

Bankruptcy Law and Corporate Law measures came into force to deal with COVID-19.

Bankruptcy Law proceedings and Corporate Law measures

- a) Modification of the bankruptcy agreement: during the following year of the declaration of the state of alert, the bankrupt party can present a **proposal for the modification of the agreement**.
- b) Deferral of the duty to request the opening of the liquidation phase during the period of one year from the declaration of the state of alert.
- c) Refinancing agreements: during the period of one year from the declaration of the state of alert, the **debtor who has an approved refinancing agreement** may modify the agreement in force or to reach a new one.
- d) Special regime for the application of a bankruptcy proceeding: until **31 December 2020**, the debtor who is in a **state of insolvency** is not obliged to apply for a declaration of bankruptcy.
- e) The judges will not accept applications for **necessary bankruptcy proceedings** that have been submitted since the declaration of the state of alert, unless the debtor has submitted an application for **voluntary bankruptcy proceeding** before 31 December 2020.
- f) Financing and payments by individuals especially related to the debtor: in the case of bankruptcy proceedings declared within **two years** of the declaration of the state of alert, those payments will be considered as **ordinary credits**.
- g) Contesting the inventory and the list of creditors: for those cases in which the bankruptcy administration has not yet presented the provisional inventory and the provisional list of creditors and in which they are declared within two years of the declaration of the state of alert, the only admissible means of proof being documentary and expert evidence.



- h) Suspension of winding up proceedings due to losses: For the purposes of determining the concurrence of the causes that could provoke the winding up process, losses of the 2020 financial year won't be taken into consideration.

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