

## Pre-pack in Poland

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Dating from 01.01.2016 (entering into force Restructuring Law, significantly amending Polish insolvency system), in Poland there is a possibility to acquire entrepreneurship as a going concern in bankruptcy proceedings, very closely to declaring bankruptcy by the Court, because in such proceeding the Court simultaneously declares bankruptcy and approves conditions of sale. This new legal institution is called pre-pack, and is somehow similar to US pre-pack and UK pre-pack administration.

Pre-pack is an excellent way for investors to acquire businesses because they are not liable for debtors' liabilities (i.e. investor acquire clear assets), as well as for creditors, because they receive more money and much quicker than in traditional insolvency liquidation proceedings.

Usually the motion for pre-pack is proceeded before the Court in just 3-4 months, which includes opinion of Temporary Court Supervisor.

The Court should indicate at least price and the buyer, but there is a possibility to approve the draft contract for acquiring business.

To guarantee creditors' rights, Court's decision is subject to complaint.

First pre-pack's decisions in Poland are already final, and the sale contracts of businesses are signed. I had pleasure to advice in the first such proceeding in Poland, before the Bankruptcy Court in Krakow.

If you are interested in the pre-pack in Poland, please feel free to contact me at: [kancelaria@tatara.com.pl](mailto:kancelaria@tatara.com.pl)