted to the file, the syndic judge will provisionally appoint, until the first meeting of

creditors, an insolvency practitioner randomly chosen from the Register of the National Union of Insolvency Practitioners in Romania.

(2)The syndic judge will sanction the judicial administrator with a judicial fine from 1,000 lei to 5,000 lei if he, due to fault or bad faith, does not fulfill or performs with delay the duties provided by the law or established by the syndic judge.

(3)If by the act referred to in paragraph (2) the judicial administrator has caused a damage, the syndic judge may, at the request of any interested party, oblige the judicial administrator to cover the damage caused.

(4)In the case of the fines referred to in paragraphs 1 and 2 or the compensation provided for in paragraph 3, the provisions of Articles 190 and 191 of the Code of Civil Procedure shall apply accordingly.

Article 61

In order to fulfill his duties, the judicial administrator will be able to appoint specialized persons such as lawyers, expert accountants, authorized appraisers or other specialists. The appointment and level of remuneration of these persons will be subject to the approval of the creditors' committee if they will be paid from the debtor's assets or will be subject to the cost standards established by the National Union of Insolvency Practitioners in Romania, according to the provisions of the Government Emergency Ordinance no. 86/2006, republished, with subsequent amendments and completions, if they will be remunerated from the liquidation fund established according to the provisions of Article 39 paragraph (4).

Article 62

(1)The judicial administrator, as well as any of the creditors, may raise objections against the valuation reports drawn up in the case.

(2)Objections shall be formulated within a maximum of 5 days from the publication in the BPI of an announcement regarding the submission of the evaluation report to the case file.

(3)The syndic judge will settle the objections within a maximum of 15 days from their registration, summoning the person who formulated the objections, the judicial administrator and the members of the creditors' committee.

(4)The syndic judge, admitting the request, will oblige the authorized evaluator, under penalty of a fine, to respond to the approved objections within a maximum of 5 days from the receipt, from the court, of an address in this regard.

(5) For sound reasons, as well as if the response to the objections is not satisfactory, the syndic judge may order, upon request or ex officio, a new evaluation. The syndic judge will approve one of the evaluation reports.

(6) If the operations for which it is necessary to hire specialists are operations required by law, such as, but not limited to, archiving of documents, mandatory environmental assessments, audits and the like, if the proposals of the judicial administrator/liquidator are rejected by the creditors' committee, it will convene the committee again within a maximum of 7 days, in which the members of the committee will propose and appoint a specialist, approving his fee. If the appointment of a specialist has not been decided in the two meetings of the creditors' committee, the insolvency practitioner will be able to designate the specialist with the best technical and financial offer, among those submitted for the two committees.

SUBSECTION 6:§ 6. The judicial liquidator

Article 63

(1) If he orders the bankruptcy, the syndic judge will appoint a judicial liquidator, applying the provisions of Articles 57, 59 to 62 and 140(6) accordingly.

(2) The duties of the judicial administrator cease at the moment of establishing the duties of the judicial liquidator by the syndic judge.

(3) The judicial liquidator may also be appointed as the judicial administrator.

Article 64

The main duties of the judicial liquidator, within this chapter, are:

- a) examining the activity of the debtor on whom the simplified procedure is initiated in relation to the factual situation and drawing up a detailed report on the causes and circumstances that led to the insolvency, mentioning the persons to whom it would be attributable and the existence of the premises for engaging their liability under the provisions of Articles 169-173, within a term set by the syndic judge, but which may not exceed 40 days from the appointment of the judicial liquidator, if a report on this subject had not been previously drawn up by the judicial administrator;
- b) managing the debtor's activity;
- c) the introduction of actions for the annulment of fraudulent acts and operations concluded by the debtor to the detriment of creditors' rights, as well as transfers of a patrimonial nature, commercial operations concluded by the debtor and the constitution of preferential causes, likely

- to prejudice the creditors' rights;
- d) applying seals, inventorying the goods and taking appropriate measures for their preservation;
- e) denunciation of contracts concluded by the debtor;
- f) verification of claims and, where appropriate, formulation of objections to them, notification of creditors in case of non-registration or partial registration of claims, as well as drawing up tables of claims;
- g) monitoring the collection of claims from the debtor's estate, resulting from the transfer of goods or sums of money made by the debtor before the opening of the procedure, collecting the claims, formulating and sustaining actions in claims for the collection of the debtor's claims, for which he may hire lawyers;
- h) receiving payments on behalf of the debtor and recording them in the account of the debtor's estate;
- i) the sale of assets from the debtor's estate, according to the provisions of this law;
- j) under the condition of confirmation by the syndic judge, the conclusion of transactions, the discharge of obligations, the discharge of guarantors, the waiver of collateral;
- k) notifying the syndic judge of any problem that would require a solution by him;
- l) any other duties established by conclusion by the syndic judge.

SECTION 3: Initiation of the procedure and its effects

SUBSECTION 1: § 1. Applications

Article 65

(1) The procedure begins on the basis of an application submitted to the court by the debtor, by one or more creditors, or by the persons or institutions expressly provided for by law.

(2) The Financial Supervisory Authority shall file an application against the entities regulated and supervised by it which, according to the data at its disposal, meet the criteria provided by the special legal provisions for initiating the procedure provided for by this law.

Article 66

(1) The debtor in a state of insolvency is obliged to submit to the court a request to be subject to the provisions of this law, within a maximum of 45 days from the appearance of the state of insolvency. The application addressed to the court shall be accompanied by proof of notification to the competent tax authority regarding the intention to open the insolvency procedure.

(1¹) The notification of the competent tax authority is made 15 days before the submission of the

application for the opening of the insolvency procedure.

(2) If, on the date of expiry of the term provided for in paragraph (1), the debtor is engaged, in good faith, in out-of-court negotiations for the restructuring of his debts, he has the obligation to submit to the court a request to be subject to the provisions of this law, within 5 days from the failure of the negotiations.

(3) If, during the negotiations carried out within the framework of an arrangement with creditors procedure, the debtor becomes insolvent, but there is a reasonable assumption, based on sound indicia, that the results of the negotiations could be capitalized in the short term by concluding an out-of-court agreement, the debtor in good faith must submit the request for the opening of the insolvency procedure within 5 days from the closure of the arrangement with creditors procedure or, as the case may be, if negotiations for the conclusion of an out-of-court agreement continue with one or more creditors, within 5 days of the failure of the negotiations.

(4) The debtor in which the appearance of the state of insolvency is imminent may address to the court a request to be subject to the provisions of this title.

(5) The applications of legal entities will be signed by the persons who, according to the articles of incorporation or statutes, have the capacity to represent them, without the need for a decision of the associates/shareholders. If the debtor's request requests the application of the simplified procedure, the decision of the general meeting of associates/shareholders in this regard will also be submitted.

(6) Upon registration of the application, the registry service will carry out verifications, *ex officio*, on the existence of other pending requests for the opening of the procedure previously formulated by the creditors. If claims made by creditors are registered, the debtor's claim shall be settled in a non-contentious procedure, by the same conclusion the judge ordering the joining of the creditors' claims, which in the event of the opening of the proceedings shall become statements of claim, and if the debtor's claim is rejected, it shall be resolved according to Article 72 et seq.

(7) If, after the registration of the debtor's request, but before its resolution, requests for the opening of the procedure are made by the creditors, they will be registered directly with the request made by the debtor. For this purpose, the registry service will carry out verifications, *ex officio*, on the date of registration of the applications and will register the applications in the file that has as object the request formulated by the debtor. In this situation, the debtor's request will be resolved in a non-contentious procedure. In case of its admission, the creditors' requests will

be qualified as statements of claim, and in case of its rejection, the creditors' requests will be resolved, according to Article 72 et seq.

(8) In the event of the opening of the insolvency procedure, the claims that are the subject of the requests for the opening of the procedure that become statements of claim may be updated with accessories calculated until the date of the opening of the procedure, within the legal term established for the declaration of claims, according to the provisions of Article 102.

(9) The premature filing, in bad faith, by the debtor of a request to open the procedure entails the pecuniary liability of the debtor, a natural or legal person, for the damages caused.

(10) The debtor's request will be judged urgently, within 10 days, in the council chamber, without summoning the parties. By exception to the provisions of Article 200 of the Code of Civil Procedure, the syndic judge will set the trial term in the council chamber, within 10 days from the submission, even if the application does not meet all the legal requirements and not all the documents are submitted. If, on the date of submission of the debtor's application, creditors' applications are registered, the procedure shall be carried out according to the provisions of paragraph (6), sentence II.

(11) After submitting the request for the opening of the procedure, in urgent cases, which would endanger the debtor's assets, the syndic judge may urgently order, in the council chamber and without summoning the parties, the provisional suspension of any proceedings for the forced execution of the debtor's assets until the decision on the respective application is pronounced.

Article 67

(1) The debtor's application must be accompanied by the following documents:

- a) the last annual financial statement, certified by the administrator and the censor/auditor, the trial balance for the month prior to the date of registration of the request for the opening of the procedure;
- b) a complete list of all the debtor's assets, including all accounts and banks through which the debtor runs its funds; for the encumbered goods, the data from the advertising registers shall be mentioned;
- c) a list of the names and addresses of the creditors, regardless of their claims: certain or conditional, liquid or illiquid, due or non-mature, uncontested or contested, showing the amount, cause and rights of preference, specifying, if applicable, which of the creditors falls into the category of persons closely related to the debtor.
- d) the list of payments and patrimonial transfers made by the debtor in the 6 months prior to the

registration of the application;

e) profit and loss account for the year prior to the submission of the application;

f) the list of members of the economic interest group or, as the case may be, of the partners with unlimited liability, for general partnerships and limited partnerships;

g) a statement by which the debtor indicates his intention to enter into a simplified procedure or to reorganize, according to a plan, by restructuring the activity or by liquidating, in whole or in part, the assets, in order to extinguish his debts;

h) a brief description of the ways in which he/she is considering for the reorganization of the activity;

i) a declaration on own responsibility, authenticated by a notary or certified by a lawyer, or a certificate from the register of agricultural companies or, as the case may be, the trade register office or other registers in whose territorial area the professional headquarters/registered office is located, showing whether it has been subjected to the judicial reorganization procedure provided for by this law within a period of 5 years prior to the filing of the application;

j) a declaration on own responsibility, authenticated by a notary or certified by a lawyer, stating that the debtor has not been definitively convicted of committing an intentional crime against property, corruption, service, forgery, for the crimes provided by Law no. 31/1990, republished, with subsequent amendments and completions, Law no. 129/2019, as subsequently amended and supplemented, Law no. 227/2015, as subsequently amended and supplemented, Law no. 241/2005, as subsequently amended and supplemented, Law no. 21/1996, as well as for the offences provided for in Articles 240 and 241 of Law no. 286/2009, with subsequent amendments and completions, in the last 3 years prior to the opening of the procedure;

k) a certificate of admission to trading on a regulated market of securities or other financial instruments issued;

l) a statement by which the debtor indicates whether he is a member of a group of companies, specifying them;

m) proof of the unique registration code;

n) proof of notification to the competent tax authority.

(2) The documents referred to in paragraph (1) shall be submitted together with the request to open the procedure or, at the latest, by the trial deadline set by the syndic judge. Failure to submit the documents referred to in paragraph 1(a)-(g) and (k)-n) shall result in the rejection of the request for the opening of the procedure, except in the cases provided for in Article 38(2)(c) and (d), as well as in the case where the request for the opening of the procedure is made by the

liquidator appointed in the liquidation procedure provided for by Law no. 31/1990, republished, with subsequent amendments and completions. Failure to submit the documents referred to in paragraph (1)(h)-j) shall be sanctioned with the forfeiture of the right to submit a reorganization plan.

Article 68

(1) In the case of an application filed by a general or limited partnership, that application shall not be considered to have been made by the partners with unlimited liability or, under the conditions of Article 70, also against them.

(2) A claim filed by or against a shareholder with unlimited liability for his debts will have no legal effect on the general or limited partnership to which he belongs.

(3) The provisions of paragraphs (1) and (2) shall apply, accordingly, with regard to applications submitted by economic interest groups or their members.

Article 69

Debtors, legal persons, who in the last 5 years, prior to the decision to open the procedure, have been subjected to a judicial reorganization procedure cannot be subject to judicial reorganization.

Article 70

(1) Any creditor entitled to request the opening of the proceedings provided for in this Title may submit an application for the opening of proceedings against a debtor presumed to be insolvent, in which he shall specify:

- a) the amount and basis of the claim;
- b) the existence of a right of preference, constituted by the debtor or established according to the law;
- c) the existence of precautionary measures on the debtor's assets;
- d) the declaration regarding the possible intention to participate in the debtor's reorganization, in which case he will have to specify, at least at the level of principle, the way in which he intends to participate in the reorganization.

(2) The creditor shall attach the supporting documents of the claim and of the acts constituting the causes of preference. Also, the creditor will submit proof of the debtor's unique registration code.

(3) If, between the time of registration of the claim by a creditor and the time of the judgment of this claim, claims are made by other creditors against the same debtor, the court, through the

registry service, will verify, ex officio, on the date of registration, the existence of the pending file and will register the claim in the existing file. The syndic judge shall determine the fulfillment of the conditions regarding the minimum amount of claims, in relation to the sum value of the claims of all creditors who have made claims and in compliance with the threshold value provided for in this title, and shall communicate the claims to the debtor.

(4) Creditors register the request for the opening of the procedure directly in the file that has as its object the debtor's claim or, if it does not exist, in the file whose object is the request of another creditor who has a shorter deadline.

(5) The creditor who has registered a request to open the procedure, in urgent cases, until the date of the judgment of the request, may request the syndic judge to issue an injunction ordering temporary measures, in order to suspend the operations of alienation of important assets or patrimonial rights from the debtor's estate, under penalty of nullity, as well as measures for the preservation of these assets.

(6) The judgment of the application provided for in paragraph (5) shall be made urgently, in the council chamber, without summoning the creditor who made the request or the debtor. The measure will be approved temporarily, until the date of the resolution of the request for the opening of the procedure. The creditor may be obliged to pay a deposit of up to 10% of the value of the claimed claim, which may be used by the debtor to cover the damages caused in case of rejection of the request to open the procedure.

SUBSECTION 2:§ 2. Initiation of the procedure and the effects of the initiation of the procedure

Article 71

(1) If the debtor's application meets the conditions laid down in Article 66, the syndic judge shall issue a decision to open the general procedure, and if, by the declaration made in accordance with the provisions of Article 67(1)(g), the debtor indicates his intention to enter the simplified procedure or falls into one of the categories provided for in Article 38(2), the judge shall issue a decision to open the simplified procedure. The minute of the conclusion regarding the opening of the insolvency procedure shall be immediately communicated to the provisional judicial administrator/provisional judicial liquidator appointed by the syndic judge.

(2) By concluding the opening of the procedure, the syndic judge shall order the judicial administrator/judicial liquidator to make the notifications provided for in Article 100. If, within 10 days from the receipt of the notification, the creditors oppose the opening of the procedure,

the syndic judge will hold, within 5 days, a meeting to which the judicial administrator/judicial liquidator, the debtor and the creditors who oppose the opening of the procedure will be summoned, following which he will solve all the oppositions at once, through a sentence. Admitting the opposition, the syndic judge will revoke the conclusion of the opening of the procedure.

Article 72

(1) In the case of the request for the opening of the insolvency procedure formulated by the creditor, at the request of the debtor, formulated within the term provided for in paragraph (3), the syndic judge may order, by conclusion, the creditor to record with a bank a deposit of up to 10% of the value of the claim, but not more than 40,000 lei. The deposit will be recorded within 5 days from the communication of the measure, under penalty of rejection of the request to open the procedure.

(2) Within 48 hours from the registration of the creditor's application, the court will communicate it to the debtor and the competent tax authority.

(3) Within 10 days of receiving the request, the debtor must either contest or recognize the existence of the state of insolvency. During the trial of the appeal, only the documentary evidence may be administered.

(4) If the syndic judge determines that the debtor is not in a state of insolvency, he rejects the creditor's request, which will be considered as devoid of any effect from its registration. In this case, the bail will be used to cover the damages suffered by the debtor, for filing such a claim in bad faith, according to the order of the syndic judge.

(5) In case of payment, until the end of the debates, of the claim of the creditor who requested the opening of the procedure, the syndic judge will reject the request as devoid of purpose, the deposit being duly returned.

(6) If the debtor does not pay the creditor's claim by the end of the proceedings, and the syndic judge determines that the debtor is in a state of insolvency, he will admit the request to open the procedure formulated by the debtor and will open, by sentence, either the general insolvency procedure or the simplified procedure, as the case may be. In this case, the security will be returned to the creditor.

Article 73

By the sentence opening the general procedure, the syndic judge appoints a provisional judicial

administrator, and in the case of the opening of the simplified procedure, he appoints a provisional judicial liquidator, ordering the notifications provided for in Article 100. The designation shall be made in accordance with the provisions of Article 45(1)(d) in conjunction with those of Article 57(1). The provisions of Article 60 shall remain applicable.

Article 74

Within 10 days of the opening of the proceedings, the debtor shall be obliged to submit to the case file the documents and information provided for in Article 67(1).

Article 75

(1) From the date of the opening of the procedure, all judicial, extrajudicial actions or enforcement measures for the realization of claims on the debtor's assets are suspended by law. The capitalization of their rights can be made only within the insolvency procedure, by submitting applications for admission of claims. Their rescheduling is possible only in the case of the annulment of the decision to open the procedure, the revocation of the conclusion of the opening of the procedure or in the case of closure of the procedure under the conditions of Article 178. If the decision to open the procedure is annulled or, as the case may be, revoked, the judicial or extrajudicial actions for the realization of claims on the debtor's assets may be rescheduled, and the forced execution measures may be resumed. On the date of the decision to open the procedure, both the judicial or extrajudicial action and the suspended forced executions cease.

*) RIL Decision no. 22/2024 - HCCJ admits the appeal in the interest of the law and, consequently, establishes that: "In the interpretation and application of Article 75 paragraph (1) in conjunction with the provisions of Article 75 paragraph (2) letter a) first sentence of Law no. 85/2014, the provisions of the Insolvency Code do not derogate from the ordinary law provisions of the Code of Civil Procedure, which oblige the court of judicial review, vested with remedies for reform promoted by both the debtor and the creditor, under the conditions of the opening of the insolvency proceedings against the defendant debtor after the closure of the debates or during the resolution of the appeals, to judge all remedies."

(2) The following shall not be subject to the legal suspension provided for in paragraph 1:

- a) the remedies brought by the debtor against the actions of one or more creditors initiated before the opening of the procedure, nor the civil actions in criminal proceedings directed against the debtor;
- b) legal actions against co-debtors and/or third party guarantors.

c) the extrajudicial procedures pending before the sports commissions within the sports federations that operate according to the Law on Physical Education and Sport no. 69/2000, as subsequently amended and supplemented, having as object the unilateral termination of individual employment contracts or civil agreements of athletes and sports sanctions applicable in this situation or any other disputes concerning the athlete's right to participate in the competition.

*) RIL Decision no. 22/2024 - HCCJ admits the appeal in the interest of the law and, consequently, establishes that:

"In the interpretation and application of Article 75 paragraph (1) in conjunction with the provisions of Article 75 paragraph (2) letter a) first sentence of Law no. 85/2014, the provisions of the Insolvency Code do not derogate from the ordinary law provisions of the Code of Civil Procedure, which oblige the court of judicial review, vested with remedies for reform promoted by both the debtor and the creditor, under the conditions of the opening of the insolvency proceedings against the defendant debtor after the closure of the debates or during the resolution of the appeals, to judge all remedies."

(3) Judicial actions to determine the existence and/or amount of claims against the debtor, arising after the date of the opening of the procedure, shall not be subject to the suspension provided for in paragraph (1). For such actions, it will be possible to formulate, during the observation and reorganization period, a request for payment, sent with acknowledgment of receipt, which will be analyzed by the judicial administrator within 15 days from the date of receipt, in compliance with the provisions of Article 106 paragraph (1), which shall be applied accordingly, without these claims being entered in the table of claims. An appeal may be lodged against the measure ordered by the judicial administrator in compliance with Article 59(5)-(7).

(4) The holder of a current, certain, liquid and payable claim that has been recognised by the judicial administrator or on which the insolvency administrator has failed to rule within 15 days from the date of receipt of the request for payment or recognised by the syndic judge according to paragraph (3), if the amount of the claim exceeds the threshold value, may request during the duration of the observation period the opening of the debtor's bankruptcy proceedings if these claims are not paid within A period of 60 days from the date of taking the measure of the judicial administrator to admit or omit the ruling on the payment request or the decision of the court. The provisions of Article 143 (2) and (3) shall be applied accordingly.

(5) In the case of the debtor's assets already adjudicated or amounts seized by enforcement proceedings up to the date of the opening of the proceedings, the enforcement bodies shall

transfer the corresponding amounts to the account referred to in Article 39(2), less their fees and other enforcement costs incurred; The debtor retains all the rights provided by the respective procedure.

(6)The amounts from the foreclosures will be paid by the judicial administrator/liquidator to the creditors holding the cause of preference over the adjudicated assets within 30 days, even during the observation period. The fees and expenses related to the insolvency procedure will not be applied to these amounts.

(7)The amounts of money existing in the debtor's account on the date of the opening of the procedure and on which a movable mortgage is constituted, as well as the cash guarantees (collateral cash) will be distributed at the sole request of the creditor by the judicial administrator/judicial liquidator to the creditor holding the movable mortgage, in order to cover the debts due from the creditor, within 5 days from the creditor's request. In the case of amounts related to an escrow account, in case of opposition, they will be transferred to the account provided for in Article 39 after verification by the syndic judge of the fulfillment of the substantive conditions of the contract.

(8)(text of Article 75(8) of Title II, Chapter I, Section 3, Subsection 2 was repealed on 17 July 2022 by Article I, point 69 of Law 216/2022)

(9)In order to ensure the resources for the continuation of the debtor's current activity during the observation period, the sums of money that are the subject of the preferential causes provided for in this article may be used by the judicial administrator with the agreement of the creditor holding the guarantee. In case of refusal of this agreement, the syndic judge may authorize the use of these sums of money, with the granting for the benefit of the creditor holding the guarantee of the appropriate protection, according to the provisions of Article 87 paragraph (3).

Article 76

In order to apply the provisions of Article 75, by the decision to open the procedure, the syndic judge shall order its communication to the courts in whose jurisdiction the debtor's registered office declared in the corresponding register is located and to all banks where the debtor has opened accounts.

Article 77

(1)Any provider of services - electricity, natural gas, water, telephone services or the like - does not have the right, during the observation period and during the reorganization period, to change,

refuse or temporarily interrupt such a service to the debtor or his property, if he has the status of captive consumer, according to the law.

(2) For the services provided under the conditions (1), the debtor has the obligation to pay their value, having the right to a payment term of 90 days. If the contracts that the debtor had concluded with the service providers referred to in paragraph 1 provide for a payment term of less than 90 days, it shall be amended accordingly on the date of the opening of the insolvency proceedings.

(3) Failure to comply with the contractual obligations for the provision of utilities, in case of maintenance of the contract under the conditions of this law, entails liability for covering the damages brought to the debtor's assets and the application of a judicial fine from 10,000 lei to 30,000 lei for each breach of obligations, provided that the utility provider has been notified in advance of the opening of the procedure, according to Article 42(3). The failure to remedy the violation of the obligations or the failure to perform the obligation to resume the supply of utilities within a maximum of 10 calendar days from the notification received from the judicial administrator or the judicial liquidator constitutes in itself a new violation and will be sanctioned with a new fine.

(4) By way of exception to the provisions of paragraph (2), if the debtor does not pay the claims arising after the opening of the insolvency procedure, related to the services provided, within the term provided by paragraph (2), the utility provider is entitled to interrupt the provision of the services.

(5) The provision of the service will be resumed after the payment of the receivables arising after the date of the opening of the insolvency procedure.

(6) The debtor in the insolvency proceedings may not be prevented from participating in public tenders on the grounds of the opening of the proceedings.

Article 78

(1) A creditor who holds a claim benefiting from a preferential cause may request the syndic judge, summoning the creditors' committee, the special administrator and the judicial administrator, to lift the suspension provided for in Article 75(1) in respect of his claim and for immediate recovery, in the course of the proceedings, with the appropriate application of the provisions of Article 154 to 158 and subject to the payment of the costs referred to in Article 159(1) item 1, of the property on which the preferential cause is based, in one of the following situations:

A. where the value of the subject matter of the guarantee, as determined by an authorised appraiser, is fully covered by the total value of the claims and parts of claims secured by that object, if:

- a) the object of the guarantee is not of decisive importance for the success of the proposed reorganization plan;
- b) the object of the guarantee is part of an independent whole, and by detaching it and selling it separately, the value of the remaining goods does not diminish;

B. where there is no adequate protection of the secured claim in relation to the subject matter of the guarantee, due to:

- a) the reduction of the value of the object of the guarantee or the existence of a real danger that it will suffer an appreciable reduction;
- b) the decrease in the value of the secured part of a lower secured claim, as a result of the accrual of interest, increases and penalties of any kind on a higher secured claim;
- c) the lack of insurance of the subject matter of the warranty against the risk of loss or damage.

(2) In the cases referred to in paragraph (1)(B), the syndic judge may reject the creditor's request for lifting the suspension, if the receiver/debtor proposes instead the adoption of one or more measures designed to provide adequate protection to the creditor's secured claim, such as:

- a) making periodic payments in favor of the creditor to cover the decrease in the value of the object of the guarantee or in the value of the secured part of a lower receivable;
- b) making periodic payments in favor of the creditor for the satisfaction of interest, increases and penalties of any kind and, respectively, for the reduction of the principal of the claim below the rate of decrease of the value of the object of the guarantee or of the value of the secured part of a lower receivable;
- c) novation of the warranty obligation by constituting an additional warranty, real or personal, or by substituting the object of the warranty with another object.

(3) In the request for lifting the suspension, the creditor must prove the fact provided for in paragraph (1) letter A point b), leaving the debtor/judicial administrator or another interested party with the burden of producing the contrary evidence and, respectively, the other elements.

(4) The value of the property on which the preference case is based shall be established by an appraisal carried out by an authorized appraiser appointed in accordance with the provisions of Article 61.

Article 79

The opening of the proceedings shall suspend any limitation periods for actions provided for in Article 75(1).

Article 80

(1) No interest, increase or penalty of any kind or expense, generically called ancillary, may be added to claims arising prior to the date of the opening of the procedure, except for the situations provided for in Article 103.

(2) If a reorganization plan is confirmed, the interest, increases or penalties of any kind or the expenses ancillary to the obligations arising after the date of the opening of the general procedure shall be paid in accordance with the resulting documents and with the provisions of the payment schedule. If the plan fails, they are due until the date of the opening of the bankruptcy proceedings.

Article 81

(1) As a result of the opening of the procedure and until the date of confirmation of the reorganization plan, the shares of the issuing companies, within the meaning of Law no. 297/2004, as subsequently amended and supplemented, shall be suspended from trading starting from the date of receipt of the communication by the Financial Supervisory Authority.

(2) On the date of receipt by the Financial Supervisory Authority of the communication regarding the entry into bankruptcy proceedings, the securities are withdrawn from the regulated market on which they are traded.

Article 82

(1) The debtor has the obligation to make available to the judicial administrator/judicial liquidator and to the creditor holding at least 20% of the total value of the claims included in the final table of claims all the information and documents deemed necessary regarding his activity and assets, as well as the list including the payments made in the last 6 months prior to the opening of the procedure and the patrimonial transfers made in the 2 years prior to the opening of the procedure, under penalty of lifting the right of administration.

(2) For the failure to make available to the judicial administrator/judicial liquidator the information and documents by the responsible persons, the syndic judge shall apply the fine provided for in Article 60(2), accordingly.

Article 83

(1) After the decision to open the procedure becomes final, all documents and correspondence issued by the debtor, the judicial administrator or the judicial liquidator shall include, compulsorily and in visible characters, in Romanian, English and French, the mention "in insolvency", "in insolvency", "en procedure collective".

(2) After entering into judicial reorganization or bankruptcy, the documents and correspondence shall bear, under the conditions provided for in paragraph (1), the words "in judicial reorganization", "in judicial reorganisation", "en redressement" or, as the case may be, "in bankruptcy", "en faillite". After entering the simplified procedure, the mention "in bankruptcy", "in bankruptcy", "en faillite" will also be made.

(3) If the debtor owns or manages one or more websites, its management bodies are obliged to publish on their own websites, within 24 hours from the date of communication of the decision to initiate the procedure, the information regarding the state of the company, as well as the number, date and court that issued the decision.

(4) The damages suffered by third parties in good faith as a result of non-compliance with the obligations provided for in paragraph (1) to (3) shall be compensated exclusively by the persons who concluded the acts as legal representatives of the debtor, without affecting the debtor's assets.

Article 84

(1) Except for the cases provided for in Article 87, those authorized by the syndic judge or endorsed by the judicial administrator, all acts, operations and payments made by the debtor after the opening of the procedure are null and void.

(2) The special administrator appointed in insolvency proceedings shall be liable for the violation of the provisions of Article 87, the syndic judge, at the request of the judicial administrator, of the creditors' meeting, formulated by the chairman of the creditors' committee or by another creditor appointed by it, or at the request of the creditor holding 50% of the value of the claims registered in the insolvency estate, being able to order that part of the liabilities thus produced be borne by the special administrator, without exceeding the damage caused by the acts or operations thus carried out.

(3) The debtor and/or, as the case may be, the judicial administrator are/is obliged to draw up and keep a list of all receipts, payments and compensations made after the opening of the procedure, specifying their nature and value, as well as the identification data of the co-contractors.

Article 85

(1) The opening of the procedure removes the debtor's right of administration, consisting of the right to conduct his activity, to administer his assets and to dispose of them if he has not declared his intention to reorganize, under the conditions of Article 67(1)(g). The withdrawal of the right of administration shall also be ordered if the debtor has not declared his intention to reorganize within the term provided for in Article 74.

(2) Except for the cases expressly provided for by law, the provisions of paragraph (1) shall also apply in relation to the assets that the debtor would acquire after the opening of the procedure.

(3) The syndic judge may order the lifting, in whole or in part, of the debtor's right of administration with the appointment of a judicial administrator, indicating at the same time the conditions for exercising the debtor's management of the activity.

(4) The debtor's right of administration ceases by law on the date on which the bankruptcy is ordered.

(5) The creditors, the creditors' committee or the judicial administrator may at any time address to the syndic judge a request to waive the debtor's right of administration, provided that the continuous losses from the debtor's assets are proven or that there is no probability of realizing a rational plan of activity.

(6) The syndic judge shall examine, within 15 days, the application referred to in paragraph (5), in a meeting to which the judicial administrator, the creditors' committee and the special administrator shall be summoned.

(7) From the date of bankruptcy, the debtor will be able to carry out only the activities that are necessary to carry out the liquidation operations.

Article 86

(1) By the sentence or, as the case may be, the conclusion having the effect of lifting the right of administration, the syndic judge will order all banks with which the debtor has opened accounts not to dispose of amounts without an order of the judicial administrator/liquidator. The judicial administrator/liquidator will urgently notify the banks of the establishment of this prohibition.

(2) The violation of the prohibition communicated by the judicial administrator/liquidator entails the liability of the banks for the damage created, as well as a judicial fine from 4,000 lei to 10,000 lei.

Article 87

(1) During the observation period, the debtor will be able to continue carrying out current activities and may make payments to known creditors, who fall under the usual conditions of carrying out the current activity, as follows:

- a) under the supervision of the insolvency administrator, if the debtor has made a request for reorganisation within the meaning of Article 67(1)(g) and the right of administration has not been withdrawn;
- b) under the direction of the judicial administrator, if the debtor's right of administration has been withdrawn.

(2) Acts, operations and payments that exceed the conditions provided for in paragraph (1) may be authorized in the exercise of supervisory duties by the judicial administrator; He will convene a meeting of the creditors' committee in order to submit for approval the request of the special administrator, within a maximum of 5 days from the date of its receipt. If a certain operation that exceeds the current activity is recommended by the judicial administrator, and the proposal is approved by the creditors' committee, it will be mandatorily carried out by the special administrator. If the activity is conducted by the judicial administrator, the operation will be carried out by him with the approval of the creditors' committee, without the need for the request of the special administrator.

(3) In the case of proposals for the alienation of the debtor's assets encumbered by preferential causes, the titular creditor has the following rights:

- a) the right to benefit from adequate protection of his claim, according to the provisions of Article 78;
- b) the right to benefit from distributions of amounts under the conditions of Article 159(1)(3) and Article 161(1), provided that it cannot benefit from adequate protection of the claim, benefiting from a preferential cause, according to the provisions of Article 78.

(4) The intermediate financing granted to the debtor, with the approval of the creditors' meeting, benefits from priority to repayment, according to the provisions of Article 159 (1) point 2 or, as the case may be, according to the provisions of Article 161 point 2. These financing will be guaranteed, mainly, by the allocation of assets or rights that are not the subject of preferential causes, and in the alternative, if there are no such assets or rights available, with the agreement of the creditors benefiting from those preferential causes. In the event that the agreement of these creditors is not obtained, the priority for the repayment of these claims, provided for in Article 159(1)(2), will reduce the sufficiency regime of the creditors benefiting from the preferential

causes, proportionally, in relation to the entire value of the assets or rights that are the subject of these preferential causes. In the event of non-existence or insufficiency of assets encumbered by preferential causes in favor of creditors granting intermediate financing, for the unsecured part of the claim, they shall benefit from priority according to the provisions of Article 161 item 2.

Article 88

If, on the date of the opening of the proceedings, a right, act or legal fact had not become enforceable against third parties, the entries, transcriptions, intabulations and any other specific formalities necessary for this purpose, including those ordered during a criminal trial for the purpose of special and/or extended confiscation, carried out after the date of the opening of the proceedings, shall have no effect against the creditors, unless the application or notification, legally formulated, was received by the court, the competent authority or institution at the latest on the day prior to the decision to open the procedure. Registrations made in violation of this article shall be automatically deleted.

Article 89

(1) Any transfer, fulfillment of an obligation, exercise of a right, act or fact carried out under qualified financial contracts, as well as any bilateral compensation agreement are valid, may be executed and/or opposed to an insolvent co-contractor or to an insolvent guarantor of a co-contractor, according to the conditions resulting from the agreement of the parties, being recognized as the basis for registering the claim in the procedures provided for in this chapter.

(2) The only obligation, if there is in the contract, as a result of the performance of a bilateral netting - under the conditions provided by a qualified financial contract, of a party to the contract will be to provide the net obligation, respectively the amount to be paid or the obligation to make, resulting from the netting to its co-contractor.

(3) The only right, if there is in the contract, as a result of netting under the conditions provided by a qualified financial contract, of a party to the contract, will be to receive the net right, respectively the amount to be paid or the obligation to make, resulting from the netting from his co-contractor.

(4) No power conferred by this law on a body applying the insolvency procedure shall prevent the termination of the qualified financial contract and/or the acceleration of the fulfillment of payment obligations or the fulfillment of obligations to make or the realization of a right based on one or more qualified financial contracts, based on a netting agreement, these powers being limited to the net amount resulting from the application of the netting agreement.

(5) Unless the debtor's fraudulent intent within the meaning of Article 117(2)(g) is proven, the receiver/receiver or, as the case may be, the court may not prevent, request the annulment or decide to terminate derivative transactions, including the performance of a netting agreement, carried out on the basis of a qualified financial contract.

Article 90

(1) The opening of insolvency proceedings shall not affect the right of any creditor to invoke the set-off of his claim against that of the debtor against him, when the conditions laid down by law on statutory set-off are met on the date of the opening of the proceedings. The compensation can also be ascertained by the judicial administrator or the judicial liquidator.

(2) The provisions of paragraph (1) shall also apply accordingly to mutual claims arising after the date of the opening of the insolvency proceedings.

*) In the interpretation and application of the provisions of Article 90 (1) and (2), in conjunction with the provisions of Article 1.617 paragraph (1) and (3) of the Civil Code, it establishes that:

The waiver of set-off is compatible with the insolvency procedure, unless the claim subject to set-off belongs to the creditor entitled to request the opening of the procedure.

It is permissible to invoke the legal set-off of the mutual debts between a creditor registered in the insolvency estate and the debtor in insolvency, by another creditor entitled to participate in the procedure, if the latter can prove the damage caused by the refusal or negligence of the insolvent debtor and the insolvency practitioner in exercising this right.

Article 91

(1) The assets alienated by the judicial administrator or the judicial liquidator, in the exercise of his powers provided by this law, shall be acquired free of any encumbrances, such as privileges, mortgages, pledges or retention rights, seizures, of any kind. Exceptions to this regime are the precautionary measures ordered in the criminal proceedings for special confiscation and/or extended confiscation.

*) In the interpretation of the provisions of Article 91(1), Article 102(8) and Article 154-158 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, in relation to the provisions of Article 249(1) and (2) of the Code of Criminal Procedure (respectively Article 163(1) and (2) of the 1968 Code of Criminal Procedure), the existence of precautionary measures established in the context of a criminal trial on the assets of a legal person, prior to the opening of the insolvency procedure, with a view to special

confiscation, to repair the damage caused by the crime or to guarantee the execution of judicial costs: a) does not suspend the liquidation procedure provided for by Law no. 85/2014 regarding the seized property; b) is not likely to freeze the property on which the recovery procedure has been initiated according to the provisions of Law no. 85/2014; c) does not prevent the liquidation of the assets carried out by the judicial liquidator in the exercise of the powers conferred by Law no. 85/2014.

(2) By way of exception to the provisions of Article 885(2) of the Civil Code, the removal from the land register of any encumbrances and prohibitions referred to in paragraph (1) shall be made on the basis of the deed of alienation signed by the judicial administrator or the judicial liquidator.

(3) The amounts obtained from the capitalization of the goods referred to in paragraph (1) shall be distributed according to the legal provisions, and the favorable differences after the payment of the fees and procedural expenses shall be made available to the criminal prosecution bodies.

Article 92

(1) The judicial administrator shall draw up and submit to the syndic judge, within the term set by him, which may not exceed 20 days from his appointment, a report proposing either the entry into the simplified procedure or the continuation of the observation period in the general procedure.

(2) The report shall indicate whether the debtor falls within the categories provided for in Article 38(2) and, consequently, must be subject to the simplified procedure provided for in this law, in which case it shall include the supporting documents and the proposal for bankruptcy in the simplified procedure. The judicial administrator will notify the bankruptcy proposal through the simplified procedure to the creditors who have submitted the application and to the debtor, through the special administrator, submitting to the court, together with the application, the proof of completion of the notification procedure.

(3) The syndic judge submits the proposal provided for in paragraph (2), regarding the bankruptcy of the debtor in the simplified procedure, to the debate of the parties in a public hearing, within a maximum of 15 days from the receipt of the report of the judicial administrator.

(4) During the hearing provided for in paragraph (3), the syndic judge, after hearing the interested parties, shall give a sentence by which he will approve or reject, as the case may be, the conclusions of the report submitted for debate.

(5) In case of approval of the report provided for in paragraph (4), the syndic judge shall decide, by the same sentence, the bankruptcy of the debtor, under the conditions of Article 145 paragraph (1) letter D.

Article 93

After entering the simplified procedure, if the documents referred to in Article 67(1)(b) to (f) and (l) are not produced by the debtor, the appointed judicial liquidator shall, as far as possible, reconstitute those documents, the expenses thus incurred being borne by the debtor's estate.

Article 94

In order to expedite the insolvency proceedings, under the conditions of Article 38(2)(c), the court may establish, for the creditor who requested the opening of the insolvency proceedings or the appointed judicial administrator, duties regarding the presentation of documentary evidence, written reports, may request for questioning the persons identified as being part of the company's management, may request their assistance and assistance in carrying out procedural acts, as well as any other steps necessary to solve the case.

Article 95

When the debtor no longer carries out activity at the registered office registered in the corresponding register, and the creditor who has submitted the application for the opening of the proceedings does not know another establishment, place of work or activity and after hearing the report of the judicial administrator, referred to in Article 97, which finds that the debtor is in one of the categories referred to in Article 38(2)(c), the communication, notification of any procedural act to the debtor, including those regarding the opening of the procedure, will be carried out only through BPI.

Article 96

In application of the provisions of this law, the judicial administrator shall request reports on the company's main headquarters, the work points or other locations where the debtor's assets are located or his activities are carried out, as well as data on the company's administration, relations regarding the patrimonial assets and documents on the company's activity from the authorities that hold or could hold the requested information. They will release the requested information without charging any fees, fees or commissions, provided by other normative acts related to these activities.

Article 97

(1) The judicial administrator/judicial liquidator, in the case of the simplified procedure, shall draw up and submit to the syndic judge, within the term set by the syndic judge, but which may not exceed 40 days from the date of appointment, a report on the causes and circumstances that led to the debtor's insolvency, mentioning any indications or preliminary elements regarding the persons to whom it would be attributable and on the existence of the premises for engaging liability under the provisions of Articles 169-173, according to its analysis. At the reasoned request of the judicial administrator or the judicial liquidator, in cases of high complexity, the term may be extended by the syndic judge by a maximum period of 40 days.

(1¹) The report referred to in paragraph (1) shall contain information relevant from the perspective of the causes and circumstances that led to the debtor's insolvency, such as those relating to:

- a) associates/shareholders of the company, changes in the share capital structure in the 2 years prior to the opening of the procedure, description of the amendments to the articles of incorporation, changes in the composition of the management and administration bodies;
- b) operations to reduce the debtor's assets carried out in the 2 years prior to the opening of the procedure;
- c) legal acts concluded with persons closely related to the debtor;
- d) the measures taken by the company's statutory bodies in order to prevent the state of insolvency/bankruptcy and to cover the company's liabilities, including those applied according to Article 73 paragraph (1¹) of Law no. 31/1990, republished, with subsequent amendments and completions.

(1²) The insolvency administrator shall ensure that the report referred to in paragraph 1 can be consulted at its registered office at the applicant's expense. An announcement of the report shall be published in the BPI, and a copy of the report shall be filed with the court registry and shall be communicated to the debtor. The report shall also be sent by e-mail, upon request, to any creditor at the e-mail address indicated to the judicial administrator.

(1³) Within 30 days from the date of publication of the announcement in the BPI, any of the creditors, as well as the debtor, may raise objections both to the content of the report and to the conclusions expressed by the judicial administrator. The syndic judge will submit the objections, within 5 days from their registration, to the judicial administrator in order to express a substantiated point of view and will solve them in the council chamber, summoning the creditors, the judicial administrator and the special administrator.

(1⁴) The amended or, as the case may be, maintained report shall be submitted to the court registry and shall be communicated to the debtor. The report shall also be sent by e-mail, upon request, to any creditor at the e-mail address indicated to the judicial administrator.

(2) If the debtor does not fall into the categories set out in Article 38(2), the report shall indicate whether there is a real possibility of effective reorganisation of the debtor's business or, where appropriate, the reasons for the reorganisation and, if so, propose bankruptcy.

(3) If, through his report, the judicial administrator indicates that the debtor's activity can be restored on the basis of a judicial reorganization plan, he will have to specify whether he recommends that the reorganization plan be proposed by the debtor, whether, at the debtor's request, he collaborates in drawing up the plan or if he intends to propose another plan alone or together with one or more creditors.

(3¹) The maintenance of the real possibility of effective reorganization shall be periodically evaluated by the judicial administrator, at an interval of maximum 6 months from the date of submission of the report provided for in paragraph (1). The provisions of paragraphs (4) and (5) shall apply accordingly to the report in which, in view of the conclusions of the periodic evaluation, the bankruptcy is proposed. The assessment of the maintenance of the real possibility of effective reorganization can also be carried out within another report to be submitted by the judicial administrator, if the deadline for its submission is, according to the law, at an earlier or later date that cannot exceed 15 days from the date on which the evaluation should be presented.

(4) If the amended or supplemented or, as the case may be, maintained report proposes the bankruptcy of the debtor, according to paragraph (2), this proposal shall be submitted to the approval of the general meeting of creditors at its first meeting. The special administrator will also be able to participate in the meeting, without the right to vote.

(5) If the amended or supplemented or, as the case may be, maintained report proposes the bankruptcy of the debtor, the judicial administrator shall publish an announcement regarding the report in the BPI, indicating the date of the first meeting of creditors, or shall convene the meeting of creditors, if the report will be submitted after the date of the first meeting. At this meeting, he will submit to the vote of the creditors' meeting the bankruptcy proposal. Creditors who are at the same time persons exercising control over the debtor or who have been a member of the debtor's administrative, management or supervisory bodies for a period of 6 months prior to the opening of the proceedings do not have the right to vote on the bankruptcy proposal.

(6) (the text of Article 97(6) of Title II, Chapter I, Section 3, Subsection 2 was repealed on 18

December 2025 by Article XXIX, point 31 of Law 239/2025)

Article 97¹

If the report provided for in Article 97 identifies indications or preliminary elements that a member of the debtor's administrative or management bodies or an associate/shareholder exercising control over the debtor's financial or operational decisions would be attributable to the occurrence of the state of insolvency, he may not have the capacity of special administrator in the debtor's insolvency procedure. If a special administrator has been appointed, he will be replaced, under the law.

Article 98

(1)At the meeting of the creditors' meeting referred to in Article 97(4), the receiver shall inform the creditors present of the valid votes received in writing on the debtor's bankruptcy proposal in the general proceedings.

(2)The creditors' meeting shall approve the proposal of the judicial administrator, provided for in Article 97(2), by the vote of the holders of at least two-thirds of the claims present at the vote. Irrespective of the result of the vote, the proposal shall not be approved if one or more creditors, together holding more than 20% of the claims contained in the preliminary table of claims, with the exception of creditors who do not have the right to vote on the bankruptcy proposal under Article 97(5), announce their intention to file, within the legal term, a plan for the reorganization of the debtor.

(3)In case of approval by the creditors' meeting of the proposal of the judicial administrator provided for in Article 97(2), the syndic judge shall decide, by judgment, the bankruptcy of the debtor, under the conditions of Article 145(1)(D).

(4)Paragraphs 1 to 3 shall not apply to the report referred to in Article 97(2) if, by the date of the meeting of creditors approving that report, a reorganisation plan has been confirmed.

SECTION 4: The first measures. Preparation of the table of receivables. Appeals

Article 99

(1)Following the opening of the procedure, the judicial administrator shall send a notification to all the creditors mentioned in the list submitted by the debtor according to the provisions of Article 67(1)(c) or, as the case may be, according to the provisions of Article 74, to the debtor and to the trade register office or, as the case may be, to the register of agricultural companies or other

registers where the debtor is registered/registered, in order to make the mention.

(2) If creditors based or domiciled abroad have representatives in the country, the notification will be sent to the latter.

(3) The notification provided for in paragraph (1) shall be made in accordance with the provisions of the Code of Civil Procedure and shall also be published, at the expense of the debtor's assets, in a newspaper of wide circulation and in BPI.

Article 100

(1) The notification shall be communicated to the creditors immediately and, in any case, at least 10 days before the deadline for the registration of claims applications and shall include:

- a) the deadline for creditors to submit objections to the judgment of opening the procedure, pronounced following the request made by the debtor, under the conditions of Article 71(1), as well as the deadline for solving the oppositions, which shall not exceed 10 days from the date of expiry of the deadline for submitting them;
- b) the deadline for registering the application for admission of claims on the debtor's assets, which will be a maximum of 45 days from the opening of the procedure, as well as the requirements for a registered claim to be considered valid;
- c) the deadline for verification of claims, preparation and publication in the BPI of the preliminary table of claims, which will not exceed 20 days for the general procedure or, respectively, 10 days, in the case of the simplified procedure, from the expiry of the term provided for in letter b);
- d) the deadline for finalizing the table of claims, which shall not exceed 25 days, in the case of the general and simplified procedures, from the expiry of the deadline corresponding to each procedure, provided for in letter c);
- e) the place, date and time of the first meeting of the creditors' meeting, which will take place within a maximum of 5 days from the expiry of the term provided for in letter c).
- f) the e-mail address of the insolvency administrator, if any, at which all communications in electronic format by creditors can be valid.

(2) Depending on the circumstances of the case and for sound reasons, the syndic judge may decide to increase the time limits provided for in paragraph (1) letters b), c) and e) by a maximum of 30 days.

Article 101

(1) The judicial administrator shall carry out, within 60 days from the date of the opening of the procedure, the procedure of inventory of the assets of the debtor's estate, based on the information

received from the debtor under the conditions of Article 67 or 74 and/or on the basis of any information and documents requested from the competent authorities according to the law. The term of 60 days may be extended at the request of the judicial administrator, for sound reasons, by the syndic judge.

(2) If the debtor has assets subject to transcription, registration or registration in the publicity registers, the judicial administrator/liquidator shall send to the courts, authorities or institutions that keep these registers a copy of the decision to initiate the procedure, for mention.

Article 102

(1) With the exception of employees whose claims will be registered by the judicial administrator according to the accounting records, all other creditors, whose claims are prior to the date of the opening of the procedure, will submit the request for admission of claims within the term set in the decision to open the procedure. Applications for admission of claims shall be registered in a register, which shall be kept at the court registry. Previous claims are also the budgetary claims established by a tax decision drawn up after the opening of the procedure, but which has as its object the debtor's previous activity.

(1¹) Within 60 days from the date of publication in the BPI of the notification regarding the opening of the procedure, the tax inspection bodies will carry out the tax inspection based on the risk analysis, according to the provisions of the Fiscal Procedure Code, with subsequent amendments and completions. At the request of the tax inspection bodies, the syndic judge may grant a one-time extension of the term of maximum 60 days, for duly justified reasons. The budgetary creditors shall register the request for admission of the claim according to their own records, within the term provided for in Article 100(1)(b), if applicable, and within 5 days from the expiry of the term provided by law or of the term granted by the syndic judge for carrying out the tax inspection, a supplement to the request for admission of the initial claim shall be registered, or the request for admission of the claim, if, on the date of the opening of the procedure, the debtor did not appear with outstanding budgetary obligations.

(2) The claim on the basis of which the insolvency proceedings were opened shall be registered by the judicial administrator, on the basis of the supporting documents attached to the application for the opening of the procedure and following the verification, without the need to submit an application for admission, according to paragraph (1), unless accessories are calculated until the date of the opening of the procedure.

(3) The request for admission of claims must be made even if they are not established by a title.

(4) Undue or conditional claims on the date of the opening of the proceedings shall be admitted to the insolvency estate and shall be entitled to participate in distributions of amounts to the extent permitted by this title.

(5) The right to vote and the right to distribution of the holders of the claims under suspensive condition on the date of the opening of the procedure, including the holders of the claims whose recovery is conditional on the prior execution of the principal debtor, arise only after the fulfillment of the respective condition.

(6) Claims arising after the date of the opening of the procedure, during the observation period or in the judicial reorganization procedure will be paid according to the resulting documents, and it is not necessary to register with the insolvency estate. The provision shall apply accordingly to claims arising after the date of commencement of bankruptcy proceedings.

(7) If the bankruptcy procedure is opened after the observation or reorganization period, the creditors will request the inclusion in the supplementary table for the claims arising after the date of the opening of the insolvency procedure that have not been paid.

(8) The claim of an injured party in the criminal trial is subject to a suspensive condition, until the final settlement of the civil action in the criminal trial in favor of the injured party, by submitting a request for admission of the claim. If the civil action in the criminal proceedings is not completed by the closing of the insolvency proceedings, either as a result of the success of the reorganisation plan or as a result of liquidation, any claims resulting from the criminal proceedings will be covered from the assets of the reorganised legal entity or, where applicable, from the amounts obtained from the action to attract the pecuniary liability of the persons who contributed to bringing the legal person into insolvency, according to the provisions of Article 169 et seq.

*) In the interpretation of the provisions of Article 91(1), Article 102(8) and Article 154-158 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, in relation to the provisions of Article 249(1) and (2) of the Code of Criminal Procedure (respectively Article 163(1) and (2) of the 1968 Code of Criminal Procedure), the existence of precautionary measures established in the context of a criminal trial on the assets of a legal person, prior to the opening of the insolvency procedure, with a view to special confiscation, to repair the damage caused by the crime or to guarantee the execution of judicial costs: a) does not suspend the liquidation procedure provided for by Law no. 85/2014 regarding the seized property; b) is not likely to freeze the property on which the recovery procedure has been initiated according to the provisions of Law no. 85/2014; c) does not prevent the liquidation of the assets carried out

by the judicial liquidator in the exercise of the powers conferred by Law no. 85/2014.

(8¹) The tax claims established by a contested fiscal administrative act and whose forced execution has not been suspended by a final court decision will be admitted to the creditor's estate and provisionally passed until the completion of the appeal by the administrative court.

(9) All claims submitted to be admitted and registered at the court registry will be presumed valid and correct if they are not disputed by the debtor, the judicial administrator or creditors.

Article 103

The claims benefiting from a preference cause shall be entered in the final table up to the market value of the guarantee established by valuation, ordered by the judicial administrator or the judicial liquidator, carried out by an authorized appraiser appointed in accordance with the provisions of Article 61. If the assets on which the preference relates will be made at a price higher than the amount entered in the final table or in the definitive consolidated table, the favorable difference will also accrue to the secured creditor, even if a part of his claim had been recorded as an unsecured claim, until the main claim and the accessories that will be calculated according to the documents from which the claim arises, until the date of valorization of the asset. This provision also applies in case of failure of the reorganization plan and sale of the property in bankruptcy proceedings.

Article 104

(1) The request will include: the creditor's name/name, domicile/headquarters, the amount owed, the basis of the claim, mentions on the possible causes of preference, as well as the indication of the e-mail address, if the creditor opts for electronic communication.

(2) The supporting documents of the claim and of the acts of establishment of preferential causes shall be attached to the application, at the latest within the deadline set for submitting the application for admission of the claim.

(3) The holders of promissory or bearer securities may request the judicial administrator to return the original securities and to keep copies certified by him in the file. The judicial administrator will mention on the original about their presentation.

Article 105

(1) All claims shall be subject to the verification procedure provided for in this chapter, with the exception of claims established by enforceable court decisions, as well as by enforceable arbitral awards. If these court or arbitral decisions are annulled, quashed or modified in

appeals, the judicial administrator/liquidator will redraw the table of claims accordingly. If the court, by annulling or quashing the judgment, does not release the merits deducted from the court, the judicial administrator or the judicial liquidator shall proceed to the verification of that claim, notifying the creditors in case of total or partial non-registration of the claim, according to the provisions of Article 110 paragraph (4). In the latter case, against the measure of partial registration or non-registration of the respective claim in the table, the creditors may lodge an appeal under the conditions of Article 59(5).

*) In the interpretation of the provisions of Article 105 (1) and (2) of Law no. 85/2014, the judicial administrator/liquidator has the right to verify the budgetary claims established by enforceable titles in terms of extent, in order to determine whether they are prior or subsequent to the opening of the debtor's insolvency procedure.

(2) Budgetary claims resulting from an uncontested enforceable title within the deadlines provided by special laws are not subject to this procedure.

*) In the interpretation of the provisions of Article 105 (1) and (2) of Law no. 85/2014, the judicial administrator/liquidator has the right to verify the budgetary claims established by enforceable titles in terms of extent, in order to determine whether they are prior or subsequent to the opening of the debtor's insolvency procedure.

(3) Receivables arising from leasing contracts, terminated before the date of the opening of the insolvency procedure, will be registered as follows:

a) If the ownership of the goods covered by the leasing contract is transferred to the debtor, the financier shall acquire a legal mortgage on those goods, having the same rank as that of the initial leasing operation, and its claim shall be registered in accordance with the provisions of Article 159(1)(3);

b) if the goods subject to the leasing contract are recovered, it shall be registered, benefiting from the order of priority provided for in Article 161 item 8, if there are no other goods conferring on the holder the status of creditor benefiting from a cause of preference, only the difference between the value of the entire claim and the market value of the goods covered by the leasing contract established by an authorized appraiser;

c) If one or more of the recovered goods have been capitalized by the leasing company until the date of drawing up the preliminary table of receivables, the price obtained from the sale will be deducted from the total receivable to be registered.

(4) Under the financial leasing contract in progress on the date of the opening of the procedure and maintained, under the conditions of Article 123(12), the current receivables shall not be entered in

the table of receivables, being paid at maturity. For the previous installments entered in the table, they will follow the legal regime of the claims provided for in Article 159(1)(3). If all current claims have been paid and all other obligations arising after the opening of the procedure have been paid, the transfer of ownership to the debtor over the property subject to the financial leasing contract will take place, in which case, for the previous installments entered in the table, the financier will simultaneously acquire a legal mortgage on that property, having a rank equal to that of the initial leasing operation. The judicial administrator/Judicial Liquidator will notify the financier of the fact that he has made the transfer of the right of ownership and will make the mention in the relevant publicity registers regarding the maintenance of the rank of the financier's claim.

Article 106

(1)The judicial administrator will immediately proceed to verify each application and the documents submitted and will carry out a thorough investigation to establish the legitimacy, exact value and priority of each claim.

(2)If, by way of derogation from the provisions of Article 2.512 et seq. of the Civil Code, the judicial administrator/judicial liquidator finds that the extinctive prescription of the claim has occurred, he will notify the creditor in this regard, without making any further substantive verifications of the claimed claim.

(3)In order to fulfill the task provided for in paragraph (1), the judicial administrator will be able to request explanations from the debtor, will be able to hold discussions with each debtor, requesting, if necessary, additional information and documents.

Article 107

(1)Receivables consisting of obligations that have not been calculated in monetary value or whose value is subject to modification will be calculated by the judicial administrator/liquidator and entered in the table of receivables with the nominal value they had on the date of the opening of the procedure. The syndic judge will decide on any appeal against the calculation made by the judicial administrator/liquidator for such claims.

(2)The receivables expressed or consolidated in foreign currency will be recorded in the preliminary table at their value in lei, at the exchange rate of the National Bank of Romania existing on the date of the opening of the insolvency procedure.

Article 108

(1) A claim of a creditor with several joint and several debtors will be entered in all debtors' tables of claims with nominal value, until it is fully covered. All tables will be updated accordingly with the amounts distributed.

(2) If the receivables have been extinguished or modified, totally or partially, an appropriate modification of the table of receivables will be carried out, as the case may be. Together with the convening notice of the creditors' meeting, the table of creditors updated with the amounts extinguished or modified during the procedure will also be published. Once the minutes of the meeting are challenged, the creditors will be able to challenge the table thus published under the same terms and conditions.

Article 109

(1) A creditor who, before registering an application for admission of claims, has received a partial payment for his claim from a co-debtor or guarantor of the debtor may have the claim entered in the table of claims only for the part which he has not yet collected. The creditor has the obligation to report any amount collected, within 3 days from the moment of collection.

(2) A co-debtor or guarantor, who is entitled to restitution or compensation from the debtor for the amount paid, will be entered in the table of claims with the amount he has paid to the creditor. In this case, the joint creditor has the right to request that the share due to the co-debtor or guarantor be paid, until the full payment of his claim, remains the creditor of the co-debtor or guarantor, remaining the creditor of the latter only for the unpaid amount.

(3) The debtor's co-debtor or guarantor, who has a preferential cause over his assets in order to ensure his regression, competes with the creditor's estate, in order to make it possible to realize this right, but the price obtained from the sale of the encumbered assets will be attributed to the creditor, subtracting from the amount owed.

Article 110

(1) As a result of the verifications made, the judicial administrator/liquidator shall draw up and register with the court a preliminary table containing all the claims against the debtor's assets with the particulars provided in Article 5 item 68.

(2) For claims benefiting from a cause of preference, the title from which the right of preference arises and, if applicable, the reasons why the claims were partially included in the table or were discarded, shall be shown. For the claims of creditors who belong to the category of persons closely related to the debtor, the preliminary table of claims shall additionally mention the

documents stating the claim and the data entered in the publicity registers.

(3)The preliminary table of claims will also be published in the BPI. After publication, creditors registered in the preliminary table of claims may participate in creditors' meetings.

(4)With the publication of the table in the BPI, the judicial administrator/liquidator will immediately send notifications to the creditors, whose claims or preferential rights have been partially entered in the preliminary table of claims or removed, specifying at the same time the reasons. The communication can also be made electronically, if the creditor has indicated an e-mail address through the statement of claim or through a subsequent address.

Article 111

(1)The debtor, creditors and any other interested party will be able to lodge appeals against the table of claims, regarding the claims and rights passed or, as the case may be, not included by the judicial administrator/liquidator in the table.

(2)Appeals must be submitted to the court within 7 days from the publication of the preliminary table in the BPI, both in the general procedure and in the simplified procedure.

(3)Under penalty of annulment, the appeal shall be accompanied by the original proof of payment of the stamp duty, as well as by all the documents that the party intends to use in proving its claims, with the appearance of any other evidence that is requested, except for those that are not in the possession of the party or are not known at the time of filing the appeal.

(4)The party filing the appeal shall, with acknowledgement of receipt, send a copy of the appeal and the accompanying documents to the judicial administrator/liquidator, to the creditor whose claim is contested, as well as to the special administrator, if he has been appointed, at the debtor's headquarters, under the sanction provided for in Article 40¹ paragraph (2).

(5)The response shall be submitted within 10 days from the date of communication of the appeal and the accompanying documents. A copy of the response shall be communicated, with acknowledgement of receipt, within the same period, by the party formulating the response and to the contestant, the judicial administrator/judicial liquidator and the debtor, under the sanction provided for in Article 40¹ paragraph (2).

(6)At the deadline established by the sentence for the opening of the procedure for the finalization of the table of claims, the syndic judge will solve at once, through a single sentence, all the appeals, even if the administration of evidence would be necessary for the resolution of some of them; In the latter case, the syndic judge may admit, in whole or in part, the registration of those claims provisionally in the final table. The provisionally registered receivables will have all the

rights provided by the law, except for the right to collect the amounts proposed for distribution.

These will be recorded in the single account until the debt is finalized.

(7) If the claim is admitted without the claimed right of preference, it will participate in the distribution of the amounts obtained from the valorization of the assets not claimed by preferential causes.

(8) From the amounts that would be obtained from the valuation of the assets subject to the contested right of preemption, the part that would be due to that claim shall be recorded.

Article 112

(1) After all claims have been resolved and the guarantee valuation report has been submitted, the judicial administrator/liquidator shall immediately register with the court and publish in the BPI the final table of all claims against the debtor's estate, showing the amount, priority and status of each claim, whether or not it is the beneficiary of a preference cause.

(2) After the registration of the final table, only the holders of the claims registered in the final table may participate in the vote on the reorganization plan or in any distribution of amounts in case of bankruptcy in the simplified procedure.

(3) The maximum duration of the observation period is 12 months, calculated from the date of initiation of the procedure. In order to comply with this deadline, the syndic judge will be able to apply the provisions of Article 111(6) accordingly. Before the expiry of the 12-month period, the creditors, the debtor or the judicial administrator shall request the syndic judge either to apply Article 111(6) or to extend the observation period for good reasons. If the application is not submitted by the insolvency administrator, the creditors or the debtor will be able to make such a claim.

Article 113

(1) After the expiry of the time limit for lodging appeals provided for in Article 111(2) and until the closure of the proceedings, any interested party may appeal against the inclusion of a claim or a right of preference in the final table of claims or in the updated tables, in the event of discovery of the existence of a forgery, fraud or an essential error, which led to the admission of the claim or the right of preference, as well as in the case of the discovery of decisive and hitherto unknown titles.

(2) The appeal is submitted within 15 days from the date on which the party knew or should have known the situation that determines the promotion of the appeal.

(3) The judgment of the appeal shall be made in compliance with the provisions of Article 111

paragraph (4).

(4) Until the final judgment of the appeal, the syndic judge will be able to declare the disputed claim or right of preference as provisionally admitted only.

Article 114

(1) Unless the notification of the opening of the proceedings has been made in breach of the provisions of Article 42, the holder of claims prior to the opening of the proceedings, who does not submit the application for admission of claims by the expiry of the period laid down in Article 100 (1) (b), shall be deprived of the right to be entered in the table of creditors in respect of those claims and shall not acquire the status of creditor entitled to participate in the proceedings. He shall not have the right to enforce his claims against the debtor or the members or associates with unlimited liability of the debtor legal person after the closure of the proceedings, provided that the debtor has not been convicted of simple or fraudulent bankruptcy or that he has not been held liable for fraudulent payments or transfers.

(2) The forfeiture will be ascertained by the judicial administrator/judicial liquidator, who will no longer register the creditor in the table of creditors.

SECTION 5: The situation of some legal acts of the debtor

SUBSECTION 1: § 1. General

Article 115

(1) All actions brought by the judicial administrator or the judicial liquidator in application of the provisions of this chapter, including for the recovery of debts, shall be exempt from stamp duties.

(2) The operations of publication in the BPI of the procedural documents issued by the courts of law or by the judicial administrator/judicial liquidator during the insolvency procedure are carried out free of charge.

(3) The procedural documents issued by the judicial administrator/liquidator which, according to this law, are also subject to the formality of publicity through the trade register, together with the advertising through BPI, shall be submitted to BPI, and the registration in the trade register shall be operated ex officio, free of charge.

Article 116

The measures provided for in this section shall apply both in judicial reorganisation proceedings and in bankruptcy proceedings as a result of their initiation in the general or simplified proceedings.

SUBSECTION 2: SUBSECTION 2: Annulment of fraudulent acts and operations of the debtor during the suspicious period

Article 117

(1) The judicial administrator/judicial liquidator may file actions with the syndic judge for the annulment of the debtor's fraudulent acts or operations to the detriment of the creditors' rights, in the 2 years prior to the opening of the procedure.

(2) The following acts or operations of the debtor may be canceled, in order to return the transferred goods or the value of other services performed:

- a) free transfer documents, carried out in the 2 years prior to the opening of the procedure; sponsorships for humanitarian purposes are exempted;
- b) operations in which the debtor's performance clearly exceeds the one received, carried out in the 6 months prior to the opening of the procedure;
- c) acts concluded in the 2 years prior to the opening of the procedure, with the intention of all parties involved in them to steal assets from prosecution by creditors or to harm their rights in any other way;
- d) acts of transfer of ownership to a creditor for the settlement of a previous debt or for its benefit, carried out in the 6 months prior to the opening of the procedure, if the amount that the creditor could obtain in case of bankruptcy of the debtor is less than the value of the transfer deed;
- e) the constitution of a right of preference for a claim that was unsecured, in the 6 months prior to the opening of the procedure;
- f) advance payments of debts, made in the 6 months prior to the opening of the procedure, if their maturity had been set for a date subsequent to the opening of the procedure;
- g) acts of transfer or assumption of obligations carried out by the debtor in a period of 2 years prior to the date of the opening of the procedure, with the intention of hiding/delaying the state of insolvency or defrauding a creditor.

(3) The provisions of paragraph (2)(d) to (f) shall not apply to acts concluded, in good faith, in the execution of an agreement with creditors, concluded as a result of out-of-court negotiations for the restructuring of the debtor's debts, provided that the agreement was reasonably likely to

lead to the debtor's financial recovery and is not intended to prejudice and/or discriminate against creditors. The above provisions also apply to legal acts concluded within the procedures provided for in Title I.

(4)The following acts or operations, concluded in the 2 years prior to the date of opening the procedure with the persons in legal relations with the debtor, may also be cancelled and the recovered benefits:

a)with a limited partner or with a partner holding at least 20% of the company's capital or, as the case may be, of the voting rights in the general meeting of partners, in the event that the debtor is that limited partnership, respectively an agricultural company, in a general name or with limited liability;

b)with a member or administrator, when the debtor is an economic interest group;

c)with a shareholder holding at least 20% of the debtor's shares or, as the case may be, of the voting rights in the general meeting of shareholders, if the debtor is the respective joint stock company;

d)with an administrator, director or a member of the debtor's supervisory bodies, cooperative society, limited liability joint stock company or, as the case may be, agricultural society;

e)with any other natural or legal person, holding a position of control over the debtor or his activity;

f)with a co-owner or owner of a common property;

g)with the spouse, relatives or relatives up to the fourth degree inclusive, of the natural persons listed in letters a)-f).

Article 118

(1)The action for annulment of fraudulent acts concluded by the debtor to the detriment of creditors, provided for in Article 117, may be brought by the judicial administrator/liquidator within one year from the date of expiry of the deadline set for drawing up the report provided for in Article 97, but no later than 16 months from the date of the opening of the proceedings. If the action is admitted, the parties will be restored to the previous situation, and the existing tasks on the date of the transfer will be re-entered.

(2)The creditors' committee may bring such an action with the syndic judge, if the judicial administrator/liquidator does not do so.

(3)This action may be brought under the same conditions by the creditor who holds more than 50% of the value of the claims registered in the insolvency estate.

Article 119

It will not be possible to request the annulment of an act of incorporation or transfer of patrimonial character, made by the debtor during the normal course of his current activity.

Article 120

(1)The third-party acquirer in a patrimonial transfer, annulled according to the provisions of Article 117, shall have to return the transferred asset to the debtor's estate or, if the asset no longer exists or there are impediments of any kind for its takeover by the debtor, the third party shall return its value from the date of the transfer made by the debtor, established by expertise carried out under the law. In case of restitution, the parties will be restored to the previous situation so that the existing encumbrances at the date of the transfer will be re-entered.

(2)The third-party acquirer, who has returned to the debtor's estate the property or the value of the property transferred to him by the debtor, will have a claim against the debtor's estate equal to the price paid, to which may be added at most the increase in the value of the property, determined by any investments made by the debtor, provided that the third party has accepted the transfer in good faith and without the intention of preventing them, delay or deceive the debtor's creditors. At his request, the third-party acquirer in good faith shall be entered in the tables of claims with the claim arising from the restitution of the property or its value to the debtor's estate according to this article and shall be able to participate in distributions according to the provisions of Article 161 item 4. The third party acquiring in bad faith will be entitled to receive only the price paid and will be able to participate in distributions of amounts according to the provisions of Article 161 item 10 letter a). The bad faith of the acquiring third party must be proven.

(3)If the acquiring third party does not return the property or its value voluntarily or by means of a transaction, its claim, arising pursuant to paragraph 2, may be claimed only by way of a counterclaim brought in the context of an action brought against it under the provisions of Article 117.

(4)The third party acquirer free of charge in good faith will return the goods in the condition in which they are, and, in their absence, will return the difference in value with which he has enriched himself. In case of bad faith, the third party will return, in all cases, the entire value, as well as the fruits collected.

Article 121

(1)The judicial administrator, the judicial liquidator, the creditors' committee or the creditor who holds more than 50% of the value of the claims registered in the insolvency estate may bring an action to recover from the sub-acquirer the asset or the value of the asset transferred by the debtor, only if the sub-acquirer has not paid the corresponding value of the asset and knew or should have known that the initial transfer is likely to be cancelled. He will be able to claim from the debtor only the value of the increase in value determined by the investments he has made and will benefit, for this purpose, from all the procedural rights due to the third party acquirer in bad faith according to the provisions of Article 120 (2) and (3) and Article 161 point 10 letter a).

(2)If the sub-acquirer is a spouse, relative or relative up to and including the fourth degree of the debtor, it shall be presumed that the debtor was aware of the circumstance referred to in paragraph 1.

Article 122

(1)The request for the annulment of a deed of incorporation or transfer of a patrimonial nature shall be noted, ex officio, in the related publicity registers.

(2)A person obtaining a title or acquiring a right of preference over the property in question after making such a notation shall have his title or right conditioned by the right to have the property recovered.

(3)With regard to the acts and transactions referred to in Article 117(2), a relative presumption of fraud to the detriment of creditors shall be established.

(4)The presumption of fraud shall also be maintained if, through abuse of procedural rights, the debtor has delayed the time of the opening of the proceedings in order to expire the time limits referred to in Article 117.

(5)The standing to bring proceedings in the actions for annulment provided for in Article 117 belongs to the judicial administrator/liquidator, in the case provided for in Article 118(2), to the creditors' committee, and in the case provided for in Article 118(3), to the creditor who holds more than 50% of the value of the claims registered in the insolvency estate.

(6)The debtor and, as the case may be, the third-party acquirer or sub-acquirer have standing in the actions for annulment provided for in Article 117. The debtor shall be summoned as a defendant by the special administrator or by the special curator, in accordance with the provisions of Article 53(3).

(7)From the date of the opening of the insolvency procedure, the annulment of acts concluded by the debtor in the 2 years prior to the opening of the insolvency procedure, on the grounds of

fraud to the detriment of creditors, may be made exclusively by means of the actions provided for in Article 117.

SUBSECTION 3:§ 3. Status of ongoing contracts

Article 123

(1)The ongoing contracts are considered maintained on the date of the opening of the procedure, Article 1.417 of Law no. 287/2009, republished, with subsequent amendments, not being applicable. Any contractual clauses for the termination of ongoing contracts, forfeiture of the benefit of the term, modification of the contract to the detriment of the debtor or declaration of early enforceability for the purpose of opening the procedure shall be considered unwritten. The provisions regarding the maintenance of ongoing contracts and the nullity of termination or acceleration clauses shall not apply to qualified financial contracts and bilateral clearing operations based on a qualified financial contract or a bilateral clearing agreement. In order to maximize the value of the debtor's assets, within a limitation period of 3 months from the date of the opening of the procedure, the judicial administrator/liquidator may terminate any contract, unexpired leases, other long-term contracts, as long as these contracts have not been fully or substantially executed by all parties involved. The judicial administrator/liquidator must respond, within 30 days from receipt, to the contractor's notification, formulated within the first 3 months from the opening of the procedure, by which he is asked to terminate the contract; In the absence of such a response, the judicial administrator/judicial liquidator will no longer be able to request the execution of the contract, it being considered denounced. The contract is considered terminated:

a)on the date of expiry of a term of 30 days from the receipt of the request of the co-contractor regarding the termination of the contract, if the judicial administrator/liquidator does not respond;

b)on the date of notification of the denunciation by the judicial administrator/liquidator.

*) According to Decision no. 42/2021, the High Court of Cassation and Justice establishes that, in the interpretation of Article 123 paragraph (1), (3) and (9) of Law no. 85/2014, actions for termination of successively executed contracts maintained by the judicial administrator or judicial liquidator, brought by way of ordinary law after the opening of the insolvency procedure for non-compliance by the debtor defendant with the contractual obligations consisting of the payment of amounts due prior to the opening of this procedure, are not admissible.

(2) If the judicial administrator / judicial liquidator requests the execution of the contract, the judicial liquidator shall specify quarterly, within the activity reports, whether the debtor has the necessary funds to pay the value of the goods or services provided by the co-contractor.

(3) The debtor forfeits the benefit of the term if, within the first 3 months from the date of the opening of the procedure, the co-contractor notifies the judicial administrator of the intention to terminate the contract or to declare the due date in advance. After the contract has been maintained, the co-contractor may request its termination due to the debtor's fault, the request being settled by the syndic judge.

*) According to Decision no. 42/2021, the High Court of Cassation and Justice establishes that, in the interpretation of Article 123 paragraph (1), (3) and (9) of Law no. 85/2014, actions for termination of successively executed contracts maintained by the judicial administrator or judicial liquidator, brought by way of ordinary law after the opening of the insolvency procedure for non-compliance by the debtor defendant with the contractual obligations consisting of the payment of amounts due prior to the opening of this procedure, are not admissible.

(4) In the event of termination of a contract, an action for compensation may be brought by the co-contractor against the debtor and will be resolved by the syndic judge. The rights established in favor of the co-contractor following the exercise of the action for damages shall be paid to him according to the provisions of Article 161 point 4, based on the decision under which they were recognized, which has become final.

(5) During the observation period, with the agreement of the co-contractors, the judicial administrator will be able to modify the clauses of the contracts concluded by the debtor, including the credit agreements, so that they ensure the equivalence of future services. Any requests made pursuant to Article 1.271 of the Civil Code shall be resolved by the syndic judge.

(6) If the seller of an asset has retained the title deed until the full payment of the sale price, the sale shall be considered executed by the seller and shall not be subject to the provisions of paragraph (1), the reservation being enforceable against the judicial administrator/judicial liquidator if the publicity formalities provided by law have been carried out. The property over which the seller has retained the title deed enters the debtor's estate, and the seller benefits from a preferential cause, according to Article 2.347 of the Civil Code.

(7) An employment or rental contract, as a lessee, may be terminated only in compliance with the legal notice periods.

(8) After the date of the opening of the procedure, the dissolution of the individual employment

contracts of the debtor's staff may be made urgently by the judicial administrator/liquidator. The judicial administrator/Judicial Liquidator will grant the dismissed staff only the legal notice period. If the provisions of Law no. 53/2003 - Labor Code, republished, with subsequent amendments and completions, as regards collective dismissal, the deadlines provided by Article 71 and Article 72 paragraph (1) of Law no. 53/2003, republished, with subsequent amendments and completions, are reduced by half.

(9) In a contract providing for periodic payments from the debtor, the maintenance of the contract will not oblige the judicial administrator/liquidator to make outstanding payments for the periods prior to the opening of the procedure. For such payments, a request for admission of the claim against the debtor may be made.

*) According to Decision no. 42/2021, the High Court of Cassation and Justice establishes that, in the interpretation of Article 123 paragraph (1), (3) and (9) of Law no. 85/2014, actions for termination of successively executed contracts maintained by the judicial administrator or judicial liquidator, brought by way of ordinary law after the opening of the insolvency procedure for non-compliance by the debtor defendant with the contractual obligations consisting of the payment of amounts due prior to the opening of this procedure, are not admissible.

(10) In order to maximize the debtor's assets or in the situation where the contract can no longer be executed, the judicial administrator will be able to assign the ongoing contracts to third parties, provided that those contracts have not been concluded intuitu personae, according to the provisions of the Civil Code.

(11) In case of termination of the financial leasing contracts by the financier, it will be able to opt for one of the following options:

- a) the transfer of ownership of the assets covered by the leasing contract to the debtor, in which case the financier acquires a legal mortgage on those assets, having a rank equal to that of the leasing transaction, and is registered with the insolvency estate, according to the order of priority provided for in Article 159(1)(3), with the value of the outstanding installments and accessories invoiced and not paid on the date of the opening of the procedure, to which is added the rest of the amounts due, under the leasing contract, without exceeding the market value of the goods, established by an independent authorized appraiser, according to the provisions of Article 61;
- b) the recovery of the assets that are the material object of the leasing contract, and the financier will be registered with the insolvency estate according to the provisions of Article 161 item 8, if there are no other assets that confer on the holder the quality of creditor who benefits from a preferential cause, with the equivalent value of the outstanding installments and accessories

invoiced and not paid on the date of the opening of the procedure, to which are added the rest of the amounts due under the leasing contract minus the market value of the recovered goods, established by an authorized appraiser, according to the provisions of Article 61.

(12)By exception to the provisions of paragraph (1) sentence I, in the case of the financial leasing contract, if the financier does not express, within 3 months from the date of the opening of the procedure, the express agreement to maintain the contract, it is considered to have been terminated on the date of expiry of this term. If, within the same period, the financier sends the judicial administrator a notification requesting him to terminate the contract, the latter is considered terminated at the expiry of a period of 30 days from the date of receipt of the notification by the judicial administrator. In order to maximize the debtor's assets, the judicial liquidator may terminate any financial leasing contract, the contract being considered terminated on the date of notification of the termination by the judicial administrator/liquidator.

Article 124

If movable property, sold to the debtor and not paid by the debtor, was in transit on the date of the opening of the proceedings and the property is not yet at the disposal of the debtor and no other parties have acquired rights over it, then the seller may take back his property. In this case, all expenses will be borne by the seller and he will have to return to the debtor any advance on the price. If the seller admits that the good will be delivered, he will be able to recover the price by entering his claim in the table of receivables. If the judicial administrator/liquidator requests that the asset be delivered, he will have to take measures to pay the entire price due under the contract from the debtor's estate.

Article 125

If the debtor is a party to a contract contained in a master netting agreement, providing for the transfer of certain commodities, commodity securities or financial assets listed on a regulated commodity, services and derivatives market, on a certain date or within a specified period of time, and the maturity occurs or the period expires after the date of the initiation of the proceedings, a bilateral netting operation shall be carried out for all contracts contained in the agreement. respective netting master, and the resulting difference will have to be paid to the debtor's estate, if it is a creditor, and will be entered in the table of receivables, if it is an obligation of the debtor's estate.

Article 126

If a commissioner who holds securities for goods to be received or for goods becomes the subject of an application for insolvency proceedings, the principal shall be entitled to take back his securities or goods or to request that their value be paid by the commissioner.

Article 127

(1) If a debtor holds goods as consignee or any other property belonging to another on the date of the opening of the proceedings, the owner shall have the right to recover the property in accordance with the provisions of Article 2.057 (4) of the Civil Code, unless the debtor has a valid cause of preference over the property.

(2) If, on one of the dates referred to in paragraph 1, the goods are not in the possession of the debtor and he cannot recover them from the current holder, the owner shall be entitled to have the claim recorded in the table of claims, with the value that the goods had on that date. If the debtor is in possession of the goods on that date, but has subsequently lost possession, the owner may request that the entire value of the goods be entered in the table of claims.

Article 128

The fact that an owner of a rented property is a debtor in this procedure will not terminate the lease agreement, unless the rent is lower than the rent charged by the market. However, the judicial administrator/liquidator may refuse to ensure the provision of any services owed by the landlord to the tenant during the lease. In this case, the tenant can evict the building and request the registration of his claim in the table or he can continue to own the property, subtracting from the rent he pays the cost of the services owed by the owner. If the tenant chooses to continue to own the property, he will not be entitled to register the claim in the table, but will only have the right to deduct from the rent he pays the cost of the services owed by the owner.

Article 129

The judicial administrator/liquidator may terminate, under the conditions of Article 123(1), contracts by which the debtor has undertaken to perform certain specialized or strictly personal services.

Article 130

(1) If a shareholder of an agricultural company, general partnership, limited partnership or limited liability company or shareholder of a joint stock company is a debtor in a procedure provided for by this law and if the debtor's involvement in such proceedings does not lead to the

dissolution of that company, the judicial administrator/liquidator may request the liquidation of the debtor's rights in that company, according to the last approved financial statement, or may propose that the debtor be retained as a partner, if the other partners agree.

(2)The provisions of paragraph (1) shall also apply accordingly to the members of cooperative societies and economic interest groups.

Article 131

(1)The obligations resulting from a bilateral promise of sale with a certain date, prior to the opening of the procedure, in which the promising-seller enters the procedure, will be performed by the judicial administrator/judicial liquidator at the request of the promising-buyer, if:

- a)the contractual price has been paid in full or can be paid on the date of the request, and the good is in the possession of the promising-buyer;
- b)the price is not lower than the market value of the good;
- c)the asset does not have a decisive importance for the success of a reorganization plan;
- d)in the case of real estate, the promises are noted in the Land Book.

(2)In order to be able to conclude the contract of sale with the promising-buyer under the conditions of Article 91 (1), the judicial administrator or judicial liquidator shall first ensure the observance of the following rights for creditors holding claims benefiting from preferential causes on the assets to be alienated according to paragraph 1 and have entered that right in the publicity registers provided for by law before the date of conclusion of the bilateral promise of Sale:

- a)the right to benefit with priority from any amounts collected in the debtor's estate on the basis of the sales contracts concluded under the conditions of paragraph (1), according to the provisions of Article 159; and/or
- b)the right to benefit from a measure to ensure adequate protection, i.e. one of the following measures:**

1. receipt of an amount representing a maximum of the market value of the asset from which the expenses provided for in Article 159(1)(1) are deducted;
2. receipt of a security interest with a value equal to the market value of the asset established during the procedure, through an updated valuation report to be drawn up by an authorized appraiser appointed in accordance with the provisions of Article 61;
3. receipt of a letter of bank guarantee for an amount equal to the market value of the asset

established in the procedure, but not more than the value of their claim recorded in the table of claims in force.

(3)The proposal of the measure referred to in paragraph (2) letter b) shall be made by the judicial administrator/liquidator through the activity report by which the sale measure is proposed and the beneficiary creditor of a preferential cause is notified.

SECTION 6:Reorganization

SUBSECTION 1:§ 1. The plan

Article 132

(1)The following categories of people will be able to propose a reorganization plan:

a)the debtor, with the approval of the general meeting of shareholders/associates, within 30 days from the publication of the final table of claims, provided that the intention to reorganize according to Article 67(1)(g) is formulated, if the procedure has been initiated by him, and within the term provided for in Article 74, if the procedure has been opened following the request of one or more creditors. The decision of the general meeting of shareholders/associates may be submitted later until the date of the creditors' meeting established for voting on the plan at the latest;

b)the judicial administrator, from the date of his appointment until the fulfillment of a term of 30 days from the date of publication of the final table of claims;

c)one or more creditors, holding together at least 20% of the total value of the claims included in the final table of claims, within 30 days from its publication; The judicial administrator is obliged to provide them with the existing and necessary information for the drafting of the plan. In this respect, the debtor, through the special administrator, or the judicial administrator, in so far as the latter holds them, if the right of administration has been withdrawn from the debtor, have the obligation, within a maximum period of 10 days from receipt of the request, to make available to the creditor the documents and information provided for in Article 67(1)(a), b) and e), updated accordingly to the submission of the final table of claims. The creditor will also be provided with a list of all claims arising during the procedure, as well as any other documents requested, which are useful for drafting a reorganization plan.

(2)At the request of any interested party or the judicial administrator, the syndic judge may extend by a maximum of 30 days, for good reasons, the deadlines for submitting the plan provided for in paragraph (1).

(3)The plan will be able to provide for either the restructuring and continuation of the debtor's activity, or the liquidation of some assets from its assets, or a combination of the two reorganization options.

(4)A reorganization plan may not be proposed by a debtor who, within a period of 5 years prior to the filing of the applications, has been the subject of the insolvency proceedings instituted on the basis of this law, unless the procedure has been closed in accordance with the provisions of Article 177 or 178, nor by the debtor who has been definitively convicted of committing an intentional crime against the patrimony, of corruption, of service, of forgery, for the crimes provided by Law no. 31/1990, republished, with subsequent amendments and completions, Law no. 129/2019, as subsequently amended and supplemented, Law no. 227/2015, Law no. 241/2005, as subsequently amended and supplemented, Law no. 21/1996, as well as for the offences provided for in Articles 240 and 241 of Law no. 286/2009, with subsequent amendments and completions, in the last 3 years prior to the opening of the procedure.

(5)Failure to comply with the deadlines provided for in paragraph (1) leads to the forfeiture of the right of the respective parties to submit a reorganization plan and, consequently, to the passing, from the order of the syndic judge, to bankruptcy.

Article 133

(1)The reorganization plan will indicate the recovery prospects in relation to the possibilities and specifics of the debtor's activity, the available financial means and the market demand for the debtor's offer and will include measures consistent with public order, including as regards the method of selection, appointment and replacement of administrators and directors.

(2)The reorganization plan will necessarily include the receivables payment schedule. Claims registered as beneficiaries of a cause of preference in the final table of claims may bear interest and other accessories.

(3)The execution of the reorganization plan may not exceed 3 years, calculated from the date of confirmation of the plan. The payment terms established by contracts - including credit or leasing - can be maintained by the plan, even if they exceed the period of 3 years. These terms can also be extended, with the express agreement of the creditors, if they were initially shorter than 3 years. After the fulfillment of all the obligations in the plan and the closure of the reorganization procedure, these payments will continue according to the resulting contracts.

*) For the debtor who has totally or partially interrupted its activity as a result of the measures

adopted by the competent public authorities according to the law, for the prevention of the spread of the COVID-19 pandemic, during the state of emergency and/or alert, the initial duration of execution of the reorganization plan, provided for by Article 133 paragraph (3) of Law no. 85/2014, as subsequently amended and supplemented, may be 4 years, with the possibility of extension, without exceeding a total duration of the plan of 5 years, and of modification, accordingly, if applicable, under the conditions of Article 139 paragraph (5) of Law no. 85/2014, as subsequently amended and supplemented.

(3¹) By exception to the provisions of paragraph (3), in the case of debtors who are legal entities, the execution of the reorganization plan may take 4 years, calculated from the date of confirmation of the plan. The payment terms established by contracts - including credit or leasing - can be maintained by the plan, even if they exceed the period of 4 years. These terms can also be extended, with the express agreement of the creditors, if they were initially shorter than 4 years. After the fulfillment of all the obligations in the plan and the closure of the reorganization procedure, these payments will continue according to the resulting contracts.

(4) The reorganization plan will mention:

- a) the categories of claims that are not disadvantaged, within the meaning of this Title;
- b) treatment of categories of disadvantaged claims;
- c) whether and to what extent the debtor, the members of the economic interest group, the shareholders of the general partnerships and the limited partners of the limited partnerships will be discharged from liability;
- d) what compensation is to be offered to the holders of all categories of claims, compared to the estimated value that could be received through distribution in case of bankruptcy; the estimated value shall be calculated on the basis of an appraisal report, drawn up by an authorized appraiser appointed in accordance with the provisions of Article 61;
- e) the method of payment of current debts. If the payment of current receivables is not made in the order of maturity, the debtor will justify the prioritization of certain current receivables, in compliance with the principle of wealth maximization provided for in Article 4 point 1.

(5) The plan will specify the appropriate measures for its implementation, such as:

- A) the retention, in whole or in part, by the debtor, of the management of his activity, including the right of disposal of the assets in his estate, with the supervision of his activity by the judicial administrator appointed under the law;
- B) obtaining financial resources to support the implementation of the plan and their sources of origin, the financing approved by the plan being to benefit from priority for reimbursement

according to the provisions of Article 159 paragraph (1) item 2 or, as the case may be, according to the provisions of Article 161 item 2;

C) the transfer of all or some of the assets of the debtor's estate to one or more natural or legal persons, constituted before or after the confirmation of the plan; if the person to whom the sale of the assets as an independent complex is proposed is a person closely related to the debtor, the provisions of Article 154¹ shall apply accordingly and the sale shall be authorised by confirmation of the plan by the syndic judge;

D) the merger or division of the debtor, in accordance with the law, including compliance with the obligations to notify concentrations, according to the competition legislation. In case of division, the provisions of Article 241¹ paragraph (3) of Law no. 31/1990, republished, with subsequent amendments and completions, shall not apply;

E) liquidation of all or some of the assets of the debtor's estate, separately or en bloc, free of any encumbrances, or giving them in payment to the debtor's creditors, on account of the claims they have against the debtor's estate. The payment of the debtor's assets to his creditors may be carried out only with the prior condition of their written agreement on this method of extinguishing their claim;

F) partial or total liquidation of the debtor's assets in order to execute the plan. The sums of money obtained after the sale of goods on which they have preferential causes, according to the provisions of the Civil Code, shall be distributed, compulsorily, to the creditors holding those preferential causes, in compliance with the provisions of Article 159 (1) and (2);

G) modifying or extinguishing the causes of preference, with the mandatory granting for the benefit of the creditor holder of an equivalent guarantee or protection, according to the provisions of Article 78(2)(c), until their claim is covered, including the interest established according to the contracts or according to the reorganization plan, based on an appraisal report, following the procedure provided for in Article 61;

H) the extension of the maturity date, as well as the modification of the interest rate, the penalty or any other clause in the contract or the other sources of its obligations;

I) amending the debtor's articles of incorporation, in accordance with the law;

J) the issuance of securities by the debtor or any of the persons referred to in letters D and E, under the conditions provided by Law no. 31/1990, republished, with subsequent amendments and completions, and by Law no. 297/2004, with subsequent amendments and completions. In order to register a securities issue in the plan, the express written consent of the creditor who is to receive the issued securities is required, an agreement that is given before the creditors vote on the reorganization plan. By exception to the provisions of Article 205 paragraph (2) of Law no.

297/2004, as subsequently amended and supplemented, the operations provided for in this letter are considered exempted operations within the meaning of Article 205(1) of Law no. 297/2004, as subsequently amended and supplemented;

K)by exception to the provisions of letter J, the reorganization plan may not provide for the conversion of budgetary receivables into securities. With the consent of the budgetary creditor expressed by vote, the reorganization plan may provide only for the conversion of the state's budgetary claims into shares, if the following conditions are cumulatively met:

- a) to result from the content of the reorganization plan, based on the economic and financial analysis, the fact that the debtor company can continue its activity, the proposed measure being a viable one for the company;
- b) it should result from the content of the reorganization plan that this method of extinguishing the budgetary debt leads to maximizing the recovery of the state's debt, compared to the situation of the debtor's bankruptcy;
- c) the conversion must be complete and carried out at the value of the state's budgetary claim, it cannot be cumulated with the measure of reducing the budgetary claim.

The budgetary creditor may contract the services of an authorized appraiser or independent specialist for the preparation of an evaluation report on the conditions of letters a) and b), on the basis of which to exercise its vote on the reorganization plan that includes the proposal for the conversion of the state budget claim. The provisions of Article 5(1)(71) shall remain applicable.

L)insertion in the articles of incorporation of the debtor - legal person - or of the persons referred to in letters D and E of certain provisions:

- a) prohibiting the issuance of shares without voting rights;
- b) to determine, in the case of different categories of ordinary shares, an appropriate distribution of the vote between these categories;
- c) in the case of categories of preferred shares with priority dividend over other categories of shares, satisfactory regulation of the appointment of the administrators representing the respective categories of shares in the event of non-compliance with the obligation to pay dividends.

(5¹)The budgetary creditor may approve the reorganization plan in which the reduction of the unsecured budgetary receivable is proposed, a reduction substantiated in the plan, if the following criteria are met:

- a)the reduction measure represents the optimal way of recovering the unsecured budgetary

receivable, compared to the situation of the debtor's entry into bankruptcy;

b) the debtor has a goodwill that allows it to continue its activity;

c) The reduction measure leads to the viability of the debtor company.

(5²) If the reorganization plan proposes the measure of reducing unsecured budgetary claims by up to 50%, in the absence of an express manifestation, the plan shall be considered approved by the budgetary creditor if the criteria set out in paragraph (5¹) and at least one of the following criteria are cumulatively met:

a) result in a level of at least 50% of the current tax liabilities due during the execution of the reorganization plan compared to their average annual level before entering insolvency;

b) the debtor company must carry out an activity of public interest;

c) The debtor company must carry out a strategic activity in a certain economic branch.

(5³) In the situations provided for in paragraph (5¹) and (5²), the provisions regarding the conduct of the private creditor test, as defined by Article 5(1), item 71, shall remain relevant.

(6) By derogation from the provisions of Law no. 31/1990, republished, with subsequent amendments and completions, and of Law no. 297/2004, as subsequently amended and supplemented, the plan proposed by the creditors or by the judicial administrator may provide for the amendment, without the statutory agreement of the debtor's members or associates/ shareholders, of the articles of incorporation.

(7) The registration of the entry in the trade register will be requested by the judicial administrator at the debtor's expense, based on the decision confirming the reorganization plan, which will be published in the Official Gazette of Romania, Part IV.

Article 134

(1) In order to vote on the reorganization plan, the category of indispensable creditors may be constituted, as defined in Article 5 item 23. The judicial administrator confirms, in whole or in part, or denies the list of these creditors.

(2) The list of indispensable creditors, referred to in paragraph (1), shall be submitted by the debtor together with the other documents provided for in Article 67(1), a list which shall be attached, including their claims, to the report drawn up by the judicial administrator/liquidator, in accordance with Article 97. Failure to submit this list leads to the debtor's deprivation of the right to propose, in order to vote on the reorganization plan, the category of indispensable creditors. If the criteria considered on the date of drawing up the list of indispensable creditors have changed, it may be amended accordingly, approved by the judicial administrator and

submitted to the case file together with the proposed reorganization plan.

Article 135

The situation in which the proposed plan provides for the return to the conditions for the realization of the claim prior to the occurrence of the events that led to the modification of those conditions, such as the non-payment of one or more due installments of a loan, on the terms and under the conditions stipulated in the contract, shall not be considered a modification of the receivable or of the conditions of its realization, which leads to the acceleration of the repayment of the entire remainder of the loan.

Article 135¹

(1) The date of settlement of the claims subject to conversion, according to the provisions of Article 133 (5) letter K, is the date of the conversion.

(2) The central public institution that exercises the quality of shareholder on behalf of the state on the date of the conversion exercises the rights and obligations of the Romanian state as shareholder also for the shares issued in favor of the state by the economic operators following the conversion and records these shares in the accounting records.

(3) If the State does not hold, prior to the conversion, shares of the debtor, for the shares issued as a result of the conversion, the exercise of the rights and obligations of the State, as well as the registration of the shares thus acquired in the accounting records shall be carried out by the State Assets Management Authority.

Article 136

A copy of the proposed plan shall be deposited at the registry of the court and in the register in which the debtor is registered and shall be transmitted to the debtor, through the special administrator, the judicial administrator and the creditors' committee.

Article 137

(1) The judicial administrator shall publish, within 5 days from the expiry of the deadline for submitting the plan, an announcement regarding it in the BPI, indicating the person who proposed it, the date when the plan will be voted on in the creditors' meeting, as well as the fact that voting by correspondence is allowed. Upon request, the plan shall be sent by e-mail to any creditor at the e-mail address indicated to the judicial administrator.

(2) The meeting of the creditors' meeting in which the vote on the reorganization plan will be

expressed will be held within 20-30 days from the publication of the announcement. The reorganization plan, including the annexes, shall be sent to the persons referred to in Article 136 in electronic format, scanned, by the care of the judicial administrator, by e-mail or by posting on its website.

(3) Creditors with bearer securities must submit the originals to the administrator at least 5 days before the date set for the vote, under penalty of forfeiture of the right to vote.

(4) From the moment of publication, all interested parties will be deemed to be aware of the plan and the date of the vote. In all cases, the debtor will ensure the possibility of consulting the plan at its headquarters, at the expense of the applicant.

Article 138

(1) At the beginning of the voting session, the judicial administrator will inform the creditors present about the valid votes received in writing.

(2) Each claim benefits from a voting right, which its holder exercises in the category of claims to which the respective claim belongs.

(3) The following claims are constituted in distinct categories, which vote separately:

- a) receivables benefiting from preferential rights;
- b) salary claims;
- c) budgetary receivables;
- d) the claims of indispensable creditors;
- e) other unsecured claims.

(4) A plan will be considered accepted by a category of claims if in that category the plan is accepted by an absolute majority of the value of the claims in that category.

*) By Decision no. 28/2022, the High Court of Cassation and Justice admits the referral for a preliminary decision and establishes that the provisions of Article 138(4) of Law no. 85/2014 must be interpreted as meaning that the impossibility of adopting a decision in the creditors' meeting convened to approve the reorganization plan, due to lack of quorum caused by the non-appearance of the creditors legally convened at at least two meetings having the same agenda, does not equate to a negative vote on the reorganization plan.

(5) Creditors who, directly or indirectly, control, are controlled or are under common control with the debtor may vote on the reorganization plan, provided that the payment schedule does not provide them with any amount or offers them less than they would receive in the event of bankruptcy and that any such payments are granted to them according to the order of priority of

subordinated claims provided for in Article 161 (10) (a).

(6) If several reorganization plans have been proposed, then their vote shall be made in the same meeting of the creditors' meeting, in the order decided by the creditors' vote.

Article 138¹

(1) Creditors may lodge objections to the legality of the reorganization plan as well as requests for annulment of the decision of the creditors' meeting by which the reorganization plan was voted, in accordance with the provisions of Article 48(7) and (8).

(2) If the annulment of the decision of the creditors' meeting by which the plan was voted is also requested, any objections regarding the legality of the reorganization plan will be formulated by the same request.

Article 139

(1) The syndic judge resolves at once, by means of a single sentence, the objections regarding the legality of the reorganization plan, the requests for annulment of the decision of the creditors' meeting by which the reorganization plan was voted and the request for confirmation of the plan within 15 days from the submission to the court by the judicial administrator of the minutes of the creditors' meeting by which it was approved. The syndic judge may ask a specialist to express an opinion on the possibility of carrying out the plan, before its confirmation. The plan is confirmed under the following conditions:

- A. if there are 5 categories, the plan shall be deemed to be accepted if at least 3 of the categories of claims referred to in the payment schedule, among those referred to in Article 138(3), accept the plan provided that at least one of the disadvantaged categories accepts the plan and that at least 30% of the total value of the creditors accepts the plan;
- B. if there are three categories, the plan is considered accepted if at least two categories vote for the plan, provided that one of the disadvantaged categories accepts the plan and that at least 30% of the total value of the creditors accepts the plan;
- C. if there are two or four categories, the plan is considered accepted if it is voted by at least half of the number of categories, provided that one of the disadvantaged categories accepts the plan and that at least 30% of the total value of the creditors accepts the plan;
- D. each disadvantaged category of claims that rejected the plan will be subject to fair and equitable treatment by the plan;
- E. the receivables that will be paid in full within 30 days from the confirmation of the plan or

in accordance with the credit or leasing agreements resulting from them will be considered non-disadvantaged receivables and will be considered to have accepted the plan;

F. The plan complies, from the point of view of legality and viability, with the provisions of Article 133.

*) By Decision no. 28/2022, the High Court of Cassation and Justice admits the referral for a preliminary decision and establishes that the provisions of Article 139 paragraph (1) of Law no. 85/2014 must be interpreted as meaning that the impossibility of adopting a decision in the creditors' meeting convened to approve the reorganization plan, due to lack of quorum caused by the non-appearance of the creditors legally convened at at least two meetings having the same agenda, does not equate to a negative vote on the reorganization plan.

(2) Fair and equitable treatment exists when the following conditions are cumulatively met:

- a) none of the categories that reject the plan and no claim that rejects the plan receive less than they would have received in the event of bankruptcy;
- b) no category or claim belonging to a category receives more than the total value of its claim;
- c) where a disadvantaged category rejects the plan, no category of claims lower than the non-accepting disadvantaged category, as it results from the hierarchy provided for in Article 138(3), receives more than it would receive in the event of bankruptcy;
- d) The plan provides for the same treatment for each claim within a distinct category, except for the different rank of those benefiting from preferential causes, as well as if the holder of a claim consents to less favourable treatment for his claim.

(3) Only one reorganization plan will be confirmed.

(4) Confirming a reorganization plan prevents any other plan from being confirmed.

(5) The modification of the reorganization plan, including its extension, can be made at any time during the reorganization procedure, without exceeding a maximum total duration of the plan of 5 years from the initial confirmation. The amendment can be proposed by any of those who have the vocation to propose a plan, regardless of whether they proposed the plan or not. The vote on the amendment by the creditors' meeting will be made with the receivables remaining in balance, on the date of the vote, under the same conditions as when voting on the reorganization plan.

The modification of the plan will have to be confirmed by the syndic judge. The provisions of Article 138¹ shall apply accordingly.

Article 140

(1) When the judgment confirming a plan enters into force, the debtor's activity is reorganized

accordingly; The claims and rights of creditors and other interested parties are modified as provided in the plan. In the event of bankruptcy, the situation established by the final table of all claims against the debtor provided for in Article 112 (1) shall be returned, subtracting the amounts paid during the reorganization plan.

(2) If, after the confirmation of the reorganisation plan, additional amounts of shares brought pursuant to Article 117 are recovered, they shall be distributed in the manner provided for in Article 163.

(3) The amounts arising from the debtor's current activity or from the capitalization of assets not due to preferential causes shall be provided to be distributed proportionally for each claim expected to be paid during the reorganization, after deducting the amounts provided as necessary for the payment of the current receivables due and those necessary to ensure the working capital, if applicable. The receivables payment schedule will provide for the payment of these amounts in the quarter following the one in which these amounts become available.

(4) The creditors retain their shares for the full value of the claims, against the debtor's co-debtors and guarantors, even if they voted to accept the plan.

(5) If no plan is confirmed and the deadline for proposing a plan, under the conditions of Article 132, has expired, the syndic judge shall order the commencement of the bankruptcy proceedings immediately, under the conditions of Article 145.

(6) The remuneration of persons employed pursuant to Articles 57(2), 61 and 63 and other procedural costs shall be paid at the time laid down, as the case may be, by law, unless the interested parties agree in writing to other payment deadlines. The plan must specify in the payment schedule how this payment will be ensured.

(7) Payment can be made quarterly based on legal documents.

SUBSECTION 2:§ 2. Reorganization period

Article 141

(1) Following the confirmation of a reorganization plan, the debtor will conduct its activity under the supervision of the judicial administrator and in accordance with the confirmed plan, until the syndic judge will order, with reasons, either the conclusion of the insolvency procedure and the taking of all measures for the debtor's reintegration into the business activity, or the cessation of the reorganization and the bankruptcy, according to the provisions of Article 145.

(2) During the reorganisation, the debtor shall be managed by the special administrator, under the

supervision of the judicial administrator, subject to the provisions of Article 85(5). Shareholders, associates and members with limited liability do not have the right to intervene in the management of the debtor's activity or in the administration of the debtor's assets, except and within the limits of the cases expressly and restrictively provided for by law and in the reorganization plan.

(3) The debtor shall be obliged to carry out, without delay, the structural changes provided for in the plan.

(4) If the reorganization plan provides for the liquidation of all or some of the assets, en bloc, as a functional whole, and the sale is made to a person closely related to the debtor, the provisions of Article 154¹ shall be applied accordingly.

Article 142

By way of exception to the provisions of Article 77, the syndic judge may, at the request of the supplier, order the debtor to deposit a security deposit with a bank, as a condition for the supplier's obligation to provide its services during the judicial reorganization procedure. Such a deposit may not exceed 30% of the cost of the services provided to the debtor and not paid after the opening of the procedure.

Article 143

(1) If the debtor does not comply with the plan or new debts accumulate to the creditors in the insolvency proceedings, any of the creditors or the judicial administrator may at any time request the syndic judge to order the debtor's bankruptcy. The application shall be judged urgently and in particular, within 30 days from its registration in the case file. The request will be rejected by the syndic judge if the claim is not due, is paid or the debtor concludes a payment agreement with this creditor.

*) During the state of alert, the applicability of the final sentence of Article 5 item 72 and the final sentence of Article 143 paragraph (1) of Law no. 85/2014, as subsequently amended and supplemented.

During the state of alert, in the case of debtors who have totally or partially interrupted their activity as a result of the measures adopted during the state of emergency, established by Decree no. 195/2020 and extended by Decree no. 240/2020, by the competent public authorities according to the law, for the prevention of the spread of the SARS-Cov-2 virus, maintained, as the case may be, and during the state of alert, the threshold value provided for in Article 5 item

72 of Law no. 85/2014, as subsequently amended and supplemented, is RON 50,000, both for creditors and debtors.

(2) The registration of the application referred to in paragraph (1) shall not suspend the continuation of the debtor's activity until the syndic judge decides on it, by conclusion.

(3) The holder of a current, certain, liquid and payable claim older than 60 days and an amount above the threshold value may apply, at any time after the procedure provided for in Article 75(3) and (4), during the reorganization plan or after the fulfillment of the payment obligations assumed in the plan, the bankruptcy. The application shall be judged urgently and in particular, within 30 days from its registration in the case file. Its application will be rejected by the syndic judge if the creditor has not followed the procedure provided for in Article 75(3) and (4) or the claim is not due, is paid or the debtor concludes a payment agreement with this creditor. By way of derogation from the provisions of Article 186 paragraph (1) letter c) of Law no. 207/2015, as subsequently amended and supplemented, for current receivables, budgetary creditors may grant payment facilities.

Article 144

(1) The debtor, through the special administrator, or, as the case may be, the judicial administrator, submits quarterly reports to the creditors' committee on the financial situation of the debtor's assets, as well as the fact that, by carrying it out, the viability of the business is maintained. After submission to the creditors' committee, the reports will be registered at the court registry and the debtor or, as the case may be, the judicial administrator will notify all creditors of this in order to consult the reports.

(2) The judicial administrator will also present the situation of the expenses incurred for the smooth running of the activity, in order to recover them, which will be endorsed by the creditors' committee. It will also present its conclusions on how the plan should be carried out, specifying whether the debtor complies with it and/or new debts accumulate.

(2¹) Depending on the conclusions of the report referred to in paragraph (1) or, as the case may be, paragraph (2), the judicial administrator may apply for bankruptcy.

(3) Within 5 days from the submission of the reports, the creditors' committee will be able to convene the creditors' meeting to present the measures taken by the debtor and/or the judicial administrator, their effects, as well as to propose other measures with reasons.

SECTION 7: Bankruptcy and liquidation of assets

SUBSECTION 0:

Article 145

(1)The syndic judge shall decide, by sentence or, as the case may be, by conclusion, under the conditions of Article 71, the bankruptcy in the following cases:

A. _

a)the debtor has declared its intention to enter the simplified procedure;

b)the debtor has not declared its intention to reorganize;

c)none of the other entitled subjects of law has proposed a reorganization plan, according to the provisions of Article 132, or none of the proposed plans has been accepted and confirmed;

B. the debtor declared its intention to reorganize, but did not propose a reorganization plan or the plan proposed by it was not accepted and confirmed;

C. the payment obligations and other tasks assumed are not fulfilled under the conditions stipulated by the confirmed plan or the debtor's activity during its reorganization brings losses to its assets;

D. the report of the judicial administrator proposing, as the case may be, the entry of the debtor into bankruptcy, in accordance with the provisions of Article 92(5) or Article 97(3¹) has been approved;

E. in the cases referred to in Articles 75(4) and 143(3).

(2)By the decision by which the bankruptcy is decided, the syndic judge will pronounce the dissolution of the debtor legal person and will order:

a)lifting the debtor's right of administration;

b)in the case of the general procedure, the appointment of a provisional judicial liquidator, as well as the establishment of his duties and fees, in accordance with the criteria approved by the law on the organization of the profession;

c)in the case of the simplified procedure, the confirmation as judicial liquidator of the judicial administrator, appointed in accordance with the provisions of Article 57(2) or Article 73, as the case may be;

d)the maximum period from the entry into bankruptcy within the general procedure, of handing over the management of the assets from the debtor/judicial administrator to the judicial liquidator, together with the list of acts and operations carried out after the opening of the procedure provided for in Article 84(2);

e)drawing up by the judicial administrator and handing over to the judicial liquidator, within a

maximum of 5 days from the entry into bankruptcy, within the general procedure, a list containing the names and addresses of the creditors and all their claims on the date of the bankruptcy, indicating those arising after the opening of the procedure, the final table of claims and any other tables drawn up in the procedure, of any distribution reports, of the list of acts and operations carried out after the date of the opening of the procedure. This obligation is incumbent on the special administrator, with the opinion of the judicial administrator, if, by the date of the opening of the bankruptcy procedure, the right of administration has not been lifted;

f) notification of bankruptcy.

(3) In the event of bankruptcy, the conclusion or, as the case may be, the judgment shall also indicate the time limits provided for in Article 146(2) or, as the case may be, in Article 147(2).

(4) After the entry into bankruptcy in the general procedure, the provisions of Articles 99 to 114 shall be applied, if necessary, accordingly, in respect of claims arising between the date of initiation of the proceedings and the date of entry into bankruptcy, as well as the procedure for admitting them.

Article 146

(1) In the event of bankruptcy in the general procedure, the judicial liquidator shall send a notification to all creditors mentioned in the list submitted by the debtor/judicial administrator, provided for in Article 145(2)(e), whose claims arose after the opening of the proceedings, to the debtor and to the register where the debtor is registered, in order to make the mention. The provisions of Article 99(2) and (3) shall apply accordingly.

(2) The notification will be communicated to the creditors at least 10 days before the deadline for the registration of claims applications and will include:

a) the deadline for registering the application for admission of the claims referred to in paragraph (3), in order to draw up the supplementary table, which shall be a maximum of 45 days from the date of bankruptcy, as well as the requirements for a registered claim to be considered valid;

b) the deadline for verifying the claims referred to in paragraph (3), for drawing up and publishing their supplementary table, which shall not exceed 30 days from the expiry of the deadline provided for in point (a);

c) the deadline for submitting appeals to the court, which will be 7 days from the publication of the supplementary table in the BPI;

d) the deadline for drawing up the definitive consolidated table, which shall not exceed 30 days from the expiry of the deadline provided for in letter b).

(3) All claims on the debtor's assets, including budgetary ones, arising after the date of the opening of the procedure or, as the case may be, whose amount has been modified compared to the final table of receivables or to the payment schedule in the reorganization plan, as a result of payments made after the opening of the procedure, will be subject to verification.

(4) The claims admitted in the final table of claims will no longer be subject to verification; All creditors will be able to lodge appeals regarding the supplementary table.

(5) The final consolidated table shall include all the claims admitted against the debtor's assets, existing on the date of bankruptcy, in compliance with the provisions of Article 112.

(6) The provisions of Article 114 shall apply accordingly to holders of claims arising after the opening of the proceedings who do not submit an application for admission of claims within the time limit provided for in paragraph (2)(a).

Article 147

(1) In the event of bankruptcy through the simplified procedure, the judicial liquidator shall send a notification regarding the entry into bankruptcy proceedings and, in the case of the debtor who is a legal person, the lifting of the right of administration and its dissolution, to all creditors notified according to the provisions of Article 99, to the debtor and to the trade register office or, as the case may be, to the register of agricultural companies or to the register of associations and foundations in which the debtor is registered, for making the mention. Where an increase within the meaning of Article 100(2) of the time limits for the publication of the preliminary table of claims referred to in Article 100(1)(c) and for the finalisation of the table of claims referred to in Article 100(1)(d) is justified, the creditors shall be notified of the new time limits thus fixed.

(2) If, until the approval of the proposal of the judicial administrator provided for in Article 92 (4), the debtor in bankruptcy by simplified procedure has continued its activity, the judicial liquidator shall notify, within 5 days from the date of entry into bankruptcy, the creditors having claims against the debtor, having priority according to the provisions of Article 161 point 4, arising during the observation period, requesting them to register, within 10 days from the receipt of the notification, requests for admission of claims accompanied by supporting documents. The notification shall also include the deadlines for the publication of the preliminary table of claims, referred to in Article 100(1)(c), and for the finalisation of the table of claims, referred to in Article 100(1)(d), as set out in the notification referred to in paragraph 1 or, as the case may be, Article 99(1). The provisions of Article 99(2) and (3) shall apply accordingly.

(3) All claims on the debtor's assets, including budgetary ones, arising after the date of the opening of the procedure will be subject to verification.

(4) The provisions of Article 114 shall apply accordingly to holders of claims arising after the opening of the proceedings, who do not submit the application for admission of claims within the time limit provided for in paragraph 2.

Article 148

In the event of bankruptcy after the confirmation of a reorganization plan, the holders of the receivables participate in distributions with their value as recorded in the final consolidated table.

Article 149

The real and personal guarantees constituted for the fulfillment of the obligations assumed by the reorganization plan remain valid in favor of the creditors for the payment of the amounts due to them according to the reorganization plan.

Article 150

(1) Creditors are not obliged to return the amounts collected during the reorganization.

(2) The acts free of charge, carried out between the date of confirmation of the reorganization plan and the entry into bankruptcy, are null and void.

(3) Other acts carried out within the period referred to in paragraph 2, with the exception of those carried out in compliance with the provisions of Article 87 (1) and (2) and those permitted by the reorganisation plan, shall be presumed to be in fraud of the creditors and shall be annulled, unless the other party proves his good faith at the time of the conclusion of the act.

(4) The monetary claims on the debtor's assets are considered due on the date of the opening of the bankruptcy procedure. This provision shall not apply to qualified financial contracts and bilateral clearing operations on the basis of a qualified financial contract or a bilateral clearing agreement.

SUBSECTION 1:§ 1. Pre-liquidation measures

Article 151

(1) The following will be sealed: shops, warehouses, warehouses, offices, commercial correspondence, archives, information storage and processing devices, contracts, goods and any

other movable property belonging to the debtor's assets.

(2) In the situation provided for in Article 93, the inventory of the debtor's assets shall be made after obtaining the written reports on the situation of the debtor's assets. If, as a result of the steps taken in accordance with the provisions of Articles 94-96, the judicial administrator does not identify any assets, the inventory shall be concluded on the basis of the written communications sent by the relevant authorities.

(3) The following shall not be placed under seals:

- a) the objects that will have to be recovered urgently in order to avoid their material damage or loss of value;
- b) accounting records;
- c) bills of exchange and other securities due or to be due shortly, as well as shares or other participation securities of the debtor, which will be taken over by the judicial liquidator in order to be collected or to carry out the necessary conservation activities;
- d) the cash that the judicial liquidator will deposit in the bank in the account of the debtor's assets.

(4) During the sealing action, the judicial liquidator will take the necessary measures to preserve the assets.

Article 152

(1) If the debtor's assets can be completely inventoried in a single day, the judicial liquidator will be able to proceed with the inventory immediately, without applying the seals. In all other cases, the inventory will be carried out as soon as possible. The special administrator will have to be present and attend the inventory, if the syndic judge so orders. If the special administrator does not show up, he will not be able to contest the data in the inventory.

(2) As the inventory is carried out, the judicial liquidator takes possession of the assets, becoming their judicial depository.

Article 153

(1) The inventory will need to describe all of the debtor's identified assets.

(2) The inventory deed will be signed by the judicial liquidator and the special administrator, and if the latter does not participate in the inventory, only by the judicial liquidator.

(3) In order to preserve the patrimony, if there is insufficient liquidity in the debtor's assets, the judicial liquidator will be able to urgently capitalize on the debtor's assets, with priority over

those on which there are no preferential causes, in order to obtain these liquidities, without the approval of the creditors. The valuation will be carried out by public auction, after the prior evaluation, starting from the liquidation value indicated by the authorized appraiser. The public auction may be conducted even by indicated electronic means of remote communication, in accordance with the provisions of the regulation established by the judicial liquidator. In this case, the report shall be signed only by the liquidator.

SUBSECTION 2:§ 2. Performing the liquidation

Article 154

(1)The liquidation of the assets from the debtor's estate will be carried out by the judicial liquidator under the control of the syndic judge. In order to maximize the value of the debtor's assets, the judicial liquidator will take all steps to expose them to the market, in an appropriate form, the advertising expenses being borne from the debtor's assets.

(2)The liquidation will begin immediately after the judicial liquidator completes the inventory and the submission of the valuation report. The goods can be sold en bloc or individually. Any sale en bloc of assets, as an independent whole, regardless of whether it is made in reorganization or bankruptcy, may be considered a transfer of assets, if it meets the provisions of Article 270 paragraph (7) of Law no. 227/2015, as subsequently amended and supplemented. The type of sale of the goods, i.e. public auction, direct negotiation or a combination of the two, and the sale regulation corresponding to the method of sale to be chosen are approved by the creditors' meeting, based on the proposal of the judicial liquidator. In the case of the public auction, the publicity will also be made by posting on the website of the National Union of Insolvency Practitioners of Romania and publishing in BPI. In order to assess the assets of the debtor's estate, with the agreement of the creditors' committee, the judicial liquidator may engage, on behalf of the debtor, an authorized appraiser and determine his fee. Licensed appraisers are members of the National Association of Licensed Appraisers in Romania, and the appraisal must be carried out in accordance with the appraisal standards.

(3)The assets from the debtor's estate will be valued both en bloc and individually. The block valuation takes into account either the valuation of all the assets in the debtor's estate, or the valuation of the independent ensembles.

(4)If the sale procedure is organized on an electronic platform indicated by the judicial administrator/liquidator, the report will be signed only by him.

Article 154¹

(1) The sale of the goods as an independent set can be carried out to a person closely related to the debtor, in compliance with at least the following requirements:

- a) be open, competitive, transparent and meet market conditions;
- b) the person closely related to the debtor to specify in the offer that he is a person closely related to the debtor, also showing the elements of connection with him, according to Article 5 (1) item 42²;
- c) persons who are not closely related to the debtor have a reasonable period of time to submit bids, but not more than 10 days;
- d) the information provided for in letter b) to be brought to the attention of the creditors' committee and the other bidders participating in the recovery procedure;
- e) valuation report of the assets as an independent set made by an independent authorized appraiser; If an appraisal of the assets as an independent whole has already been carried out in the procedure, this requirement is deemed to have been met.

(2) The judicial liquidator draws up a report on the sale procedure, which justifies the fact that:

- a) the sale was carried out in a competitive, transparent manner, as it results from the records of the persons contacted and the offers received, drawn up by the liquidator, and that the sale meets the market conditions;
- b) the winning bid is the best bid submitted; in the selection of the winning bid, bids belonging to persons who are not closely related to the debtor were also taken into account;
- c) the offer ensures that creditors are treated fairly and fairly in the sense that they do not receive less than the amount assessed in the simulation of distributions that they would benefit from in the event of the sale of each asset individually, the price proposed being at least equal to or more advantageous than that estimated in the case of a sale of the assets individually;
- d) The offer ensures the respect of employees' rights.

(3) In the case of the sale of the assets as an independent whole to a person closely related to the debtor, the judicial liquidator submits to the court a report in which he describes the sale procedure and attaches the offer considered to be the winner. An announcement of the submission of the report is published in the BPI, and the judicial liquidator communicates the report to the creditors' committee. Within 15 days from the date of publication of the announcement in the BPI, creditors may formulate objections that the syndic judge resolves at once, by a single sentence, in the council chamber, summoning the creditors who formulated

them, the creditors' committee, the judicial liquidator and, as the case may be, the special administrator.

(4)The syndic judge shall authorise the sale of the assets en bloc as an independent ensemble to a person closely related to the debtor if he finds that the selection procedure has been carried out in compliance with the conditions set out in paragraphs (1) and (2). Otherwise, the syndic judge rejects the request for authorization.

Article 155

The evaluation report will be submitted to the case file, and an announcement regarding its submission and an extract containing a summary of it will be published in the BPI. Creditors will be able to consult the valuation report at the location indicated by the announcement by the judicial liquidator.

*) In the interpretation of the provisions of Article 91(1), Article 102(8) and Article 154-158 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, in relation to the provisions of Article 249(1) and (2) of the Code of Criminal Procedure (respectively Article 163(1) and (2) of the 1968 Code of Criminal Procedure), the existence of precautionary measures established in the context of a criminal trial on the assets of a legal person, prior to the opening of the insolvency procedure, with a view to special confiscation, to repair the damage caused by the crime or to guarantee the execution of judicial costs: a) does not suspend the liquidation procedure provided for by Law no. 85/2014 regarding the seized property; b) is not likely to freeze the property on which the recovery procedure has been initiated according to the provisions of Law no. 85/2014; c) does not prevent the liquidation of the assets carried out by the judicial liquidator in the exercise of the powers conferred by Law no. 85/2014.

Article 156

(1)The judicial liquidator will convene the creditors' meeting within a maximum of 15 days from the date of submission of the valuation report to the case file, in order to establish the type of sale.

(2)In the case of the sale of goods by public auction, this may also be carried out according to the provisions of the Code of Civil Procedure. If the creditors' meeting does not approve a sale regulation, in accordance with Article 154(2), or in the event that, although a sale regulation has been approved, the goods have not been capitalized within a reasonable period, but not more than 12 months, at the request of the judicial liquidator, approved by the syndic judge, the sale of

the goods shall be carried out by public auction, according to the provisions of the Code of Civil Procedure.

(3) In the case of sale by direct negotiation, the judicial liquidator will submit the sale regulation to the creditors' meeting for approval.

(4) The sale of the assets will be made after the publication of the sale by the judicial administrator/liquidator, in a newspaper of wide circulation. Interested persons will be able to inspect the goods subject to sale after the sales publications have been made.

*) In the interpretation of the provisions of Article 91(1), Article 102(8) and Article 154-158 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, in relation to the provisions of Article 249(1) and (2) of the Code of Criminal Procedure (respectively Article 163(1) and (2) of the 1968 Code of Criminal Procedure), the existence of precautionary measures established in the context of a criminal trial on the assets of a legal person, prior to the opening of the insolvency procedure, with a view to special confiscation, to repair the damage caused by the crime or to guarantee the execution of judicial costs: a) does not suspend the liquidation procedure provided for by Law no. 85/2014 regarding the seized property; b) is not likely to freeze the property on which the recovery procedure has been initiated according to the provisions of Law no. 85/2014; c) does not prevent the liquidation of the assets carried out by the judicial liquidator in the exercise of the powers conferred by Law no. 85/2014.

Article 157

The securities will be sold under the conditions of Law no. 297/2004, with subsequent amendments and completions.

*) In the interpretation of the provisions of Article 91(1), Article 102(8) and Article 154-158 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, in relation to the provisions of Article 249(1) and (2) of the Code of Criminal Procedure (respectively Article 163(1) and (2) of the 1968 Code of Criminal Procedure), the existence of precautionary measures established in the context of a criminal trial on the assets of a legal person, prior to the opening of the insolvency procedure, with a view to special confiscation, to repair the damage caused by the crime or to guarantee the execution of judicial costs: a) does not suspend the liquidation procedure provided for by Law no. 85/2014 regarding the seized property; b) is not likely to freeze the property on which the recovery procedure has been initiated according to the provisions of Law no. 85/2014; c) does not prevent the liquidation

of the assets carried out by the judicial liquidator in the exercise of the powers conferred by Law no. 85/2014.

Article 158

(1) The judicial liquidator will conclude sales contracts; the amounts made from sales shall be deposited in the account referred to in Article 39(2).

(2) If the sale of the assets will be made by public auction, the adjudication report signed by the judicial liquidator constitutes the title deed. When the law requires the authentic form for the transfer of the right of ownership, the contracts shall be drawn up by the notary public on the basis of the auction report.

*) In the interpretation of the provisions of Article 91(1), Article 102(8) and Article 154-158 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, in relation to the provisions of Article 249(1) and (2) of the Code of Criminal Procedure (respectively Article 163(1) and (2) of the 1968 Code of Criminal Procedure), the existence of precautionary measures established in the context of a criminal trial on the assets of a legal person, prior to the opening of the insolvency procedure, with a view to special confiscation, to repair the damage caused by the crime or to guarantee the execution of judicial costs: a) does not suspend the liquidation procedure provided for by Law no. 85/2014 regarding the seized property; b) is not likely to freeze the property on which the recovery procedure has been initiated according to the provisions of Law no. 85/2014; c) does not prevent the liquidation of the assets carried out by the judicial liquidator in the exercise of the powers conferred by Law no. 85/2014.

SUBSECTION 3:§ 3. Distribution of the amounts made following the liquidation

Article 159

(1) The funds obtained from the sale of goods and rights from the debtor's estate, encumbered, in favor of the creditor, by preferential causes, shall be distributed in the following order:

- 1. taxes, stamps and any other expenses related to the sale of the respective assets, including the expenses necessary for the preservation and administration of these assets, as well as the expenses advanced by the creditor in the context of the enforcement procedure, the claims of the utility suppliers arising after the opening of the procedure, under the conditions of Article 77, the remuneration due on the date of distribution to**

the persons employed in the common interest of all creditors, under the conditions of Article 57(2), Article 61 and 63, which shall be borne pro rata, in relation to the value of all the assets in the debtor's estate;

*) The HCCJ admits the appeal in the interest of the law filed by the Governing Board of the Court of Appeal of Cluj and, consequently, establishes that: "The amounts representing local taxes due for assets capitalized in the procedure, encumbered by a cause of preference in favor of a creditor (or "by mortgages, pledges or other security interests or retention rights of any kind", in the terminology of Law no. 85/2006), which have become due after the date of the debtor's bankruptcy, do not benefit from the order of priority for payment established by Article 121(1)(1) of Law no. 85/2006 on the insolvency procedure, as subsequently amended and supplemented, respectively Article 159 paragraph (1) item 1 of Law no. 85/2014 on insolvency prevention and insolvency procedures, with subsequent amendments and completions".

2. claims of creditors benefiting from a preferential cause arising during the insolvency proceedings. These receivables include capital, interest, as well as other accessories, as the case may be;

3. claims of creditors benefiting from a preferential cause, comprising all principal, interest, surcharges and penalties of any kind, including expenses, as well as those corresponding to Articles 105(3) and 123(11)(a).

(2) If the amounts made from the sale of these assets are insufficient for the full payment of those claims, the creditors shall have, for the difference, unsecured or budgetary claims, as the case may be, which shall compete with those included in the corresponding category, according to their nature, provided for in Article 161, and shall be subject to the provisions of Article 80. If, after the payment of the amounts referred to in paragraph (1), there is an additional difference, it shall be deposited, by the care of the judicial liquidator, into the account of the debtor's assets.

(3) A creditor who is the beneficiary of a cause of preference is entitled to participate in any distribution of the sum made before the sale of the property encumbered by a cause of preference in his favour. The sums received from such distributions shall be deducted from those which the creditor would be entitled to receive subsequently from the price obtained by the sale of the property encumbered by a cause of preference, if this is necessary to prevent such a creditor from receiving more than he would have received if the property encumbered by a cause of preference in his favor had been sold prior to the distribution.

Article 160

(1) Every 3 months, calculated from the date of commencement of the liquidation, the judicial liquidator shall submit to the creditors' committee a report on the funds obtained from the liquidation and from the collection of claims, as well as a distribution plan among the creditors, if applicable. The report and plan shall be registered at the court registry and published in the BPI. The report shall also provide for the payment with priority of his fee and of the other expenses provided for in Article 159(1)(1) or Article 161(1), as the case may be.

(2) The report on the funds obtained from the liquidation and from the collection of receivables shall include, at least, the following:

- a) the balance in the settlement account after the last distribution;
- b) the receipts made by the judicial liquidator from the valuation of each asset and from the recovery of debts;
- c) the amount of interest or other income from which the debtor's wealth benefits as a result of the keeping in bank accounts of the undistributed amounts or by administering the assets existing in the debtor's estate;
- d) the total amounts in the liquidation account.

(3) The distribution plan between creditors must include the following data regarding each creditor for whom the distribution is made:

- a) updates to the final table of receivables;
- b) the amounts already distributed;
- c) the amounts remaining after the adjustment of the final table and the distributions already made;
- d) the amounts to be distributed;
- e) amounts remaining to be paid after the distribution has been made.

(4) For good reasons, the syndic judge may extend by no more than one month or shorten the deadline for submitting the report and the distribution plan. The distribution plan will be registered with the court registry and the judicial liquidator will notify each creditor of this. A copy of the report and a copy of the distribution plan will be posted at the court door.

(5) The creditors' committee or any creditor may lodge appeals to the report and the plan within 15 days of their publication in the BPI. A copy of the appeal shall be urgently communicated to the judicial liquidator. Within 5 working days from the expiry of the deadline for filing appeals, if no appeal is filed, the judicial liquidator will proceed to the actual payment of the amounts distributed. If appeals have been filed, the judicial liquidator shall withhold from distribution the

amounts subject to the appeal under the conditions (6), making the payment of the uncontested amounts.

(6) Within 20 days from the publication, the syndic judge, in a meeting, summoning the judicial liquidator, the debtor and the creditors, shall settle all the appeals at once, by sentence. Within 5 working days from the date when the decision to settle the appeals becomes enforceable, the judicial liquidator shall proceed to the effective payment of the amounts distributed, according to the decision of the courts.

Article 161

The receivables are paid, in the event of bankruptcy, in the following order:

1. taxes, stamps or any other expenses related to the procedure established by this Title, including expenses necessary for the preservation and administration of the debtor's assets, for the continuation of the activity, as well as for the payment of the remuneration of persons employed in accordance with the provisions of Article 57(2), Article 61, 63 and 73, subject to the provisions of Article 140(6);
2. claims arising from financing granted in accordance with Articles 87(4) and 133(5)(B);
2¹. claims arising from funding granted in insolvency prevention proceedings, as well as practitioner's fees in such proceedings;
3. receivables arising from employment relationships;
4. claims resulting from the continuation of the debtor's activity after the opening of the procedure, those due to the co-contractors in accordance with the provisions of Article 123(4) and those due to third parties acquirers in good faith or sub-acquirers who return the assets to the debtor's assets or their equivalent value according to the provisions of Article 120(2) and Article 121(1) respectively;
5. budgetary receivables;
6. receivables representing the amounts owed by the debtor to third parties, based on maintenance obligations, allowances for minors or payment of periodic amounts intended to ensure the means of subsistence;
7. claims representing the amounts established by the syndic judge for the maintenance of the debtor and his family, if he is a natural person;
8. receivables representing bank loans, with related expenses and interest, those resulting from supplies of products, services or other works, from rents, receivables corresponding to

Article 123(11)(b), including bonds and receivables referred to in Article 105(3)(b);

9. other unsecured receivables;

10. subordinated claims, in the following order of preference:

a) claims arising in the patrimony of third parties acquirers in bad faith of the debtor's assets pursuant to Article 120(2), those due to sub-acquirers in bad faith under the conditions of Article 121(1), as well as credits granted to the debtor legal person by a partner or shareholder holding at least 10% of the share capital, respectively of the voting rights in the general meeting of shareholders or, where applicable, by a member of the economic interest group;

a¹) benefits not distributed to associates;

b) the claims arising from documents free of charge.

Article 161¹

In the event of the bankruptcy of the entities referred to in Article 1(1)(a)-d) of Law no. 312/2015 on the recovery and resolution of credit institutions and investment firms, as well as for the amendment and completion of some normative acts in the financial field, with the exception of credit institutions, the receivables are paid in the following order:

1. taxes, stamps or any other expenses related to the procedure established by this Title, including expenses necessary for the preservation and administration of the debtor's assets, for the continuation of the activity, as well as for the payment of the remuneration of persons employed in accordance with the provisions of Article 57(2), Article 61, 63 and 73, subject to the provisions of Article 140(6);
2. claims arising from financing granted in accordance with Article 87(4);
3. receivables arising from employment relationships;
4. claims resulting from the continuation of the debtor's activity after the opening of the procedure, those due to the co-contractors in accordance with the provisions of Article 123(4) and those due to third parties acquirers in good faith or sub-acquirers who return the assets to the debtor's assets or their equivalent value according to the provisions of Article 120(2) and Article 121(1) respectively;
5. budgetary receivables;
6. receivables representing bank loans, with related expenses and interest, those resulting from supplies of products, supplies of services or other works, from rents, receivables corresponding to Article 123(11)(b), including bonds;

7. other unsecured receivables, to the extent that they do not fall under items 8-12;
8. unsecured claims arising from debt instruments that meet all the conditions set out in Article 234¹;
9. claims arising in the patrimony of third parties acquirers in bad faith of the debtor's assets pursuant to Article 120(2), those due to sub-acquirers in bad faith under the conditions of Article 121(1), as well as credits granted to the debtor legal person by a partner or shareholder holding at least 10% of the share capital, respectively of the voting rights in the general meeting of shareholders or, where applicable, by a member of the economic interest group;
10. receivables arising from documents free of charge;
11. claims arising from debt instruments and loans, based on conventions providing for a subordination clause according to which, in the event of liquidation or bankruptcy of the debtor, such claims are to be paid after the claims of all non-subordinated unsecured creditors and, where applicable, of other subordinated unsecured creditors; within this category of claims, their payment will be made in compliance with the order of preference established by the subordination clause related to each claim;
12. the claims of the shareholders of the bankrupt entity deriving from the residual right of their quality, according to the legal and statutory provisions."

Article 161²

(1) In application of the provisions of Article 161¹, in the event of the bankruptcy of the entities referred to in Article 1(1)(a-d) of Law no. 312/2015 on the recovery and resolution of credit institutions and investment firms, as well as for the amendment and completion of certain normative acts in the financial field, with the exception of credit institutions, all receivables arising from own funds items, defined according to Regulation (EU) no. 575/2013, as amended, have a lower priority rank than any claim that does not originate from an equity item.

(2) For the purposes of paragraph 1, where an instrument is only partially recognised as an own funds item, the entire instrument shall be treated as a claim arising from an own funds item and shall be given a lower priority rank than any claim that does not arise from an own funds item.

Article 162

The amounts to be distributed among creditors in the same priority rank will be granted in proportion to the amount allocated for each claim, through the final consolidated table.

Article 163

(1) The holders of claims in a category may be distributed amounts only after the holders of claims in the hierarchically superior category have been fully satisfied, according to the order provided for in Article 161.

(2) In case of insufficiency of the amounts necessary to cover the full value of the claims with the same priority rank, their holders will receive a bankruptcy share, representing the amount proportional to the percentage that their claim holds in the category of respective claims.

(3) The insolvency account opened under the conditions of Article 39(2) may not be made available in any way by any measure of a criminal, civil or administrative nature ordered by the criminal investigation bodies, the administrative bodies or the courts.

Article 164

If the assets that make up the assets of an economic interest group or of a general or limited partnership are not sufficient for the payment of the claims recorded in the definitive consolidated table of receivables, against the group or the company, the syndic judge will authorize the forced execution, under the conditions of the law, against the partners with unlimited liability or, as the case may be, of the members, pronouncing an enforceable sentence, which will be enforced by the judicial liquidator, through a bailiff.

Article 165

On the occasion of partial distributions, the following amounts will be provisioned:

1. proportionate amounts due to creditors whose claims are subject to a suspensive condition that has not yet been fulfilled;
2. proportional amounts due to the owners of promissory or bearer securities and who have the originals of the securities, but have not presented them;
3. proportional amounts due to provisionally admitted claims;
4. reserves intended to cover future expenditure of the debtor's estate, including those arising from ongoing disputes.

Article 166

For creditors holding receivables entered in the final consolidated table of receivables, to whom amounts have been allocated only partially or receivables under suspensive condition and who have taken part in the distribution, the amounts due will be kept with the bank, in a special

deposit account, until their situation is clarified.

Article 167

(1) After the assets of the debtor's estate have been liquidated, the judicial liquidator will submit to the syndic judge a final report accompanied by the final financial statements; copies of them will be communicated to all creditors and the debtor by publication in BPI. The syndic judge will order the convening of the creditors' meeting within a maximum of 30 days from the publication of the final report. Creditors may lodge objections to the final report at least 5 days before the date of the convening.

(2) On the date of the meeting, the syndic judge will resolve, by conclusion, all objections to the final report, will approve it or will order, if necessary, its corresponding modification.

(3) Receivables that on the date of registration of the final report will still be subject to conditions will not participate in the last distribution.

Article 168

After the syndic judge approves the final report of the judicial liquidator, he will have to make the final distribution of all the funds from the debtor's estate. Funds not claimed within 30 days by those entitled to them shall be deposited in the account provided for in Article 39(4).

SECTION 8: Attracting liability for entering insolvency

Article 169

(1) At the request of the judicial administrator or the judicial liquidator, the syndic judge may order that part or all of the liabilities of the debtor, a legal person, which has become insolvent, without exceeding the damage causally related to the respective act, be borne by the members of the administration and management and/or supervisory bodies within the company, by any natural or legal person exercising control over financial decisions or of the debtor, regardless of the formal capacity held, as well as of any other persons who contributed to the debtor's state of insolvency, by one of the following facts:

- a) have used the assets or credits of the legal entity for their own benefit or that of another person;
- b) have carried out production, trade or service provision activities for personal interest, under the cover of the legal entity;
- c) ordered, in their personal interest, the continuation of an activity that clearly led the legal person to the cessation of payments;

d) they kept fictitious accounts, made some accounting documents disappear or did not keep the accounts in accordance with the law. In case of failure to hand over the accounting documents to the judicial administrator or the judicial liquidator, both the fault and the causal link between the act and the damage are presumed. The presumption is relative. In case of culpable failure to submit financial statements and/or culpable failure to fulfill the obligations to submit tax returns, prior to the opening of the procedure, it is presumed, until proven otherwise, that the accounting was not kept in accordance with the law;

e) they have embezzled or concealed part of the assets of the legal person or have fictitiously increased its liabilities;

e¹) the transfer of the assets or a significant part of the undertaking of the debtor in financial difficulty to a person closely related to the debtor, in breach of the obligations provided for in Article 73 (2¹) of Law no. 31/1990, republished, with subsequent amendments and completions, and with the intention to continue the activity through this new entity and to evade the assets from the pursuit of the debtor's creditors;

f) used ruinous means to procure funds for the legal entity, in order to delay the cessation of payments;

g) in the month prior to the cessation of payments, have paid or have ordered to be paid preferentially to a creditor, to the detriment of the other creditors;

h) any other act committed intentionally, which contributed to the debtor's state of insolvency, ascertained according to the provisions of this title.

(2) The judicial administrator or, as the case may be, the judicial liquidator, whenever he identifies the persons guilty of the debtor's state of insolvency, will promote the action in the event of patrimonial liability. Any interested creditor can also bring this action.

(3) The application submitted pursuant to paragraph 1 or, as the case may be, paragraph 2 shall be judged separately, forming an associated file.

(4) In the case of plurality, the liability of the persons referred to in paragraph (1) shall be jointly and several, provided that the occurrence of the state of insolvency is contemporaneous with or prior to the period of time in which they exercised their mandate or in which they held the position in which they contributed to the state of insolvency.

(5) The liability of the persons concerned may not be engaged if, in the collegial management bodies of the legal person, they have opposed the acts or facts that contributed to the state of insolvency or have failed to take the decisions that contributed to the state of insolvency and have caused their opposition to these decisions to be recorded, after the decision has been taken.

(6) Liability cannot be incurred if, in the month prior to the cessation of payments, payments have been made, in good faith, in the execution of an agreement with creditors, concluded as a result of out-of-court negotiations for the restructuring of the debtor's debts, provided that the agreement was likely to lead to the debtor's financial recovery and did not have as its purpose the prejudice and/or discrimination of creditors. These provisions will also apply in the case of agreements made within the arrangement with creditors procedure.

(7) If a decision has been pronounced rejecting the action for pecuniary liability, the judicial administrator/judicial liquidator who does not intend to appeal will notify the creditors in this regard. Against this decision, the appeal may be exercised by any interested creditor.

(8) The application of the provisions of paragraph (1) shall not exclude the application of the criminal law to acts constituting crimes.

(9) If a sentence has been pronounced by which the syndic judge has ordered the patrimonial liability of the statutory administrator, it will be communicated to the National Trade Register Office, ex officio.

(10) The person against whom a final judgment has been rendered to incur liability may no longer:

a) to be appointed administrator or, if she is a director in other companies, she will be deprived of this right for 10 years from the date of the decision becoming final;

b) to found companies or acquire a controlling interest in a new company for a period of 5 years.

Article 170

The action provided for in Article 169 shall be time-barred within 3 years. The limitation period shall start to run from the date on which the person who contributed to the occurrence of the state of insolvency was known or should have been known, but no later than the date of publication in the BPI of the report of the judicial administrator/liquidator provided for in Article 58(1)(b) or, as the case may be, Article 64(a).

Article 171

The amounts deposited according to the provisions of Article 169 paragraph (1) shall enter the debtor's estate and shall be intended, in case of reorganization, to pay the receivables according to the payment schedule, to supplement the funds necessary for the continuation of the debtor's activity, and in case of bankruptcy, to cover the liabilities.

Article 172

(1) Together with the request made in accordance with the provisions of Article 169 (1) or paragraph (2), the judicial administrator or the judicial liquidator or, as the case may be, the creditor who made the request may ask the syndic judge to institute precautionary measures on the assets of the persons prosecuted according to the provisions of Article 169. Setting a deposit of up to 10% of the value of the claims is mandatory.

(2) The request for precautionary measures may also be made after the initiation of the action provided for in Article 169.

Article 173

(1) Enforcement against the persons referred to in Article 169(1) shall be carried out by the bailiff in accordance with the Code of Civil Procedure.

(2) After the closure of the bankruptcy proceedings, the amounts resulting from the forced execution shall be distributed by the bailiff in accordance with the provisions of this Title, on the basis of the final consolidated table of claims made available to him by the judicial liquidator.

*) By Decision no. 27/2022 The High Court of Cassation and Justice admits the appeal in the interest of the law and, in the unitary interpretation and application of the provisions of Article 174 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, of Article 173(2), as well as of Article 180 of the same law, establishes that:

The insolvency procedure cannot be closed before the resolution by final decision of the action for incurring liability, filed pursuant to Article 169 of Law no. 85/2014.

SECTION 9: Closure of the procedure

Article 174

(1) At any stage of the procedure provided for in this Title, if it is found that there are no assets in the debtor's estate or that they are insufficient to cover the administrative expenses and no creditor offers to advance the corresponding amounts, the syndic judge shall urgently hear the creditors at a hearing, and in the event of their refusal to advance the necessary amounts or in the event of their non-presentation, although the procedure of summons by BPI has been completed, it will issue a sentence of closure of the procedure, which also orders the deletion of the debtor from the register in which he is registered.

(2) In the case referred to in paragraph 1, the provisions of Article 167 shall not apply.

*) By Decision no. 27/2022 The High Court of Cassation and Justice admits the appeal in the interest of the law and, in the unitary interpretation and application of the provisions of Article 174 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, of Article 173(2), as well as of Article 180 of the same law, establishes that:

The insolvency procedure cannot be closed before the resolution by final decision of the action for incurring liability, filed pursuant to Article 169 of Law no. 85/2014.

Article 175

(1) A procedure for reorganization by continuation of activity or liquidation based on a plan shall be closed, by sentence, on the basis of a report of the judicial administrator stating the fulfillment of all the payment obligations assumed by the confirmed plan, as well as the payment of the current debts due or the staggering of their payment, by agreement, in the period subsequent to the closure of the procedure, including for budgetary claims under the conditions provided for in Article 143(3), final sentence. From the date of closure of the procedure, the taxes related to any reduction of receivables also become due, to the extent that they are due. If a procedure begins as a reorganization but then becomes bankruptcy, it will be closed in accordance with the provisions of Article 167.

(1¹) By way of exception to paragraph 1, a procedure for judicial reorganization by continuation of activity or liquidation based on a plan may be closed on the basis of the report of the judicial administrator who ascertains the fulfillment of all payment obligations assumed by the confirmed plan, even if there are one or more current claims whose existence and extent have not yet been established by an enforceable title or have not been recognized by the judicial administrator, According to Article 75(3), if their cumulative amount is not such as to determine a state of financial difficulty or to generate the imminence of insolvency or to affect the viability of the debtor's enterprise and the continuation of its activity with the fulfillment of the obligations, under the conditions of the law.

(1²) By the sentence closing the proceedings according to paragraph (1¹), the syndical judge dismisses the appeal against the measure of the judicial administrator, in order to examine the claim according to the common law, and orders the referral, on the date of the decision becoming final, to the competent court, of the appeal together with the request for payment, by administrative means, without ordering the formation of a new file. The reorganized company will continue the process, under the conditions of the law.

(1³) The reorganized company shall continue the proceedings concerning actions that are not in the realization of the claim and are not suspended under the conditions of Article 75 paragraph (1).

(2) A bankruptcy proceeding will be closed when the syndic judge has approved the final report, when all funds or assets from the debtor's estate have been distributed, and when the unclaimed funds have been deposited with the bank.

(3) The assets may be distributed to the creditors on account of the claims they hold against the debtor's assets, following a proposal of the creditor, with the creditor's obligation to pay all the amounts that would have been owed to the creditors on the previous orders of priority, as well as to those on the same order of priority, according to the provisions of Articles 159 and 161, in the event that the property was sold to a third party. If there are several proposals, the good will be distributed to the one who offers the highest price, in which case the creditor's claim will be deducted from the price owed. In all cases, the price of the goods distributed to the creditors on account of the receivables will not be lower than the value established by the valuation report.

Article 176

If the claims have been completely covered by the distributions made, the syndic judge will pronounce a sentence closing the bankruptcy procedure and deleting the debtor from the register in which he is registered:

a) even before the assets of the debtor's estate have been fully liquidated, if all the partners of the legal entity or the natural person, as the case may be, request this within 30 days from the notification of the judicial liquidator made to the special administrator, and the assets will pass into the co-ownership of the partners/shareholders, corresponding to the shares of participation in the share capital;

b) in all other cases, the procedure is closed only after the complete liquidation of the asset, any residual amounts of the last distribution being deposited in an account at the disposal of the partners or the individual, as the case may be;

c) If, after covering all the claims, closing the procedure and deleting the debtor from the registers in which he was registered, assets in the patrimony that were not known during the insolvency procedure were identified, they will automatically enter the patrimony of the partners.

Article 177

(1) In the case of proceedings initiated following the filing of the application by the debtor, under the conditions of Article 71, if the syndic judge finds, at the expiry of the deadline for registering applications for admission of claims, that no application has been submitted, he shall pronounce a

judgment closing the procedure.

(2) In the case referred to in paragraph 1, the closure of the procedure shall not produce the effects referred to in Article 176. However, the administration operations, legally carried out on the debtor's assets, will produce their effects, and the rights acquired until the closure of the procedure remain untouched.

Article 178

If all the creditors registered in the final table of claims receive the amounts due to them during the observation period or waive the judgment during the observation period, the syndic judge will order the closure of the procedure, without ordering the removal of the debtor from the register in which he is registered.

Article 179

The sentence of closure of the procedure shall be notified by the syndic judge to the regional directorate or, as the case may be, to the county administration of public finances and to the trade register office or, as the case may be, to the register of agricultural companies or other registers where the debtor is registered, in order to make the mention. This will also be notified to all creditors, by publication in BPI.

Article 180

By closing the procedure, the syndic judge, the judicial administrator/liquidator and all the persons who assisted them are relieved of any duties or responsibilities regarding the procedure, the debtor and his assets, creditors, holders of pre-emptive rights, shareholders or associates.

*) By Decision no. 27/2022 The High Court of Cassation and Justice admits the appeal in the interest of the law and, in the unitary interpretation and application of the provisions of Article 174 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, of Article 173(2), as well as of Article 180 of the same law, establishes that:

The insolvency procedure cannot be closed before the resolution by final decision of the action for incurring liability, filed pursuant to Article 169 of Law no. 85/2014.

Article 181

(1) By closing the bankruptcy procedure, the professional debtor who is a natural person will be discharged from the unpaid obligations.

(1¹) If the professional debtor, a natural person, has been convicted of fraudulent bankruptcy, the provisions of paragraph (1) shall not apply.

(1²) If, during the procedure, fraudulent payments or transfers have been definitively established, the professional debtor who is a natural person will be discharged from obligations only to the extent that they have been paid during the procedure.

(2) On the date of confirmation of a reorganization plan, the debtor is discharged from the difference between the value of the obligations he had before the confirmation of the plan and the one provided for in the plan, during the judicial reorganization procedure. In the event of bankruptcy, the provisions of Article 140(1) shall apply.

(3) The individual debtor discharged from the unpaid obligations, according to paragraphs (1) and (2), may access any support facilities for entrepreneurs, provided by law.

Article 182

(1) The judicial administrator/liquidator may be held liable for the exercise of his duties in bad faith or gross negligence. There is bad faith when the judicial administrator/judicial liquidator violates the rules of substantive or procedural law, seeking or accepting the harm of a legitimate interest. There is serious negligence when the judicial administrator/liquidator fails to fulfil or defectively fulfills a legal obligation and thereby causes the injury of a legitimate interest.

(2) Apart from the provisions of the preceding paragraph, the judicial administrator/liquidator may be held civil, criminal, administrative or disciplinary liable for acts carried out during the procedure, according to the rules of ordinary law.

(3) The judicial administrator/liquidator who acts in good faith, within the limits of the powers provided by the law and the available information, cannot be held responsible for the procedural acts carried out or for the content of the documents drawn up during the procedure.

CHAPTER II: Special provisions regarding the insolvency procedure of the group of companies

Article 183

The provisions of chap. They shall be applied accordingly to the insolvency procedure of the group of companies, with the derogations and additions provided for in this chapter.

Article 184

At the request of any interested party, the syndic judge may order verifications regarding the incidence of this chapter.

SECTION 1: Special provisions regarding the competence and bodies that apply the procedure

Article 185

(1) In the event of the opening of insolvency proceedings against members of the group of companies, following the submission of a joint application for the opening of insolvency proceedings, the competent court is the court in whose territorial district the parent company or, as the case may be, the company with the highest turnover according to the last published financial statement, has its registered office for all the companies that are members of the group.

(2) A separate file will be formed for each member of the group.

(3) By way of derogation from the provisions of Article 53 of Law no. 304/2004, republished, with subsequent amendments and completions, all the files formed according to the provisions of paragraph (2) shall be assigned to the syndic judge appointed according to the random assignment system in the first file registered in the computerized system of the courts.

Article 186

The creditors' committees, designated for each member of the group subject to the insolvency procedure, will meet at least quarterly, the main purpose being to formulate recommendations on the activity of the debtors and the proposed reorganization plans.

Article 187

The general meetings of the associates/shareholders of the members of the group will appoint the same special administrator for each member of the group.

Article 188

If the creditors holding at least 50% of the insolvency estate are the same for each member of the group, the same judicial administrator or consortium of judicial administrators shall be appointed for each member of the group, under the conditions of Article 57.

Article 189

If the composition of the creditors does not allow the application of Article 188, the judicial administrators appointed according to the provisions of Article 57 shall be bound by the obligation of cooperation. The obligation of cooperation will also materialize through the signing of a cooperation protocol, which will contain a summary of the way in which the economic, legal and operational activities will be carried out in an integrated manner at the level of the group. The

cooperation protocol will be submitted to the insolvency file in which the coordinating practitioner was appointed within 10 days from the date of opening the procedure and will be approved by the syndic judge. Any of the judicial administrators appointed in the insolvency proceedings will be able to participate in the meetings of creditors and creditors' committees of any of the members of the group.

Article 190

The judicial administrator appointed for any of the members of the group will have the legal standing to propose a reorganization plan within the procedure(s) of the other members.

Article 191

In the situation provided for in Article 188, the appointment of judicial administrators/liquidators shall be made with the verification of the absence of a conflict of interest.

SECTION 2: Opening of proceedings

Article 192

Two or more debtors, members of a group who are in a state of insolvency, or one or more members of the group of companies who meet the conditions of Article 196, may submit to the competent court a joint application for the opening of insolvency proceedings.

Article 193

A creditor holding claims against two or more members of a group who fulfils the conditions laid down in Article 5(20) may file a joint application for the opening of insolvency proceedings.

Article 194

In addition to the documents provided for in accordance with the provisions of Article 67, the debtor is obliged to submit to the case file:

- a) a complete list of the members of the group, whether or not they are the subject of the application for the opening of insolvency proceedings;
- b) a description of how the activity is carried out within the group;
- c) a list of contracts concluded between the members of the group and in progress.

Article 195

If the request of the debtors or the creditor, as the case may be, meets the conditions provided for

in Article 71 and Article 72 respectively, the syndic judge shall issue a decision to open the general or simplified procedure, as the case may be.

Article 196

In order to avoid the subsequent opening of insolvency proceedings against it, by way of exception to the provisions of Article 66(1), a member of a group which is not in a state of insolvency or imminent insolvency may subscribe to a joint application for the opening of insolvency proceedings. In this case, the joint request for the opening of the insolvency procedure will be approved by the general meeting of the associates/shareholders of the respective member of the group.

Article 196¹

(1)By way of exception to the provisions of Article 195, if the member of the group against whom an application for the opening of insolvency proceedings has been brought is a legal person of the category of those subject to resolution in accordance with the legislation on the recovery and resolution of credit institutions and investment firms and if the group comprises at least one credit institution, without prejudice to the measure that the National Bank of Romania, as the resolution authority, intends to take in accordance with this legislation, the opening of the insolvency proceedings may be ordered only with the agreement of the National Bank of Romania, as the resolution authority, and if the legal person concerned is an institution subject to resolution or in respect of it it has been determined that the conditions for triggering the insolvency proceedings are met. resolution procedure, an insolvency procedure under this law may be opened only on the basis of an application submitted by the National Bank of Romania, as the resolution authority.

(2)For the purposes of paragraph 1, the syndic judge shall immediately notify the National Bank of Romania, as the resolution authority, of any request to open insolvency proceedings against a legal person referred to in paragraph 1, regardless of whether it is a resolution institution or whether a decision has been made public in accordance with the provisions of the legislation on the recovery and resolution of credit institutions and credit institutions. investments.

(3)The request for the opening of the insolvency procedure may be admitted only if the notification provided for in paragraph (2) has been made and either the National Bank of Romania, as the resolution authority, following receipt of the notification, has communicated to the syndic judge that it does not intend to take a resolution action against the legal person in question, or a period of 7 days has expired from the date of receipt of the notification.

Article 196²

(1) If the opening of insolvency proceedings is ordered against a legal person, a member of a group comprising at least one credit institution, the following special provisions shall apply:

a) the provisions of this law relating to the annulment or unenforceability of acts detrimental to the creditors' estate shall not apply to transfers of assets, rights or obligations from the institution subject to resolution in a state of insolvency to another entity, made by virtue of the application of a resolution tool, the exercise of a resolution power or the use of a public financial stabilisation instrument, in accordance with the legislation on the recovery and resolution of credit institutions and investment firms;

b) at the request of the National Bank of Romania, as the resolution authority, addressed to the syndic judge, the legal person in a state of insolvency must ensure, where appropriate, the provision of the necessary services or facilities, in accordance with the legislation on the recovery and resolution of credit institutions and investment firms and with the request made;

c) in the event of the liquidation of the legal person in a state of insolvency, this shall be carried out within a reasonable time, taking into account any possible situation in which it has to provide services or support in accordance with the legislation on the recovery and resolution of credit institutions and investment firms, in order to enable the recipient to carry out its activities or provide services related to the transferred items, as well as any other reason that makes it necessary to continue the activity of that legal person in order to achieve the resolution objectives or to comply with the resolution principles laid down in the legislation on the recovery and resolution of credit institutions and investment firms;

d) at the request of the National Bank of Romania, as resolution authority, addressed to the syndic judge, the judicial administrator, as the case may be, the judicial liquidator must ensure that all necessary steps are taken in relation to the measures ordered by it as resolution authority, with regard to the assets, rights, obligations, shares and other proprietary instruments located in third countries of the institution subject to resolution in a state of insolvency, in accordance with the legislation on the recovery and resolution of credit institutions and investment firms;

e) The provisional judicial administrator or, as the case may be, the judicial administrator, appointed according to this law, may be appointed special administrator according to the legislation on the recovery and resolution of credit institutions and investment firms.

(2) Pursuant to paragraph 1(b) and (c), the services and facilities to be provided:

a) it is limited to operational services and facilities and does not include any financial support;

b) is granted in accordance with the contractual terms already agreed, including in terms of the

duration of the contract, in the event that the respective services and facilities have been provided to the institution subject to resolution according to a contract concluded in the period immediately prior to the application of the resolution action;

c) are provided on reasonable terms, in the event that there is no contract or the contract has expired.

Article 196³

(1) The provisions of Articles 196¹ and 196² shall apply accordingly to the situation where the entity against which the insolvency proceedings have been opened is a legal person of the category of those subject to resolution in accordance with the legislation on the recovery and resolution of credit institutions and investment firms, a member of a group comprising at least one investment firm.

(2) For the purposes of paragraph 1, the Financial Supervisory Authority shall be the resolution authority for investment firms, in accordance with the legislation on the recovery and resolution of credit institutions and investment firms.

SECTION 3: Procedural measures

Article 197

The creditor's claim against joint and several debtors subject to the provisions of this Chapter shall be entered in the tables of claims in accordance with Article 108 and shall confer the right to vote and participate in the formation of a quorum both in the proceedings opened against the principal debtor and in those against joint and several debtors.

Article 198

In the event of bringing actions for the annulment of the constitution or transfer of patrimonial rights against a member of the group, pursuant to Article 117, the judicial administrator shall communicate his intention in this regard to the other judicial administrators and to the coordinating practitioner. Under the obligation to cooperate, judicial administrators will consider the potential effects of such an action, and the decision on whether to bring the action will be taken on considerations of expediency, in consultation with creditors' committees.

Article 199

By exception to the provisions of Article 132, the deadline for submitting the reorganization plans will be 60 days from the date of posting the final tables of receivables.

Article 200

Under the obligation of cooperation, the judicial administrators will make available to the other judicial administrators the necessary information, in order to develop compatible and coordinated reorganization plans.

Article 201

By way of exception to the provisions of Article 161, the claims of the members of the group against another member of the group, arising before the date of the opening of the procedure, may not be classified in the order of priority provided by Article 161 points 8 or 9. They shall be entered by the judicial administrator in the order of priority provided by Article 161 (10)(a).

Article 202

A member of the group may conclude a loan agreement with another member of the group after the date of the opening of the insolvency proceedings in order to support the debtor's activity, respectively during the observation period or in order to support the reorganization plan, with the agreement of the creditors' committee. In this case, the member of the group that granted the loan will hold a claim against the borrower's assets having the order of priority established by Article 161 point 4.

Article 203

A member of the group may guarantee a loan agreement concluded with a third party by another member of the group in insolvency, with the agreement of the creditors' committee.

CHAPTER III: Provisions on the bankruptcy of credit institutions**SECTION 1: Special provisions****Article 204**

The provisions of chap. I, with the exception of those contained in Section 6, shall apply accordingly to the bankruptcy procedure of credit institutions, with the derogations and additions provided for in this chapter.

Article 205

The bankruptcy procedure, regulated by this chapter, applies to credit institutions, Romanian legal entities, including their branches based abroad.

Article 206

For the purposes of this chapter, the terms credit institution and member state have the meaning provided in the Government Emergency Ordinance no. 99/2006 on credit institutions and capital adequacy, approved with amendments and completions by Law no. 227/2007, as subsequently amended and supplemented.

Article 207

(1) In addition to the duties established in Article 45, the syndic judge has the following attributions:

- a) judging the debtor's appeal against the application filed by the National Bank of Romania for the opening of the procedure;
- b) (the text of Article 207(1)(B) of Title II, Chapter III, Section 1 was repealed on 14 December 2015 by Article 630(5) of Title XI, Chapter II of Law 312/2015)
- c) judging the requests for the liability of the members of the management bodies, directors and persons from the management of the directorates, departments and other similar structures, of the censors and of the executive staff with control attribution within the credit institution in a state of insolvency, which contributed to its insolvency, as well as notifying the criminal investigation bodies in relation to the commission of specific crimes;
- d) judging the appeals filed by the representative of the shareholders of the debtor credit institution or by creditors against the measures taken by the judicial liquidator.

(2) The decisions of the syndic judge are enforceable. They can only be appealed separately within 7 days of communication.

Article 208

(1) The appeal will be judged within 15 days from the registration of the file at the Court of Appeal, the summons to be made under the conditions of the Code of Civil Procedure, in the case of the judicial liquidator, and under the conditions of the common law in the field of insolvency procedure, in the case of the other parties. When the National Bank of Romania has made the request for the initiation of the procedure, it will be summoned under the conditions of the Code of Civil Procedure.

(2) The appeal against the decision ordering the opening of the procedure shall be filed within 7 days from the communication of the decision. The appeal is heard within 48 hours of its registration. The appealed decision cannot be suspended by the court of appeal.

Article 209

In addition to the duties set out in Article 64, the judicial liquidator has the following duties:

- a) Upon receipt of the court decision on the opening of the bankruptcy procedure, it will open two accounts at a bank, Romanian legal entity or branch of a foreign bank authorized to operate on the territory of Romania, one in lei and the other in foreign currency, with the mention "bankrupt credit institution type account", with the exclusive right of disposal in the interest of the bankruptcy procedure. In the accounts of the "bankrupt credit institution" type, the amounts existing in accounts with other financial and banking institutions will be transferred by order of the judicial liquidator. The judicial liquidator shall immediately communicate to the National Bank of Romania the name of the commercial bank and the accounts opened with it, after which the National Bank of Romania shall immediately transfer to these accounts the assets of the credit institution in its records. The operations of the bankrupt credit institution will continue to be carried out through these accounts;
- b) inventory of the assets of the debtor credit institution and taking appropriate measures for their preservation;
- c) hiring, in compliance with the legal provisions, the personnel necessary for the liquidation and management of its activity, the employment being also made from the existing staff of the borrowing credit institution;
- d) managing the activity of the borrowing credit institution, respectively carrying out operations in the interest of the bankruptcy procedure, including rescheduling of loans and setting new interest rates on the assets of the borrowing credit institution, provided that any new level of the interest rate is not lower than the level of the last reference interest rate communicated by the National Bank of Romania, as well as participation in the interbank foreign exchange market, taking all measures, such as resizing the staff employed in order to permanently reduce operating and liquidation expenses;
- e) maintaining, terminating or terminating contracts concluded by the debtor credit institution, as well as concluding new contracts in the interest of the bankruptcy procedure;
- f) concluding any document on behalf of the debtor credit institution, initiating and coordinating, on its behalf, any legal action or procedure;
- g) (the text of Article 209, letter G. of Title II, Chapter III, Section 1 was repealed on 14-Dec-2015 by Article 630, point 6. of Title XI, Chapter II of Law 312/2015)
- h) receiving the amounts in lei and foreign currency on behalf of the debtor credit institution and recording them in the new accounts of the debtor credit institution and paying the current expenses

necessary for the preservation and administration of the assets of the debtor credit institution, including the expenses of the personnel employed according to the provisions of letter c);

i) taking appropriate measures regarding the foreign currency accounts of the borrowing credit institution, opened with correspondent credit institutions, by:

1. notification of correspondents on the declaration of bankruptcy of the debtor credit institution, as well as on the blocking of the availabilities of the respective accounts in foreign currency;
2. the subsequent transfer, in the shortest possible time, of the availabilities in the new account opened in foreign currency at the commercial bank, which is developed on analytics for each currency; the amounts in the foreign currency account will be converted into lei and transferred to the account opened in lei;
3. making payments for the ongoing operations of the borrowing credit institution, as well as efficient management of availabilities;

j) liquidation of assets and rights from the assets of the debtor credit institution;

k) preparing a monthly report on the evolution of the bankruptcy procedure, respectively on the stage of fulfilling its duties; such a report shall include information on the total value of the claims on the debtor credit institution and the total value of its assets that have been capitalized, the amounts obtained from the liquidation and collection of receivables, the distribution plan among creditors, the expenses incurred; the report is submitted to the case file, and an extract is published in the BPI; prior to submitting to the case file, the judicial liquidator shall submit the report of the National Bank of Romania;

l) preparation of the final liquidation financial statements; if the liquidation is extended beyond the duration of a financial year, the judicial liquidator is obliged to prepare the annual financial statements and to submit them to the bodies and within the deadlines provided by law;

m) notifying the syndic judge about any problem that would require a solution by him, in accordance with the powers conferred by this chapter;

n) carrying out any procedural acts required by law.

Article 210

The Deposit Guarantee Fund in the banking system will necessarily be part of the creditors' committee.

Article 211

In addition to the attributions established in chap. I, the creditors' meeting has the following

attributions:

- a) approval of the method of liquidation of the assets and rights from the assets of the debtor credit institution and of the transactions of purchase of assets and assumption of liabilities;
- b) approval of the report referred to in Article 97.

Article 211¹

If bankruptcy proceedings are ordered against a credit institution under this Chapter, the provisions of Article 196² (1)(a) to (d) and paragraph 2 shall apply accordingly.

Article 212

(1) In the performance of their duties, the syndic judge and the judicial liquidator may request the point of view of the National Bank of Romania, regarding any aspects that fall within its field of competence, related to the bankrupt credit institution. Throughout the procedure, the National Bank of Romania may send to the syndic judge or judicial liquidator its opinion or any information it deems relevant, whenever it deems necessary. The judicial liquidator shall provide the National Bank of Romania, at its request, with any information or documents regarding the credit institution or the liquidation procedure.

(2) After the opening of the procedure, the general meeting of shareholders appoints a representative, who will act exclusively on their behalf.

SECTION 2: Initiation of the procedure and its effects

Article 213

(1) By the court decision on the opening of the bankruptcy procedure, the syndic judge appoints the provisional judicial liquidator and establishes his duties and fees.

(2) At the time of the opening of the bankruptcy procedure by court decision, the rights and powers of the general meeting, the board of directors and the executive management of the credit institution cease by operation of law.

Article 214

(1) The representative of the shareholders or any of the creditors may appeal against the measures taken by the judicial liquidator.

(2) The syndic judge will settle the appeal, within 5 days from its registration, in the Council Chamber, summoning the challenger and the judicial liquidator, being able, if he deems it

necessary, to suspend the execution of the contested measure. The syndic judge will also summon the National Bank of Romania, if the application has been filed by it.

Article 215

(the text of Article 215 of Title II, Chapter III, Section 2 was repealed on 14 December 2015 by Article 630, point 9 of Title XI, Chapter II of Law 312/2015)

Article 216

(1)The bankruptcy procedure begins on the basis of an application filed by the debtor credit institution or its creditors or by the National Bank of Romania.

(2)(text of Article 216(2) of Title II, Chapter III, Section 2 was repealed on 14-Dec-2015 by Article 630(10) of Title XI, Chapter II of Law 312/2015)

(3)(the text of Article 216(3) of Title II, Chapter III, Section 2 was repealed on 14-Dec-2015 by Article 630(10) of Title XI, Chapter II of Law 312/2015)

(4)(the text of Article 216(4) of Title II, Chapter III, Section 2 was repealed on 14-Dec-2015 by Article 630(10) of Title XI, Chapter II of Law 312/2015)

Article 217

(1)The debtor credit institution in insolvency is obliged to submit to the court an application to be subject to the provisions of this chapter, within a maximum of 30 days from the date on which the state of insolvency occurred.

(2)(text of Article 217(2) of Title II, Chapter III, Section 2 was repealed on 14-Dec-2015 by Article 630(11) of Title XI, Chapter II of Law 312/2015)

(3)(the text of Article 217(3) of Title II, Chapter III, Section 2 was repealed on 14 December 2015 by Article 630(11) of Title XI, Chapter II of Law 312/2015)

(4)(text of Article 217(4) of Title II, Chapter III, Section 2 was repealed on 14-Dec-2015 by Article 630(11) of Title XI, Chapter II of Law 312/2015)

Article 218

(1)Any creditor who has a certain, liquid and payable claim may bring an application to the court, under the conditions of Article 70(1) and (2), against a debtor credit institution which has failed to honour such a claim in full for a period of at least 30 working days from maturity, in the case of the central houses of credit cooperatives, including in the case of credit cooperatives affiliated to

them, respectively for a period of at least 7 working days from maturity, in the case of other credit institutions.

(2)(the text of Article 218(2) of Title II, Chapter III, Section 2 was repealed on 14 December 2015 by Article 630(12) of Title XI, Chapter II of Law 312/2015)

(3)(text of Article 218(3) of Title II, Chapter III, Section 2 was repealed on 14-Dec-2015 by Article 630(12) of Title XI, Chapter II of Law 312/2015)

Article 219

(1)The National Bank of Romania, in its capacity as resolution authority, may submit an application for the opening of bankruptcy proceedings against the credit institution in one of the situations provided for in Article 5(30).

(2)The request of the National Bank of Romania shall be accompanied by the decision of the Board of Directors of the National Bank of Romania to withdraw the authorization of the respective credit institution and by any other documents necessary to justify the act of notifying the court.

Article 219¹

(1)Without prejudice to the measure that the National Bank of Romania, as the resolution authority, intends to take in accordance with the legislation on the recovery and resolution of credit institutions and investment firms, the opening of bankruptcy proceedings at the request of the debtor credit institution or its creditors may be ordered only with the consent of the National Bank of Romania, as a resolution authority, and if the credit institution is an institution subject to resolution or for which it has been determined that the conditions for triggering the resolution procedure are met, the bankruptcy procedure may be opened only on the basis of an application filed by the National Bank of Romania, as the resolution authority.

(2)For the purpose of paragraph 1, the syndic judge shall immediately notify the National Bank of Romania, as the resolution authority, of any application for the opening of bankruptcy proceedings brought by the debtor credit institution or its creditors, regardless of whether the credit institution is a resolution institution or whether a decision has been made public in accordance with the legislation on the recovery and resolution of credit institutions and credit institutions. investments.

(3)The application for the opening of bankruptcy proceedings may be admitted only if the notification provided for in paragraph (2) has been made and either the National Bank of Romania, as the resolution authority, following receipt of the notification, has communicated to the syndic

judge that it does not intend to take resolution action against the credit institution concerned, or a period of 7 days has expired from the date of receipt of the notification.

Article 219²

(1) The provisions of Article 219¹ shall also apply accordingly to the opening of bankruptcy proceedings at the request of an investment firm, having the status of debtor, or of its creditors.

(2) For the purposes of paragraph 1, the Financial Supervisory Authority shall be the resolution authority for investment firms, in accordance with the legislation on the recovery and resolution of credit institutions and investment firms.

Article 220

If the application is admitted, the syndic judge shall immediately notify the parties referred to in Articles 217 to 219 thereof.

Article 221

(1) The appeal against the request to open the bankruptcy procedure can be made within 10 days from the date of communication regarding the submission of this application.

(2) The syndic judge will rule on the appeal within 10 days from the registration of the appeal.

(3) At the first hearing term, the syndic judge shall examine the application for the opening of bankruptcy proceedings and, in the event that the debtor credit institution does not contest the state of insolvency in the case of applications submitted by the parties referred to in Articles 218 and 219, shall pronounce the decision on the opening of bankruptcy proceedings, if the conditions provided for in Article 219¹ are met.

(4) Following the pronouncement of the decision to open the bankruptcy procedure, the syndic judge shall immediately communicate this to the persons referred to in Articles 217 and 218, to the judicial liquidator, to the Deposit Guarantee Fund in the banking system, as well as to the trade register office with which the debtor credit institution is registered, in order to make the mention "bankrupt credit institution". The communication will be made public in two national newspapers.

(5) In the event that the credit institution has branches opened in other countries, the National Bank of Romania shall immediately notify the banking supervisory authority of the host country of the respective branch about the opening of the bankruptcy procedure, in accordance with the provisions of this chapter.

(6) The syndic judge shall communicate to the National Bank of Romania his decision on the

opening of the bankruptcy procedure of the debtor credit institution, immediately, on the day of its pronouncement, by fax, e-mail or by telephone. The National Bank of Romania will close immediately, after the completion of the settlement of the payments of that day, in accordance with the regulations in force, the accounts of the debtor credit institution opened in its records. The availabilities will be transferred to the bankrupt credit institution accounts, opened at a commercial bank, according to the provisions of Article 209.

(7) From the date of the opening of the bankruptcy procedure, all the documents of the debtor credit institution shall bear the mention provided for in paragraph (4).

Article 222

After the opening of the bankruptcy procedure according to Article 221 has been ordered, it is prohibited, under penalty of nullity, the persons who held management positions, as well as the significant shareholders of the debtor credit institution to dispose of the shares held in the debtor credit institution without the consent of the syndic judge.

Article 223

The employees of the credit institution in bankruptcy proceedings shall appoint two persons to represent them during the procedure for the recovery of debts representing salaries and other monetary rights.

Article 224

(1) All expenses will be borne from the assets of the borrowing credit institution.

(2) The fee of the judicial liquidator shall be paid quarterly only after the submission by him of the monthly reports provided for in Article 209 letter k) on the funds obtained from the liquidation and from the collection of claims and the calculation of the fee due, as well as the report provided for in Article 97. The syndic judge may extend by no more than one month the deadline for submitting the report and the distribution plan. The distribution plan will be registered at the court registry and the judicial liquidator will publish it in the BPI. Any of the creditors may lodge objections to the judicial liquidator's report and the distribution plan within 10 days of its publication in the BPI. The syndic judge will hold a meeting with the judicial liquidator and the creditors, within 20 days from the publication of the report in the BPI, in which he will solve all the objections at once, by sentence.

Article 225

After issuing the court decision on the opening of the bankruptcy proceedings of a credit institution, the judicial liquidator shall draw up the report provided for in Article 97, which shall include, inter alia, proposals on the manner of liquidation of the assets and rights of the debtor credit institution. The methods of liquidation of the assets and rights from the assets of the debtor credit institution may be as follows:

1. transactions regarding the purchase of assets and the assumption of liabilities;
2. sale of goods, such as: buildings, land, securities, liquidation operations that are carried out in compliance with the provisions of section 7, chap. I;
3. other asset recovery techniques, such as assignments of receivables or novations, carried out in the interest of bankruptcy proceedings at a negotiated value.

SECTION 3: Transactions regarding the purchase of assets and the assumption of liabilities

Article 226

(1) Transactions regarding the purchase of assets and the assumption of liabilities are the liquidation method by which a credit institution with a good financial situation acquires, in part or in full, the assets of the debtor credit institution and assumes, in part or in full, its liabilities.

(2) Transactions regarding the purchase of assets and the assumption of liabilities can be carried out on demand or on a forward basis, with an option.

(3) For transactions concerning the purchase of assets and the assumption of liabilities, the judicial liquidator may collect from the acquiring credit institution a negotiated premium, depending on the quality of the assets purchased and the liabilities assumed, payable at the time of the transfer of ownership, as well as a premium for exercising the option, depending on the term of the option, payable at the time of negotiation. After the purchase, for the assets that are subject to fraudulent operations, for which it is proven that they are based on fraud or that they come from theft of financial instruments, the parties may modify the initial transaction, and the acquiring credit institution will receive from the judicial liquidator, in return, other assets or sums of money.

(4) (text of Article 226(4) of Title II, Chapter III, Section 3 was repealed on 14 December 2015 by Article 630(18) of Title XI, Chapter II of Law 312/2015)

(5) After the creditors' meeting approves the liquidation procedure provided for in Article 225, the judicial liquidator shall immediately organize, if the approved liquidation procedure provides, the negotiation regarding the transaction of purchase of assets and assumption of liabilities. To this end, the judicial liquidator organizes an information meeting with the credit institutions potentially

interested in the transaction. Prior to the information meeting, the judicial liquidator signs a confidentiality agreement with all the credit institutions present at the meeting, by which they undertake to keep, in accordance with the law, the professional secrecy regarding the information in the request for tender regarding the bankrupt credit institution.

Article 227

Depending on the interest shown by the credit institutions participating in the meeting, the judicial liquidator drafts a request for tender regarding the purchase of assets and the assumption of liabilities, which mainly includes the following elements:

- a) the categories of assets and liabilities to be the subject of the transaction and their volume, classified according to the degree of liquidity and payability;
- b) the liquidation amount for each asset class;
- c) the premium that can be established by the judicial liquidator, which will be paid by the offering credit institutions and which is established according to several elements, including the quality of assets and liabilities, the speed of the operation;
- d) the deadline for submitting to the judicial liquidator the offers of the respective credit institutions.

Article 228

The judicial liquidator sends, in confidentiality, the request for tender regarding the purchase of assets and the assumption of liabilities to the offering credit institutions, established by him, participating in the information meeting and which have expressed interest in such a transaction.

Article 229

Within the deadline for receiving offers provided in the call for tenders, which may not exceed 15 calendar days, the offering credit institutions shall send to the judicial liquidator, in a sealed envelope, the offers regarding the proposed transactions for the purchase of assets and assumption of liabilities.

Article 230

In the shortest time, the judicial liquidator analyzes the offers received and chooses, on the principle of the minimum assumed cost, the offer of the credit institution(s) with which the transaction of purchase of assets and assumption of liabilities is to be concluded. At the same time, the judicial liquidator notifies the Competition Council about the potential transaction.

Article 231

[the text of Article 231 of Title II, Chapter III, Section 3 was repealed on 14-Dec-2015 by Article 630, point 21. of Title XI, Chapter II of Law 312/2015]

Article 232

If no bids are received within the deadline set in the call for tenders, the liquidation shall be carried out by the other methods provided for by this law.

Article 233

The funds obtained from the sale of the debtor's assets and rights, encumbered in favor of the creditor by preferential causes, shall be distributed in the order provided by Article 159.

Article 234

In case of bankruptcy of a credit institution, the receivables are paid in lei, in the following order:

1. taxes, stamps and any other expenses related to the bankruptcy procedure, including the expenses necessary for the preservation and administration of the assets of the debtor credit institution, as well as the payment of the fees of the persons employed under the law, including the judicial liquidator;
2. receivables arising from covered deposits within the meaning of the provisions contained in the legislation on deposit guarantee schemes, including receivables from deposit guarantee schemes resulting from subrogation in the rights of guaranteed depositors and/or from the financing, according to the law, of the resolution measures of the debtor credit institution, as well as receivables arising from employment relationships for no more than 6 months prior to the opening of the procedure;
3. claims representing that part of the eligible deposits of individuals, micro, small and medium-sized enterprises that exceeds the coverage ceiling provided for in the legislation on deposit guarantee schemes and deposits of individuals, micro, small and medium-sized enterprises, which would be eligible deposits if they had not been made through branches located outside the European Union of institutions established in the European Union;
4. claims arising from the debtor's activity after the opening of the proceedings;
5. budgetary claims, claims of deposit guarantee schemes, other than those provided for in item 2, as well as claims of the National Bank of Romania arising from loans granted by it to the credit institution;

6. receivables arising from treasury operations, interbank operations, customer operations, securities operations, other banking operations, as well as those resulting from supplies of products, services or other works, from rents, as well as other unsecured receivables;
7. receivables arising from documents free of charge;
8. unsecured claims arising from debt instruments that meet all the conditions set out in Article 234¹;
9. claims arising from debt instruments and loans, based on agreements providing for a subordination clause according to which, in the event of liquidation or bankruptcy of the credit institution, such claims are to be paid after the claims of all non-subordinated unsecured creditors and, where applicable, of other subordinated unsecured creditors; within this category of claims, their payment will be made in compliance with the order of preference established by the subordination clause related to each claim;
10. the claims of the shareholders of the bankrupt credit institution, respectively the claims of the cooperative members of the credit cooperatives affiliated to the Central House of Bankrupt Credit Cooperatives, deriving from the residual right of their quality, according to the legal and statutory provisions.

Article 234¹

(1) For the purposes of Article 161¹ item 8 and Article 234 item 8, debt instruments must cumulatively meet the following conditions:

- a) the initial contractual maturity of debt instruments is at least one year;
- b) debt instruments are not derivatives, within the meaning of Article 3(1)(36) of Law no. 126/2018 on securities markets, nor have incorporated derivatives;
- c) The relevant contractual documents and, where applicable, the prospectus for the issuance of such debt instruments shall explicitly specify the lower rank than the ordinary unsecured claims referred to in Article 161¹ (1) to (7) or, as the case may be, Article 234(1) to (7).

(2) Variable-rate debt instruments derived from a widely used reference rate and debt instruments that are not denominated in the issuer's national currency, provided that the principal, redemption and interest are denominated in the same currency, are not considered, on the basis of these characteristics alone, as debt instruments containing embedded derivatives, within the meaning of paragraph 1(b).

Article 234²

(1) In application of the provisions of Article 234, in the event of the bankruptcy of a credit institution, all claims arising from own funds items, defined in accordance with Regulation (EU) no. 575/2013, as amended, have a lower priority rank than any claim that does not originate from an equity item.

(2) For the purposes of paragraph 1, where an instrument is only partially recognised as an own funds item, the entire instrument shall be treated as a claim arising from an own funds item and shall be given a lower priority rank than any claim that does not arise from an own funds item.

SECTION 4: Liability of the management bodies, censors and executive or control staff of the bankrupt credit institution

Article 235

If the report drawn up in accordance with the provisions of Article 97 identifies persons to whom the occurrence of the debtor's state of insolvency would be attributable, at the request of the judicial liquidator, the syndic judge may order that part or all of the unpaid liabilities of the debtor in a state of insolvency be borne by the members of the management bodies or by the directors/ coordinators with internal control attributions of the directorates, departments or other similar structures, by the executive staff with internal control attributions, the censors/auditors of the insolvent credit institution, who held the respective positions in the 3 years prior to the opening of the procedure, if they contributed to its insolvency by the facts provided for in Article 169 paragraph (1) or:

- a) granted loans in violation of the prudential requirements approved by the rules in force, as well as in breach of the internal rules in force;
- b) have prepared financial statements, other accounting statements or reports in breach of the legal provisions;
- c) During the internal verification actions, they did not identify and did not notice, by failing to comply with their job duties, the facts that led to fraud and mismanagement of the patrimony.

Article 236

In order to take the measures provided for in Article 235, the syndic judge may be notified by the judicial liquidator, by a shareholder or by any of the creditors, by the National Bank of Romania, on the basis of the data in the case file, and may order precautionary measures.

SECTION 5: Closure of the procedure

Article 237

(1) The bankruptcy proceedings shall be closed by the syndic judge, at the request of the judicial liquidator, by a closure decision, when the syndic judge has approved the final report, when all the funds or assets from the assets of the bankrupt credit institution have been distributed and when the funds not claimed by the entitled parties, within 90 days from the date of the final report, have been submitted by the judicial liquidator to the State Treasury, and the account statement will be submitted to the syndic judge. The decision will be communicated in writing or in the press, in at least two national newspapers, to all parties involved.

(2) After the bankruptcy of the debtor credit institution, the judicial liquidator shall submit for safekeeping to the county national archives directorate or, as the case may be, of the municipality of Bucharest, the documents of the debtor credit institution, archived according to the provisions of the National Archives Law no. 16/1996, with subsequent amendments and completions. Within 60 working days from the pronouncement of the decision to close the bankruptcy procedure, the judicial liquidator will submit to the county national archives directorate or, as the case may be, of the municipality of Bucharest the rest of the documents of the debtor credit institution.

SECTION 6: Other provisions**Article 238**

The persons who must receive or transmit information in connection with the information or consultation procedures provided for in this chapter have the obligation to maintain professional secrecy according to the provisions of Articles 3 and 52 of Law no. 312/2004 regarding the Statute of the National Bank of Romania and those contained in Title II chap. II of the Government Emergency Ordinance no. 99/2006, approved with amendments and completions by Law no. 227/2007, as subsequently amended and supplemented, with the exception of any judicial authorities to which the national provisions in force apply.

Article 239

In the event of bankruptcy, for statistical purposes, credit institutions will be considered as continuing to belong to the banking sector. The reports to be drawn up and transmitted by the judicial liquidator to the National Bank of Romania, the periodicity and the manner of their transmission will be established by norms by the National Bank of Romania.

Article 240

With regard to qualified financial contracts and bilateral clearing operations on the basis of a qualified financial contract or bilateral clearing arrangement concluded by a credit institution, the provisions of Article 89 shall apply accordingly.

Article 241

In the normative acts in force, the phrase "procedure of judicial reorganization and bankruptcy of credit institutions" shall be replaced by the phrase "procedure of bankruptcy of credit institutions", corresponding to the provisions of this chapter.

CHAPTER IV: Provisions on the bankruptcy of insurance/reinsurance companies

SECTION 1: General provisions

SUBSECTION 0:

Article 242

The provisions of chap. I, with the exception of those contained in Section 6, shall apply accordingly to the bankruptcy procedure of insurance/reinsurance companies, with the derogations provided for in this chapter.

Article 243

(1) The bankruptcy procedure, regulated by this chapter, applies to the companies referred to in Article 1 paragraph (2) item 56 of Law no. 237/2015, as subsequently amended and supplemented, including their branches based abroad, as well as branches of insurance companies from third countries, which have their headquarters in Romania.

(1¹) For the purposes of paragraph (1), companies include insurance/reinsurance companies whose operating authorization has been withdrawn under the conditions of Article 110 of Law no. 237/2015, as subsequently amended and supplemented.

(2) The bankruptcy procedure, governed by this chapter, shall not apply to the branch of an insurance/reinsurance company or a mutual society in a Member State of the European Union, which has received an authorisation from the supervisory authority of the home Member State.

(3) The measures applied in bankruptcy proceedings governed by this Chapter shall aim to protect the legitimate interests and rights of insurance creditors.

Article 244

(1) In this chapter, the expressions "insurance creditors", "insurance claims" and "Guarantee fund" have the meaning provided for in Article 1 and Article 4(1)(a) and (b) of Law no. 213/2015 on the Insured Guarantee Fund, and the expressions "competent authority", "supervisory authorities", "financial recovery procedure" and "third state" have the meaning provided for in Article 3(1)(b), (d), (e) and (o) of Law no. 503/2004 on financial recovery, bankruptcy, dissolution and voluntary liquidation in the insurance business, republished, with subsequent amendments.

(2) The terms and expressions "significant shareholder", "subsidiary", "persons who actually manage the company", "home Member State", "host Member State" and "branch" have the meaning set out in Article 1(2)(1), 15, 33, 63, 64 and 66 of Law no. 237/2015, as amended.

SUBSECTION 1:§ 1. Bankruptcy

Article 245

(1) The bankruptcy procedure of the insurance/reinsurance company is opened on the basis of an application submitted either by the Financial Supervisory Authority or by the debtor insurance/reinsurance company or its creditors, as the case may be.

(2) The bankruptcy procedure of an insurance/reinsurance company, as well as of its branches established in other Member States, is governed by Romanian law as regards the regime and application of the bankruptcy procedure, in particular with regard to:

- a) the assets subject to this procedure, as well as the regime of the assets acquired by the debtor insurance/reinsurance company after the opening of the bankruptcy procedure;
- b) the duties of the debtor insurance/reinsurance company and of the judicial liquidator;
- c) the conditions under which compensation can be invoked;
- d) the effects of the bankruptcy procedure on ongoing contracts, to which the debtor insurance/reinsurance company is a party;
- e) the effects of bankruptcy proceedings on individual enforcement proceedings brought by insurance creditors, with the exception of cases pending before the courts of other Member States;
- f) the claims to be declared on the debtor insurance/reinsurance company and the regime of claims arising after the opening of the bankruptcy procedure;
- g) the rules regarding the declaration, verification and admission of claims;
- h) the rules on the distribution of income from the recovery of assets, the order of priority for the payment of insurance claims and the rights of insurance creditors who have obtained a partial

payment after the opening of bankruptcy proceedings on the basis of a right in rem or by invoking set-off;

i) the conditions and effects of the closure of the bankruptcy proceedings;

j) creditors' rights after the closure of bankruptcy proceedings; bearing the costs and expenses related to the bankruptcy procedure;

k) the rules regarding the nullity, annulment or unenforceability of legal acts that prejudice the rights and legitimate interests of insurance creditors.

Article 246

(1) Under this Chapter, the debtor insurance/reinsurance company in a state of insolvency, as defined in Article 5(31)(a), is required to submit an application to the court for bankruptcy proceedings. The application shall be submitted within 20 days at the latest from the date of occurrence of the state of insolvency.

(2) Before registration with the court, the application referred to in paragraph 1 shall be submitted to the Financial Supervisory Authority together with the supporting documents and documents, with a view to examining it and formulating the response provided for in Article 248(1). The debtor insurance/reinsurance company shall attach to the request, on a mandatory basis, the special register of assets admitted to cover technical reserves, according to the regulations in force regarding technical reserves.

Article 247

(1) The creditors of the debtor insurance/reinsurance company, other than the insurance creditors whose claimed amounts are paid from the availabilities of the Guarantee Fund, may register with the court an application for the opening of bankruptcy proceedings against the debtor company, under the conditions of this chapter, if they hold a claim that meets the conditions provided for in Article 5 points 20 and 72.

(2) The provisions of Article 246(2) shall apply accordingly with regard to the submission to the Financial Supervisory Authority of the application, acts and supporting documents.

Article 248

(1) The application provided for in Articles 246(1) and 247(1) shall be registered by the court together with the Financial Supervisory Authority, by which it shall communicate whether or not the debtor insurance/reinsurance company is subject to a financial recovery procedure, in accordance with Law no. 503/2004, republished, with subsequent amendments, for the

restoration of its financial situation or, as the case may be, for the honoring of payments to creditors, within the framework of administrative measures of financial recovery or a resolution procedure according to Law no. 246/2015.

(2)The opening of the bankruptcy procedure shall be decided by the syndic judge if the insurance/reinsurance company is in a state of insolvency, defined according to Article 5(1)(31).

Article 249

(1)Pursuant to this Title, the Financial Supervisory Authority may submit an application for the opening of bankruptcy proceedings against a debtor insurance/reinsurance company, in any of the situations provided for in Article 5(1)(31).

(2)The application shall be accompanied by the following documents, as the case may be:

a)the decision of the Financial Supervisory Authority regarding the withdrawal of the operating authorization of the debtor insurance/reinsurance company, the ascertainment of the state of insolvency and the promotion of the request regarding the opening of the bankruptcy procedure against it;

b)the decision of the Financial Supervisory Authority regarding the closure of the financial recovery/resolution procedure followed by the opening of the bankruptcy procedure against the insurance/reinsurance company;

c)any other acts or documents that are necessary to justify the application for the investiture of the court.

Article 250

(1)Following the registration of the application, according to Articles 246-249, the debtor insurance/reinsurance company shall be summoned, through the representative of the associates/shareholders, and, as the case may be, the creditor who formulated the request or the Financial Supervisory Authority. At the same time, the Guarantee Fund will also be notified.

(2)The insurance/reinsurance company's appeal against the claim referred to in Article 247 or 249 may be lodged within 5 days from the date of receipt of the notification of the registration of such a claim. The appeal is judged quickly and especially. Only an appeal may be lodged against the decision of the syndic judge.

(3)At the first trial term, the syndic judge will analyze the application and the documents submitted and, in the event that the debtor insurance/reinsurance company has not contested the existence of the state of insolvency, according to paragraph (2), will pronounce a decision to

open the bankruptcy procedure.

Article 251

(1)The judicial liquidator, an insolvency practitioner, is appointed under the conditions of Article 63, his offer being submitted after obtaining the prior approval of the Financial Supervisory Authority. In the absence of offers submitted to the file, the syndic judge will appoint a judicial liquidator from among the insolvency practitioners approved by the Financial Supervisory Authority. The obligation to obtain the prior opinion of the Financial Supervisory Authority is also incumbent on the insolvency practitioners proposed for designation as judicial liquidators by the creditors' meeting.

(2)In the event that the Financial Supervisory Authority has notified a judicial liquidator in accordance with the provisions of paragraph (1), and this has been confirmed by the creditors' meeting, his fee subject to confirmation of the creditors' meeting may not exceed the fee contained in the offer submitted to the Financial Supervisory Authority's approval.

(3)When establishing the level of the fee, the provisions of Article 38 paragraph (2) of the Government Emergency Ordinance no. 86/2006, republished, with subsequent amendments and completions.

Article 251¹

The Guarantee Fund must be part of the creditors' committee.

Article 252

(1)Following the pronouncement of the decision to open the bankruptcy procedure, the judicial liquidator shall immediately communicate about it to the interested parties, to the Financial Supervisory Authority, to the Guarantee Fund, as well as to the Trade Register Office where the debtor insurance/reinsurance company is registered, in order to make the mention "bankrupt insurance/reinsurance company".

(2)If the debtor insurance/reinsurance company has branches and/or subsidiaries opened in other countries, the Financial Supervisory Authority shall immediately notify the supervisory authority of the host country of that branch/subsidiary of the decision on the opening of bankruptcy proceedings in accordance with this Title.

(3)All expenses related to the measures provided for in paragraph (1) shall be borne from the patrimony of the debtor insurance/reinsurance company; in the absence of the necessary availabilities, the liquidation fund provided for in this title shall be used.

(4) From the date of the opening of the procedure, all the documents of the debtor insurance/reinsurance company shall bear the mention provided for in paragraph (1).

Article 253

(1) Following the opening of the bankruptcy procedure, it is prohibited, under penalty of nullity, the significant shareholders of the debtor insurance/reinsurance company or the persons who have held management positions to dispose of the shares held in the debtor insurance/reinsurance company, without the prior approval of the Financial Supervisory Authority and without the approval of the syndic judge.

(2) The syndic judge shall order the unavailability of the shares, according to paragraph (1), in the special registers kept by the debtor insurance/reinsurance company or in the independent registers.

Article 254

The bankruptcy procedure provided for in this chapter, with the exception of the appeal provided for in Article 256(2), shall have the exclusive jurisdiction of the court within whose territorial area the principal place of business of the debtor insurance/reinsurance company is located, which appears in the records of the Trade Register Office, and shall be exercised by a syndic judge appointed in accordance with the law.

Article 255

By the decision to open the bankruptcy procedure, the syndic judge removes from the administrators of the debtor insurance/reinsurance company the right to represent the company, to manage its assets and to dispose of them.

Article 256

(1) The decisions of the syndic judge are enforceable and can be appealed only by appeal.

(2) The appeal shall be judged by the Court of Appeal, with celerity and in particular. The provisions of Articles 43 and 44 shall apply accordingly.

Article 257

(1) In addition to the provisions established by Article 45, the syndic judge has the following attributions:

a) notification of the Guarantee Fund, as well as of the Financial Supervisory Authority regarding

the registration of applications;

b)judging the insurer/reinsurer's appeal against the application filed by the Financial Supervisory Authority, the insurance creditors and the other creditors, as the case may be;

c)judging the requests of the Financial Supervisory Authority regarding the nullity or annulment of fraudulent acts, detrimental to the interests and rights of insurance creditors, prior to the opening of the bankruptcy procedure;

d)judging the claims for compensation of claims, formulated by the insurance/reinsurance company or by the insurance creditors, as the case may be, with the opinion of the Financial Supervisory Authority;

e)judging the appeals filed by the Financial Supervisory Authority, the debtor insurance/reinsurance company, the insurance creditors or any interested person, as the case may be, against the measures ordered by the judicial liquidator;

f)judging the requests for the liability of the members of the management bodies, the auditors, the financial auditors and the executive or control staff within the debtor insurance/reinsurance company that contributed to the insurer/reinsurer in insolvency.

(2)In the performance of his duties, which involve the application of regulations specific to the insurance activity carried out by the debtor insurance/reinsurance company, the syndic judge may also request the opinion of the Financial Supervisory Authority, as a specialized autonomous administrative authority.

Article 258

(1)In addition to the provisions established by Article 64, the judicial liquidator has the following attributions:

a)analyzing the activity of the debtor insurance/reinsurance company in relation to the factual situation and drawing up a detailed report on the causes and circumstances that led to its insolvency, mentioning the persons to whom the bankruptcy of the insurance/reinsurance company would be attributable, and on the existence of the premises for engaging their liability under the conditions of Article 268. The report drawn up is submitted to the syndic judge, within 40 days from the date of his appointment; a copy of this report will also be sent to the Financial Supervisory Authority. At the request of the judicial liquidator, for good reasons, the syndic judge may, by conclusion, extend the period for submitting the report;

b)notification of the decision to enter the bankruptcy procedure of the debtor insurance/reinsurance company;

c)(the text of Article 258, letter C. of Title II, Chapter IV, Section 1, Subsection 1 was repealed

on 02-Oct-2018 by Article I, point 27. of Emergency Ordinance 88/2018)

d) maintaining or terminating contracts, other than insurance contracts, concluded by the debtor insurance/reinsurance company, with the agreement of the creditors' committee;

e) managing the activity of the debtor insurance/reinsurance company, respectively carrying out operations in the interest of the bankruptcy procedure;

f) concluding the agreements for the payment of insurance claims, with the approval of the Financial Supervisory Authority, and their confirmation by the syndic judge, with or without guaranteeing them with the assets of the debtor insurance/reinsurance company;

g) hiring, in compliance with the legal provisions, the necessary personnel for the liquidation and management of its activity, the employment being also made from the existing staff of the debtor insurance/reinsurance company;

h) the introduction of actions for the annulment of fraudulent acts, concluded by the debtor insurance/reinsurance company to the detriment of the rights of insurance creditors in the 2 years prior to the opening of the procedure;

i) the introduction of actions for the annulment of the constitution of preferential rights or transfers of patrimonial rights to third parties and for the restitution by them of the transferred goods and of the value of other services performed, performed by the debtor insurance/reinsurance company by:

1. free transfer acts, except for sponsorships for humanitarian purposes, carried out in the 2 years prior to the opening of the procedure;

2. acts concluded with a shareholder who holds at least 5% of the shares of the debtor insurance/reinsurance company;

3. acts concluded with an administrator, director or any other member of the management and supervisory bodies of the debtor insurance/reinsurance company;

4. acts concluded with any other natural or legal person in close contact with the debtor insurance/reinsurance company. A person is in close contact with society when:

- holds a direct stake or through a control relationship of at least 20% of the share capital or voting rights of the debtor insurance/reinsurance company;

- is permanently linked to the debtor insurance/reinsurance company through a control relationship or, as the case may be, carries out a common policy towards it;

- exercises control powers over the debtor insurance/reinsurance company;

j) the filing of actions for the annulment of the constitution of preferential causes or the

transfer of patrimonial rights to third parties and for the restitution by them of the transferred goods and the value of other services, executed by the debtor insurance/reinsurance company to the detriment of the insurance creditors by:

1. acts concluded in the 2 years prior to the opening of the procedure, with the intention of the parties involved to steal assets from prosecution by insurance creditors or to harm their rights in any way;
2. commercial operations in which the service of the debtor insurance/reinsurance company clearly exceeds the one received, carried out in the 2 years prior to the opening of the procedure;
3. acts of transfer of ownership to a creditor for his benefit or for the settlement of a previous debt, carried out in the 6 months prior to the opening of the procedure, if the amount that the creditor could obtain in the procedure is less than the value of the transfer deed;
4. the constitution of a right of preference for a claim that was unsecured in the 4 months prior to the opening of the procedure;
5. free transfer acts, except for sponsorships for humanitarian purposes carried out according to the law, carried out in the 2 years prior to the opening of the bankruptcy procedure;
6. acts concluded by significant persons or significant shareholders with the debtor insurance/reinsurance company within which they hold this capacity, in the year prior to the commencement of the bankruptcy proceedings;

k) monitoring the collection of any claims from the patrimony of the debtor insurance/reinsurance company, resulting from the transfer of goods or sums of money, made by it prior to the registration of the application for the opening of the procedure; formulating and sustaining actions in claims for the collection of the claims of the insurance/reinsurance company;

l) preparing a monthly report on the evolution of the bankruptcy procedure, which will be presented to the syndic judge and published in the BPI;

m) notifying the syndic judge about any problem that would require a solution by him;

n) concluding any documents, on behalf of the debtor insurance/reinsurance company, initiating and coordinating, on its behalf, any legal action or procedure;

o) preparation of the final liquidation financial statements. If the liquidation is extended beyond the duration of a financial year, the judicial liquidator is obliged to prepare the annual financial statements and to submit them to the bodies and within the deadlines provided in the models of the financial-accounting statements for companies regulated by Law no. 31/1990, republished,

with subsequent amendments and completions;

p) fulfillment of any provisions of the Financial Supervisory Authority, issued as a competent autonomous specialized administrative authority, in the cases expressly provided for by law, with the confirmation of the syndic judge, in order to guarantee the defense of the interests and rights of insurance creditors;

q) liquidation of the assets and capitalization of the rights from the patrimony of the debtor insurance/reinsurance company and with the notification of the Guarantee Fund, with the approval of the creditors' meeting, aiming at their optimal capitalization, in order to pay the debts to the insurance creditors, by:

1. (the text of Article 258, letter Q., point 1. of Title II, Chapter IV, Section 1, subsection 1 was repealed on 02-Oct-2018 by Article I, point 30. of Emergency Ordinance 88/2018)
2. sale of goods, such as: buildings, land, equipment, securities;
3. any other techniques for capitalizing on the assets of the debtor insurance/reinsurance company, such as assignments of receivables or novations made in the interest of the bankruptcy proceedings at a negotiated value;

r) carrying out any procedural acts required by this Chapter.

(2) The verification of claims by the judicial liquidator shall be made within a period that may not exceed 30 days from the date of registration of his statement of claim with the competent court.

(3) Following the verification, the judicial liquidator will draw up a separate report on the claims of the Guarantee Fund, in which he will present the situation of the statements of claim submitted by the Guarantee Fund, and at the same time he will modify accordingly the Table of claims registered in the insolvency estate.

(4) The judicial liquidator shall transmit to the Guarantee Fund the information and documents necessary for the exercise of the latter's duties.

Article 259

(1) The debtor insurance/reinsurance company and/or any of the insurance creditors, the Financial Supervisory Authority, the Guarantee Fund, as well as any other interested person, as the case may be, may appeal against the measures taken by the judicial liquidator. The appeal shall be lodged within the time limit provided for in Article 59(6).

(2) The appeal shall be resolved by the syndic judge as a matter of urgency and in particular. The syndic judge holds a hearing, summoning the contestant, the Financial Supervisory Authority,

the insurance creditors and/or the Guarantee Fund.

Article 260

(1) For serious breach of duties, the judicial liquidator may be replaced by the syndic judge, according to the provisions of Article 57(4).

(2) The Financial Supervisory Authority may request the syndic judge to replace the judicial liquidator and to sanction him, if it finds that the duties provided for in this chapter have not been fulfilled. His request shall be judged in the council chamber within 30 days, with the summons of the judicial liquidator, the creditors' committee and the special administrator.

(3) If the action is admitted, the syndic judge appoints a judicial liquidator from the list of insolvency practitioners approved by the Financial Supervisory Authority.

Article 261

The reports whose preparation by the judicial liquidator is mandatory, according to this law, are also mandatorily transmitted to the Financial Supervisory Authority, as well as to the Guarantee Fund.

SUBSECTION 2:§ 2. Opening bankruptcy proceedings. Effects of the opening of the procedure

Article 262

(1) Under the conditions of this title, the opening of bankruptcy proceedings against the debtor insurance/reinsurance company shall be ordered by the decision of the syndic judge.

(2) The decision to open the bankruptcy procedure has as a consequence the withdrawal by the Financial Supervisory Authority of the operating authorization of the debtor insurance/reinsurance company, if this measure was not ordered prior to the pronouncement of the decision. The judicial liquidator shall publish the decision of the syndic judge in the Official Gazette of Romania, Part IV, as well as in at least two national newspapers. With the publication, it will communicate the decision both to the competent authority and to the Guarantee Fund.

(3) The withdrawal of the operating authorization does not prevent the judicial liquidator or any other person empowered to do so by him from carrying out some of the insurance operations of the debtor insurance/reinsurance company, to the extent necessary or appropriate, in order to complete the bankruptcy procedure. These operations may be carried out only with the prior

approval of the competent authority and until the date of denunciation of the insurance policies.

(3¹) The special registers of assets covering the gross technical reserves shall be maintained even after the opening of the bankruptcy proceedings. If an insurer carries out both life insurance and non-life insurance activities, separate records will be maintained for each type of activity.

(3²) Within 90 days from the date of the decision to open the bankruptcy procedure, the insurance policies concluded by the insurance/reinsurance company shall cease by law, except for the insurance contracts classified in insurance class 15 - Guarantees, provided in section A of Annex no. 1 to Law no. 237/2015 on the authorization and supervision of the insurance and reinsurance activity, with subsequent amendments and completions, for which the legal termination term is 150 days from the date of the decision to open the bankruptcy procedure; under the same conditions, the reinsurance contracts shall also cease by law.

*) GEO 71/2023 - For insurance/reinsurance policies concluded by insurance/reinsurance companies in insolvency proceedings in progress on the date of entry into force of this Emergency Ordinance, the legal termination terms of 90 days, respectively 150 days, provided for in Article 262 paragraph (3²) of Law no. 85/2014 on insolvency prevention and insolvency procedures, published in the Official Gazette of Romania, Part I, no. 466 of June 25, 2014, with subsequent amendments and completions, are extended by 90 days.

(3³) In this regard, the judicial liquidator notifies the approach regarding the termination of the insurance policies, as well as the possibility of the insurance creditors to recover from the Guarantee Fund the premiums owed by the insurer for the period in which the risk was not covered. The notification shall be communicated individually to each insurance creditor, shall be published in the Bulletin of Insolvency Proceedings, in two national newspapers, as well as on the website of the bankrupt insurance-reinsurance company.

(4) The decision to open the bankruptcy procedure has the effect of suspending by law all judicial or extrajudicial actions and enforcement measures directed against the debtor insurance/reinsurance company. The claims claimed in these lawsuits shall be registered in the bankruptcy file of the court and shall be subject to examination and registration in the table of claims, according to this law. The effects of bankruptcy proceedings on an ongoing civil proceeding concerning an asset or right of which the insurance/reinsurance company has been deprived shall be governed by the law of the Member State in which the proceedings are pending.

*) By Decision no. 19/2022 The High Court of Cassation and Justice admits the appeal in the interest of the law and, consequently, establishes that, in the unitary interpretation and application of the provisions of Article 262 paragraph (4), in relation to the provisions of Article 75 of Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, the remedies promoted by the debtor insurance/reinsurance company against which the bankruptcy procedure was opened, against the court decisions by which the actions of one or more creditors/creditors for the realization of claims on the debtor's assets filed before the courts before the opening of this procedure were resolved, are not suspended by law.

(5) Insurance claims, ascertained by enforceable titles obtained after the moment of the bankruptcy decision, are registered with the court, under penalty of forfeiture of the right, within 10 days from the date of obtaining the title. The judicial liquidator is obliged to verify and, if necessary, to enter these claims in the table of claims, in compliance with the order of preference and/or their legal causes of preference. In all cases, the application for registration of these claims may not be submitted later than the date of drawing up the final consolidated table of claims, according to this law.

(6) With regard to qualified financial contracts and bilateral clearing operations on the basis of a qualified financial contract or a bilateral clearing agreement concluded by an insurance and reinsurance company, the provisions of Article 89 shall apply accordingly.

Article 263

After the decision on the opening of bankruptcy proceedings against a debtor insurance/reinsurance company, the judicial liquidator shall draw up the report provided for in Article 258(a).

Article 264

(the text of Article 264 of Title II, Chapter IV, Section 1, Subsection 2 was repealed on 02-Oct-2018 by Article I, paragraph 36 of Emergency Ordinance 88/2018)

Article 265

(the text of Article 265 of Title II, Chapter IV, Section 1, Subsection 2 was repealed on 02-Oct-2018 by Article I, paragraph 37 of Emergency Ordinance 88/2018)

Article 266

(1) On the date of publication of the decision by which the Financial Supervisory Authority ascertains the existence of indications of the state of insolvency of the insurance/reinsurance company and the impossibility of recovery, the right of insurance creditors to request the payment of the amounts due from the Guarantee Fund arises.

(2) (text of Article 266(2) of Title II, Chapter IV, Section 1, Subsection 2 was repealed on 24-Sep-2021 by Article III(3)(C) of Emergency Ordinance 102/2021)

(3) It is forbidden for insurance creditors whose insurance claims have been paid from the Guarantee Fund to register any more claims and/or to request the recovery of the claims and/or the payment of the amounts claimed, within the bankruptcy procedure of the debtor insurance/reinsurance company. The guarantee fund is entitled to request the competent authorities to establish the liability of the alleged creditors and to oblige them to return the amounts unduly collected.

Article 267

(1) Insurance claims, regardless of the time of their birth, enjoy absolute priority over any other claims, in terms of the assets admitted to represent the technical reserves of the insurance/reinsurance company in bankruptcy proceedings. These receivables shall be paid in lei, immediately after the payment of the receivables provided for in Article 159(1)(2).

(2) The claims of the Guarantee Fund are insurance claims, within the meaning of this title, and shall be paid in the order of preference provided for in paragraph (1), benefiting from all their rights and/or legal causes of preference, as a result of the subrogation in the rights of the insurance creditors whose amounts due have been paid from the availabilities of the Guarantee Fund.

(3) By exception to the provisions of paragraph (1), the amounts resulting from the capitalization of the assets admitted to represent the technical reserves of the insurance/reinsurance company shall be distributed in full in order to settle the claims of the Guarantee Fund related to the payments of compensations/indemnities granted to the insurance creditors from its availabilities, in application of the provisions of Law no. 213/2015.

SECTION 2: Liability of the management bodies of the insurance/reinsurance company

Article 268

The syndic judge may order that a part of the liabilities of the insurance/reinsurance company that have become insolvent be borne by the members of the management and/or supervisory bodies of

the debtor insurance/reinsurance company, as well as any other person who contributed to the insurer/reinsurer's insolvency, through one of the following acts:

- a) they have carried out production, trade or service provision activities for personal interest, under the cover of the insurance/reinsurance company;
- b) ordered in their personal interest the continuation of an activity that clearly led the insurance/reinsurance company to the cessation of payments;
- c) used the assets and/or credits of the insurance/reinsurance company for their own interest and those of other persons;
- d) they kept fictitious accounts, facilitated the disappearance of some accounting documents or did not keep the accounts according to the law;
- e) have misappropriated or hidden part of the assets of the insurance/reinsurance company or have fictitiously increased its liabilities;
- f) they used ruinous means to procure funds from the insurance/reinsurance company, in order to delay the cessation of payments;
- g) in the 30 days prior to the occurrence of the state of insolvency, they have paid or have ordered to be paid, preferably, to a creditor, to the detriment of the other insurance creditors;
- h) have prepared annual financial statements, other accounting statements or reports, in breach of the legal provisions;
- i) have not fulfilled or have improperly fulfilled the administrative measures of financial recovery applied by the Financial Supervisory Authority or, as the case may be, have issued orders without the opinion or approval of this authority, thus leading to the state of insolvency and the initiation of bankruptcy proceedings against the insurance/reinsurance company;
- j) During the internal verification actions, they did not identify and/or did not notice, due to their fault, the facts that led to fraud and/or to a defective management of the assets of the insurance/reinsurance company.

Article 269

The amounts obtained according to the provisions of Article 268 enter the patrimony of the debtor insurance/reinsurance company and are intended for the payment of its debts, according to the law.

Article 270

(1) In order to pronounce the decision obliging the persons referred to in Article 268 to partially pay the liabilities of the insurance/reinsurance company in insolvency, the syndic judge may be notified by the judicial liquidator, by any of the insurance creditors, by the Financial Supervisory

Authority, as well as by the chairman of the creditors' committee, under the conditions of Article 169(2). On the basis of the documents in the case file, the syndic judge may approve the establishment of precautionary measures.

(2) Enforcement against the persons referred to in Article 268 shall be carried out in accordance with the provisions of the Code of Civil Procedure, except in cases where otherwise provided by law.

SECTION 3: Closure of the procedure

Article 271

(1) Under the conditions of this chapter, the bankruptcy procedure shall be closed by the syndic judge, by decision, at the request of the judicial liquidator, in the event that one of the following circumstances is found, as the case may be:

- a) the final report was approved;
- b) all funds and/or assets from the assets of the debtor insurance/reinsurance company have been distributed;
- c) the claims of insurance creditors have been paid on the basis of an agreement or other similar measure;
- d) all amounts due to the Guarantee Fund were recovered by it.

(2) The decision to close the proceedings shall be notified by the syndic judge to all the parties involved, under the conditions of this title. The amounts remaining after the satisfaction of the rights of all entitled persons, according to this law, shall be transferred to the Guarantee Fund, in order to administer and manage them according to the legal provisions in force.

Article 272

At any stage of the procedure, the syndic judge may issue a decision to close the proceedings if it is found that there are no assets in the patrimony of the debtor insurance/reinsurance company or that they are insufficient to cover the administrative expenses and no creditor offers to advance the necessary amounts.

TITLE III: Cross-border insolvency

CHAPTER I: General provisions

Article 273

(1) This Title includes:

- a) rules for determining the law applicable to a private international law relationship in the field of insolvency;
- b) rules of procedure in disputes concerning private international law relationships in insolvency matters;
- c) rules on the conditions under which the competent Romanian authorities request and, respectively, provide assistance with regard to insolvency proceedings opened on the territory of Romania or of a foreign state.

(2) For the purposes of this Title, private international law relationships in insolvency matters represent those private law relationships with a foreign element, which are subject to settlement as a result of the opening of an insolvency procedure and under the conditions established by it.

CHAPTER II: Relations with third countries

Article 274

(1) This chapter shall apply in the following situations:

- a) if assistance is requested in Romania by a foreign court or by a foreign representative in connection with a foreign insolvency proceeding;
- b) if assistance is requested in a foreign state in connection with a Romanian insolvency procedure;
- c) in the case of the simultaneous conduct of a Romanian insolvency procedure and a foreign insolvency procedure relating to any of the members of a group of companies, within the meaning of Article 5 item 35;
- d) if creditors or other interested persons from a foreign State are interested in requesting the opening in Romania of a procedure provided for by this law or in participating in an open procedure.

(2) This Chapter shall not apply in the case of insolvency proceedings for which there are special provisions derogating from the ordinary rule and which has as its object:

- a) banks, cooperatives or other credit institutions;
- b) insurance/reinsurance companies and agents;
- c) financial investment services companies, undertakings for collective investment in transferable securities, investment management companies;
- d) brokerage firms, members of commodity exchanges, clearing houses, clearing members of commodity exchanges, brokerage firms, traders.

(3) The provisions of this Chapter shall not apply to private international law relations in the field of insolvency that fall under Council Regulation (EC) no. 1.346/2000.

Article 275

To the extent that there is inconsistency between the provisions of this title and Romania's obligations arising from treaties, conventions or any other form of international, bi- or multilateral agreement, to which Romania is a party, the provisions of the treaty, convention or international agreement shall apply with priority.

Article 276

The powers established by this chapter of this title regarding the recognition of foreign proceedings and cooperation with foreign courts are the competence of the tribunal, through the syndic judge, as well as of the Romanian representative, as follows:

A. the court in whose district the debtor's registered office is located. For the purposes of this law, the foreign legal entity shall be considered to have its headquarters in Romania even if it has a branch, agency, representative office or any other entity without legal personality on the territory of the country. If the debtor has several offices in Romania, the jurisdiction lies with any of the courts in whose district the respective offices are located;

B. If the debtor does not have any registered office in Romania, the competent person is:

a) the court or any of the courts in whose jurisdiction immovable property belonging to the debtor is located, when the object of the application is immovable property exclusively or together with other property;

b) the court in whose district the register in which the vessel or aircraft which is the subject of the application is kept;

c) the court in whose district the registered office of the Romanian company in which the debtor holds the securities that are the subject of the application is located;

d) The Bucharest Tribunal, if the object of the application is intellectual property rights protected in Romania, government securities, treasury bills, state and municipal bonds belonging to the debtor;

e) if the subject matter of the claim is the debtor's claims against a public person or authority, the court in whose district the domicile or residence is located, respectively the seat of the person or public authority concerned.

Article 277

The Romanian representative is entitled to act in a foreign state, as a representative of the procedure opened in Romania, under the conditions established by the applicable foreign law.

Article 278

(1)The Romanian courts may refuse the recognition of a foreign proceeding, the enforcement of a foreign court decision adopted in the context of such proceedings, decisions arising directly from the insolvency proceedings and which are closely related to it, or the approval of any other measure provided for in this chapter, only if:

- a)the judgment is the result of fraud committed in the procedure followed abroad;
- b)The decision violates the public order provisions of Romanian private international law.

(2)A ground for refusal to recognize, within the meaning of paragraph (1), is the violation of the legal provisions.

Article 279

The provisions of this title shall be supplemented, to the extent of their compatibility, with the provisions of Book VII of the Civil Code on the provisions of private international law.

Article 280

In interpreting this Title, account shall be taken of the international origin of the rule, as well as of the need to promote uniformity in its application and respect for good faith.

Article 281

The foreign representative has the right to address directly the Romanian courts or the Romanian representative.

Article 282

The foreign representative has standing to bring a request for the opening of the procedure, according to this law, to the extent that all the other conditions necessary for the opening of such a procedure are fulfilled according to Romanian law.

Article 283

The foreign representative has the legal standing to participate in a procedure already opened against the debtor, according to this law, only from the moment of recognition of the foreign procedure he represents.

Article 284

The action filed by the foreign representative before the Romanian courts, according to this chapter, shall not lead to the extension of the jurisdiction of the Romanian courts over this representative, the

assets and the external activity of the debtor except for the settlement of the heads of the action filed, without aiming at other purposes.

Article 285

(1) Foreign creditors enjoy the same rights regarding the opening and participation in the open procedure, according to this law, as Romanian creditors.

(2) The provisions of paragraph (1) shall not modify the order of payment of receivables in the procedure provided for by this law, in case of bankruptcy. As regards the claims of foreign creditors, they shall not be placed in a lower place in the category of unsecured claims, except for those claims that fall into the category of claims subordinated to unsecured claims.

(3) The provisions of this law shall be applied accordingly to undue debts and those under conditions.

(4) The provisions of this law shall be duly applied to claims benefiting from a cause of preference, in whole or in part, which are not due on the date of registration of the application for their admission.

Article 286

(1) The summons of known foreign creditors, as well as the communication and notification of any procedural document to them, shall be carried out under the conditions of this law. The courts shall order the appropriate measures to be taken for the performance of the respective procedural acts also against foreign creditors with unknown addresses.

(2) The procedural acts referred to in paragraph 1 shall be carried out on an individual basis, unless the court considers that, according to the factual circumstances, the use of another method would be more appropriate. The courts are not obliged to resort to letters rogatory or other similar procedures.

(3) The notifications sent to foreign creditors communicating the opening of the procedure shall indicate the elements provided by the provisions of this law, including the mandatory minimum content of the request for admission of the claim on the debtor's property.

Article 287

(1) The foreign representative has standing to bring before the competent Romanian court an application for recognition of the foreign proceedings in which he or she was appointed. The court thus seized examines ex officio whether it has jurisdiction, according to the provisions of Article 276.

(2) The application for recognition will be accompanied by one of the following documents:

a) a certified copy of the decision to open the foreign procedure and to appoint the foreign

representative;

b) a certificate issued by the foreign court certifying the existence of a foreign proceeding and the designation of the foreign representative;

c) in the absence of the means of proof provided for in letters a) and b), any other proof of initiation of the foreign procedure and of designation of the foreign representative, admissible under the conditions provided by the Government Ordinance no. 66/1999 for Romania's accession to the Convention on the Suppression of the Requirement of the Legalization of Foreign Official Documents, adopted in The Hague on October 5, 1961, approved by Law no. 52/2000, as subsequently amended, or other treaties, conventions or any other form of international, bi- or multilateral agreement, to which Romania is a party.

(3) The request for recognition shall be accompanied by a statement specifying all foreign proceedings concerning the debtor of which the foreign representative is aware.

(4) If it deems it necessary, the court may request the translation into Romanian of the documents provided in support of the application for recognition.

Article 288

(1) The court may consider that the foreign procedure which is the subject of the application for recognition is a procedure within the meaning of Article 5(49) and that the foreign representative is that person or authority referred to in Article 5(56), if the decision or certificate referred to in Article 287(2)(a) and (b) so indicates.

(2) The court will be able to consider that the documents provided in support of the application for recognition are true, even if they are not legalized.

Article 289

(1) Subject to the provisions of Article 278, the foreign procedure shall be recognized to the extent that it cumulatively satisfies the following conditions:

a) the foreign procedure is the procedure provided for in Article 5(49);

b) the foreign representative applying for recognition is the person or authority referred to in Article 5(56);

c) the application for recognition satisfies the conditions laid down in Article 287(2);

d) the application for recognition has been made before the competent court referred to in Article 276;

e) there is reciprocity in terms of the effects of foreign judgments between Romania and the state of the court that pronounced the judgment.

(2)The foreign procedure will be recognized as:

- a)foreign main proceedings, if they are conducted in a foreign state where the debtor has established the centre of his main interests;
- b)secondary foreign procedure, if it is carried out in a foreign State in which the debtor has established an establishment, within the meaning provided by Article 5 item 57.

(3)The request for recognition of the foreign procedure will be solved especially and quickly. When the summons procedure is legally completed, the trial may continue on the following day or at short, successive deadlines brought to the attention of the parties.

(4)The court rules on the application for recognition, after summoning the parties, by pronouncing a decision that can be appealed.

(5)The decision recognising the foreign proceedings has the relative authority of res judicata; The court may annul it or, as the case may be, change it in its entirety, to the extent that it is proved, after its pronouncement, that the grounds and conditions of recognition were missing, in whole or in part, or that they ceased to exist.

Article 290

After the application for recognition has been notified to the Romanian court, the foreign representative shall immediately bring to its attention the following information:

- a)any material change in the conduct of the foreign procedure subject to recognition or recognition or in his or her status as a representative of that procedure;
- b)the opening of any other foreign proceedings concerning the same debtor, of which the representative has become aware.

Article 291

(1)At the request of the foreign representative, the court may approve, on the date of the application for recognition of the foreign procedure or during its settlement, the following measures with temporary execution, to the extent that they are of extreme necessity for the protection of the debtor's assets or the interests of creditors:

- a)suspension of acts, operations and any other measures of individual execution on the debtor's assets;
- b)entrusting the foreign representative or other person designated by the court with the administration, preservation or valorization of all or some of the debtor's assets located in Romania, which, by their nature or for other reasons, are perishable, subject to deterioration or devaluation or

endangered in any other way;

c) any other measure referred to in Article 293(1)(c), (d) and (g).

(2) The application referred to in paragraph (1) shall be judged by summoning the interested parties.

(3) The measures approved under paragraph 1 shall cease at the time of the court's decision on the application for recognition of the foreign proceedings, unless the duration of such measures is extended in accordance with the provisions of Article 293(1)(f).

(4) The court may refuse to grant the measures referred to in paragraph 1 in so far as it would prevent the proper conduct of the main foreign proceedings.

Article 292

(1) From the date of recognition of the foreign main procedure, the following applications and actions, judicial or extrajudicial, are prevented from being initiated, and if they are already initiated, they are suspended by law:

a) individual claims or actions concerning the debtor's assets, rights and obligations;

b) acts, operations and any other measures of individual execution on the debtor's assets.

(2) At the request of a creditor holding a claim that benefits from a preferential cause, under the conditions of this law, the court may lift the suspension provided for in paragraph (1), under the conditions provided by Romanian law.

(3) From the date referred to in paragraph 1, the exercise of the debtor's right to alienate, encumber or dispose of the debtor's assets in any other way shall be suspended. Acts performed in violation of these provisions are null and void.

(4) An exception to the provisions of paragraph (3) is the exercise of the debtor's right to perform acts, operations and payments that fall under the usual conditions of carrying out the current activity, for which the court may decide to suspend under the conditions provided for in Article 293.

(5) The recognition of the foreign main proceedings shall prevent the limitation period for the applications and actions referred to in paragraph 1 from starting to run, and if they are already initiated, the recognition of the foreign main proceedings shall be cause for the interruption of the limitation period for those applications and actions.

(6) The provisions of paragraph (1) shall not prevent the filing of an action for the opening of the procedure provided for by this law or the registration of the request for admission of claims within this procedure.

Article 293

(1) At the request of the foreign representative, the court may approve, after the recognition of the main or secondary foreign proceedings, any measure with temporary execution necessary to protect the debtor's assets or the interests of his creditors, such as:

- a) the suspension of individual actions or claims relating to the debtor's assets, rights and obligations, in so far as they have not been stopped or suspended under the conditions provided for in Article 291(1)(a);
- b) the suspension of enforcement measures relating to the debtor's assets, in so far as the cessation or suspension did not occur as a result of the application of Article 291(1)(b);
- c) suspension of the exercise of the debtor's right to alienate, encumber or dispose of the debtor's assets in any other way, in so far as the suspension did not occur under the conditions laid down in Article 292(3);
- d) administering evidence regarding the debtor's assets, legal acts, rights or obligations, as well as providing evidence and ascertaining a state of affairs by a bailiff;
- e) entrusting the foreign representative or other person designated by the court with the administration or recovery of all or some of the debtor's assets, located in Romania;
- f) the extension of the duration of the measures approved under the conditions laid down in Article 291(1);
- g) approval of any other measure that may be carried out by the Romanian representative, under the conditions established by this law.

(2) At the request of the foreign representative, the court may empower, after the recognition of the main or secondary foreign proceedings, the foreign representative or another person designated by the court with the administration and recovery of all or some of the debtor's assets, located in Romania, to the extent that the court considers that the interests of the Romanian creditors are adequately protected.

(3) In order to grant the measures provided for in this Article in favour of the representative of a foreign secondary proceeding, the court shall ensure that, according to Romanian law, such measures relate only to the assets likely to be administered in the secondary proceedings or relate only to information necessary in that proceeding.

Article 294

(1) For the purpose of approving or rejecting applications for a grant of the measures provided for in Article 291 or 293 or for the modification or termination of the measures referred to in paragraph 3, the court shall ensure that the interests of creditors, the debtor and other interested persons are

adequately protected.

(2)The court may make the granting of any measure under Article 291 or 293 conditional on the fulfilment of any requirements it considers necessary.

(3)At the request of the foreign representative or other interested person or ex officio, the court may order the modification or termination of the measure approved under the conditions of Article 291 or 293.

Article 295

(1)From the date of recognition of the foreign procedure, the foreign representative has the legal standing to bring actions for the annulment of the legal acts concluded by the debtor to the detriment of the rights of his creditors, with which the Romanian representative is empowered, as well as, as the case may be, actions for nullity or unenforceability, under the conditions established by this law.

(2)In the case of claims made by the representative of a secondary foreign proceeding, the court shall ensure that they relate only to property which, according to Romanian law, is likely to be administered in the secondary foreign proceedings.

Article 296

From the date of recognition of the foreign procedure, the foreign representative has the legal standing to intervene in any individual claim or action, judicial or extrajudicial, in which the debtor is a party, to the extent that the other conditions provided by Romanian law are also met.

Article 297

(1)The Romanian courts shall cooperate with the foreign courts and representatives to the greatest extent possible, with regard to the aspects provided for in Article 274; The cooperation can be achieved directly or through the Romanian representative.

(2)Courts are empowered to communicate or request information or assistance directly from foreign courts or representatives.

Article 298

(1)In the exercise of his duties and under the supervision of the court, the Romanian representative shall cooperate with the foreign courts and representatives to the greatest extent possible, with regard to the matters provided for in Article 274.

(2)In the exercise of his duties and under the supervision of the court, the Romanian representative is empowered to communicate directly with foreign courts and representatives.

Article 299

The cooperation provided for in Articles 297 and 298 may be implemented by any appropriate means, such as:

- a) designating a person or body to act according to the court's instructions;
- b) the communication of information by any means that the court considers appropriate;
- c) coordinating the administration and supervision of the debtor's assets and activity;
- d) the approval or implementation by the courts of agreements for the coordination of proceedings;
- e) coordination of concurrent proceedings relating to the same debtor.

Article 300

After the recognition of a foreign main proceeding, the opening of the procedure provided for by this law against the same debtor may be carried out under the conditions provided by this law and only to the extent that the debtor has established an establishment in Romania. The effects of the procedure provided for by this law shall be limited only to the assets located on the territory of the Romanian State and, to the extent necessary for the application of the cooperation and coordination provided for in Articles 297-299, to other assets of the debtor, which, according to the Romanian law, must be administered in this procedure.

Article 301

If a foreign procedure and the Romanian insolvency procedure are conducted simultaneously with respect to the same debtor, the court shall take the measures for cooperation and coordination, provided for in Articles 297 to 299, and shall proceed as follows:

A. When the application for recognition of the foreign procedure is made after the opening of the Romanian insolvency procedure:

- a) any measure with temporary execution approved under Article 291 or 293 shall be compatible with the provisions of the Romanian insolvency procedure;
- b) Article 295 shall not apply to the extent that the foreign proceedings are recognised as the main foreign proceedings;

B. when the application for recognition of the foreign procedure is admitted or only formulated before the opening of the Romanian insolvency procedure:

- a) any measure with temporary enforcement, approved pursuant to Article 291 or 293, shall be re-examined by the court, which shall order its modification or termination, if it is incompatible with the provisions of the Romanian insolvency procedure;

b) To the extent that the foreign procedure is recognized as the main foreign proceeding, it shall be ordered, in accordance with the provisions of Article 292(2), to modify or terminate the suspension or cessation measures, provided for in Article 292(1) and (3), if these measures are incompatible with the conduct of the Romanian insolvency proceedings;

C. When deciding on the approval, respectively on the modification or extension of the duration of the measures with temporary execution, granted to the representative of a foreign secondary procedure, the court will ensure that, according to Romanian law, these measures relate only to the assets likely to be administered in the secondary procedure or have as their object only information necessary in that procedure.

Article 302

To the extent that there are several foreign proceedings concerning the same debtor, to which the provisions of Council Regulation (EC) no. 1.346/2000, the court shall take the measures regarding cooperation and coordination, provided for in Articles 297-299, with regard to the aspects provided for in Article 274, and shall proceed as follows:

- a) any temporary enforcement measure granted pursuant to Article 291 or 293 to the representative of a foreign secondary proceeding after the recognition of a foreign main proceeding must be compatible with the conduct of the foreign main proceedings;
- b) where the application for recognition of the foreign secondary proceedings is admitted or made only before the recognition of the foreign main proceedings, any temporary enforcement granted pursuant to Article 291 or 293 shall be reviewed by the court, which shall order its modification or termination, in so far as it is incompatible with the conduct of the foreign main proceedings;
- c) To the extent that several secondary foreign proceedings are successively recognized, the court shall approve, modify or order the cessation of the temporary enforcement measures in a manner that facilitates the coordination of those proceedings.

Article 303

(1) The recognition of a foreign main proceeding constitutes, until proven otherwise, a presumption of the debtor's state of insolvency, on the basis of which the Romanian insolvency procedure can be opened.

(2) The provisions of paragraph 1 shall not apply if the foreign procedure recognised is secondary.

Article 304

(1) A creditor who has received a partial payment for his claim, in an insolvency procedure conducted

under the legislation of a foreign state, will no longer be able to receive additional payments on account of the same claim, in the Romanian insolvency proceedings, in respect of the same debtor, to the extent that the proportional share that creditors in the same category as the creditor would receive in these proceedings is less than the creditor's payment received in the foreign proceedings.

(2) The provisions of paragraph (1) shall not affect the rights of creditors holding preferential causes of any kind.

CHAPTER III: Provisions on the coordination of the insolvency procedure of groups of companies

Article 305

If the foreign and Romanian insolvency proceedings relate to two or more companies that are part of a group of companies, the Romanian court and the Romanian representative, on the one hand, will cooperate, to the greatest extent possible, with the foreign court and the foreign representative, on the other hand, if such cooperation is appropriate to facilitate the effective coordination of the proceedings, is not incompatible with the rules applicable to such procedures and does not give rise to a conflict of interest.

Article 306

Within the forms of cooperation between the Romanian representative and the foreign representative, in addition to the means provided for in Articles 297-299, the Romanian representative, in the exercise of his duties and under the supervision of the court:

- a) will be able to communicate directly information and procedural documents related to insolvency proceedings;
- b) analyse the possibility of reorganising the group of companies and, if such a possibility exists, support the proposal, negotiation and implementation of a joint reorganisation plan, acting in a coordinated manner with the foreign representative;
- c) will be able to conclude, together with the foreign representative, a cross-border insolvency agreement.

Article 307

From the date of recognition of the foreign procedure of any of the members of the group of companies, within the Romanian insolvency procedure of one of the members of the group of companies, the foreign representative has the right:

- a) to be heard and to participate, in particular, in creditors' meetings;

- b) to propose a reorganisation plan;
- c) to request any procedural measures that the Romanian representative may request, to the extent that all other conditions necessary for such a measure are met, according to Romanian law.

Article 308

Within the framework of the forms of cooperation, in addition to the means provided for in Articles 297-299, the Romanian courts shall cooperate with foreign courts and representatives, including by:

- a) coordinating the administration and supervision of the assets and activities of the companies that are part of the group of companies;
- b) coordinating the conduct of court hearings, including through the possibility of establishing joint hearings;
- c) coordinating the approval and implementation of the reorganization plan;
- d) communication of information or procedural documents regarding the Romanian insolvency procedure of one of the members of the group of companies;
- e) the possibility of approving a cross-border insolvency agreement for the coordination of insolvency proceedings;
- f) the possibility of appointing a joint representative in insolvency proceedings, with verification of the absence of a conflict of interest.

Article 309

The procedure of cooperation between the Romanian courts, on the one hand, and the foreign courts and representatives, on the other hand, shall not prejudice the principles of independence and impartiality under which the judiciary operates or the rights and legitimate interests of the participants in the insolvency procedure, according to Romanian law.

Article 310

The Romanian representative will be able to conclude a cross-border insolvency agreement with the foreign representative, based on the prior approval of the creditors' meeting, according to this law and in compliance with the conditions provided by the foreign procedure. This agreement may include:

- a) assigning responsibilities, including by appointing one of the representatives as the coordinating representative;
- b) the manner of administration and supervision of the members of the group of companies, including in terms of carrying out current activities;

- c)the financing granted or to be granted after the opening of the procedure;
- d)the methods of administration, conservation or valorization of the assets;
- e)the correlated fixing of the dates of the meetings of the creditors' meeting;
- f)treatment of intra-group claims.

Article 311

Applications for recognition and enforcement of foreign judgments opening and closing insolvency proceedings, foreign judgments adopted during insolvency proceedings, as well as foreign judgments arising directly from and closely related to insolvency proceedings, filed up to the date of entry into force of this law, will be solved according to the legal provisions in force on the date of their formulation.

Article 311¹

For the purposes of this chapter, the following terms and expressions have the following meanings:

1. Member State of origin means Member State of origin as defined in Article 4(1)(43) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) no. 648/2012;
2. "host Member State" means the host Member State as defined in Article 4(1)(44) of Regulation (EU) No 575/2013;
3. branch means a branch as defined in Article 4(1)(17) of Regulation (EU) No 575/2013;
4. financial instrument means a financial instrument as defined in Article 4(1)(50)(b) of Regulation (EU) No 575/2013;
5. competent authority means a competent authority as defined in Article 4(1)(40) of Regulation (EU) No 575/2013, or a resolution authority within the meaning of the legislation on the recovery and resolution of credit institutions and investment firms, with regard to the reorganization measures taken under this law.

CHAPTER IV: Regulation of private international law relations in the field of bankruptcy of credit institutions

Article 312

(1)The competent court under Article 41 is the only authority empowered to decide on the application of bankruptcy proceedings in respect of a credit institution, a Romanian legal person,

including its branches established in other Member States.

(2)The competent court shall forthwith inform, through the National Bank of Romania, the competent authorities of the host Member States of the European Union of the decision to open bankruptcy proceedings, including the practical effects that such proceedings may have. If it is not possible to inform before the decision is taken, it will be done immediately afterwards.

(3)The provisions of paragraphs (1) and (2) shall be without prejudice to the provisions regarding the exercise of remedies against the decisions of the syndic judge.

Article 313

(1)The opening of bankruptcy proceedings in respect of a credit institution authorised in Romania and its branches established in other Member States shall be governed by Romanian law as regards the regime and application of bankruptcy proceedings, including in relation to:

- a)the assets subject to bankruptcy proceedings and the regime of assets acquired by the credit institution after the opening of the proceedings;
- b)the duties of the credit institution and the judicial liquidator;
- c)the conditions under which legal compensation can be invoked;
- d)the effects of the bankruptcy procedure on ongoing contracts to which the credit institution is a party;
- e)the effects of bankruptcy proceedings on individual enforcement proceedings brought by creditors, with the exception of proceedings pending before the courts of other Member States, in which case paragraph 2 applies;
- f)the claims to be declared against the credit institution and the regime of claims arising after the opening of bankruptcy proceedings;
- g)the rules regarding the declaration, verification and admission of claims;
- h)the rules on the distribution of income obtained from the realization of assets, the order of priority of the payment of claims and the rights of creditors who have obtained a partial payment after the opening of bankruptcy proceedings on the basis of a right in rem or by invoking statutory set-off;
- i)the conditions and effects of the closure of the bankruptcy proceedings;
- j)creditors' rights after the closure of bankruptcy proceedings;
- k)who bears the costs and expenses related to the bankruptcy procedure;
- l)the rules on the nullity, annulment or unenforceability of legal acts that prejudice the rights of all creditors.

(2)By exception to the provisions of paragraph (1), the law governing certain rights and contracts is

determined according to the provisions of Articles 266-274 of the Government Emergency Ordinance no. 99/2006, approved with amendments and completions by Law no. 227/2007, as subsequently amended and supplemented, which shall be applied accordingly.

Article 314

(1)The syndic judge shall immediately take the necessary measures for the publication of an extract from the decision opening the bankruptcy proceedings in the Official Journal of the European Union and in two national newspapers of each host Member State.

(2)The content of the extract from the judgment which is the subject of publication shall indicate, in the official language or in one of the official languages of the Member States concerned, the subject matter and legal basis of the judgment adopted. The content of the extract must clearly state the deadline for lodging the appeal, including the date on which this deadline expires, as well as the address of the competent court.

(3)The bankruptcy procedure shall apply irrespective of the publicity provided for in paragraph 1 and shall have full effects on the creditors.

Article 315

(1)The syndic judge has the right to apply for the registration in the land register, in the commercial register and in any other public register kept in the other Member States of the decision to open bankruptcy proceedings against a credit institution.

(2)The syndic judge will take the necessary measures to ensure registration, whenever it is compulsory, according to the law of the respective Member State.

(3)Registration fees will be considered as expenses of the procedure.

Article 316

(1)The judicial liquidator, appointed in accordance with this Law, shall be able to act without any other formality in the territory of the host Member States, on the basis of a certified copy of the decision of the competent court that appointed him, issued by it.

(2)The judicial liquidator will be able to exercise on the territory of the host Member States all the powers incumbent on him according to Romanian law. He will be able to appoint other persons to support or represent him in the conduct of the proceedings in the territory of those States, in particular in order to overcome any difficulties encountered by creditors in those States.

(3)In the exercise of his powers, the judicial liquidator shall comply with the law of the Member

State in whose territory he operates, in particular with regard to procedures for the recovery of assets and the provision of information to the employees of the credit institution in that Member State. The judicial liquidator may not use force and may not settle disputes or disputes.

Article 317

(1) A person who performs an obligation in one State for the benefit of a credit institution without legal personality subject to insolvency proceedings opened in another State, instead of performing it for the benefit of the judicial liquidator appointed in that proceeding, is released if he was not aware of the opening of the proceedings.

(2) The person who performs the respective obligation prior to the fulfillment of the publicity measures provided for in Article 314 shall be presumed, until proven otherwise, to have been unaware of the opening of the insolvency proceedings; the execution of the obligation after the fulfillment of the publicity measures presumes, until proven otherwise, that the person was aware of the opening of the procedure.

Article 318

(1) After the opening of the bankruptcy proceedings of a credit institution, a Romanian legal person, having branches opened in other Member States, the judicial liquidator will immediately and individually inform known creditors who have their habitual residence, domicile or registered office in the other Member States.

(2) The information, in the form of a written notification, must relate, in particular, to the time limits, the penalties provided for non-compliance with those deadlines and the legal requirements for the taking into account of claims by the court competent to register applications for admission of such claims or observations in relation to those claims, as well as to the other measures or procedures laid down. The notification will also indicate whether preferential claims or those for which preferential causes have been constituted are subject to verification or not.

Article 318¹

Pursuant to the provisions of Articles 314(1) and 318, information shall be provided in the official language or in one of the official languages of the host Member States. For this purpose, forms shall be used, which will have, in all the official languages of the European Union, the title "Invitation to declare a claim. Deadlines to be respected", respectively the title "Invitation to submit observations on a claim. Deadlines to be respected".

Article 319

(1) Any creditor of the debtor credit institution, having its domicile/residence or, as the case may be, its registered office in a Member State other than Romania, including public authorities, has the right to declare its claims or to make written observations in relation to its claims against the credit institution, which will be addressed to the judicial liquidator. The statement of claims or, as the case may be, the observations made may be submitted in the official language or in one of the official languages of that Member State, but must bear the mention in Romanian: "Application for admission of claims/Statement of claims" or, as the case may be, "Observations on claims".

(2) The claims of creditors having their domicile/residence or, as the case may be, their registered office outside the territory of Romania will be treated in the same way and will have the same priority rank as the claims of the same nature of creditors having their domicile/residence or, as the case may be, their registered office on the territory of Romania.

(3) Creditors exercising their right under paragraph 1 shall transmit copies of the documents attesting to their claims, if any, and shall indicate the nature of the claim, the date on which it arose and its value, whether there are causes of preference and other such rights in relation to those claims and what are the assets over which such preference rights have been constituted.

(4) At the request of the judicial liquidator, creditors must also provide the translation into Romanian of the "Application for admission of claims/Statement of claims" or, as the case may be, of the "Observations on claims" and of the documents submitted.

(5) The judicial liquidator shall ensure that creditors are regularly informed, in the manner deemed appropriate, in particular on the progress (developments) made in the valuation of the assets of the debtor credit institution.

Article 320

(1) The administrative or judicial authorities of the home Member State shall be the only ones empowered to decide on the application of one or more reorganisation measures or the opening of winding-up proceedings in respect of a credit institution, including its branches established in other Member States. The law of the Member State of origin shall apply in accordance with the provisions of Article 313(1). The provisions of Article 313(2) shall also apply to the Romanian branches of credit institutions in other Member States.

(2) The administrative or judicial authorities are the authorities established in accordance with national law, which decide on the taking of measures of reorganisation or the initiation of liquidation proceedings.

(3) Reorganisation measures are measures taken by administrative or judicial authorities intended to maintain or restore the financial situation of a credit institution or investment firm, as defined in Article 4(1)(2) of Regulation (EU) No 2. 575/2013, and which could affect the pre-existing rights of third parties, including measures involving the possibility of a suspension of payments, a suspension of enforcement measures or a reduction of claims; persons who are involved in the internal activity of credit institutions, administrators and shareholders are not considered third parties.

(3¹) The measures referred to in paragraph 3 shall include the application of resolution tools and the exercise of resolution powers provided for in the legislation on the recovery and resolution of credit institutions and investment firms.

(4) The liquidation procedure is the collective procedure initiated and controlled by the administrative or judicial authorities for the purpose of capitalizing on the assets of a credit institution under the supervision of these authorities, including if the procedure is closed by an arrangement or other similar measure.

Article 321

(1) If reorganisation measures or liquidation proceedings have been ordered on a credit institution of a Member State, which operates on the territory of Romania, they shall be applied without further formalities on the territory of Romania and shall take effect under the conditions and from the date laid down in the legislation of that Member State.

(2) The reorganisation measures or liquidation procedure shall be applied in accordance with the law of the Member State of origin and taking into account the provisions of Article 313.

(3) Upon receipt of the appropriate notification from the competent authority of the home Member State, the National Bank of Romania shall immediately inform, by publication in the Official Gazette of Romania, Part IV, of the decision to open judicial reorganisation or bankruptcy proceedings.

(4) The competent administrative or judicial authorities of the home Member State, the administrator or the liquidator shall notify the business register office with which the branch of the credit institution concerned is registered of the decision on measures to reorganise or initiate liquidation proceedings with a view to making the appropriate entries. The communication shall be sent by the mentioned authorities to two national newspapers in Romania, for publication.

(5) The administrator means the person or body designated by the administrative or judicial authorities, whose task is to administer the reorganization measures.

(6) The liquidator is the person or body designated by the administrative or judicial authorities, whose task is to administer the liquidation proceedings.

(7)The administrator, as the case may be, the liquidator empowered to implement the measures ordered by the administrative or judicial authority of the Member State of origin may act on the territory of Romania without any other formality, on the basis of a certified copy of the act of appointment or a certificate issued by that authority, accompanied by a translation into Romanian.

(8)The persons referred to in paragraph (7) may exercise on the territory of Romania all the competences incumbent on them according to the legislation of the Member State of origin. These persons may appoint other persons to represent them on the territory of Romania, including in order to provide assistance to creditors during the application of the measures in question.

(9)In exercising their powers on the territory of Romania, the persons referred to in paragraph 7 shall comply with Romanian law, in particular with regard to the procedures for the recovery of assets and the provision of information to the Romanian employees of the credit institution concerned. Powers may not include the use of force or the right to settle disputes or disputes.

Article 322

(1)In the event of the opening of bankruptcy proceedings against a branch in Romania of a credit institution in a third country, the provisions of Title III shall apply accordingly.

(2)If the credit institution of the third State still has branches open in at least one other Member State, the competent court, through the National Bank of Romania, shall forthwith inform the competent authorities of the other host Member States of the opening of bankruptcy proceedings in respect of the branch in Romania, including of the practical effects that such proceedings may have. If it is not possible to inform before the decision is taken, it is done immediately afterwards.

(3)The information provided for in paragraph (2) must also mention the fact that the National Bank of Romania has withdrawn the authorization for the operation of the branch.

CHAPTER V:Regulation of private international law relations in the field of bankruptcy of insurance/reinsurance companies

SECTION 1:Scope. Powers and applicable law

Article 323

This chapter regulates:

a)the bankruptcy procedure of the Romanian legal entities insurance/reinsurance companies and their branches, based on the territory of other Member States of the European Union, in a state of insolvency;

- b) bankruptcy proceedings concerning a branch located in a Member State and belonging to an insurance/reinsurance company whose registered office is located in a third State;
- c) the conditions under which the authorities involved inform and consult each other regarding the bankruptcy procedure of insurance/reinsurance companies.

Article 324

(1) The court determined in accordance with Article 41 is the only competent authority empowered to decide on the application of bankruptcy proceedings in respect of an insurance/reinsurance company, a Romanian legal person, including its branches in other Member States. The court's decision may be taken in the absence or after the adoption of financial recovery measures. The decision to open the bankruptcy procedure, as well as its effects, are subject to the law of the Romanian state. The provisions of Articles 9 and 10 of Law no. 503/2004, republished, with subsequent amendments, as well as those of Article 24 of Law no. 246/2015 shall be applied accordingly.

(2) The decision of the competent court referred to in paragraph 1 on the opening of bankruptcy proceedings against a Romanian insurance/reinsurance company, including its branches in other Member States, shall be recognised, without any other formality, in the territories of all the other Member States and shall take effect in those States as soon as the decision takes effect in the Romanian State.

(3) The competent court referred to in paragraph 1 shall immediately inform the Financial Supervisory Authority of the decision to open bankruptcy proceedings, including the practical effects that such proceedings may have; The information is made before the adoption of the decision or immediately thereafter. The Financial Supervisory Authority shall urgently inform the supervisory authorities of all other Member States of the decision to open bankruptcy proceedings, including the possible concrete effects of such proceedings.

(4) The provisions of paragraphs (1) to (3) do not prevent the application of the provisions regarding the exercise of remedies against court decisions.

Article 325

(1) After the information provided for in Article 324(3), the Financial Supervisory Authority shall immediately take the necessary measures to publish an extract from the decision initiating bankruptcy proceedings in the Official Journal of the European Union.

(2) The provisions of Article 9-11 of Law no. 503/2004, republished, with subsequent amendments,

shall be applied accordingly. They are also exempt from the principle according to which the effects of the opening of the bankruptcy procedure of the insurance/reinsurance company, a Romanian legal person, including its branches in other Member States, are subject to the Romanian law, contractual compensation and any bilateral netting agreement, in which case only the law governing the respective contracts applies.

Article 326

(1) The court determined according to Romanian law is entitled to and may request the registration of the decision to open the bankruptcy proceedings of a debtor insurance/reinsurance company in the real estate register, in the trade register, and/or in any other public register kept in other Member States.

(2) In all cases where the registration referred to in paragraph 1 is compulsory under the law of the Member State concerned, the court shall order all the measures necessary to carry out that operation. The expenses incurred with the registration are considered expenses of the procedure.

Article 327

(1) The judicial liquidator appointed under Article 251 may act in the territory of host Member States without the need for any other formality, either on the basis of a certified copy of the judgment of the competent court which appointed him or her or on the basis of a certificate issued by it. The act of appointment may be translated into the official language or into one of the languages of the Member State in whose territory the judicial liquidator is to act, without the need to legalise it or any other similar form.

(2) The judicial liquidator may exercise in the territory of the host Member States all the powers incumbent on him under Romanian law and may appoint any person to assist and/or represent him in the conduct of the proceedings in the territory of those States, in particular in order to remove the difficulties encountered by the insurance creditors of those States. Under the same conditions, the judicial liquidator appointed according to the law of another Member State may act on the territory of the Romanian State, when it is the host Member State.

(3) In the exercise of his powers, the judicial liquidator shall be subject to the laws of the State in whose territory he operates, in particular as regards procedures for the recovery of assets and the provision of information to the employees of the insurance/reinsurance company in that Member State; The powers exclude the use of force or the right to settle disputes or disputes of any kind.

Article 328

Where, after the opening of bankruptcy proceedings, an insurance/reinsurance company disposes for consideration of immovable property, a vessel and/or an aircraft subject to registration in a public register or, as the case may be, transferable securities and/or securities the existence or transfer of which involves entry in a register or account established by law or which are placed in a central deposit system governed by the law of a Member State, The validity of that act shall be governed by the law of the Member State in whose territory the immovable property is situated or under whose authority the register/account/system in question is kept.

SECTION 2: Information and rights of insurance creditors

Article 329

(1) After the opening of bankruptcy proceedings against an insurance/reinsurance company, Romanian legal person, the Financial Supervisory Authority or, as the case may be, the judicial liquidator immediately informs the known insurance creditors, who have their habitual residence, domicile or registered office in Romania or in another Member State.

(2) The information shall be made in the form of a written notification, communicated individually to each insurance creditor, and shall refer in particular to the time limits, the penalties provided for failure to comply with these deadlines, the body or authority empowered to accept the presentation of claims or observations on claims and other measures provided, the legal requirements for the taking into account of claims by the competent court with the registration of applications for admission of claims or observations in relation to these claims. The notification will also indicate whether or not preferential claims or those for which preferential causes have been created are subject to verification. In the case of insurance claims, the notification shall also indicate the general effects of the winding-up procedure on the insurance contracts, in particular the date on which the insurance contracts or transactions will cease to take effect, as well as the rights and duties of the insured persons in relation to the contract or operation.

(3) The information provided for in paragraph (2) shall be made in Romanian. For this purpose, a form is used entitled: "Application for admission of the claim; deadlines to be respected" or, as the case may be, "Invitation to submit observations on a claim; deadlines to be respected", written in all the official languages of the European Union. In any event, if a known creditor has an insurance claim, the information contained in the notification shall be provided in the official language or in one of the official languages of the Member State(s) in which the creditor has his habitual residence, domicile or principal place, as the case may be.

Article 330

(1) Insurance creditors who, as the case may be, have their habitual residence, domicile or principal place of business in the territory of a Member State, including the public authorities of that State, shall have the right to submit and register insurance claims or to make written observations on them, under the conditions of this Law.

(2) Applications for admission of claims and/or, as the case may be, observations on them shall be addressed to the Guarantee Fund and/or to the judicial liquidator and shall be submitted in the official language or in one of the official languages of the Member State, in which cases these documents shall necessarily bear the mention in Romanian "Application for admission of the claim" or, as the case may be, "Observations on receivables".

(3) The claims of insurance creditors who have their habitual residence, domicile or principal place of business in a Member State shall benefit from the same treatment and rank as insurance claims of the same nature, which may be presented by insurance creditors who have their habitual residence, domicile or principal place of business in Romania.

(4) Insurance creditors exercising their rights referred to in paragraph 1 shall be obliged to transmit copies of the documents attesting to their claims, if any, to indicate the nature of the claim, the time of its birth and its value, whether there are causes of preference and other such rights, and which claims benefit from such causes of preference. Insurance creditors are not obliged to indicate the priority given to insurance claims according to the provisions of Article 267.

(5) The guarantee fund and/or the judicial liquidator, as the case may be, is obliged to ensure the periodic information of the insurance creditors under the law, in particular on the status of the capitalization of the assets of the debtor insurance/reinsurance company.

(6) The supervisory authorities of the Member States may request information on the progress of the bankruptcy proceedings from the Financial Supervisory Authority.

SECTION 3: Rules regarding the bankruptcy procedure, applicable to branches of insurance/reinsurance companies in other Member States of the European Union, which have their headquarters in Romania

Article 331

The administrative or judicial authorities of the home Member State are solely empowered to decide on the opening of bankruptcy proceedings against an insurance/reinsurance company, including its branches established in the Member States. The law of the Member State of origin

shall apply in accordance with the provisions of Articles 9-11 of Law no. 503/2004, republished, with subsequent amendments, of Article 325(2) and Article 328.

Article 332

(1) The bankruptcy procedure ordered against an insurance/reinsurance company from another Member State which carries out activity on the territory of Romania shall be applied without further formalities on the territory of Romania and shall take effect under the conditions and from the date provided for in the legislation of that Member State. Under the same conditions, the bankruptcy procedure, established by this chapter, shall apply on the territory of the Member States in respect of an insurance/reinsurance company, a Romanian legal person, including its branches established on the territory of those States.

(2) The bankruptcy procedure shall be applied in accordance with the law of the Member State of origin, with the exceptions expressly provided for by law.

(3) Upon receipt of the appropriate notification from the Financial Supervisory Authority of the home Member State, the competent authority shall immediately inform the insurance creditors of the decision to open bankruptcy proceedings, by publishing it in the Official Gazette of Romania, Part I.

Article 333

(1) The persons empowered to apply the measures ordered by the competent authorities of the Member State of origin may act without any other formality on the territory of Romania, on the basis of a certified copy of the act of appointment or a certificate issued by that authority, accompanied by a translation into Romanian.

(2) The persons referred to in paragraph (1) may exercise on the territory of Romania all the powers incumbent on them according to the legislation of the Member State of origin; these persons will be able to appoint other persons to represent them on the territory of Romania, including for the purpose of providing assistance to insurance creditors during the application of the measures in question.

(3) In the exercise of their duties and competences on the territory of Romania, the persons referred to in paragraph (1) shall be obliged to comply with Romanian legislation, in particular with regard to the procedures for the recovery of assets and the provision of information to the Romanian employees of the foreign insurance/reinsurance company.

Article 334

The competent administrative or judicial authorities of the home Member State or the judicial liquidator, as the case may be, shall be obliged to communicate the decision to open bankruptcy proceedings to the commercial register office with which the insurance/reinsurance company concerned is registered, in order to make the appropriate entries.

Article 335

(1) The competent court, according to Romanian law, is obliged to inform immediately, through the Financial Supervisory Authority, the competent authorities of the host Member States of the decision to open bankruptcy proceedings, including the effects that such proceedings may have, if the decision has been ordered in respect of a branch or subsidiary in Romania of an insurance/reinsurance company having its registered office in a State other than a Member State, but which has branches and/or subsidiaries open in the territory of other Member States.

(2) The information will be made before the decision to open the procedure or immediately after this moment and will specify whether the operating authorization of the respective branch or branch has been withdrawn.

SECTION 4: Branches of insurance/reinsurance companies in third countries

Article 336

(1) Subject to the definitions set out in Article 5(31) and (63) and for the purposes of applying the provisions on bankruptcy proceedings governed by this Chapter in respect of a branch situated in a Member State and belonging to an insurance/reinsurance company whose principal place of business is located outside the European Union:

a) home Member State means the Member State in which the branch has received an operating authorisation;

b) Supervisory authorities and competent authorities means the authorities of the Member State in which the branch has received authorisation.

(2) Where an insurance/reinsurance company whose principal place of business is outside the European Union has branches established in at least two Member States, each branch shall be treated independently with regard to the application of this Title. The competent authorities and supervisory authorities, as well as the appointed judicial liquidators of these Member States, shall cooperate and coordinate their actions in order to exercise the powers and powers laid down by law.

TITLE IV: Sanctions

Article 337

(1) Failure to comply with the provisions of Article 83 paragraph (3) constitutes a contravention and is sanctioned with a fine from 10,000 lei to 30,000 lei.

(2) The finding of the contravention and the application of the sanction provided for in paragraph (1) shall be made by the specialized bodies of the National Agency for Fiscal Administration, ex officio or upon notification of the judicial administrator/liquidator or of any interested person. The revenues resulting from the application of the sanction provided for in paragraph (1) shall become income to the state budget.

(3) The violation in any way of the obligations stipulated in Article 246 regarding the registration of the application for the opening of the bankruptcy procedure of an insurance/reinsurance company constitutes a contravention and is sanctioned as follows:

- a) fine, applicable to the insurer/reinsurer, from RON 15,000 to RON 30,000;
- b) fine, applicable to the significant persons of the insurer/reinsurer, from RON 5,000 to RON 15,000;
- c) fine, applicable to the significant persons of the insurance and/or reinsurance broker, from RON 5,000 to RON 15,000;
- d) fine, applicable to the liquidators of the insurer/reinsurer or insurance and/or reinsurance broker, from RON 5,000 to RON 15,000.

(3¹) Failure by the judicial liquidator to comply with the provisions of Article 260 paragraph (2) shall be sanctioned with a fine from 10,000 lei to 50,000 lei.

(4) The finding of the contravention and the application of the sanctions provided for in paragraph (3) shall be made by the Financial Supervisory Authority. Sanctions apply to the insurer/reinsurer or significant persons who participated in the commission of the contravention acts. The sanction of the fine is applied separately to each person who participated in the commission of the contravention.

(5) Depending on the nature and seriousness of the act, the Financial Supervisory Authority may apply, together with the fine provided for in paragraph (3), any of the sanctions provided for in Article 39(3)(d) and e) of Law no. 32/2000, with subsequent amendments and completions.

(6) The provisions of Government Ordinance no. 2/2001 on the legal regime of contraventions, approved with amendments and completions by Law no. 180/2002, with subsequent amendments and completions.

TITLE V: Transitional and final provisions

Article 338

The limits of the judicial fines provided by this law shall be updated periodically, by Government decision, depending on the inflation index.

Article 339

(1) The bankruptcy procedure provided for by Title II, chap. IV, brought against an insurance/reinsurance company which purchases goods, does not affect the reservation of the seller's right of ownership where, at the time of the opening of the proceedings, the goods in question are situated in the territory of a Member State other than the State in which those proceedings were opened.

(2) Bankruptcy proceedings brought against an insurance/reinsurance company which sells an asset, after its delivery, shall not constitute grounds for termination or termination of the sale and shall not prevent the purchaser from acquiring the property if the property is situated, at the time of the opening of the proceedings, in the territory of a Member State other than the one in which those proceedings were opened.

(3) The provisions of paragraphs (1) and (2) do not prevent the exercise of actions regarding nullity, annulment and/or unenforceability regulated by law.

(4) The regulated bankruptcy procedure provided for by Title II, chap. I does not prevent or affect the exercise of the rights of insurance creditors regarding the offsetting of their claims against the claims of the insurance/reinsurance company subject to these procedures, under the law. The provisions of paragraph 3 shall apply accordingly.

Article 339¹

(1) Annually, data on preventive restructuring and insolvency procedures are collected and centralized at national level, through the Office of Judicial Statistics within the Ministry of Justice, under the law, broken down by each type of procedure, covering the following elements:

- a) the number of applications for confirmation of a restructuring agreement or the opening of an arrangement with creditors or insolvency proceedings and the number of confirmed agreements or arrangement with creditors or insolvency proceedings opened;
- b) the average duration of the procedures, from the date of submission of the application, respectively from their opening to their closure;
- c) the number of applications for confirmation of a restructuring agreement, for the opening of composition or insolvency proceedings rejected as inadmissible, as unfounded or withdrawn before confirmation or before they were opened;
- d) the number of debtors who have been subject to preventive restructuring or insolvency proceedings

and who, in the 3-year period prior to the filing of the application or the opening of such proceedings, had a restructuring agreement or restructuring plan confirmed in a previous preventive restructuring procedure.

(2) In the judicial statistics carried out, according to paragraph (1), the data are presented broken down into the following categories:

a) debtors who are natural persons or legal entities;

b) the debtor's legal entity belongs to the category of micro, small or medium-sized enterprises.

(3) Judicial statistics are compiled for each calendar year and are communicated to the European Commission on the basis of the standard form established by the European Commission through the implementing acts of Directive (EU) 2019/1.023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, debt forgiveness and forfeiture, as well as measures to increase the efficiency of restructuring procedures, insolvency and debt remission and amending Directive (EU) 2017/1.132 (Restructuring and Insolvency Directive).

Article 340

Whenever laws and other normative acts refer to Law no. 85/2006 on the insolvency procedure, as subsequently amended and supplemented, or Law no. 381/2009 regarding the introduction of the composition with creditors and the ad-hoc mandate, with subsequent amendments, to the Government Ordinance no. 10/2004 on the bankruptcy of credit institutions, approved with amendments and completions by Law no. 278/2004, as subsequently amended and supplemented, in sections 1-3 of Chapter III, Chapter IV and Article 83 of Law no. 503/2004, republished, with subsequent amendments, or to Law no. 637/2002 on the regulation of private international law relations in the field of insolvency, with subsequent amendments and completions, repealed by this law, the reference is considered to be made to this law.

Article 341

Any forfeiture, limitations, prohibitions or the like established by legal norms or contractual provisions in the event of the opening of the insolvency proceedings shall be applicable only from the date of the opening of the bankruptcy. Contrary provisions shall be repealed.

Article 342

(1) The provisions of this law shall be supplemented, to the extent that they do not contradict, those of the Code of Civil Procedure and the Civil Code.

(2) The provisions of chap. I of Title III are not applicable to private international law relationships in

the field of insolvency that fall under Council Regulation (EC) no. 1.346/2000.

Article 343

Proceedings commenced before the entry into force of this law shall remain subject to the law applicable prior to this date.

Article 344

On the date of entry into force of this law, the following shall be repealed:

- a) Law no. 85/2006 on the insolvency procedure, published in the Official Gazette of Romania, Part I, no. 359 of April 21, 2006, with subsequent amendments and completions;
- b) Law no. 381/2009 regarding the introduction of the composition with creditors and the ad-hoc mandate, published in the Official Gazette of Romania, Part I, no. 870 of 14 December 2009, as amended;
- c) Government Ordinance no. 10/2004 on the bankruptcy of credit institutions, published in the Official Gazette of Romania, Part I, no. 84 of January 30, 2004, approved with amendments and completions by Law no. 278/2004, with subsequent amendments and completions;
- d) Sections 1, 2 and 3 of Chapter III, Chapter IV and Article 83 of Law no. 503/2004 on financial recovery, bankruptcy, dissolution and voluntary liquidation in the insurance business, republished in the Official Gazette of Romania, Part I, no. 453 of 23 July 2013, as amended;
- e) Law no. 637/2002 on the regulation of private international law relations in the field of insolvency, published in the Official Gazette of Romania, Part I, no. 931 of 19 December 2002, with subsequent amendments and completions;
- f) Article 175 of Law no. 187/2012 for the implementation of Law no. 286/2009 on the Criminal Code, published in the Official Gazette of Romania, Part I, no. 757 of 12 November 2012, as subsequently amended, as well as Article 81 of Law no. 255/2013 for the implementation of Law no. 135/2010 regarding the Code of Criminal Procedure and for the amendment and completion of certain normative acts containing criminal procedural provisions, published in the Official Gazette of Romania, Part I, no. 515 of 14 August 2013;
- g) **any other provisions to the contrary.**

*

This law transposes Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganisation and winding-up of credit institutions, published in the Official Journal of the European Union, L series, no. 125 of 5 May 2001, the provisions of Article 1(20)(c) of Directive 2019/879/EU of the European Parliament and of the Council of 20 May 2019 amending Directive

2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, published in the Official Journal of the European Union, L series, no. 150 of 7 June 2019, as well as the provisions of Article 1(8) with regard to the first sentence of paragraph 3 of Article 10a introduced by paragraph 8 and the provisions of Article 1(18) with regard to paragraph 3, first sentence of Article 25a, introduced by paragraph 18 of Directive (EU) 2021/2.118 of the European Parliament and of the Council of 24 November 2021 amending Directive 2009/103/EC on civil liability insurance and the control of the obligation to ensure this liability, published in the Official Journal of the European Union, series L, no. 430 of December 2, 2021.

This law was adopted by the Romanian Parliament, in compliance with the provisions of Article 75 and Article 76 paragraph (1) of the Romanian Constitution, republished.

PRESIDENT OF THE CHAMBER OF DEPUTIES
VALERIU-ȘTEFAN ZGONEA
PRESIDENT OF THE SENATE
CĂLIN-CONSTANTIN-ANTON POPESCU-TĂRICEANU

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