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Dziennik Ustaw (Journal of Laws) 2005, No. 78, Item 684

**ACT
of 15 April 2005
on Public Aid and Restructuring of Public Health Care Institutions**

**Chapter 1
General Provisions**

Art. 1.

This Act regulates:

- 1) the principles and terms of financial restructuring of public health care institutions;
- 2) the procedure to be followed in respect of financial restructuring of public health care institutions;
- 3) the principles of providing public aid to public health care institutions.

Art. 2.

1. The following parties may be subject to financial restructuring:
 - 1) public health care institutions in the meaning of Art. 8(2) of the Health Care Institutions Act of 30 August 1991 (*Dziennik Ustaw* No. 91, Item 408, as amended¹) run as autonomous public health care institutions;
 - 2) research-and-development establishments performing any of the tasks set forth in Art. 1(2)(1) of the Act referred to under Sec. 1(1) above which as of 1 January 2001 employed in excess of 50 persons (“institutions”).
2. An institution may be subject to financial restructuring under the provisions of this Act only once.
3. An autonomous public health care institution formed as a result of a merger of public health care institutions may be subject to financial restructuring under this Act where at least one of the merged autonomous public health care institutions prior to the merger satisfied the condition referred to under Sec. 1 above.
4. In circumstances referred to under Sec. 3 above restructuring may be applied exclusively in respect of the liabilities of an autonomous public health care institution formed as a result of a merger, as regards the liabilities of such autonomous public health care institution, which among the institutions merged met the condition referred to under Sec. 1 above.

¹ Amendments to this Act were published in: *Dz. U.* 1992 No. 63, Item 315; 1994 No. 121, Item 591; 1995 No. 138, Item 682; 1996 No. 24, Item 110; 1997 No. 104, Item 661, No. 121, Item 769 and No. 158, Item 1041; 1998 No. 106, Item 668, No. 117, Item 756 and No. 162, Item 1115; 1999 No. 28, Item 255 and 256 and No. 84, Item 935; 2000 No. 3, Item 28, No. 12, Item 136, No. 43, Item 489, No. 84, Item 948, No. 114, Item 1193 and No. 120, Item 1268; 2001 No. 5, Item 45, No. 88, Item 961, No. 100, Item 1083, No. 111, Item 1193, No. 113, Item 1207, No. 126, Item 1382, 1383 and 1384 and No. 128, Item 1407; 2002 No. 113, Item 984; 2003 No. 45, Item 391, No. 124, Item 1151 and 1152, No. 171, Item 1663, No. 213, Item 2081 and No. 223, Item 2215; 2004 No. 210, Item 2135 and No. 273, Item 2703.

Art. 3.

Whenever this Act refers to:

- 1) the institution's founder - this shall be understood as the parties:
 - a) listed under Art. 8(1)(1)-(3a) of the Health Care Institutions Act of 30 August 1991;
 - b) exercising supervision over research-and-development entities in the meaning of the Research-and-Development Entities Act of 25 July 1985 (*Dz. U.* 2001 No. 33, Item 388, as amended²);
- 2) the institution's manager – this shall be understood to include the director of the research-and-development entity referred to under Sec. 1(b) above;
- 3) a loan – this shall be understood as a loan granted by the State Treasury from funds set aside in the State Budget Act, under the principles set forth in the said Act.

Chapter 2

Financial Restructuring

Art. 4.

Financial restructuring of institutions covers the following types of debt known to exist as of 31 December 2004:

- 1) public law liabilities;
 - 2) civil law liabilities;
 - 3) individual employee claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts (*Dz. U.* 1995 No. 1, Item 2, as amended³)
- which arose from 1 January 1999 to 31 December 2004.

Art. 5.

1. Financial restructuring of institutions consists in:
 - 1) writing off the public law debt obligations listed under Art. 6(1) above;
 - 2) spreading the repayment of the liabilities by virtue of the contributions referred to under Art. 7 below over a number of instalments;
 - 3) entering by the institution into a debt restructuring agreement with its civil law creditors.
2. Financial restructuring of institutions may also consist in the entering by the institution with its employees into debt restructuring agreements in respect of their claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts.
3. A restructuring procedure conducted in respect of an institution pursuant to:
 - 1) the Act of 30 August 2002 on Restructuring of Certain Public Law Liabilities Due From Businesses (*Dz. U.* No. 155, Item 1287; 2003 No. 56, Item 498 and No. 202, Item 1956 and 2004 No. 82, Item 745);
 - 2) the Act of 30 October 2002 on Public Aid for Businesses with a Special Importance to the Labour Market (*Dz. U.* No. 213, Item 1800; 2003 No. 90, Item 844 and No. 229, Item 2271; and 2004 No. 123, Item 1291),

² Amendments to the consolidated text were published in *Dz. U.* 2002 No. 74, Item 676, No. 113, Item 984, No. 153, Item 1271, No. 200, Item 1683 and No. 240, Item 2052; 2004 No. 238, Item 2390.

³ Amendments to this Act were published in: *Dz. U.* 1995 No. 43, Item 221; 1997 No. 121, Item 770; 1998 No. 162, Item 1112; 2001 No. 5, Item 45 and No. 100, Item 1080; 2003 No. 6, Item 63; 2004 No. 26, Item 226 and No. 240, Item 2407.

is subject to discontinuation as regards the liabilities referred to under Art. 6(1) below.

Art. 6.

1. The following types of public law liabilities together with interest accrued on them may be subject to write off:
 - 1) tax liabilities due to the state budget and customs payables;
 - 2) social insurance contributions in the part covered by the payer and Labour Fund contributions, except for pension fund contributions;
 - 3) liabilities due to the State Fund for the Rehabilitation of the Disabled;
 - 4) liabilities by virtue of:
 - a) charges for economic use of the environment in the meaning of the Environmental Protection and Shaping Act of 31 January 1980 (*Dz. U.* 1994 No. 49, Item 196, as amended⁴);
 - b) charges for use of the environment in the meaning of the Environmental Protection Act of 27 April 2001 (*Dz. U.* 2001 No. 62, Item 627, as amended⁵);
 - c) charges for special use of waters in the meaning of the Water Law Act of 24 October 1974 (*Dz. U.* No. 38, Item 230, as amended⁶)
 constituting revenues of the National Environmental and Water Management Fund and Voivodship, District and Municipality Environmental and Water Management Funds, irrespective of which of the public administration authorities should receive such charges in their bank account, subject to Art. 9;
 - 5) administrative pecuniary penalties provided for in the Acts listed under Sec. 1(4) above;
 - 6) charges for perpetual usufruct of land owned by the State Treasury in the part constituting state budget revenue;
 - 7) default interest, extension charges, additional charges, costs of reminders, enforcement costs in respect of the overdues specified under Sec. (1)(1)-(6) above.
2. The public law liabilities referred to under Sec. 1. above are subject to write off if as of the day of the decision concluding the restructuring procedure the institution:
 - 1) is not in arrears with the liabilities referred to under Art. 7 below;
 - 2) is not in arrears with public law liabilities which arose prior to 1 January 1999 or after 31 December 2004, subject to Sec. 3;
 - 3) has implemented a debt restructuring agreement with its civil law creditors within the scope specified under Art. 13(1) below and has repaid the obligations referred to under Art. 13(2) below, provided a restructuring procedure in respect of its civil law liabilities is in progress;

⁴ Amendments to the consolidated text of this Act were published in: *Dz. U.* 1995 No. 90, Item 446; 1996 No. 106, Item 496 and No. 132, Item 622; 1997 No. 46, Item 296, No. 96, Item 592, No. 121, Item 770 and No. 133, Item 885; 1998 No. 106, Item 668; 1999 No. 101, Item 1178; 2000 No. 12, Item 136, No. 48, Item 550, No. 62, Item 718 and No. 109, Item 1157; 2001 No. 38, Item 452, No. 45, Item 497, No. 63, Item 634, No. 73, Item 764, No. 76, Item 811, No. 84, Item 901 and No. 100, Item 1085.

⁵ Amendments to this Act were published in: *Dz. U.* 2001 No. 115, Item 1229; 2002 No. 74, Item 676, No. 113, Item 984, No. 153, Item 1271 and No. 233, Item 1957; 2003 No. 46, Item 392, No. 80, Item 717 and 721, No. 162, Item 1568 and No. 175, Item 1693, No. 190, Item 1865 and No. 217, Item 2124, 2004 No. 19, Item 177, No. 49, Item 464, No. 70, Item 631, No. 91, Item 875, No. 92, Item 880, No. 96, Item 959, No. 121, Item 1263, No. 273, Item 2703 and No. 281, Item 2784; 2005 No. 25, Item 202, No. 62, Item 552.

⁶ Amendments to this Act were published in: *Dz. U.* 1980 No. 3, Item 6; 1983 No. 44, Item 201; 1989 No. 26, Item 139 and No. 35, Item 192; 1990 No. 34, Item 198 and No. 39, Item 222; 1991 No. 32, Item 131 and No. 77, Item 335; 1993 No. 40, Item 183; 1994 No. 27, Item 96; 1995 No. 47, Item 243; 1996 No. 106, Item 496; 1997 No. 47, Item 299, No. 88, Item 554 and No. 133, Item 885; 1998 No. 106, Item 668; 2000 No. 12, Item 136, No. 89, Item 991, No. 109, Item 1157 and No. 120, Item 1268; 2001 No. 5, Item 43, No. 72, Item 742, No. 100, Item 1085 and No. 125, Item 1368.

- 4) has satisfied its employees' claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts or has implemented debt restructuring agreements referred to under Art. 17(1) below within the scope specified under Art. 17(2)(1) below.
3. The condition regarding not being in arrears with public law liabilities is regarded as satisfied if the repayment of such liabilities, together with default interest, not subject to a restructuring procedure, prior to the date of issue of the decision concluding the restructuring procedure, is divided into instalments or if their repayment dates are postponed under the principles set forth in special regulations governing such liabilities.
4. Revenue from write off of public law liabilities does not constitute revenue in the meaning of the corporate income tax regulations, except for liabilities regarded as revenue earning costs.

Art. 7.

1. The institution's payables by virtue of national pension insurance contributions, national insurance contributions in the part paid by the insured persons and national health insurance contributions, including default interest, are subject to repayment by instalments, within 24 months of the date of the decision of the restructuring authority referred to under Art. 19 below specifying the restructuring terms.
2. The enforcement costs in respect of the liabilities referred to under Sec. 1. above shall be payable by instalments within 24 months of the date of the decision of the restructuring authority referred to under Art. 19 below specifying the restructuring terms.

Art. 8.

1. The following may also be subject to financial restructuring:
 - 1) payables listed under Art. 6(1) and Art. 7 above in respect of which by 31 December 2004 there had been issued decisions dividing their repayment into instalments or postponing their repayment dates or where such payables are disputed;
 - 2) extension charges set in connection with the decisions referred to under Sec. (1)(1) above;
 - 3) enforcement costs in respect of the payables listed under Art. 6(1) above.
2. The following payables of institutions may not be subject to financial restructuring:
 - 1) tax or customs arrears determined in a decision of the relevant tax, customs or inland revenue inspection authority;
 - 2) national insurance and Labour Fund contributions;
 - 3) contributions to the State Fund for the Rehabilitation of the Disabled;
 - 4) charges and penalties due to the National Environmental Protection and Water Management Fund, Voivodship, District and Municipality Environmental and Water Management Funds;
 - 5) charges for perpetual usufruct of land owned by the State Treasury assessed as a result of control activities if such arrears have been determined in connection with performing legal acts aimed to evade tax, customs or national insurance regulations or regulations regarding assessment and collection of such dues.

Art. 9.

1. The regulations regarding write off of public law liabilities shall apply accordingly to tax liabilities constituting revenues of local self-government units and the public law liabilities referred to under Art. 6(1)(4) and (5) above in the part regarding revenues of Voivodship, District and Municipality Environmental and Water Management Funds if

the decision-making body of the relevant local self-government unit adopts a resolution on restructuring such receivables.

2. Write off of receivables due to local self-government units by virtue of the liabilities referred to under Sec. 1. above does not entitle such units to compensation from the State Budget for a decrease in their revenue for this reason.

Art. 10.

1. Financial restructuring of civil law liabilities shall consist in entering by the institution into a debt restructuring agreement with its civil law creditors entered in the list referred to under Art. 21(2)(5) below.
2. The provisions of Part II Chapter 8 of the Administrative Procedure Code Act of 14 June 1960 (*Dz. U.* 2000 No. 98, Item 1071, as amended⁷) shall not apply to debt restructuring agreements.

Art. 11.

Financial restructuring of civil law liabilities shall be applicable to the principal and the interest accrued until the date of conclusion of the debt restructuring agreement.

Art. 12.

1. A debt restructuring agreement may be entered into if it is approved by over 50% of the institution's civil law creditors having in total in excess of 2/3 of the entire receivables due to the creditors enumerated in the list referred to under Art. 21(2)(5) below.
2. A debt restructuring agreement shall be binding upon all civil law creditors enumerated in the list referred to under Art. 21(2)(5) below.
3. The provisions of a debt restructuring agreement may be diversified as set forth in such agreement in respect of a given group of creditors, provided all parties to the agreement are treated equally.

Art. 13.

1. A debt restructuring agreement may restructure a civil law liability in the following manner:
 - 1) by writing such liability off in whole or in part;
 - 2) by spreading the repayment of such liability over a number of instalments;
 - 3) by postponing the repayment date of such liability;
 - 4) by taking over such liability in whole or in part by the institution's founder or in the case of institutions whose founder is a state university of medicine or a state university involved in teaching and research activities in medical sciences, also by the minister responsible for health matters;
 - 5) by converting such liability into bonds referred to under Art. 34(1)(1) below.
2. A civil law liability shall be repaid in full if its amount as of 31 December 2004 was not higher than PLN 2,000.

Art. 14.

1. A debt restructuring agreement shall be in writing otherwise null and void.
2. A debt restructuring agreement may be terminated during the restructuring procedure solely for important reasons attributable to the institution, in particular where the

⁷ Amendments to the consolidated text of this Act were published in: *Dz. U.* 2001 No. 49, Item 509; 2002 No. 113, Item 984, No. 153, Item 1271 and No. 169, Item 1387; 2003 No. 130, Item 1188 and No. 170, Item 1660; 2004 No. 162, Item 1692; 2005 No. 64, Item 565, No. 78, Item 682.

institution has violated this Act or the provisions of the debt restructuring agreement if such agreement is terminated by over 50% of the institution's civil law creditors having in total over 50% of the entire sum of the liabilities covered by the debt restructuring agreement.

3. Where a debt restructuring agreement has been terminated the restructuring authority shall discontinue the restructuring procedure, in which case Articles 29 and 30 below shall apply accordingly.
4. A debt restructuring agreement may not be terminated by civil law creditors who have received bonds referred to under Art. 34(1)(1) below in exchange for their receivables due from the institution.

Art. 15.

1. A civil law creditor enumerated in the list referred to under Art. 21(2)(5) below may, within seven days of concluding a debt restructuring agreement, file with a court a motion to have such agreement revoked in whole or in part where:
 - 1) the provisions of Articles 12 or 13 above have been breached;
 - 2) the provisions of the debt restructuring agreement are manifestly unfair to the creditor which has challenged the agreement.
2. Such motion shall be filed with the district court – commercial court through the restructuring authority.
3. A motion filed after the time limit set under Sec. 1. above shall not be considered.
4. The court shall fix the time for a hearing within 14 days of receipt of the motion.
5. If the motion is accepted the court shall revoke the debt restructuring agreement in whole or in part and shall draw up a statement of reasons *ex officio*.
6. The decision of a court of second instance is not subject to cessation.
7. Matters not regulated in Sections 1-6 above regarding revocation of debt restructuring agreements shall be governed by the provisions of the Civil Procedure Code concerning the non-litigious procedure.

Art. 16.

An institution shall, where a debt restructuring agreement has been revoked:

- 1) in whole, immediately enter into another debt restructuring agreement;
- 2) in part, modify the agreement, taking account of the court decision.

Art. 17.

1. Restructuring of individual employee claims arising out of Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts shall be effected by the institution concluding a debt restructuring agreement with the employee.
2. The debt restructuring agreement referred to under Sec. 1. above may consist in:
 - 1) spreading the repayment of the amounts due from the institution to the employee over instalments, with determination of the repayment schedule;
 - 2) waiving interest on the liabilities referred to under Sec. 1. above.
3. Where individual employee claims arising out of Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts are subject to repayment, such repayment shall be made by the day of the decision concluding the restructuring procedure.
4. The provisions of Articles 12, 13, 14(2)-(4), 15 and 16 shall not be applicable to debt restructuring agreements concluded by an institution with its employees.

Chapter 3

Restructuring Procedure

Art. 18.

1. The provisions of the Administrative Procedure Code Act of 14 June 1960 shall apply to the restructuring procedure unless this Act provides otherwise.
2. Financial restructuring of public law liabilities shall be accordingly subject to:
 - 1) the General Tax Regulations Act of 29 August 1997 (*Dz. U.* 2005 No. 8, Item 60), as regards obligations specified under Art. 6(1)(1) above;
 - 2) regulations regarding the assessment and collection of obligations specified under Art. 6(1)(2)-(7) and Art. 7, unless this Act provides otherwise.

Art. 19.

1. The restructuring procedure shall be conducted by the restructuring authority specified under Sec. 2. below.
2. The following shall act as the restructuring authority for an institution formed by:
 - 1) a local self-government unit – the Voivod;
 - 2) an entity other than that specified under Sec. 2(1) above – the minister responsible for health matters.

Art. 20.

1. The restructuring authority shall initiate a restructuring procedure at the request of the interested institution or its founder, submitted within three months of this Act coming into force.
2. Where a request for initiation of a restructuring procedure is filed by the institution's founder such founder shall immediately notify the institution manager to that effect.
3. Where the request does not meet the requirements set forth under Art. 21 below, the restructuring authority shall call upon the institution to complete it within 14 days of receipt of the call under pain of rejection of the request.
4. A request filed after the time limit set under Sec. 1. above shall not be considered.
5. A restructuring procedure shall be initiated by issuing a decision.
6. The restructuring authority shall issue the decision referred to under Sec. 5. above within seven days of receipt of a complete request.
7. The restructuring authority shall inform the authorities conducting the restructuring procedure pursuant to the Acts identified under Art. 5(3) above of the decision referred to under Sec. 5. above.
8. The restructuring authority shall refuse, by a decision issued without delay, to initiate a restructuring procedure where no favourable opinion of the institution's founder has been submitted, subject to Art. 22(3) below.

Art. 21.

1. A request filed by an institution or its founder for initiation of a restructuring procedure shall specify:
 - 1) the name of the institution, its registered office and address;
 - 2) the circumstances justifying the request and their substantiation;
 - 3) the number of people, as of 1 January 2001, as of the request date and as of 31 December 2004:
 - a) employed by the institution;

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- b) subject to Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts.
2. The request for initiation of a restructuring procedure shall be accompanied by:
 - 1) financial statements in the meaning of the accounting regulations for individual tax years from 1999 to 2004;
 - 2) annual reports for individual tax years from 1999 to 2004;
 - 3) a list of the institution's debtors, with amounts due from each of them, broken down by the principal and interest, as of the request date and 31 December 2004, and a list of securities of such receivables;
 - 4) a list of the institution's public law creditors, with overdue amounts and interest, as of the request date and 31 December 2004, and a list of securities of such payables;
 - 5) a list of the institution's civil law creditors, with amounts due to each of them, broken down by the principal and interest, as of the request date and 31 December 2004, and a list of securities of such payables;
 - 6) a list of the institution's off-balance sheet liabilities, with amounts, as of the request date and 31 December 2004;
 - 7) copies of enforcement titles or warrants of execution issued against the institution;
 - 8) information about the state of satisfaction of the institution's employees' claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - 9) a copy of the register of fixed, intangible and legal assets and information about encumbrances placed on them;
 - 10) a draft restructuring programme with a favourable opinion of the institution's founder, subject to Art. 22(3) below;
 - 11) an opinion of the institution's founder referred to under Sec. 2(10) above;
 - 12) a draft debt restructuring agreement with the institution's civil law creditors;
 - 13) draft debt restructuring agreements regarding individual employee claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - 14) a list of court or administrative proceedings, or restructuring procedures conducted under special Acts.

Art. 22.

1. The draft restructuring programme referred to under Art. 21(2)(10) above, also referred to as the "draft programme", shall contain:
 - 1) a detailed description of the institution's economic situation;
 - 2) an analysis of the reasons for the institution's difficult economic situation;
 - 3) a description of the intended steps to be taken by the institution to improve its economic situation, including steps regarding financial restructuring or enabling the institution to meet its public law liabilities on time and to service its indebtedness, as well as the proposed organizational changes;
 - 4) determination of the institution's economic situation which may be achieved after conclusion of the restructuring procedure;
 - 5) identification of the sources of finance for the activities referred to under Sec. 1(3) above, taking account of the public aid needed to carry out the restructuring procedure which the institution intends to apply for, specifying its amount, sources, form, date and legal basis.
2. The institution shall submit a draft program for approval to the entity referred to under Art. 3(1) above.

3. The institution's founder shall give its opinion within 14 days of receipt of a draft programme; such opinion shall not be required where the institution's founder is the restructuring authority.
4. The institution shall submit a draft program for an opinion to the institution's trade union organization.
5. The opinion referred to under Sec. 4. above shall be given within 14 days of receipt of the draft. A failure to give such an opinion within the time limit set shall be regarded as the giving of a favourable opinion on the draft programme.
6. Where an institution has no trade union organization the powers of such organization arising out of Sections 4. or 5. above shall be held by employee representatives elected in the manner adopted by a given institution.

Art. 23.

1. The restructuring authority in the case of an institution founded by a minister, a central government administration authority or a voivod shall immediately submit its draft programme for an opinion to the minister responsible for the State Treasury.
2. The minister responsible for the State Treasury shall submit its opinion to the restructuring authority within 21 days of receipt of the draft programme. A failure to submit such an opinion within the time limit set shall be regarded as the giving of a favourable opinion.
3. If the draft programme provides for an issuance of bonds or the giving of a guarantee by Bank Gospodarstwa Krajowego ("BGK") of repayment of interest on bonds, the restructuring authority shall forward the draft programme to BGK for an opinion.
4. BGK shall provide its opinion within 30 days of receipt of the draft programme on the basis of:
 - 1) the documents specified under Art. 21 above received from the restructuring authority;
 - 2) the opinion referred to under Sec. 2. above forwarded immediately after its receipt by the restructuring authority or a notice from the restructuring authority of approving the draft programme in the manner set forth under Sec. 2. above.
5. Prior to giving an opinion referred to under Sec. 4. above, BGK may approach the National Health Fund [Narodowy Fundusz Zdrowia] for an opinion on the institution's ability to achieve the economic situation specified in the financial forecasts referred to under Art. 22(1)(4) above.
6. The National Health Fund shall give an opinion referred to under Sec. 5. above within 14 days of receipt of the draft programme. A failure to submit such an opinion within the time limit set shall be regarded as the giving of a favourable opinion.
7. The provisions of Sec. 1 above do not violate the powers of the President of the Competition and Consumer Protection Office arising out of the Act of 30 April 2004 on the Procedure To Be Followed in Matters Related to Public Aid (*Dz. U.* No. 123, Item 1291).

Art. 24.

1. As from the date of initiation of the restructuring procedure until the date of issuance of a decision discontinuing or concluding the restructuring procedure the implementation of decisions issued under special regulations, made prior to the date of initiation of the restructuring procedure as regards the liabilities subject to such procedure shall be stayed.
2. During the period referred to under Sec. 1 above all enforcement proceedings initiated in respect of liabilities subject to the restructuring procedure shall be stayed, except for enforcement proceedings conducted in order to satisfy individual employee claims arising

out of Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts.

Art. 25.

1. Within three months of issuance of a decision initiating the restructuring procedure the institution shall:
 - 1) agree on the draft programme with its public law creditors;
 - 2) enter into a restructuring agreement with its civil law creditors;
 - 3) enter into debt restructuring agreements regarding individual employee claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts.
2. Entry into a restructuring agreement with civil law creditors within the scope specified under Art. 13(1)(4) above requires the consent of, accordingly, the institution's founder or the minister responsible for health matters within the time limit set under Sec. 1 above.

Art. 26.

1. Within seven days of the expiry of the time limit set under Art. 25(1) above the institution shall submit to the restructuring authority:
 - 1) a copy of the debt restructuring agreement referred to under Art. 25(1)(2) above;
 - 2) information about concluded debt restructuring agreements regarding individual employee claims arising out of Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - 3) information about the agreements reached with its public law creditors.
2. The information referred to under Sec. 1(2) above shall specify:
 - 1) the number of people with whom debt restructuring agreements have been concluded;
 - 2) the number of people with whom debt restructuring agreements have not been concluded;
 - 3) the amount of the claims subject to debt restructuring agreements;
 - 4) the repayment schedule where such repayment has been divided into instalments.

Art. 27.

1. The restructuring authority shall issue, within four months of making the decision initiating a restructuring procedure, a decision on restructuring terms if:
 - 1) the requirements set forth under Art. 25(1)(1) and (2) above have been met;
 - 2) favourable opinions have been given as specified under Art. 23 above, provided that an unfavourable opinion from BGK as regards issue of bonds shall not constitute an obstacle to issuing the decision where the institution has designated other sources of finance for programme implementation;
 - 3) it follows from an analysis of the application, the accompanying documents and data, and the opinions submitted that the steps the institution intends to take will result in its efficient operation in the future.
2. The running of the time limit set under Sec. 1. above shall be suspended until the date of issue of the final and valid decision in the proceedings referred to under Art. 15 above.
3. A decision on restructuring terms shall include in particular:
 - 1) the name of the institution, its registered office and address;
 - 2) an approval of the draft programme;
 - 3) restructuring terms;
 - 4) the deadline for the conclusion of the restructuring procedure.

4. Within four months of the date of issue of the decision initiating a restructuring procedure the restructuring authority shall, by issuing a decision, discontinue the restructuring procedure if the conditions referred to under Sec. 1 above have not been satisfied.
5. On the date of the decision referred to under Sec. 1. above the draft programme shall become a restructuring programme (the “Programme”).

Art. 28.

1. The restructuring authority shall issue a decision concluding the restructuring procedure if the conditions specified under Art. 6(2) above have been met and the institution has submitted:
 - 1) a clearance certificate in respect of the public law liabilities referred to under Art. 6(2)(2) above;
 - 2) its statement to the effect that the requirements set forth under Art. 6(2)(3) and (4) above have been met;
 - 3) a clearance certificate in respect of the liabilities referred to under Art. 7 above.
2. The restructuring authority shall issue a decision referred to under Sec. 1. above within 24 months of making the decision on restructuring terms.
- 3 The restructuring authority shall without delay forward the decision concluding the restructuring procedure to the institution’s public law creditors; such decision shall form the basis for such authorities to issue a decision to write off such liabilities.

Art. 29.

1. The restructuring authority, by way of decision, shall discontinue the restructuring procedure if the conditions set in the decision on restructuring terms have not been met within 24 months of issuing such decision; the restructuring authority shall immediately forward the decision discontinuing the restructuring procedure to the institution’s public law creditors.
2. On the day of discontinuation of the procedure referred to under Sec. 1 above the public law liabilities intended for write off shall become payable, the decisions stayed as set forth under Art. 24(1) above shall be subject to implementation and the proceedings stayed as set forth under Art. 24(2) above shall be resumed.
3. On the day of discontinuation of the restructuring procedure the debt restructuring agreement shall cease to bind the institution and its civil law creditors enumerated in the list referred to under Art. 21(2)(5) above unless within 14 days of issue of the decision discontinuing the restructuring procedure such agreement is approved by over 50% of the institution’s civil law creditors having in total over 2/3 of the entire receivables due to the creditors enumerated in the list referred to under Art. 21(2)(5) above.
4. Following an ineffective expiry of the time limit referred to under Sec. 3 above the civil law creditors identified in the list referred to under Art. 21(2)(5) above shall assert their claims in their original amounts; interest shall be accrued until the date of the final and valid decision discontinuing the restructuring procedure.
5. Amounts paid out under a debt restructuring agreement shall be counted towards the civil law receivables claimed.

Art. 30.

1. In the circumstances referred to under Art. 29 above the restructuring authority shall file with the institution’s founder a request for its liquidation.
2. The text of the request referred to under Sec. 1 above shall not be binding on the institution’s founder; in such circumstances the founder shall decide as to the institution’s further existence.

3. A liquidation request is not required if the institution's founder acts as the restructuring authority.

Art. 31.

1. The voivod shall provide the minister responsible for health matter with the following information:
 - 1) the number of issued decisions initiating restructuring procedures - within 30 days of the expiry of the time limit set under Art. 20(1) above;
 - 2) decisions on restructuring terms – within 7 days of issue of such a decision;
 - 3) decisions on discontinuing restructuring procedures and reasons for their issue – within 7 days of issue of such a decision;
 - 4) decisions concluding the restructuring procedure – within 7 days of issue of such a decision.
2. The information referred to under Sec. 1. above shall be accompanied by a report on the progress of the restructuring procedure.

Art. 32.

The Council of Ministers shall submit to the Sejm [the Lower House of the Polish Parliament], at least once every six months, a progress report on restructurization until its conclusion.

Art. 33.

At least once every six months the restructuring authority shall publish in the Official Gazette of the Republic of Poland "Monitor Polski B" the list of institutions in respect of which it has issued a decision concluding the restructuring procedure.

Chapter 4 **Principles of Granting Public Aid to Institutions**

Art. 34.

1. With a view to acquiring funds for financial restructuring an institution may:
 - 1) issue bonds;
 - 2) raise a loan;
 - 3) raise a bank credit;
 - 4) approach a local self-government unit for a guarantee of repayment of the principal on the bonds issued by such institution;
 - 5) approach BGK for a guarantee of payment of interest on such bonds with the National Credit Guarantee Fund [Krajowy Fundusz Poręczeń Kredytowych].
2. The State Treasury, represented by the minister responsible for public finances, shall provide BGK with a guarantee of payment of interest on bonds covered by the guarantee referred to under Sec. 1(5) above.
3. To guarantees referred to under Sec. 1(5) and Sec. 2 above there shall apply accordingly Articles 42c-42e of the Act of 8 May 1997 on Guarantees and Sureties Provided by the State Treasury and Certain Legal Persons (*Dz. U.* 2003 No. 174, Item 1689, as amended⁸).
4. A local self-government unit may provide an institution with a guarantee of repayment of the bond principal.

⁸ Amendments to the consolidated text of this Act were published in: *Dz. U.* 2004 No. 123, Item 1291, No. 145, Item 1537 and No. 281, Item 2785; 2005 No. 78, Item 684.

Art. 35.

1. The State Treasury shall extend a loan to an institution if as of the day of submission of the loan application such institution meets all of the following conditions:
 - 1) it has obtained a decision initiating the restructuring procedure;
 - 2) it has a restructuring programme which has received a favourable opinion as set forth under Art. 23(1) and (2) above;
 - 3) it has conferred securities in favour of the State Treasury in case of claims based on its failure to perform the loan agreement in the form of a collateral security on its assets, a blank promissory note or a security provided by other party;
 - 4) it has submitted a written statement on the average annual number of employees of the institution in the years 2001 and 2002.
2. Sec. 1 above shall not apply to the parties referred to under Art. 2(1)(2) above.
3. The total amount of loans from the state budget shall be determined in the State Budget Act and shall not exceed PLN 2.2 billion.
4. A loan may be extended:
 - 1) on application of the institution submitted within one month of the date of the decision initiating a restructuring procedure;
 - 2) in an amount not higher than the total of the principal claims due from the institution to its employees under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - 3) exclusively to meet the following obligations:
 - a) first of all – principal claims of employees under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - b) to repay the public law liabilities referred to under Art. 7 above, except for default interest and the amounts referred to under Art. 6(1)(7) above;
 - c) to repay the civil law liabilities subject to the debt restructuring agreement to the extent specified under Art. 13(1)(2) and (3) above, except for default interest and the amounts referred to under Art. 6(1)(7) above;
 - d) to cover the commission fee due to BGK for its operations referred to under Art. 36(1) below.
5. The principal claim referred to under Sec. 4(2), Sec. 4(3)(a), and Sec. 8(2) shall be understood as an amount due calculated using the following formula:

$$K_p = (Z_{2001} \times 203 \times 12) + (Z_{2002} \times 313.24 \times 12)$$

where:

- K_p - loan principal in PLN;
- Z_{2001} - average annual number of employees of the institution in 2001;
- Z_{2002} - average annual number of employees of the institution in 2002;
- 203 - an increase in the average monthly pay amounting to PLN 203, referred to under Art. 4a(1) of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts, in 2001;
- 313.24 - an increase in the average monthly pay amounting to the sum of PLN 203 and PLN 110.24, referred to under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts, in 2002;
- 12 - number of months in a year.

6. The State Treasury shall enter with the institution into a loan agreement within one month of submission by the institution of a complete loan application.
7. A loan may be extended to an institution only once.
8. Loan proceeds shall be reimbursed to the institution in three tranches, provided that:
 - 1) the first tranche, amounting to 50% of the principal, shall be reimbursed not later than within one month of signature of the loan agreement;
 - 2) the second tranche, amounting to 25% of the principal, shall be reimbursed not later than within three months of signature of the loan agreement, on the condition that the institution has used the first tranche to satisfy its principal debts claimed by its employees under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts, or that it has proved that it has satisfied its employees' claims under the said Act;
 - 3) third tranche, amounting to 25% of the loan principal, shall be reimbursed after obtaining a final and valid decision setting forth the restructuring terms.
9. The loan principal shall be repaid within 10 years of the date of conclusion of the loan agreement.
10. An autonomous public health care institution in respect of which a decision concluding the restructuring procedure has been issued and which within five years of the date of the decision setting forth the restructuring terms has repaid 50% of the loan principal shall have the remaining part of the loan written off.
11. A prepayment of the loan principal shall be free from any additional charges.
12. Interest on the loan shall be paid monthly or quarterly.
13. The loan shall carry interest at 3% per year.
14. The loan agreement shall specify in particular:
 - 1) the dates and terms of reimbursement of the loan proceeds;
 - 2) the dates and method of repayment of the loan principal and the dates and method of payment of interest on the loan;
 - 3) the numbers of the bank accounts into which the institution is to repay the loan principal, the interest on the loan and the fees to BGK for supervising the performance of the loan agreement;
 - 4) the types of security referred to under Sec. 1(3) above.
15. A failure by the institution to make two successive loan principal instalment payments or two successive interest payments, or the use of the loan proceeds in a manner violating Sec 4(3) above may result in the loan agreement being made immediately repayable.
16. The loan proceeds may not be subject to execution proceedings.

Art. 36.

1. The activities related to extending the loan shall be performed by BGK on behalf of the State Treasury; such activities shall include in particular:
 - 1) acceptance of the institution's loan application, its verification in terms of formal requirements;
 - 2) signature of the loan agreement with the institution where the institution satisfies all of the conditions set forth under Art. 35(1) above.
2. The commission fee due to BGK for the activities referred to under Sec. 1 above shall be deducted from the first loan tranche.
3. BGK shall also perform, on behalf of the State Treasury and for a fee payable by the institution, activities related to supervising the institution's fulfilment of the loan agreement; in particular it shall:
 - 1) verify whether the loan proceeds are used as required under Art. 35(4)(3) above;

- 2) make, with the consent of the minister responsible for public finances, the loan immediately repayable in the circumstances referred to under Art. 35(15) above;
- 3) check whether the institution has complied with the terms of write off referred to under Art. 35(10) above and shall inform the minister responsible for public finances of the results of such check.
4. The minister responsible for public finances shall determine by regulation:
 - 1) the amount of the commission fee referred to under Sec 2 above, taking account of the charges and fees set for BGK for consideration of loan applications, requests for guarantees or sureties, for loan extension, provision of guarantees or sureties with money from funds established, entrusted or handed over to BGK under special Acts;
 - 2) the amount of the fee referred to under Sec. 3 above, taking account of the remuneration due to BGK for managing funds established, entrusted or handed to BGK under special Acts.
5. BGK shall take, for a fee, on behalf of the State Treasury, steps aimed to recover the part of the loan principal or any interest on the principal not repaid by the institution.
6. The fee referred to under Sec. 5. above shall amount to 3% of the recovered amount; it shall not be lower, however, than the actually incurred reasonable costs related to the recovery process. Such fee shall be deducted from the amount recovered.
7. In taking steps referred to under Sec. 5 above BGK may, without obtaining a written declaration of submission to execution proceedings, issue a bank warrant of execution under Articles 96-98 of the Banking Law Act of 29 August 1997 (*Dz. U.* 2002 No. 72, Item 665, as amended⁹).
8. The detailed terms of the performance by BGK of activities referred to under Sections 1, 3 and 5 above, the rules of setting the fee referred to under Sec. 5 above, and the reimbursement for reasonable expenses related to debt recovery referred to under Sec. 6 above shall be regulated in an agreement concluded with the minister responsible for public finances.

Art. 37.

1. The bonds referred to under Art. 34(1)(1) above may be issued within 12 months of the date of the decision setting the restructuring terms.
2. An issue of bonds shall be organized and managed by BGK.
3. The costs of organizing and managing an issue of bonds shall be covered by the issuer.
4. An issue of bonds shall not be subject to Art. 17 of the Act of 8 May 1997 on Guarantees and Sureties Provided by the State Treasury and Certain Legal Persons or to Art. 24(3) and Art. 29 of the Bonds Act of 29 June 1995 (*Dz. U.* 2001 No. 120, Item 1300; 2002 No. 216, Item 1824; 2003 No. 217, Item 2124).

Art. 38.

1. Bond proceeds may be used exclusively:
 - 1) first of all – to satisfy employee claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - 2) to pay the public law liabilities referred to under Art. 7 above;

⁹ Amendments to the consolidated text of this Act were published in: *Dz. U.* 2002 No. 126, Item 1070, No. 141, Item 1178, No. 144, Item 1208, No. 153, Item 1271, No. 169, Item 1385 and Item 1387, No. 241, Item 2074; 2003 No. 50, Item 424, No. 60, Item 535, No. 65, Item 594, No. 228, Item 2260, No. 229, Item 2276; 2004 No. 64, Item 594, No. 68, Item 623, No. 91, Item 870, No. 96, Item 959, No. 121, Item 1264, No. 146, Item 1546, No. 173, Item 1808.

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- 3) to pay the civil law liabilities subject to the debt restructuring agreement within the scope set in Art. 13(1)(2) and (3);
 - 4) to pay the costs of issue of bonds and the commission fee referred to under Art. 42c(4) of the Act of 8 May 1997 on Guarantees and Sureties Provided by the State Treasury and Certain Legal Persons, except for costs of redemption of bonds and payment of interest on bonds.
2. Bond proceeds may not be subject to execution proceedings.

Art. 39.

Should the institution's founder or the minister responsible for health matters take over the institution's liabilities under the terms set in Art. 13(1)(4) the restructuring of such liabilities shall be subject to the provisions of this Chapter.

Art. 40.

1. An institution which as of the date of submission of the application referred to under Sec. 3 below is not in arrears with payment of its liabilities known as of 31 December 2004 and is not subject to financial restructuring in the meaning of Chapter 2 of this Act may apply for a subsidy to be used to support its efforts aimed to restructure its employment, to introduce changes to its organizational structure or to improve the its economic situation or quality of its health care services.
2. Subsidies shall be granted from the state budget within the amount limits set in the State Budget Act.
3. Subsidies shall be granted at the request of the institution by the minister responsible for health matters.
4. The institution shall submit an application for a subsidy, together with an opinion of the institution's founder, to the minister responsible for health matters, through the restructuring authority, within two months from this Act coming into force; such opinion is not required where the institution's founder acts as its restructuring authority.
5. The restructuring authority shall forward the application referred to under Sec. 3 above to the minister responsible for health matters, together with an assessment of the proposed subsidy amount and its designated use.
6. If the minister responsible for health matters acts as the restructuring authority the institution shall make the application referred to under Sec. 3 above to such minister.
7. The minister responsible for health matters, in determining the amount of the subsidy for the institution shall take into account the expenditure incurred by the institution as a result of taking the steps referred to under Sec. 1 above in the years 1999-2004 and the expenditures projected for 2005.
8. The provisions of Sections 1-7 above do not violate the powers of the President of the Competition and Consumer Protection Office arising out of the Act of 30 April 2004 on the Procedure To Be Followed in Matters Related to Public Aid.

Art. 41.

1. The application referred to under Art. 40(3) above shall specify:
 - 1) the name of the institution, its registered office and address;
 - 2) information about the expenditures incurred in the years 1999-2004 and projected for 2005 for the actions referred to under Art. 40(1) above, subject to Art. 40(7) above;
 - 3) the proposed amount of the subsidy, a description of its designated use compatible with the actions referred to under Art. 40(1) above, together with the intended economic and organizational results as well as a justification;
 - 4) the number of people employed by the institution;

- 5) the number of people subject to Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts.
2. The application referred to under Art. 40(3) above shall be accompanied by:
 - 1) the institution's financial statements in the meaning of the accounting regulations for the tax years 1999-2004;
 - 2) the institution's annual reports for the tax years 2002-2004;;
 - 3) information about the state of satisfaction of the employee claims under Art. 4a of the Act of 16 December 1994 on the Negotiation-Based System for Shaping the Growth of Average Earnings in Businesses and on Amending Certain Acts;
 - 4) a copy of the register of fixed, intangible and legal assets and information about encumbrances placed on them;
 - 5) the institution's declaration that it is not in arrears with any of its liabilities payable as of 31 December 2004;
 - 6) the institution's statement about a reduction of the expenditures referred to under Art. 40(7) by the amount of subsidies received to cover them.

Chapter 5 Amendments to Existing Regulations

Art. 42.

The Corporate Income Tax Act of 15 February 1992 (*Dz. U.* 2000 No. 54, Item 654, as amended¹⁰) shall be amended as follows:

- 1) in Art. 4a(5) the following subsection f shall be added:
“f) of 15 April 2005 on Public Aid and Restructuring of Public Health Care Institutions (*Dz. U.* 2005 No. 78, Item 684);”;
- 2) in Art. 16(3d) the word “entrepreneurs” shall be replaced by “entities”.

Art. 43.

In the Act of 8 May 1997 on Guarantees and Sureties Provided by the State Treasury and Certain Legal Persons (*Dz. U.* 2003 No. 174, Item 1689; 2004 No. 123, Item 1291, No. 145, Item 1537 and No. 281, Item 2785) after Art. 42b the following Articles 42c-42e shall be added:

- “Art. 42c 1. During the restructuring procedure of a public health care institution (an “institution”) initiated under the Act of 15 April 2005 on Public Aid and Restructuring of Public Health Care Institutions (*Dz. U.* No. 78, Item 684) Bank Gospodarstwa Krajowego may provide the institution, using money from the National Credit Guarantee Fund, with a guarantee of payment of interest on bonds.
2. The guarantee referred to under Sec. 1 above may be granted on the conditions that:

¹⁰ Amendments to the consolidated text of this Act were published in: *Dz. U.* 2000 No. 60, Items 700 and 703, No. 86, Item 958, No. 103, Item 1100, No. 117, Item 1228 and No. 122, Items 1315 and 1324; 2001 No. 106, Item 1150, No. 110, Item 1190 and No. 125, Item 1363; 2002 No. 25, Item 253, no. 74, Item 676, No. 93, Item 820, No. 141, Item 1179, No. 169, Item 1384, No. 199, Item 1672, No. 200, Item 1684 and No. 230, Item 1922; 2003 No. 7, Item 79, No. 45, Item 391, No. 96, Item 874, No. 137, Item 1302, No. 180, Item 1759, No. 202, Item 1957, No. 217, Item 2124 and No. 223, Item 2218; 2004 No. 6, Item 39, No. 29, Item 257, No. 54, Item 535, No. 93, Item 894, No. 116, Item 1203, No. 121, Item 1262, No. 123, Item 1291, No. 146, Item 1546, No. 171, Item 1800, No. 210, Item 2135 and No. 254, Item 2533; 2005 No. 25, Item 202 and No. 57, Item 491.

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- 1) the institution's restructuring programme provides for an application for a guarantee of Bank Gospodarstwa Krajowego from the money from the National Credit Guarantee Fund;
 - 2) the bonds issued and the bond proceeds acquired are used as set forth in the Act referred to under Sec. 1 above;
 - 3) the institution or the local self-government unit being the institution's founder provides a guarantee in favour of Bank Gospodarstwa Krajowego to satisfy any claims related to the performance of the guarantor's duties.
3. The guarantee referred to under Sec. 1 above:
 - 1) shall be provided at the institution's request;
 - 2) may be provided to the institution only once.
 4. The following commission fee shall be levied on the guarantee referred to under Sec. 1 above:
 - 1) 1.0% of the amount guaranteed if the period of guarantee does not exceed two years;
 - 2) 1.5% of the amount guaranteed if the period of guarantee exceeds two years.
 5. Art. 2b(1), Art. 34, Art. 38(3) and Art. 39 shall apply accordingly to the guarantee referred to under Sec. 1 above.
 6. The validity of the guarantee referred to under Sec. 1 above may not extend beyond 31 December 2010.
 7. The guarantee referred to under Sec. 1 above shall be exempt from stamp duty.
- Art. 42d.
1. The minister responsible for public finances shall issue, on behalf of the State Treasury, a guarantee in favour of Bank Gospodarstwa Krajowego of payment of interest on the bonds subject to the guarantee referred to under Art. 42c(1) above.
 2. The amount guaranteed by the State Treasury referred to under Sec. 1 above amounts to PLN 500 million.
 3. The money to be used to execute the guarantee of the State Treasury referred to under Sec. 1 above forms part of the National Credit Guarantee Fund kept by Bank Gospodarstwa Krajowego.
 4. The terms of execution of the guarantee of the State Treasury referred to under Sec. 1 above shall be set forth in an agreement concluded between the minister responsible for public finances and Bank Gospodarstwa Krajowego.
 5. The State Treasury guarantee referred to under Sec. 1 shall expire on 31 December 2010.
 6. The State Treasury guarantee referred to under Sec. 1 above shall be exempt from commission fee.
 7. Art. 31, Art. 43(1) and (2), Art. 43a, Articles 44-44b, Art. 45(1) and Art. 47 shall apply accordingly to the State Treasury guarantee referred to under Sec. 1 above.
 8. In the event that the minister responsible for public finances fails to take steps aimed to recover amounts paid under the State Treasury guarantee referred to under Sec. 1 Bank Gospodarstwa Krajowego shall take such steps, for a fee, under the conditions detailed in an agreement with the minister responsible for public finances.

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9. The fee referred to under Sec. 8. above shall amount to 3% of the recovered amount, however it shall not be lower than the actually incurred reasonable costs related to the recovery process. Such fee shall be deducted from the recovered amount and the method of its determination shall be specified in the agreement.
 10. In taking steps referred to under Sec. 8 above, Bank Gospodarstwa Krajowego may, without obtaining a written declaration of submission to execution proceedings, issue a bank warrant of execution under Articles 96-98 of the Banking Law Act of 29 August 1997 (*Dz. U.* 2002 No. 72, Item 665, as amended¹¹).
- Art. 42e. The provisions of Articles 42c and 42d shall apply accordingly if the local self-government unit being the institution's founder has taken over such institution's liabilities and has issued bonds in order to raise finance to pay such liabilities."

Chapter 6

Final Provision

Art. 44.

This Act comes into force 14 days after its publication.

¹¹ Amendments to the consolidated text of this Act were published in: *Dz. U.* 2002 No. 126, Item 1070, No. 141, Item 1178, No. 144, Item 1208, No. 153, Item 1271, No. 169, Items 1385 and 1387, No. 241, Item 2074; 2003 No. 50, Item. 424, No. 60, Item 535, No. 65, Item 594, No. 228, Item 2260, No. 229, Item 2276; 2004 No. 64, Item 594, No. 68, Item 623, No. 91, Item 870, No. 96, Item 959, No. 121, Item 1264, No. 146, Item 1546, No. 173, Item 1808.