

**Module: The Bankruptcy and Reorganization Proceedings**

Lecturer: M.Sc. Beata Wieczerzyńska

Semester: Winter/Summer

Hours: 15

Type: Consultation

Credit: Class test

ECTS: 4

**Reorganization law**

1. Premises of the initiating reorganization proceedings
2. The reorganization plan
3. Effects of the initiating reorganization proceedings for debtor

**Bankruptcy law**

1. Premises of the initiating bankruptcy proceedings
2. Bankrupt capacity
3. The organs of bankruptcy proceedings
4. Forms of bankruptcy proceedings
5. Effects of bankruptcy declaration

**International Bankruptcy Proceedings**

The Law on Bankruptcy and Reorganization Proceedings was enacted on 28 February 2003 (published in the Journal of Laws of 2003, No. 60, Item 535). The Law come into force on 1 October 2003. The Law is based on two principles: the optimality principle and principle of primacy of the interest of the creditors as a whole.

The optimality principle is set out in Article 2 of the Law. According to this principle, both the bankruptcy proceedings and reorganization proceedings should be conducted in a manner providing for the optimal satisfaction of the creditors, and – when rational – for the preservation of the debtor's enterprise.

The basis for declaring bankruptcy was changed as compared to the Bankruptcy Law. A new general basis for declaring bankruptcy, namely „the debtor's insolvency”. As set forth in art.11.1, the debtor is deemed insolvent, when it fails to perform its enforceable obligations. Owing to such definition it is now accepted that a failure of the debtor to perform its enforceable non-pecuniary obligations, such as delivery of goods, may constitute a basis for declaring bankruptcy.