

Unofficial translation – Bankruptcy Supervision Agency

Pursuant to Article 27, paragraph 9 of the Bankruptcy Act ('Official Gazette of the Republic of Serbia', No 104/09), at the proposal of the Bankruptcy Supervision Agency, the Minister of Economy and Regional Development hereby adopts this

**CODE OF ETHICS\***  
**FOR BANKRUPTCY ADMINISTRATORS**

('Official Gazette of the Republic of Serbia', No 11/10 of 5 March, 2010)

**Scope**  
**Article 1**

The Code of Ethics for Bankruptcy Administrators (hereinafter: the Code) prescribes rules of conduct that bankruptcy administrators shall be required to observe in performing their tasks as bankruptcy administrator.

**General principles of conduct**  
**Article 2**

Bankruptcy administrators shall perform their tasks in accordance with principles of conduct and with appropriate professional practice relating to:

- 1) Professional competence and conscientious timely performance of tasks in accordance with the law, relevant by-laws and this Code;
- 2) Objectivity, independence and impartial conduct in the administration of bankruptcy proceedings;
- 3) Respecting the confidentiality of information that a bankruptcy administrator becomes aware of;
- 4) Professional behaviour free from any conflict of interest;
- 5) Elimination of conflict of interest.

**Professional competence**  
**Article 3**

Bankruptcy administrators shall act competently and diligently in the timely performance of their work and shall maintain professional knowledge and skill to perform their work.

Professional knowledge and skill may be maintained by bankruptcy administrators through continuing regular involvement in actual practice as bankruptcy administrators and by committing themselves to continuing professional improvement through

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\* The Code of Ethics came into force on 13 March, 2010

participation in education and training courses and events organised by the Bankruptcy Supervisory Agency (hereinafter: the Agency), or education and training courses and events organised by courts, domestic and international professional associations, recommended by the Agency .

Bankruptcy administrators shall ensure that employees who are employed in a professional capacity are appropriately supervised and appropriately trained.

### **Objectivity and independence**

#### **Article 4**

Bankruptcy administrators must exercise objectivity, impartiality and independence in the performance of their work.

Prior to accepting an appointment or at the latest immediately after appointment to a bankruptcy case the bankruptcy administrator must inform the court of any business, financial, social or other tie that could materially affect the objectivity, impartiality or independence of the bankruptcy administrator, being a business, financial, social or other tie that he/she has had or now has, directly or indirectly, with:

- 1) the bankrupt debtor,
- 2) other persons associated with the debtor as defined by the law dealing with the associated persons matters, or
- 3) any other person having a material interest in the estate of the bankrupt debtor, (including a person who is a creditor of the bankrupt debtor or a person who is a debtor of the bankrupt debtor).

The bankruptcy administrators must also inform the court if they or their spouse, or relatives of direct vertical lineage regardless of the level of kinship, or of horizontal lineage up to the fourth degree of kinship, or relatives of their spouse up to the second degree of kinship, have a share in the capital of the bankruptcy debtor.

### **Confidentiality**

#### **Article 5**

Bankruptcy administrators shall not disclose confidential information relating to the bankruptcy proceedings, unless:

- 1) there is a legal right or duty to disclose such information, or
- 2) the written authority of the person to whom the confidential information relates is first obtained;

Bankruptcy administrators shall not use such confidential information for their personal benefit or enable it to be used for the benefit of third parties.

Bankruptcy administrators shall use their best endeavours to ensure that persons employed or otherwise retained by the administrator shall not disclose confidential information nor use such information for their personal benefit or enable it to be used for the benefit of third parties.

### **Professional behaviour Article 6**

Bankruptcy administrators shall not engage in any activities that would compromise their ability to perform professional duties or that would jeopardise their personal and professional integrity.

Bankruptcy administrators shall not accept appointments by the court if they are unable to perform their duties with competence and in a timely manner due to other obligations already undertaken.

In presenting themselves as bankruptcy administrators, the bankruptcy administrators shall truthfully state the services they are able to offer and provide accurate information on their professional competence.

Bankruptcy administrators shall not make unfair or untrue references to the work of other bankruptcy administrators.

### **Elimination of conflict of interest Article 7**

Bankruptcy administrators shall perform their tasks in such a manner so as not to subject their performance to personal interests, or create a conflict between the two.

A conflict of interest shall be deemed to exist when the bankruptcy administrator has a private interest that affects or may affect the performance of tasks of the bankruptcy administrator.

If the circumstances arise that indicate the potential conflict of interest, the bankruptcy administrator shall be obliged to notify the court of such circumstances.

Bankruptcy administrators may not seek or receive any form of remuneration or derive any other gains or benefit for services provided as bankruptcy administrators, except as authorized by the court.

Bankruptcy administrators shall not pay or offer, either directly or indirectly, commissions, remunerations or other benefits with the aim of securing his/her professional engagement.

Bankruptcy administrators shall not purchase, either directly or indirectly, the assets of any bankrupt debtor for which they are acting as bankruptcy administrators.

Bankruptcy administrators, in the procedure for sale of debtor's assets, shall not sell, either directly or indirectly, such assets to their employees or persons having other personal or business relationship with bankruptcy administrators, or, knowingly, to persons associated with these persons.

Bankruptcy administrators must act honestly and bona fide in all aspects of the performance of their work and shall not be involved in corrupt practices.

### **Final Provisions**

#### **Article 8**

As of the effective date of this Code, the Code of Ethics for Bankruptcy Administrators published in the 'Official Gazette of the Republic of Serbia' No 43/05 shall be repealed.

#### **Article 9**

This Code shall come into force on the eighth day from the date of its publishing in the 'Official Gazette of the Republic of Serbia'.

Number: 119-01-84/2008-02  
Belgrade, 16 February, 2010

THE MINISTER  
Mladjan Dinkic