**Australian Securities & Investments Commission**

# Restructuring proposal statement

*Corporations Act 2001*, s455B
*Corporations Regulations 2001,* reg 5.3B.16 and 5.3B.65

Section A (Schedule of debts and claims) should be completed by the company director(s) on behalf of the company. Section B (Important information about restructuring plans) should be read by affected creditors.

This template uses hidden text (indicated by dotted underline). Viewing and printing hidden text options can be found in the Options dialogue box.

## A. Schedule of debts and claims

***Note:*** *A creditor who disputes an amount disclosed below as owing to them should immediately contact the restructuring practitioner who provided this plan.*

*Tab from the last row to add more rows. In the last column, delete or strike through the answer that does not apply.*

|  |  |  |
| --- | --- | --- |
| **Creditor name** | **Amount owed ($)** | **Related creditor [Y/N]** |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No |
| Enter text here | Enter amount here | Yes No  |

## B. Important information about restructuring plans

### Deciding whether to accept a plan

1. A decision about whether a restructuring plan should be accepted is made by affected creditors who receive the following documents from a restructuring practitioner in relation to a company:
	1. the company’s restructuring plan;
	2. restructuring plan standard terms;
	3. the company’s restructuring proposal statement; and
	4. a declaration from the restructuring practitioner about:
		1. whether the eligibility criteria for restructuring are met;
		2. whether the company is likely to be able to discharge the plan obligations; and
		3. the practitioner’s belief about the completeness of the information set out in the company’s restructuring proposal statement.
2. These documents must be accompanied by a request to an affected creditor from the practitioner to:
	1. give a statement about whether or not the restructuring plan should be accepted;
	2. if the affected creditor agrees with the assessment of the creditor’ s admissible debts or claims—verify the creditor’s admissible debts or claims as set out in the restructuring proposal statement; and
	3. if the affected creditor does not agree with the assessment of the creditor’s admissible debts or claims set out in the restructuring proposal statement—notify the restructuring practitioner under reg 5.3B.22.
3. The practitioner must tell affected creditors who to give the above statements to, and that the statements need to be returned. This is usually before the end of 15 business days beginning on the day the restructuring practitioner gives the documents at paragraphs 1(a)–1(d) (acceptance period). The acceptance period may be longer than 15 business days in circumstances where affected creditors disagree with the schedule of debts and claims in the restructuring proposal statement.
4. A plan is accepted if, at the end of the acceptance period, the majority in value of affected creditors who returned statements to the practitioner stated that the plan should be accepted. Regulation 5.3B.25 provides for calculation of the value of an affected creditor.
5. The plan is then taken to have been made on the day after the end of the acceptance period or on the day that a specified event (according to the plan) has occurred.

#### Who is bound by the plan if it is accepted?

1. A plan that is made is binding on:
	1. the company;
	2. the company’s officers and members;
	3. the restructuring practitioner for the plan; and
	4. subject to paragraphs 7 and 8 (specific provisions about secured creditors)—a creditor of the company to the extent that the creditor has an admissible debt or claim in relation to the plan.
2. The plan is binding on a secured creditor (including an owner or lessor of *Personal Property Securities Act 2009* (PPSA) retention of title property of the company):
	1. if the value of the creditor’s security interest is less than the value of the creditor’s admissible debts or claims—only to the extent of the difference between the values; and
	2. if the value of the creditor’s security interest is equal to or more than the value of the creditor’s admissible debts or claims—only to the extent that the creditor consents to be bound by the plan.
3. The fact that a restructuring plan has been made does not prevent a secured creditor from realising or otherwise dealing with the security interest, unless:
	1. the secured creditor accepted the proposal to make the plan and the plan prevents the secured creditor from doing so; or
	2. the court so orders.
4. The fact that a restructuring plan has been made does not affect a right that an owner or lessor of property (other than an owner or lessor of PPSA retention of title property of the company) has in relation to that property, unless:
	1. the owner or lessor accepted the proposal to make the plan and the plan affects that right; or
	2. the court so orders.

### Effect on rights of a person bound by the plan

1. Until a restructuring plan terminates, a person bound by the plan cannot:
	1. make an application for an order to wind up the company on the basis of an admissible debt or claim; or
	2. proceed with such an application made before the plan became binding on the person.
2. A person bound by the plan cannot begin or proceed with:
	1. a proceeding against the company or in relation to any of its property to recover an admissible debt or claim; or
	2. an enforcement process in relation to property of the company to recover an admissible debt or claim.
3. The exception to this is if the person:
	1. has the leave of the court; and
	2. acts in accordance with such terms (if any) as the court imposes.

### Effect on creditors if the terms of plan are fully satisfied

1. The restructuring plan terminates on the day on which all of the following conditions are satisfied:
	1. the company’s obligations under the plan have been fulfilled;
	2. the obligations of any other party to the plan have been fulfilled; and
	3. all admissible debts or claims have been dealt with in accordance with the plan.
2. When all of the conditions are satisfied, the company is released from all admissible debts or claims and the company is entitled to any property that was not required by the plan to be distributed to creditors.
3. If a company’s restructuring plan terminates other than because the conditions at paragraph 13 are met, any admissible debt or claim that has not been dealt with in accordance with the plan is taken to be due and payable on the business day after the day on which the termination occurs.