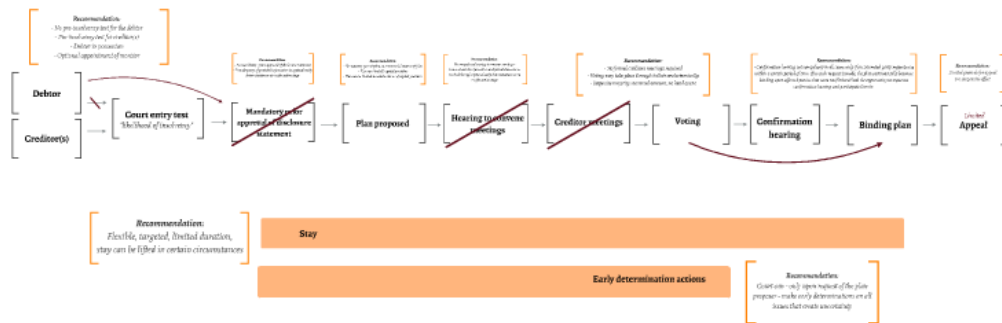


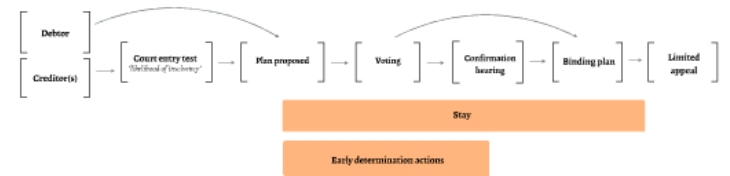
Panel 1
 The procedure

[Conclusive]

Pre-insolvency plan procedure



Recommended pre-insolvency plan procedure



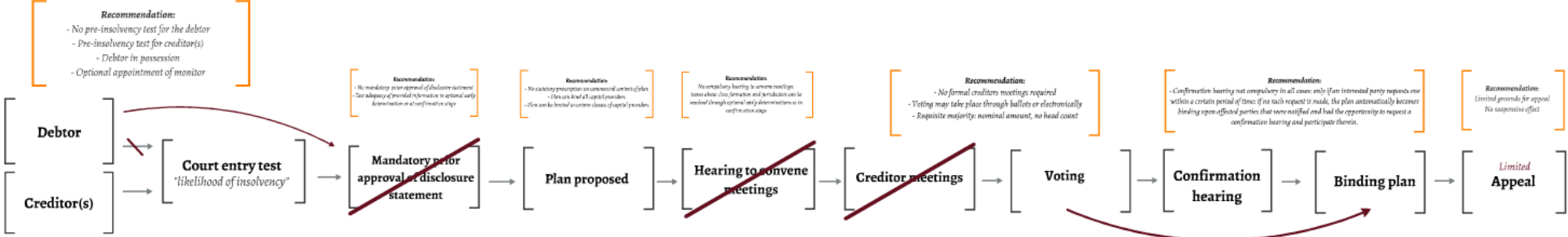


EYES ON
INSOLVENCY 2017

Designing pre-insolvency
proceedings of the future

Panel 1
The procedure

Pre-insolvency plan procedure



Recommendation:
Flexible, targeted, limited duration, stay can be lifted in certain circumstances

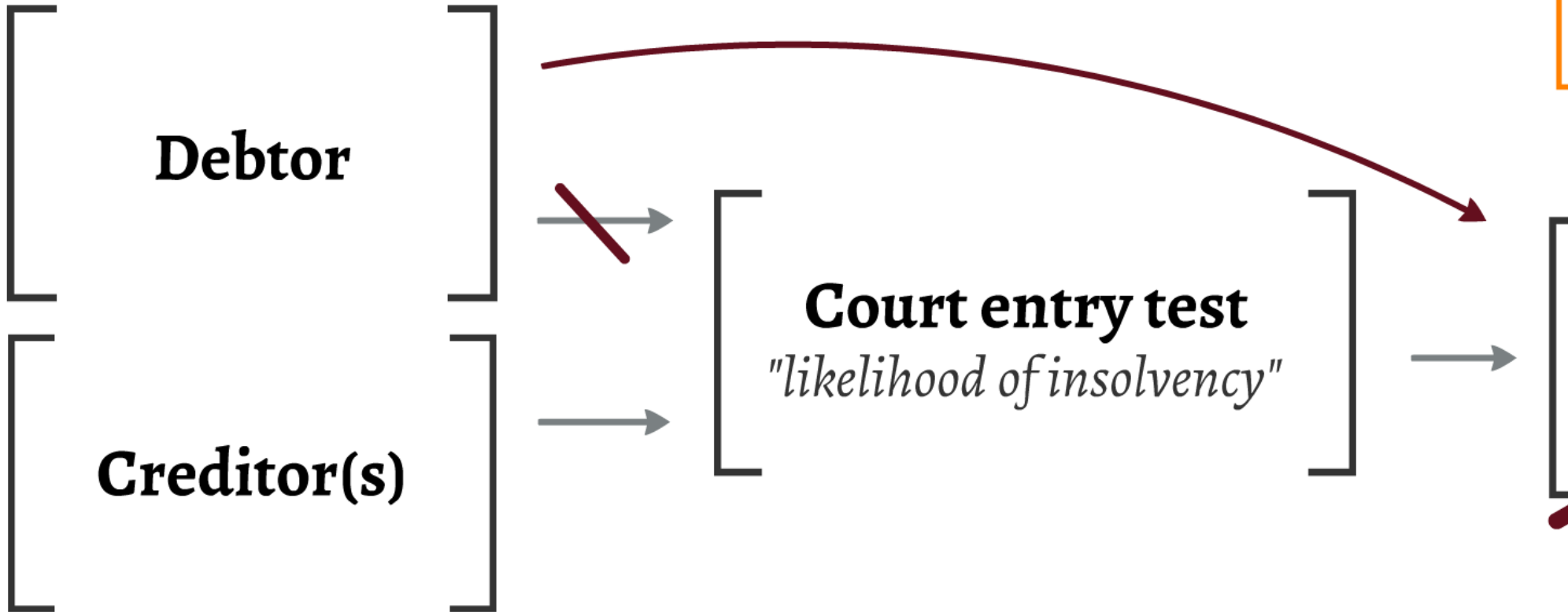
Stay

Early determination actions

Recommendation:
Court can - only upon request of the plan proposer - make early determinations on all issues that create uncertainty

Recommendation:

- *No pre-insolvency test for the debtor*
- *Pre-insolvency test for creditor(s)*
 - *Debtor in possession*
- *Optional appointment of monitor*



Recommendation:

*Flexible, targeted, limited duration,
stay can be lifted in certain circumstances*

Stay

Early determination actions

Recommendation:
Court can - only upon request of the plan proposer - make early determinations on all issues that create uncertainty

Recommendation:

- No mandatory prior approval of disclosure statement
- Test adequacy of provided information in optional early determination or at confirmation stage

- No st
- Plan

Mandatory prior approval of disclosure statement

Statement
al early

Recommendation:

- No statutory prescription on commercial content of plan
- Plan can bind all capital providers
- Plan can be limited to certain classes of capital providers

No c
issues a
resolved

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Plan proposed

Ho

Content of plan
rs
tal providers

Recommendation:

*No compulsory hearing to convene meetings:
issues about class formation and jurisdiction can be
resolved through optional early determinations or in
confirmation stage*

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**Hearing to convene
meetings**

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Recommendation:

- *No formal creditors meetings required*
- *Voting may take place through ballots or electronically*
- *Requisite majority: nominal amount, no head count*

Creditor meetings



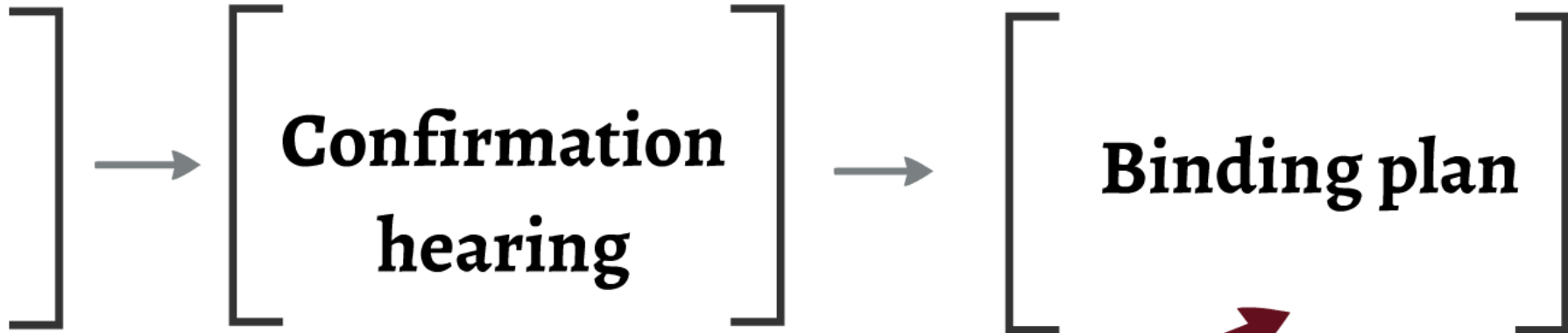
Voting

ally
nt

Recommendation:

- Confirmation hearing not compulsory in all cases: only if an interested party requests one within a certain period of time: if no such request is made, the plan automatically becomes binding upon affected parties that were notified and had the opportunity to request a confirmation hearing and participate therein.

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Recommendation:
Limited grounds for appeal
No suspensive effect

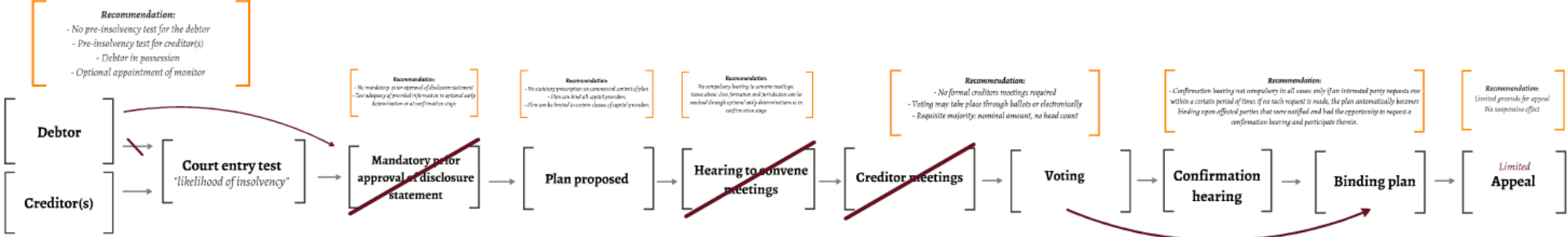
plan



Limited
Appeal

Conclusion

Pre-insolvency plan procedure



Recommendation:
Flexible, targeted, limited duration, stay can be lifted in certain circumstances

Stay

Early determination actions

Recommendation:
Court can - only upon request of the plan proposer - make early determinations on all issues that create uncertainty

Recommended pre-insolvency plan procedure

