

# Collection Profile Benin

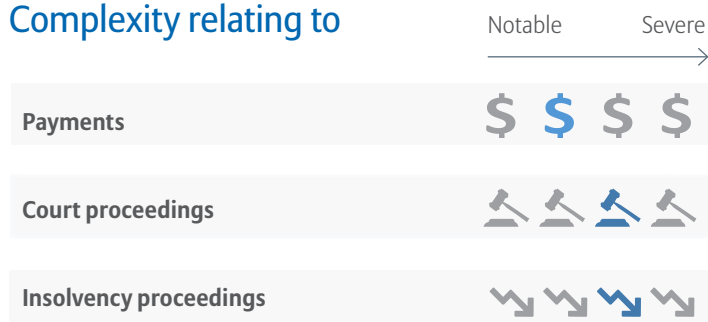
## Collecting in Benin

- Most of the time, few SMEs are in the position to meet their undertakings. Before closing any credit deals, it is crucial to perform due diligence, as well as require collateral – namely bank guarantees – from the buyer. While a debtor may request a grace period of up to one year, late payment interest is generally around 5% (as set by the Central Bank, BCEAO).
- Generally speaking, the courts in Benin are quite independent and transparent. However, corruption and bribery cases are frequently reported. Fast-track procedures are available and new laws have been passed to set up trade tribunals, to be operational shortly.
- The efficiency of insolvency procedures is often weakened by debtors who diminish their company's assets, since these assets are considered separate from those of a natural person. The proceedings must then succeed in evidencing that the indolvency is caused by the person's misconduct, who has unjustifiably used the assets of the company, which often proves difficult.

## Collection complexity



## Complexity relating to



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**Days Sales Outstanding (DSO):** Though the payment terms usually state 30 days, these are never respected and in practice, payments occur within 60 to 90 days.



## General information

### Availability of financial information

Benin is a signatory to the Organization for the Harmonization of Business Law in Africa (OHADA) Treaty, a uniform act relating to commercial companies and economic interest groups. Companies in Benin are not obliged to submit their balance sheets, but they are required to file their tax returns.

Limited Liability Companies (SARL) are required to submit their financial statements to the tax authorities, while Public Limited Companies (SA) must also have them published in the newspaper, The Nation. However, most SA companies do not adhere to this requirement and it is generally only the companies listed on the stock exchange – Bourse Régionale des Valeurs Mobilière (BRVM) – who publish their financial statements on the BRVM website.

A copy of the balance sheet is also submitted to the Central Bank of West African States (Banque Centrale des États de l'Afrique de l'Ouest, BCEAO), which gives it a central overview of payment incidents. However, as financial information cannot always be relied upon, trading history is often a better indicator of a company's viability.

### Main corporate structures

There are several types of companies in Benin, but the most widely used are the SARL and the SA entities:

- Limited Liability Companies (Sociétés à Responsabilité Limitée,

SARL) have seen a lot of improvements in order to facilitate the creation such company type. The minimum capital required for a SARL is CFA 100,000 and the company can consist of single partner (owning 100% of the shares) or several partners. SARL companies are the most common type of entity due to the flexibility they offer.

- Public Limited Companies (Société Anonyme, SA) can consist of either a General Director or a Board of Directors. SA entities are often used by larger companies due to the rules and protection that they offer to the shareholders.
- Another type of company, known as the Sole Proprietorship, is the registration of a natural person to do business. Normally there are limitations to the type of operations a Sole Proprietorship business can conduct, but these are generally not respected. For example, Sole Proprietors are not eligible for an importer card, though they often find ways to obtain one regardless.
- Additionally, Economic Interest Groups (GIE) are not defined as companies, but rather as legal entities whose exclusive purpose is to facilitate or develop the economic activities of its members. A GIE can be constituted without capital and does not in itself give rise to the generation and distribution of profits. However, this type of organization is very rare in Benin.

### Regulatory environment

The Civil Law in Benin is inherited from the French Civil Law, which means that the Civil Code is still the French Code. However, features

arising from case law and customary law (rules derived from local customs) have led to some adaptation of the original law. Otherwise, the text remains largely inspired by the French Civil Law.

The legislation in Benin, based on the original colonial legislation of the French Law, has evolved since the country became independent in 1960.

The judicial structure of Benin consists of the following:

- The Courts of First Instance (Les Tribunaux de Première Instance) are responsible for common law matters including criminal, civil, commercial, social and administrative law. They act in the first instance on cases which can then be brought before the Court of Appeal if the decision is contested. There are two types: the first class of Tribunal de Première Instance (Cotonou, Porto Novo and Parakou) and the second class of the Tribunal de Second Instance. The law foresees the creation of 28 courts, although only 14 are effectively functional at present.
- The Courts of Appeal (Les Cours d'Appel) can be considered as the court of second instance, ruling on disputes heard in a Court of First Instance where the outcome is appealed. There are three Courts of Appeals in Benin: Abomey, Cotonou and Parakou. The Court of Appeal also includes two courts which have no similar jurisdiction at the level of the courts: The Joint Appeals Chamber and the Assize Court.
- The Supreme Court (La Cour Suprême) is the highest court with appellate jurisdiction in administrative, civil and criminal matters. There is only one Supreme Court in Benin and it is located in Porto Novo.
- The Constitutional Court (La Cour Constitutionnelle) is the highest court of the state in matters relating to the constitution and the judging of the constitutionality of laws and regulatory acts.
- The High Court of Justice (Haute Cour de Justice) presides over charges of crime against the nation by the president or government officials.
- The Common Court of Justice and Arbitration (Cour Commune de Justice et d'Arbitrage, CCJA) is the last resort in terms of all commercial area countries who are signed up to the OHADA Treaty. This court is located in Abidjan, Ivory Coast. It shall be composed of nine judges elected for a renewable term of seven years from among the nationals of the states' members.

### Powers of the CCJA

The CCJA gives notice prior to the adoption of the Uniform Acts and settles disputes between states as to the construction or application of the Treaty. In addition, the CCJA is responsible for all matters relating to the application of the Uniform Acts, with the exception of decisions applying criminal sanctions.

The CCJA enjoys a transfer of jurisdictions formerly devolved to the national Courts of Cassation and undeniably contributes to ensuring a common construction by the judges on the ground of the same substantive Community Law of the OHADA area.

The Court of Justice and Arbitration is a Court of Cassation, ruling on decisions handed down by the Appeals Courts of states or on decisions not subject to appeal, with the particularity of ruling on the merits without referral to another jurisdiction.



#### Late payment interest:

The rate is set every year by the Central Bank namely the BCEAO. It is generally around 5%.





## Getting Paid

### Days Sales Outstanding (DSO)

Though the payment terms usually state 30 days, these are never respected and in practice, payments occur within 60 to 90 days.

### Late payment interest

The law provides a framework to allow creditors to charge interest on late payments. The OHADA Treaty, of which Benin is a signatory, governs the commercial sale between businesses, including the creation of the sales contract, the obligations of each party, the breach of those obligations and general terms of the contract. For late payment interest, the rate is set every year by the Central Bank namely the BCEAO. It is generally around 5%. Parties are however free to include a penalty clause (with a late payment interest rate generally higher than the legal one) in their contract.

### Debt collection costs

As per guidelines provided by the OHADA Treaty, collection costs are borne by the debtor unless it is clear that they were not necessary at the time that they were incurred. Furthermore, unless the costs concern an act that is covered by National Law or the aforementioned Treaty and are authorized by the competent court, collection costs undertaken without enforcement are the responsibility of the creditor. Where the court awards collection costs to the creditor, there is no fixed rate. Instead, the court will assess the costs incurred by the lawyer and/or the creditor and award costs accordingly.

### Ownership protection

In most sales contracts, there is a clause relating to Retention of Title (RoT) which allows the creditor to retain ownership of the goods until payment is received in full for the corresponding invoice. While this clause is used in Benin, it depends on whether the sales contract had been signed in OHADA countries such as Benin, and the following articles are respected.

- The creditor, legitimate holder of personal property owned by their debtor, may withhold the property until full payment of the debt is received, independent of any security interest (as per Article 67).
- The right of retention may only be exercised if (i) the debt of the retainer is certain, of a fixed amount, and due, (ii) there is an associative link between the raising of the claim and the detention of the retained property, and (iii) the property was not seized before being withheld by the retainer (Article 68).
- The connection is presumed established when (i) the property retained was returned until full payment of the debt to the retainer, (ii) the unpaid debt results from an agreement that binds the retainer to return the property withheld, and (iii) the unpaid debt arose from withholding the asset retained (Article 69).
- The creditor has the obligation to preserve the asset retained: by derogation of the foregoing, the creditor may, with the authorization of the competent court ruling, expeditiously proceed with the sale of such asset due to its condition or the perishable



nature of the latter or if expenses incurred due to its conservation exceed its value. In this case, the right of retention shall have an incidence on the sale price that will be recorded (Article 70).

### Payments

Bank transfers are among the most commonly used payment methods in Benin as they are fast, secured, and supported by an increasingly developed banking network domestically and internationally. Verifying whether the bank is safe is sometimes necessary before transferring money, as the debtor requires an updated invoice to collect a change authorization from the Ministry of Finance. This regulation has been issued by the Central Bank to prevent money laundering.

Checks can be used as a debt recognition title as per the OHADA Law, as they demonstrate that a debt is certain and undisputed and can be used for fast-track proceedings or to lead to a criminal case, as the court can appose an execution title on the check.

Letters of Credit are used, but mostly as Standby Letters of Credit. Standby Letters of Credit are bank guarantees payable on first demand upon submission of designated documents: the minimum requirement is the declaration of the beneficiary stating the default of the principal or the contractor. As with conventional bank guarantees, the Standby Letter of Credit covers many cases such as guarantee of submission, discount guarantee, good performance guarantee, etc.

## Collecting overdues

### Amicable action

#### Negotiating

There is no obligation to partake in negotiation prior to commencing formal legal action in Benin. However, before entering proceedings, the creditor must prove that a formal notice to pay has been served to the debtor.

In practice, parties refer to the Chamber of Commerce, which is led by CAMEC (Centre Arbitrage, de Mediation et de Conciliation du Benin), on occasion. The CAMEC is capable of facilitating amicable settlements of disputes arising from commercial relations through the implementation of mediation or conciliation proceedings, or by providing an arbitral solution for disputes that cannot be solved by the aforementioned methods.

In mediation and conciliation, the parties aim to work together to establish the basis of an agreement with the assistance of an ombudsman or conciliator. A mediation or conciliation report is then drafted, which may also be approved by the competent court.

During arbitration, the dispute is settled by one or three arbitrators chosen by the parties within a fixed timeframe. The settlement is sanctioned by an arbitral award.

### Legal action

#### Ordinary proceedings

There are three levels of courts in commercial matters. The Trade Tribunal is the court of first instance, followed by the Trade Court of Appeal (second instance court). The Supreme Court OHADA (OHADA Common Court of Justice and Arbitration, 'Cour commune de Justice et d'Arbitrage de l'OHADA') is considered competent when the law applicable to the dispute is within the OHADA Treaty, otherwise the Supreme Court of Benin would take the reins in all other cases.

All proceedings start by presenting the case before the Trade Tribunal. There are two options available in order to recover debts: (i) an ordinary or emergency writ of summons, requesting the debtor to appear before the Trade Tribunal for trial and ruling, and (ii) an injunction to pay, simplified recovery procedure initiated in the case of unquestioned liquid debt due for immediate payment. In the second option, the creditor must file a petition to the president of the competent court, who will then issue a mandatory injunction to pay, which the creditor will serve to the debtor. The debtor may file an opposition within 15 days by refuting the creditor before the Trade Tribunal. Once seized, the Trade Tribunal must rule without delay.

Decisions rendered by the Trade Tribunal may be challenged before the Trade Court of Appeal.

#### Necessary documents:

The documents to be submitted are:

- Proof of the creditor's and debtor's companies
- Contracts between the creditor and debtor
- Proof of shipment and receipt of goods
- Bill of exchange
- Unpaid checks
- Commercial invoices
- Written and electronic correspondence
- Sales contract signed by the two parties
- Discharges and receipts of payment
- Promissory note or any document attesting to the contractual and liquid nature of the claim
- Foreign creditors must also deposit a *cautio judicatum solvi* (security for costs) when assigning nationals to the Tribunal, but are exempted if the nationals do not request it

All documents must be certified and translated into French.

#### Time limitations:

The limitation period, which is a component of the regime of acts of commerce, is provided by Article 18 of the Uniform Act on General Commercial Law. Five years are allowed, except where a shorter time limit is prescribed for a specific act in question. The time limitation for matters relating to commercial sales is two years.

#### Provisional measures:

In relation to the establishment of evidence, the law provides for a summary proceeding to obtain urgent expertise, rehabilitation and more.

In Benin, the creditor may seize the assets of the debtor if they prove that the claim is grounded in principle and that there is a significant threat to the recovery of the debt. In order to do so, the creditor must submit a request to the president of the court in the place of residence of the debtor, for the president to issue an order. This procedure is not adversarial. Based on the order, the creditor proceeds to seizure and informs the debtor. The latter can then file a counterclaim with the court in opposition to the seizure by a writ of summons against the creditor.

Sequestration may be initiated by any creditor whose claim appears legitimate in principle. The creditor may request the competent

#### Collection @ Euler Hermes

It is always advised to attempt collection prior to any legal action in order to maximize chances of successful recovery and avoid legal costs and delays. Our key principle is to collect in close proximity to the debtor, using a series of letters, emails and phone calls in the local debtor language. Our World Collection Network of Euler Hermes offices and external providers are experts in professional trade debt collection and negotiation, ensuring positive outcomes while retaining important client relationships. Euler Hermes can handle the complete collections process from amicable, pre-legal action through to judgment and enforcement.



court (in the place of residence of the debtor) for authorization to take preventive measures on all of the debtor's tangible and intangible property – without prior summons to pay – where they can show justifiable circumstances which are likely to jeopardize the collection (Article 54). Such authorization is not necessary when the creditor avails themselves of a writ of execution, or in the case of default in payment, duly ascertained by an accepted bill of exchange, promissory note, check or unpaid rent (Articles 55 and 56).

#### **Lodging an appeal**

The right to lodge an appeal against a decision rendered in commercial matters is permitted in Benin, and there is no leave for appeal necessary by law. Appeals against judgments of the Courts of Appeal are admissible only when relating to a question of law. The Supreme Court does not hear disputes arising from a question on the facts of a case, rather reviews the application or interpretation of the law (namely, the uniform acts of OHADA).

#### **Enforcing court decisions**

In Benin, enforcement of a final decision is not subject to any authorization in commercial matters. It is sufficient to obtain the enforceable copy of the decision to carry out enforcement measures. To obtain this copy, a registration fee of 4% is charged. The creditor then serves the decision to the debtor with a demand to pay the sum, fixed by the judge, within eight days.

In case of default of voluntary execution of the decision by the debtor, the creditor may carry out protective seizures on: movable property, receivables owed by third parties, funds in banks, shares or securities, fixed assets, salaries or standing crops.

The debtor may challenge such seizures by filing a complaint with the

Trade Tribunal, however, if the complaint is dismissed, the creditor may proceed with the sale of the seized property or the collection of the seized funds.

#### **How long could legal action take**

The creditor has three months to notify the debtor for the injunction to pay, while the debtor has 15 days to make their opposition. If no opposition is filed, the creditor may receive the order to pay as a court decision within three to five months. In case of opposition, there are no specified time limitations for conciliation – it may take months, if not years, to complete due to the high volume of cases, along with other considerations.

The debtor also has the right to ordinary appeals before CCJA, meaning that an order to pay can take more than three months or even a year, depending on circumstances.

In general, the duration of legal proceedings is between six months to two years in the first instance, and one to four years for appeal proceedings. Action before the Supreme Court is difficult to estimate, as it varies greatly.

#### **Litigation @ Euler Hermes**

Should legal action be necessary, Euler Hermes can provide support throughout the legal process from judgment to enforcement via our World Collection Network of Euler Hermes offices and external providers. Legal action can often be complicated and expensive, so you will be informed of all costs prior to any action and advised on which route is best to take.





### How much could this cost

In general, the cost of the proceedings includes the bailiff's fees, the administrative costs, and the lawyer's fees. The cost depends on each case and its duration, but for indicative purposes, legal costs are as follows: (i) to open a file with a law firm CFA 50,000, (ii) summation to pay CFA 50,000, (iii) subpoena CFA 50,000, (iv) court registration of attachment order CFA 10,000, (v) notification of judgment CFA 50,000, (vi) report of attachment CFA 75,000, and (vii) commission for lawyers, which depends on the amount recovered, with a minimum of CFA 500,000.

### Alternatives to legal action

#### Alternative Dispute Resolution methods (ADR):

The parties to a dispute may have recourse to Alternative Dispute Resolution (ADR) methods such as conciliation or arbitration. Conciliation proceedings take place through Conciliation Courts which are instituted by districts and in municipalities with special status (Cotonou, Parakou, Porto Novo) and a conciliation tribunal in other districts. They are competent in all matters, except the exceptions provided by the law, in particular in modern civil matters, criminal cases, individual labor disputes and the state of persons. They are responsible for reconciling the parties and finding common ground between them by mutual consent. They do not judge, rather they draw up minutes of conciliation which must be homologated by the court of first instance in order to enforce a decision. However, referral to the conciliation court is optional.

Arbitration is a more straightforward means of settling a dispute insofar as the parties agree to rely on an independent and impartial

third-party arbitrator, who is given authority to settle their dispute on their behalf. As an out-of-court settlement method, arbitration is very effective: it is cost-effective, generally reduces delays, allows preserving confidentiality and offers a binding decision which may then be enforced before the courts if necessary. The CCJA gives notice prior to the adoption of the Uniform Acts and settles disputes between states as to the construction or application of the Treaty. It organizes arbitration but does not arbitrate itself. It appoints or confirms the arbitrators, is informed of the progress of the arbitration and examines the draft of awards to be granted or sentenced. It may decide on an exequatur for the specific enforcement of an arbitral award rendered in a state.

#### Foreign forums

It is possible to choose a foreign jurisdiction to hear the case, provided that an element of the dispute connects the contract with the concerned country. The connecting element may be the place of conclusion of the contract, the place of delivery of goods, the place where the dispute arose, the place of residence of one of the parties, or the nationality of one of the parties.

In the event of disputes, the court chosen has the power to assess the relevance of the connecting element.

In general, however, it is dependent on the judicial convention with the chosen country.

For example, Benin has a judicial cooperation agreement with France.

#### Enforcing foreign awards:

Foreign judgments can be recognized and enforced in Benin through exequatur procedures. The exequatur is often second to the existence of a valid judicial cooperation agreement, providing reciprocity between the states.



## Handling insolvent debtors

In Benin, a company is eligible for collection proceedings for the winding up of debts when its available assets do not cover its current liabilities. The basic criterion for determining whether preventive settlement or administrative proceedings are appropriate is whether the company concerned is insolvent. Insolvency must be defined for the purpose of the Uniform Act, described below, as a situation where it is impossible for a debtor to meet all their due liabilities with its available assets.

### Insolvency proceedings

#### Out-of-Court proceedings

The law in Benin does not provide for such a mechanism.

#### Restructuring the debt

The restructuring process is decided by the court in charge of the follow-up of the procedure, based on an expert report which assesses the viability of the company. The creditors make comments and a provisional administrator is appointed by the judge.

The Uniform Act provides two different types of restructuring of the debt. The first is the preventative settlement, which is available to any individual pursuing commercial activities and any corporate body pursuing commercial or non-commercial activities, including publicly owned companies. The purpose of this process is to allow the debtor to improve their financial situation and become a viable business. Only the debtor may commence this type of proceeding and must not be insolvent at the beginning of proceedings. The debtor may file an application, addressed to the president of the court, listing any debts for which they wish to obtain a suspension of enforcement. The application must be accompanied by several documents and liabilities, including the description of cash flow, details of the workforce and associated costs.

Within 30 days, the debtor must also file an offer of composition, in which they must specify how the financial situation of their company will be remedied. Once the president of the court received the composition order, an order to suspend individual proceedings – including provisional and enforcement measures – will be granted, along with a prohibition of any new proceedings. The only exception is granted to the debtor's employees, while all other creditors' claims are suspended.

The president of the court also appoints an expert to prepare a report on the economic and financial situation of the debtor, including prospects for recovery and measures within the composition offer. The expert proposes measures to the debtor and creditor in an attempt to reach an agreement. Within three months, the expert files a report outlining the composition agreement as proposed by the debtor or agreed by both the debtor and creditor(s). The debtor then appears before the court, together with the expert and creditor, to hear the court's decision. If it is found insolvent, the court orders the debtor to be put in administration of liquidation. The court can also reject the composition and cancel the preventative settlement if it finds that the debtor's financial situation does not warrant such



measures. If the court considers preventive measures appropriate, a judgment will be issued and the composition agreement ratified. Appeals are not admissible regarding the suspension of individual proceedings, but may be filed regarding the judgment ratifying the composition agreement within 15 days.

Administration, or legal redress, is the second way to restructure debt under the Uniform Act. In this stream, the debtor must file a declaration of cessation of payments to the court, in order to open proceedings for legal redress or liquidation of property, regardless of the nature of the debts. The declaration must be made within 30 days of the cessation of payments and must include the following documents, drawn up on the same date as the declaration: (i) an extract of registration in the Trade and Personal Property Credit Register, (ii) summary financial statements, (iii) a cash position, (iv) a statistical statement of claims and debts, including the name and residence of creditors and debtors, etc. The debtor must lodge a composition proposal specifying the measures and conditions envisaged to redress the company within 15 days of the declaration. Collection proceedings may also be initiated at the request of the creditor regardless of the nature of their claim, as long as it is unquestionable, liquid and due. The creditor's writ of summons

#### Insolvency @ Euler Hermes

Euler Hermes works closely with debtors, creditors and lawyers to provide support during insolvency and restructuring processes. With many options available when it comes to insolvency action, we can offer advice on which option is most suitable.

specifies the nature and amount of the claim, including proof of debt. The debtor has the possibility of making the declaration and the composition proposal within one month of the writ of summons.

### **Winding up proceedings**

In Benin, the court which has jurisdiction over commercial matters in the principal place of business, or registered office, of the debtor also has jurisdiction in matters of liquidation. The proceedings with administration are the same to commence liquidation. A judge will order liquidation when it seems the debtor has not made a serious proposal for composition, or if it becomes apparent that the debtor is no longer in the position to make a composition proposal during the course of administration.

The judgment ordering the date of liquidation determines the date of insolvency, which then delays the suspect period. The first stages are the same as within administration proceedings. The judgment also automatically entails the winding up of the debtor's company and the removal of the debtor from any involvement in administration or disposal of their assets.

The debtor is represented by a liquidator, who manages all correspondence regarding the debtor and acts in the creditors' collective interest as they declare their claims for verification. In liquidation, all of the debtor's debts that are not yet due become immediately due. Within one month of their appointment, the liquidator must provide the supervising judge with an estimate of the available or realizable assets, the secured and unsecured debts, and any possible financial liability of the debtor's management. The liquidator sells the debtor's stocks and movable property, pays the debts and pursues the claims against third parties. If they do not have a final decision as to whether a claim is accepted, the corresponding amount is put in reserve.

Payment is made in full in each category until there are insufficient proceeds to pay in full all debts in a particular category. In this case (if the creditor concerned does not have a security over a particular asset), the amount is distributed to the creditors of that category in proportion to their respective claims and the creditor in the subsequent categories will receive no payment.

### **Priority rules**

In the case of immovable property, the law establishes the order of distribution of the proceeds arising from the sale of a fixed asset. The creditors' legal costs, which were incurred in order to sell property, and the distribution of the price, are paid first. Preferential wage creditors are paid next, followed by creditors holding a conventional or forced mortgage and separatists registered within the legal deadline, each according to their registration rank in the register for real estate publication.

Following the above, mass creditors – creditors holding a general lien subject to publicity – receive payment according to their rank entering the register of the trade. Creditors with such a security, but not subject to publicity, are considered next, followed by unsecured creditors holding an enforceable title – provided they have intervened by means of seizure or by objection to the proceedings.

Should the proceeds be insufficient to settle all creditors, some may take part in the distribution of the proportion of their total debts (proportionate shares).

As for movable property, the creditors' legal costs incurred in order to sell property and the actual distribution of the value, the creditors' costs incurred for preservation of the debtor's property, and the preferential wage creditors are allocated proceeds in this order. After which, creditors secured by a general lien subject to publicity, creditors with a special lien, mass creditors, creditors with a general lien not subject to publicity, and unsecured creditors with an enforceable title will be covered. If there is not enough to settle the creditors, some will become part of the distribution in the proportion of their total debts.

### **Cancellation of suspect transactions (clawback)**

In Benin, the suspect period runs from the date suspension of payments is ascertained, to the date of the decision to open the receivership or liquidation of assets.

From the time the decision to initiate collection proceedings against a debtor is made, the debtor may only transfer company shares, stocks or other company rights with the authorization of the administrator and under the conditions determined by them.

The competent court shall declare the rights of the company non-transferable to any person who has interfered in the management of the debtor company whenever such interference is established.

Documents establishing company rights must be deposited to the administrator or liquidator. Where they are not deposited voluntarily, the receiver will summon the debtor to submit them personally. Failure to hand over the documents will constitute the offence provided for in Article 231, 7°.

The receiver may have the inalienability of the company rights to the directors entered into the registers of the debtor company and in the Trade and Personal Property Credit Register.

The receiver will draw up a statement of company rights and issue the managers with a certificate of deposit or registration of inalienability in order to enable them to take part in the meetings of the corporate body.

### **How long could insolvency proceedings take?**

The insolvency proceedings can take 6 months to 3 years, and more time is required for the administration and the liquidation.

### **Necessary documents**

Any documents to justify the claim, including the debtor's insolvency documents and securities.

#### **Insolvency @ Euler Hermes**

Euler Hermes works closely with debtors, creditors and lawyers to provide support during insolvency and restructuring processes.

With many options available when it comes to insolvency action, we can offer advice on which option is most suitable.

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