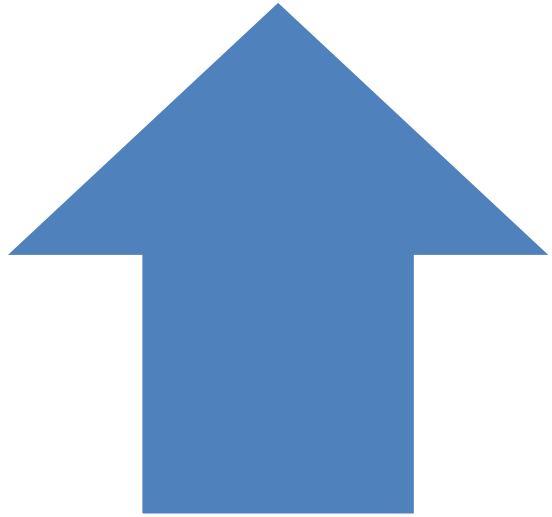




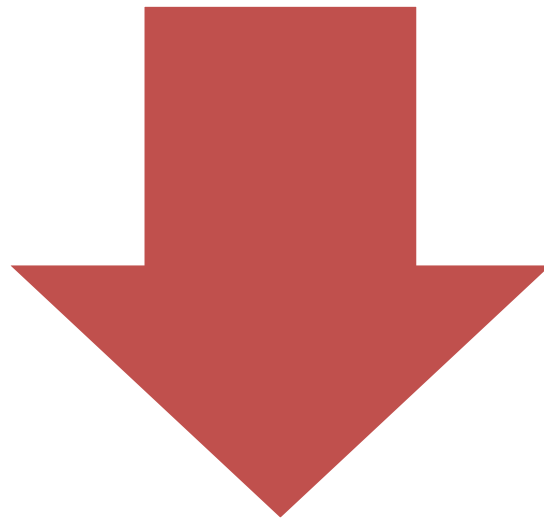
Indicative survey on credibility of the Insolvency system in Latvia

187 respondents in 2015

138 respondents in 2013



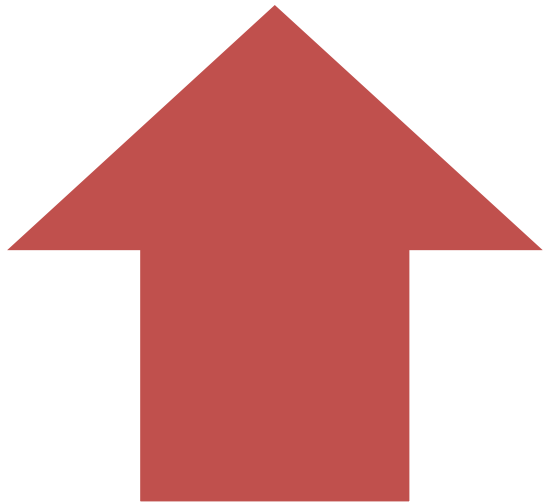
77% respondents have encountered the insolvency or bankruptcy protection proceedings in 2013



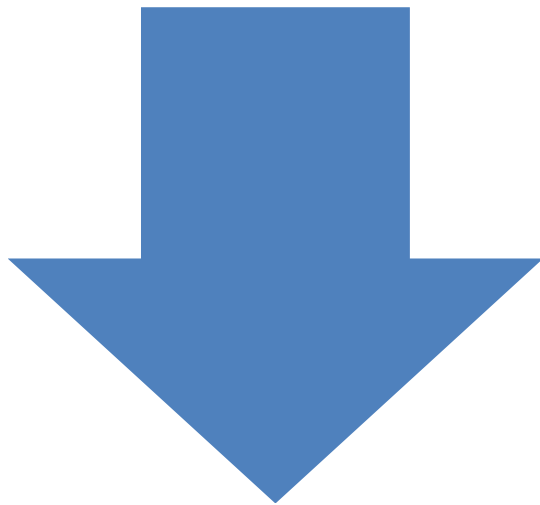
71% encountered the insolvency or bankruptcy protection proceedings in their business in 2015



83% believe the State is unable to effectively protect their legitimate interests in the case of insolvency in 2013 and 2015



84% respondents think insolvency process in Latvia is not fully transparent and fair in **2015**



76% respondents: insolvency process in Latvia is not fully transparent and fair in **2013**

70%

The Insolvency Law doesn't meet its goal to promote the fulfillment of the obligations of a debtor in financial difficulties and to renew its solvency when possible

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85%

Interpretation and application of
the Insolvency Law is not
predictable and consistent

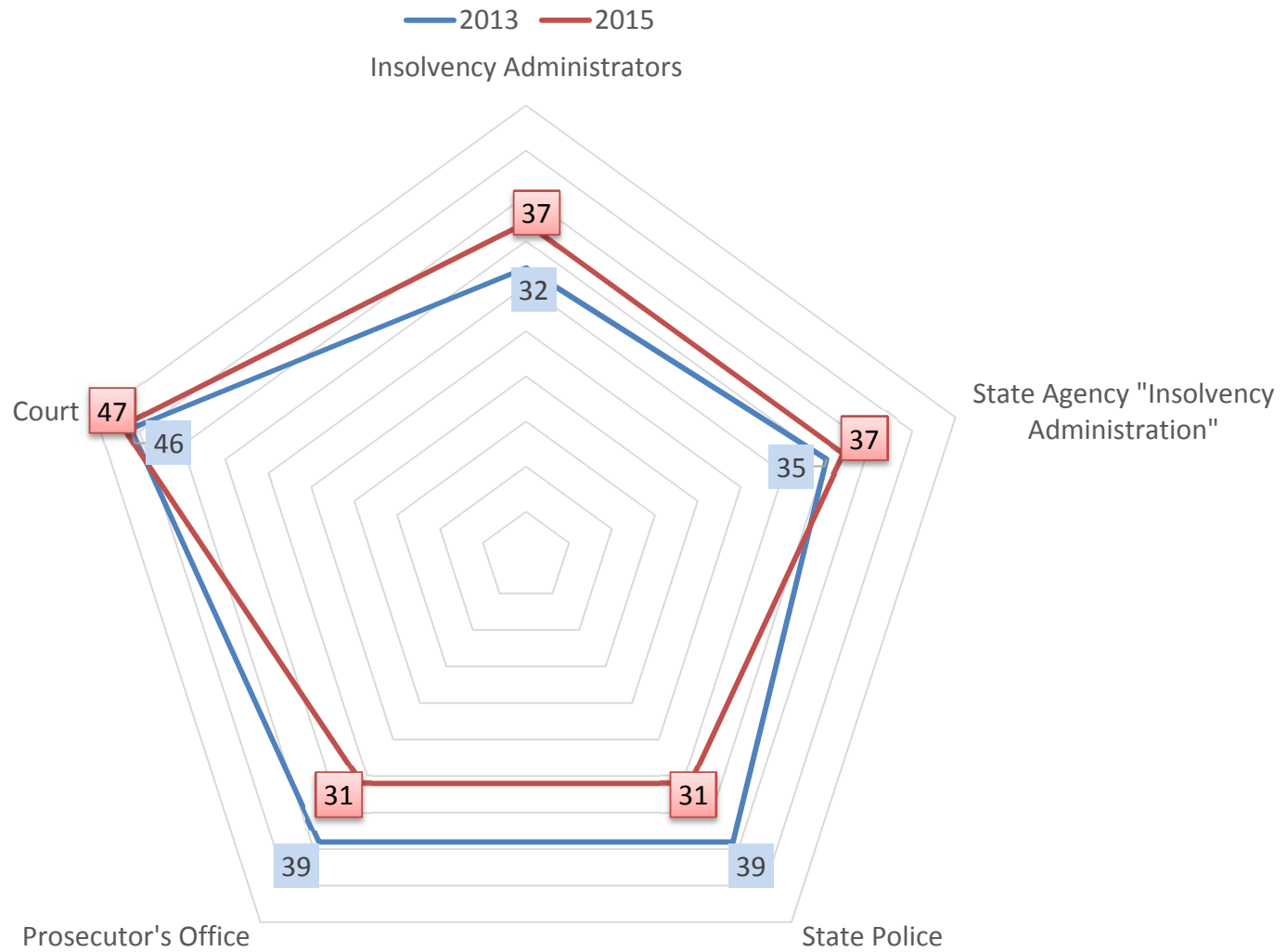
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user; 14.10.2015

Low trust in all institutions involved in governance and supervision of the insolvency process was indicated in both member surveys in **2015** and **2013**

Trust in institutions involved in supervision and enforcement of insolvency



Be very tough against any kind of corruption, sharp control function. Show that the state take this seriously.

A full replacement of all insolvency administrators. The new administrators should follow an internationally recognized code of conduct with proper training and certification. I feel no progress has been made in the past years.

Legislation introduced but full transparency is not achieved. I do not see any major improvements, the process is too complicated and bureaucratic. It is somewhat changed but it does not necessarily mean that all changes means improvements.

Minor progress present, overall framework and particular stages of the insolvency process should be clarified to avoid unneeded interpretations.

1. Clear and fair rules for the administrators to avoid apparent conflicting interests and apply sanctions, including criminal and financial for unfair and illegal benefiting. 2. The state shall take over control over the administrators – self-governance does not work. 3. Avoid strong political/financial link between certain groups of political influence and the 'administration business'.

Force police to lay charges on violators reported by administrators. Currently, the police systematically ignore administrators' complaints about criminal behavior. It is not a change of law that is required. It is enforcement of law that is required.