# FLOWCHART ILLUSTRATING THE BUSINESS RESCUE PROCESS

- A Company resolution to commence BRP
- B Court order to commence BRP
- C General overview of BRP (from commencement via resolution/court order to termination of BRP)

## A - Company resolution to commence BRP

Financially distressed company + reasonable prospect of rescue.

Resolution to voluntarily begin BRP passed by Board + filed with Registrar.

NOTE: At any time from passing of the resolution to the adoption of a business rescue plan, any affected person may apply to court for an order setting aside the resolution, setting aside the appointment of the practitioner, or requiring the practitioner to provide security to secure the interests of the company.

5 business days (may be extended by the Commission on application by company)

- Notice of Resolution sent to all affected persons (shareholders, creditors, employees and registered trade unions).
   Notice includes grounds for BRP.
  - 2. Practitioner appointed.

# 2 business days

Notice of appointment of Practitioner filed.

## 5 business days

Notice of appointment sent to all affected persons.

If the company fails to file the resolution and notify affected persons – the resolution lapses and is void! No further resolution may then be filed for a period of 3 months thereafter (unless a court orders otherwise).

From this point: see General Overview of the timing relating to BRP in C.

## B - Court order to commence BRP

Financially distressed company

Application to court by an affected person for an order commencing BRP.

Notice to be given to all affected parties and copy to be served on the company and the Commission.

Order for BRP to commence granted. Court may also appoint an interim Practitioner (nominated by the applicant).

#### 5 business days

Notice of Order sent to all affected persons.

## 2 business days

Notice of appointment of Practitioner filed.

#### 5 business days

Notice of appointment sent to all affected persons.

From this point: see General Overview of the timing relating to BRP in C.