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**Legislative Decree No. (25) of 2020 amending Some Provisions of the Reorganization and Bankruptcy Law promulgated by Law No. (22) of 2018**

We, Hamad Bin Isa Al Khalifa, King of the Kingdom of Bahrain.

Having reviewed the Constitution, in particular Article (38) thereof;

And the Reorganization and Bankruptcy Law promulgated by Law No. (22) of 2018;

And upon the submission of the First Deputy of the Prime Minister;

And after the approval of the Council of Ministers,

**Hereby Decree the following Law:**

**Article One**

Texts of Articles (19), (30) paragraph (b), (33) paragraphs (a) and (b) of the Reorganization and Bankruptcy Law promulgated by Law No. (22) of 2018 shall be replaced with the following texts:

**Article (19):**

Both the debtor and the creditors, and whoever has an interest in the lawsuit shall have the right to participate in the bankruptcy proceedings and to obtain - from the court or the bankruptcy trustee - information related to the debtor's business, his financial matters, and the measures taken, all in accordance with the provisions of this Law.

**Article (30) paragraph (b):**

b- The appeal against the decisions and orders of the court shall be made before the Supreme Civil Court of Appeal within thirty days from the date of depositing a copy thereof in the registry referred to in paragraph (a) of Article (5) of this Law, or from the date of its notification, as the case may be. The appeal shall not entail the suspension of the decision or order, unless otherwise decided by the Supreme Civil Court of Appeal. The court may, upon suspending the decision or order, require the appellant to deposit a cash guarantee or provide a guarantor to secure any damage that may result from the suspension.

**Article (33) paragraphs (a) and (b):**

a- Upon approving the initiation of bankruptcy proceedings, the Court shall appoint one or more bankruptcy trustees, to be chosen by the majority of the creditors present at a meeting called for this purpose within seven days of approving the initiation of proceedings, taking into account the provisions of paragraphs (d) and (e) of this Article. If the selection of a bankruptcy trustee is not made, the court shall appoint one. The Court may appoint a temporary bankruptcy trustee until the creditors appoint a bankruptcy trustee.

b- The creditor committee, if any, or creditors who own at least 50% of the total unsecured debts, may request the court to appoint another suitable person as bankruptcy trustee with or in place of the appointed trustee within thirty days from the date of his appointment.

**Article Two**

A new Article No. (56) bis shall be added to the Reorganization and Bankruptcy Law promulgated by Law No. (22) of 2018 and a second paragraph shall be added to Article (110) of the same Law, with the following texts:

**Article (56) bis:**

Sale or disposal of a substantial part of the bankruptcy estate

a- The bankruptcy trustee shall obtain the approval of the creditors' committee, if any, or the majority of creditors present at a meeting called for this purpose, provided that they hold at least 50% of the total unsecured debts that have been accepted finally or temporarily, before selling or disposing of any "Substantial Assets of the Bankruptcy Estate” in a manner not customary for business.

b- The bankruptcy trustee shall include a report in the bankruptcy records that provides sufficient information about the sale or disposal to enable the creditors' committee, if any, or the creditors present at the meeting to make a decision regarding the sale or disposal.

c- The Court shall approve the sale or disposal of a substantial part of the bankruptcy estate after verifying the creditors' consent and fulfilling the requirements stipulated in Article (56) of this Law to the extent that it does not conflict with the provisions of this Article.

d- In case the creditors do not agree to sell or dispose of any substantial part of the bankruptcy estate, the Court may approve the request for the sale or disposal after conducting the necessary notification and giving an opportunity to hear opinions, in the following cases:

1- If the sale or disposal serves the best interests of the bankruptcy estate.

2- If the sale or disposal is appropriate according to the circumstances.

3- If the bankruptcy trustee recommends approving the sale or disposal.

**Article (110) second paragraph:**

Creditors of the same class shall be treated equally.

**Article Three**

The Prime Minister and the Ministers - each within his jurisdiction - shall implement the provisions of this Law, and it shall come into force from the day following the date of its publication in the Official Gazette.

**King of the Kingdom of Bahrain**

**Hamad bin Isa Al Khalifa**

**First Deputy of the Prime Minister**

**Salman bin Hamad Al Khalifa**

Issued at Riffa Palace:

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