TITLE 30 - CIVIL REMEDIES AND SPECIAL PROCEEDINGS CHAPTER 7 - UNCITRAL MODEL LAW ON CROSS-BORDER INSOLVENCY IMPLEMENTATION ACT, 2018



Republic of the Marshall Islands Jepilpilin Ke Ejukaan

UNCITRAL MODEL LAW ON CROSS-BORDER INSOLVENCY IMPEMENTATION ACT, 2018

Index

| Section | | Page | |
|---------|---|------|--|
| §700. | Short Title | 3 | |
| §701. | Scope of application | 3 | |
| §702. | Definitions. | 4 | |
| §703. | International obligations of the Republic | 5 | |
| §704. | The competent court or authority. | 5 | |
| §705. | Authorization of a person or body administering reorganization or | | |
| | liquidation under the law of the Republic to act in a foreign State | 5 | |
| §706. | Public policy exception | 5 | |
| §707. | Additional assistance under other laws | 5 | |
| §708. | Interpretation. | 6 | |
| §709. | Right of direct access | 6 | |
| §710. | Limited jurisdiction | 6 | |
| §711. | Application by a foreign representative to commence a proceeding under the | | |
| | laws of the Republic relating to insolvency | 6 | |
| §712. | Participation of a foreign representative in a proceeding under the laws of the | | |
| - | Republic relating to insolvency. | 6 | |
| §713. | Access of foreign creditors to a proceeding under the laws of the Republic | | |
| | relating to insolvency | 6 | |
| §714. | Notification to foreign creditors of a proceeding under the laws of the | | |
| | Republic relating to insolvency. | 7 | |
| §715. | Application for recognition of a foreign proceeding | | |
| §716. | Presumptions concerning recognition | 8 | |
| §717. | Decision to recognize a foreign proceeding. | 9 | |

| §718. | Subsequent information | 9 |
|-------|--|----|
| §719. | Relief that may be granted upon application for recognition of a foreign | |
| | proceeding. | 10 |
| §720. | Effects of recognition of a foreign main proceeding | 10 |
| §721. | Relief that may be granted upon recognition of a foreign proceeding. | |
| §722. | Protection of creditors and other interested persons | 12 |
| §723. | Actions to avoid acts detrimental to creditors. | 12 |
| §724. | Intervention by a foreign representative in proceedings in the Republic | 13 |
| §725. | Cooperation and direct communication between a court of the Republic and | |
| | foreign courts or foreign representatives. | 13 |
| §726. | Cooperation and direct communication between the High Court and foreign | |
| | courts or foreign representatives. | 13 |
| §727. | Forms of cooperation | 14 |
| §728. | Commencement of a proceeding under the laws of the Republic relating to | |
| - | insolvency after recognition of a foreign main proceeding. | 14 |
| §729. | Coordination of a proceeding under the laws of the Republic relating to | |
| - | insolvency and a foreign proceeding. | 14 |
| §730. | Coordination of more than one foreign proceeding. | 15 |
| §731. | Presumption of insolvency based on recognition of a foreign main | |
| - | proceeding. | 16 |
| §732. | Rule of payment in concurrent proceedings | 16 |
| §733. | Effective Date | |

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AN ACT to implement the UNCITRAL Model Law on Cross-Border Insolvency to provide effective mechanisms for dealing with cases of cross-border insolvency so as to promote the objectives of: (a) Cooperation between the High Court and other competent authorities of the Republic and foreign States involved in cases of cross-border insolvency; (b) Greater legal certainty for trade and investment; (c) Fair and efficient administration of cross-border insolvencies that protects the interests of all creditors and other interested persons, including the debtor; (d) Protection and maximization of the value of the debtor's assets; and (e) Facilitation of the rescue of financially troubled businesses, thereby protecting investment and preserving employment.

| Commencement: | <i>March</i> 15, 2018 |
|---------------|-----------------------|
| Source: | P.L. 2018-60 |

§700. Short Title.

This Act may be cited as the UNCITRAL Model Law on Cross-Border Insolvency Implementation Act 2018.

§701. Scope of application.

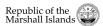
- (1) This Act applies where:
 - (a) Assistance is sought in the Republic by a foreign court or a foreign representative in connection with a foreign proceeding; or

- (b) Assistance is sought in a foreign State in connection with a proceeding under the laws of the Republic relating to insolvency; or
- (c) A foreign proceeding and a proceeding under the laws of the Republic relating to insolvency in respect of the same debtor are taking place concurrently; or
- (d) Creditors or other interested persons in a foreign State have an interest in requesting the commencement of, or participating in, a proceeding under the laws of the Republic relating to insolvency.
- (2) This Act does not apply to a proceeding concerning entities, such as banks and insurance companies, that are subject to a special insolvency regime in the Republic and the Republic wishes to exclude from this Act.

§702. Definitions.

For the purposes of this Act:

- (a) "Foreign proceeding" means a collective judicial or administrative proceeding in a foreign State, including an interim proceeding, pursuant to a law relating to insolvency in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation;
- (b) "Foreign main proceeding" means a foreign proceeding taking place in the State where the debtor has the center of its main interests;
- (c) "Foreign non-main proceeding" means a foreign proceeding, other than a foreign main proceeding, taking place in a State where the debtor has an establishment within the meaning of subparagraph (f) of this section;
- (d) "Foreign representative" means a person or body, including one appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs or to act as a representative of the foreign proceeding;



- (e) "Foreign court" means a judicial or other authority competent to control or supervise a foreign proceeding; and
- (f) "Establishment" means any place of operations where the debtor carries out a non-transitory economic activity with human means and goods or services.

§703. International obligations of the Republic.

To the extent that this Act conflicts with an obligation of the Republic arising out of any treaty or other form of agreement to which it is a party with one or more other States, the requirements of the treaty or agreement prevail to the extent they have been enacted into law.

§704. The competent court or authority.

The functions referred to in this Act relating to recognition of foreign proceedings and cooperation with foreign courts shall be performed by the High Court.

§705. Authorization of a person or body administering reorganization or liquidation under the law of the Republic to act in a foreign State.

A person or body administering a reorganization or liquidation under the law of the Republic is authorized to act in a foreign State on behalf of a proceeding under the laws of the Republic relating to insolvency, as permitted by the applicable foreign law.

§706. Public policy exception.

Nothing in this Act prevents the High Court from refusing to take an action governed by this Act if the action would be manifestly contrary to the public policy of the Republic.

§707. Additional assistance under other laws.

Nothing in this Act limits the power of the High Court or a person or body administering a reorganization or liquidation under the law of the Republic to provide additional assistance to a foreign representative under other laws of the Republic.