



## INFORMATION TO EMPLOYEES IN BANKRUPTCY

### Introduction

The purpose of this document is to inform you regarding how your employment is affected due to your employer being declared bankrupt.

### Termination of employment

Due to the bankruptcy, a work shortage occurs that implies that all employees are terminated by the bankruptcy trustee, unless you have not been terminated or have terminated your employment voluntarily prior to the bankruptcy. If you are on parental leave, the termination period starts from the day when the parental leave was due to end.

Your termination period follows from your employment agreement or section 11 of the Swedish Employment Protection Act (*lagen om anställningsskydd*) (the "SEPA") in case there is no agreement. However, your right to reimbursement from the wage guarantee scheme is limited to what is stated in section 11 of the SEPA. Your termination period according to the SEPA is dependent on your period of employment and comprises between one to six months. The termination period in accordance with the SEPA takes precedence over any longer termination period that might be stated in your employment agreement. However, if you have a shorter termination period according to a collective bargaining agreement as compared to the SEPA, the agreement takes precedence. The SEPA takes precedence if you have an individual employment agreement that stipulates a shorter termination period.

- 1 month if the total time of employment is less than two years, including employees over the age of 67
- 2 months if the total time of employment is at least two but less than four years
- 3 months if the total time of employment is at least four but less than six years
- 4 months if the total time of employment is at least six but less than eight years
- 5 months if the total time of employment is at least eight but less than ten years
- 6 months if the total time of employment is at least ten years

If you were employed prior to 1 January 1997, other termination periods apply.

### Wage guarantee

The bankruptcy trustee makes a decision regarding wage guarantee after receiving information from the company. If the bankruptcy trustee cannot get the information from the company or otherwise requires additional information, you may be required to give complementary information.

Pursuant to the Wage Guarantee Act, an employee may be entitled to compensation for wages that have been earned within three months from the petition for bankruptcy and for wage during the termination period, but at most for a period of eight months. Vacation pay and vacation reimbursement that has been earned prior to the bankruptcy is reimbursed for the current and the previous year. In addition to salary, you may be entitled to compensation for unpaid benefits, pensions, expenses made

on behalf of the company and certain other costs you may have had due to your employment.

Any person that individually or together with a close relative has owned a significant share of the company during the most recent six months prior to the petition for bankruptcy and that had a considerable influence over the business is not entitled to compensation from the wage guarantee scheme.

Compensation from the wage guarantee scheme is limited to a maximum of four price base amounts (*prisbasbelopp*) (equaling 235 200 SEK for bankruptcies decided during 2025).

Once the bankruptcy trustee has made the decision, it is sent to the employee and to the Swedish Tax Agency.

### **Payment of wage guarantee**

All payments of wage guarantee are made by the Swedish Tax Agency. The time it takes to process the payments cannot be influenced by the bankruptcy trustee.

Termination payment is paid monthly after you, for each month, have filled out an assurance and sent it to the Swedish Tax Agency. The assurance can be filled out through their e-service located at their website: [Wage guarantees for employees | Skatteverket](#), where you also can find more information about the wage guarantee. The assurance implies an obligation to give information if you have received a new employment, been studying, sick or have received other compensation. If you receive a new employment during your termination period and your new salary is lower than your previous salary, you may be entitled to be compensated for the difference from the wage guarantee scheme.

### **Notification to the Swedish Public Employment Service (*Arbetsförmedlingen*)**

You should notify the Swedish Public Employment Service that you are looking for a new employment as soon as possible, and no later than on the day you are relieved of your work duties. This is so since your right to a dividend in the bankruptcy may be dependent on you having given such notice. This applies even if you have terminated your employment voluntarily prior to the bankruptcy.

Save a certification that you have given notice that you are looking for a new employment. You can do this on the Swedish Public Employment Service's website. Log in to "[Mina sidor](#)" with your BankID and go to "Visa/ändra mina uppgifter". Choose "Dokument and intyg", and you get the certificate in pdf format. Before the termination payment is paid out, the Swedish Tax Agency may require that you give evidence that notice has been given to the Swedish Public Employment Service. This can normally be handed in in conjunction with the assurance, but in such case you will be informed about this by the Swedish Tax Agency specifically.

## **Work on behalf of the bankruptcy estate**

During your termination period, your work duties are still in force. This means that if the bankruptcy trustee so demands, you are required to perform work on behalf of the bankruptcy estate during your termination period. During the first month after the bankruptcy decision, your salary is paid through the wage guarantee scheme, up to the maximum amount. If work for the bankruptcy estate is to be carried out thereafter, your salary will be paid by the bankruptcy estate, so-called general salary (*massalön*). When the bankruptcy trustee notifies you that you no longer are required to perform work for the bankruptcy estate, you are relieved of your duties and is entitled to wage guarantee if the termination period has not yet ended and you haven't reached the maximum amount payable under the wage guarantee scheme.

## **Pension**

If you have a pension based on collective bargaining agreements, e.g. FORA or Collectum, the premia are covered during the entire termination period, in spite of your employer being in bankruptcy. Other rules may apply as regards individual employment pensions. In order for your pension to be calculated correctly, it is important that your employer gives correct salary information to the insurance company. It is your employer and not the bankruptcy trustee that is required to do this.

## **Rules of priority**

You may have priority to reemployment in the business that your employer has conducted if someone purchases the business, for example. A condition for this is that you have been employed for a total period of more than twelve months during the last three years and that you have sufficient qualifications. The right of priority applies during a period of nine months from the termination of the employment. Other rules apply for seasonal workers and employees employed prior to 1 January 1997.

## **Certification, control information, etc.**

The bankruptcy does not relieve the employer from its duties towards the employees for circumstances prior to the bankruptcy. The employer therefore still has a duty to, among other things, issue:

- Certificate of employment for the time prior to the bankruptcy
- Remarks regarding employment performance
- AGI shall be registered with the Tax Authority relating to salary that has been paid prior to the bankruptcy
- Salary information for employees to FORA and Collectum for pensions and termination payments

These, and related questions, should thus be made to your previous employer and not to the bankruptcy trustee. It is important that you protect your rights in this regard as soon as possible after the bankruptcy, since it may be difficult to, at a later time, reach a representative of the company.

## **Questions**

If you have questions relating to the wage guarantee or otherwise regarding your employment, you can reach out to Ackordscentralen or your labour union.