

**Act V of 1916  
on the compulsory non-bankruptcy settlement and the amendment of some  
provisions of the bankruptcy act**

**1. §**

The Government is authorised to regulate compulsory non-bankruptcy settlement by decree temporarily until further provision of the legislation and to establish provisions different from the provisions of Act XVII of 1881 regarding compulsory settlement in bankruptcy proceedings.

The Government may supplement, amend or even repeal the decree to be issued on the basis of this Section as necessary.

[tags: competence of the Government]

**2. §**

Any person who, in order for a creditor to vote or not to consent to the adoption of a decision of creditors in bankruptcy or non-bankruptcy settlement proceedings, or to abstain from voting, grants a gift or other advantage to the creditor or grants or promises a gift or other advantages to another party with the creditor's consent; likewise, a creditor who claims or accepts such an advantage for himself or another person for the said purpose, commits an offense punishable by imprisonment in a low-security penal institution for a term up to 2 years and a fine of up to 6,000.00 crowns.

[tags: bribery, decision in bankruptcy or non-bankruptcy settlement proceedings, acting to the detriment of creditors]

**3. §**

A person who knowingly enforces a fabricated claim in either bankruptcy or non-bankruptcy compulsory settlement proceedings, unless a more serious crime is committed, commits an offense punishable by up to 3 years in low-security penal institution and a fine of up to 6,000.00 crowns.

[tags: enforcing a fabricated claim in either bankruptcy or non-bankruptcy compulsory settlement proceedings]

#### 4. §

A debtor who, in the event of insolvency or, if he is a trader, after the cession of payment, in order to the detriment of his creditors, commits an action against (414) of Act V of 1878 (Criminal Code), if the non-bankruptcy compulsory settlement procedure has been terminated with the approval of the settlement, shall be punished in accordance with the provisions of (383) of the cited Act in relation to the amount of damages caused.

[tags: criminal liability of an insolvent debtor]

#### 5. §

The member of the bankruptcy committee, the trustee, the control commissioner and the member of the control commission, who commits a crime during the non-bankruptcy settlement procedure according to (361) of the Criminal Code is punishable according to the provisions (361(1)) and (363) –(364).  
The criminal procedure shall be initiated ex officio.

[tags: criminal liability of the member of the bankruptcy committee, the trustee, the control commissioner or the member of the control commission]

#### 6. §

The provisions in (265) and (266) of Act XVII of 1881 are hereby repealed.

[tags: repeal of certain provisions]

#### 7. §

The date of entry into force of this Act shall be determined by the Government. It does not have effect in Croatia and Slavonia.  
This Act shall be executed by the Government.

[tags: vacatio legis, implementation of this act]