General Assembly of the Republic of Serbia passed the Law On Amendments Of The Bankruptcy Law on 02.08.2014., published in „Official Gazette RS” no. 83/14, entered into force on eight day from the date of publishing in Official Gazette on 13.08.2014. (hereinafter: „Bankruptcy law“). Bankruptcy law in new legal solutions eliminates certain problems that existed in the practice previously and enables faster and more transparent settlement of bankruptcy claims, and the most significant changes are summarized below.

- The bankruptcy law provides greater transparency and allows to creditors and interested parties to be informed of all stages of bankruptcy proceedings of particular debtor;
- The new amendments give the opportunity to the creditors' committee to engage at its own expense an expert who will perform
analysis of business operations of debtor;

• An important novelty is introduction of a new rank of bankruptcy claims – the fourth rank of claims, which includes claims of persons related to the debtor in terms of this law. Specifically, it stipulates that the fourth rank of claims includes claims arose two years before the opening of bankruptcy proceedings in respect of loans and other legal actions that in economic terms correspond to the approved loans;

• Bankruptcy law specifies that the legal consequences of opening the bankruptcy proceedings shall take effect as of the day of announcement on the opening of of bankruptcy proceedings;

• An important novelty is the introduction of a new legal remedy against conclusion on the claims list and a conclusion on the contested claims;

• Bankruptcy law extends the deadline in which to file a motion for dismissal of the bankruptcy administrator and at the same time appoint a new bankruptcy administrator, up to 60 days after the creditors hearing;

• The novelty is that the creditors’ comitee will be formed on the first creditors' hearing, rather than the latest at the first creditors' hearing;

• Bankruptcy law provides that the bankruptcy judge shall, upon the written request of a secured creditor that obtains the valuation of assets which is the subject of a secured rights, as made by a licensed expert the latest one year prior to the bankruptcy proceedings, decide to revoke or condition the security measures or prohibit enforcement on or settlement in respect of the property that is the subject of a secured rights, if the value of the underlying assets is less than the amount of the secured claim of the creditor, and the property is not essential to the reorganization;

• If an object which is subject to the excluding right has been illegally conveyed by the bankruptcy debtor during the bankruptcy proceedings, or in previous bankruptcy proceedings the excluding creditor may request that the right to counteraction for the illegal conveyance be transferred to him, if it has not yet been completed, or may request counteraction out of the bankruptcy estate if it still could be taken back from the bankruptcy estate or may request compensation for the market value of the object and compensation for damages, which is settled as a liability of the bankruptcy estate;

• Bankruptcy law provides that a creditor who filed a claim in the bankruptcy proceedings shall state within it whether there are guarantors of the obligation of bankruptcy debtor. Also, it provides the obligation of the creditor to inform the bankruptcy administrator about any debt collection from the guarantor within the eight days from the date of payment;

• The new amendments specify that the filed claims may be challenged before the conclusion of the investigating hearing at which submitted claims are reviewed;
• Bankruptcy law provides for the possibility of transfer of claims and contested claims in the bankruptcy proceedings;

• Novelties introduce that the date of commencement of implementation of plan of reorganization shall be specified by the reorganization plan, provided that the same can not be prior to the date when decision on the confirmation of a plan of reorganization become final nor upon the expiration of 15 days from the date when this decision become final;

• Amendments refere also to penal provisions which stipulate sanctions for a persons who do not inform bankruptcy administrator that they collected their claim from the guarantor or from the principal debtor;

Bankruptcy proceedings prior to the entry into force of the Law on Amendments of the Bankruptcy Law is not completed, shall be completed in accordance with the regulations that were in force before the entry into force of this law.