**What were in your opinion the causes of financial distress at Flow Management (see e.g. Mellahi & Wilkinson, 2004)? Could the financial distress have been prevented? If yes, explain how. If no, why not?**

The financial distress of Flow Management generally appears to have been caused by internal factors which, if properly managed, could have prevented.

Externally, there is market demand, the “hiring and leasing days” are sufficient and consistent with projections. Comfort can be taken in this analysis because an independent turnaround consultancy was hired and determined that the company was viable both in terms of its market share and turnover. That independent review of value and analysis of external factors supported that there was a viable business worth restructuring.

A review of the internal systems and controls suggests that the financial difficulty was caused (or was not detected) due to poor information management systems. Evidence of this started at the first meeting to discuss the financial position of the group with the lenders, where proper accounting was not being followed and, more importantly, the ‘cost-price calculation’ was erroneous and was not being regularly tested against actual results. Further evidence that this error was internal is demonstrated by the positive response to increased pricing from customers generally, suggesting that correcting the improper pricing did not put the group ‘off market’, but instead was simply bad corporate pricing. The internal information management issues continued after the initial distress, and the group consistently was unable to accurately predict results and profitability, which inevitably eroded stakeholder confidence.

In addition, it appears that there is long-tenured management that perhaps suffers from ‘groupthink’[[1]](#footnote-1), as the issues were not flagged until it was necessary to speak to creditors. Presumably these issues had been effecting profitability for some time previously. Further, the failure to implement changes in a timely fashion previously or throughout the distress indicates rigidity that is often associated with failure.[[2]](#footnote-2) The ongoing losses in the foreign operations suggest that a review of core competencies and focus would have been beneficial early on, and a determination which assets, if any, should have been disposed of.[[3]](#footnote-3)

To avoid this distress, the group could have taken several more active steps, including:

1. While in general not a strong driver of a successful turnaround[[4]](#footnote-4), in this scenario management replacement (in particular the CFO at the very least) seems to be necessary early on. This is both to ensure the information systems and controls are addressed, but also to ensure a proper strategic review of the business and restore stakeholder confidence.
2. An operating turnaround and, if appropriate, asset disposition (if the foreign divisions are in fact not viable in the medium- to long-term), should have been implemented as soon as issues were identified with proper information. Implementing these changes early on, and then focusing on growth and investment in the operationally restructured business is more likely to result in a successful restructuring/could have avoided much of the financial distress.[[5]](#footnote-5) Failure to do so, and a continuing focus on the internal issues (as occurred in this case) is positively correlated to an unsuccessful restructuring.

**What are in general advantages and disadvantages of an out-of-court restructuring (workout) as compared to a formal bankruptcy procedure? More specific, what are the advantages versus disadvantages in your country?**

The general advantages and disadvantages of out-of-court restructurings vary depending on the jurisdiction in which the restructuring is taking place. In jurisdictions with strong ‘debtor-in-possession’ restructuring regimes, such as Canada, some of the benefits of ‘out-of-court’ restructurings are replicated in the formal regime. That said, however, there remain a number of scenarios where an ‘out-of-court’ restructuring, or a ‘pre-pack’ restructuring negotiated outside a formal proceeding and implemented in a truncated formal proceeding, are advantageous.

*Advantages*

The general advantages of an out-of-court restructuring are that they offer flexibility that is not always available in a formal regime, they allow the debtor’s management to remain in control and they are not public.[[6]](#footnote-6) In addition, they are often less costly. Looking at each of these factors in turn:

*Flexibility*

In a number of jurisdictions, the formal insolvency regimes are quite rigid on what can or cannot be included in a restructuring plan. Accordingly, implementation through a negotiated workout is preferable as the parties are able to agree to a bespoke arrangement that would not be permissible in a formal proceeding.[[7]](#footnote-7)

This factor is less of an advantage under the Canadian ‘debtor-in-possession’ formal regimes provided in the *Companies’ Creditors Arrangement Act*[[8]](#footnote-8) (the “**CCAA**”) and the *Bankruptcy and Insolvency Act*[[9]](#footnote-9)(the “**BIA**”). Both regimes offer the ability to propose a restructuring plan to all or certain classes of creditors, and the permit a high degree of flexibility. The limiting factors are that the proposal must offer a better return to the creditors than a liquidation (which is generally what a creditor would look to regardless), must be approved by the affected classes of creditors by a double majority (being 2/3 in value of claims and 50%+1 in number of creditors voting in each class), and court approved as fair.[[10]](#footnote-10)

*Debtor-in-Possession*

A further general benefit to a workout is that it allows the debtor’s directors and management to remain in control, and does not result in the appointment of a trustee or liquidator to take control of the operations.[[11]](#footnote-11) Where the desired result is a restructured going-concern, this is advantageous as it provides less disruption to the underlying business, and can permit a smoother transition.

This is another factor that is less relevant under Canada’s regimes. Both the CCAA and BIA provide for debtor-in-possession restructurings, which allow management to remain in place and permit ‘business as usual’ operations while the proceeding is ongoing. A balance is struck under both regimes with the appointment of a licenced insolvency trustee to act as a monitor and the “eyes and ears of the court”, and to report to the court on the status of the restructuring and, importantly, to provide commentary and recommendations to the creditors and court in relation to the approval of any restructuring plan.[[12]](#footnote-12)

*Silence*

A third general advantage to a workout is that they are contractual arrangements among the parties and, as a result, are not public.[[13]](#footnote-13) This prevents the stigma associated with a distressed restructuring, and also permits creditors to make bespoke compromises that they may not be willing to make if the agreement is public, such as accepting a discount on debt that they would not be willing to accept if it was known widely and could be used against them in unrelated negotiations.

This is a factor that also applies in Canada. Formal restructurings are public, with very stringent controls on what can be sealed from public disclosure on the court record[[14]](#footnote-14). Where there is the potential for material reputational (or enterprise value) damage from a public proceeding, or the potential that stakeholders will not be willing to make necessary concessions if publicly known, out-of-court restructurings can offer a material benefit.

*Cost*

Finally, the cost of formal proceedings can be material. While they vary among jurisdictions, the costs of professionals, court appearances, notice requirements, etc. can be significant. For a restructuring with a limited number of stakeholders (such as senior lenders), where the ability to bind other creditors is not required (or in jurisdictions that allow it, ‘cram down’ on classes of creditors), a workout can often be accomplished for much less cost, and often on a shorter timeline, which benefits all stakeholders.

This factor is equally true in Canada under the CCAA and BIA (though cram down is not available under either regime).

Disadvantages

In general, the disadvantages of an out-of-court restructuring are, the risk of a passive attitude by management and stakeholders, insufficient strategic, operational and financial measures being taken, the debtor being unable to provide sufficient information and insight into the causes of the distress, the inability to find risk-bearing capital in time,[[15]](#footnote-15) and the inability to bind unwilling creditors, or ‘cram down’ on classes of creditors where this remedy is available. Looking at these:

*Passive Parties and Insufficient Measures*

Once can look at the potentially passive attitude by management and stakeholders and the failure to take sufficient steps together. In both scenarios, the concern is that in an informal restructuring does not get the serious attention that a formal proceeding gets, or that while pressing issues may be addressed, there isn’t sufficient pressure to complete as comprehensive a restructuring as may be needed for a turn-around. As noted in the academic commentary, these factors are more about the behaviour of management, and less about the restructuring regime.[[16]](#footnote-16)

This is a concern in Canada as well, where under the formal regime the public nature (and threat of liquidation or enforcement resulting from a failure) serves to focus parties. Further, the court-appointed monitor (CCAA) or proposal trustee (BIA), are actively involved and reporting, which practically means that they are alive to whether sufficient steps are being taken to restructure, and can either a) drive parties to address these issues behind the scenes, or b) draw the issue to the attention of the supervising court and stakeholders. Some of this disadvantage can be mitigated by having financial advisors (often the same licenced insolvency trustees) engaged as part of a workout to provide the same type of analysis and rigour to the workout process.

*Insufficient Information*

The academic literature flags the concern that in some circumstances the debtor cannot provide the level of insight into the actual financial situation[[17]](#footnote-17) (as appears to be the case in the Flow Management scenario), whereas a formal proceeding has the benefit of professionals being appointed to provide information. It is without argument that proper financial information is beneficial to reaching a restructuring solution, and this is a risk that can be managed.[[18]](#footnote-18) Where the debtor’s information systems are inadequate, it may be necessary to bring in processionals (ideally neutral ones) to analyse the enterprise and provide the relevant stakeholders the information they need to make an informed decision (and give them faith in the information being provided). This is partially addressed in the fourth principle for a global approach to multi-creditor workouts II.

In Canada, the above issue and solution applies. In a formal proceeding, the court-appointed monitor (CCAA) or proposal trustee (BIA) often serves as the independent reviewer of information (or, if necessary, collects and analyses where the debtor is unable). This is in addition to any financial advisors hired by key stakeholders.

*Inability to Find Risk-Bearing Capital in Time*

In any restructuring, the parties must fight against time to implement a solution, and often find risk-bearing capital (often through an equity injection or sale process). As noted in the commentary, there is a risk in informal proceedings that this is not found in time.[[19]](#footnote-19) This again can be mitigated through the use of restructuring professionals, and ensuring that proper sales/investment processes are set with good information so that stakeholders are prepared to agree to a sufficient amount of time for these processes to run. This applies equally in the Canadian context.

*Inability to Bind Unwilling Creditors*

Perhaps the most material disadvantage of an out-of-court restructuring is that it is a contract, and it needs unanimous consent, as opposed to formal regimes which can permit the binding of unwilling creditors through a vote (as in Canada, discussed above), or permit ‘cram down’ (such as Chapter 11 in the United States). Where this is required, it may be necessary to enter into a formal proceeding, through there are often situations where much of the work and negotiation can be done outside the formal proceeding, and the formal proceeding is entered into to implement through a ‘pre-packaged’ restructuring plan.

**Were the turnaround/reorganization approaches as presented in the reading material (see e.g., Adriaanse & Kuijl, 2006, Pajunen, 2006, Sudarsanam, S, Lai, J., 2001, Schmitt, A., Raisch, S., 2013) applied in this case? If yes, explain in what way. If no, detail what in your opinion should have been done differently**

A number of the approaches addressed in the literature were, to varying degrees and with varying success, applied in the Flow Management restructuring.

Flow Management pursued an informal restructuring that included involvement of their key stakeholders initially, that allowed for stabilisation[[20]](#footnote-20) when issues were identified, and there were continued attempt to achieve stabilisation. While there was an attempt to engage with the governing stakeholders[[21]](#footnote-21), it appears that the communication was lacking and that failures to meet projections were communicated after the fact, and not in a timely manner, which undermined confidence.[[22]](#footnote-22)

There was certainly an attempt at analysing the causes of the distress and how to move forward[[23]](#footnote-23), though those attempts often resulted in incorrect projections and further undermined the confidence in management that is considered essential to a success debtor-led restructuring[[24]](#footnote-24). Attempts to address cash-flow[[25]](#footnote-25) were ultimately unsuccessful due to poor information systems, leading to poor projections and planning. There was a failure to address long term profitability or what expenditures were necessary to move from retrenchment to recovery.[[26]](#footnote-26)[[27]](#footnote-27) This appears to have been primarily driven by a failure to get the operational restructuring done quickly and effectively, such that it was necessary to stay focused on it for a number of years, which studies have shown is often detrimental.[[28]](#footnote-28) As a result of staying focused on the ‘fire drill’, there was a failure to agree on long term goals to drive the process.[[29]](#footnote-29) Faith in existing management was lost, preventing them from acting as a broker amongst stakeholders.[[30]](#footnote-30)

These consistent failings failed to restore the necessary confidence[[31]](#footnote-31) and led to the eventual restructuring agreement that had the banks take control. Through this, there was an effective debt restructuring that addressed the underlying financial concerns and may lead to a better recovery.[[32]](#footnote-32)

While there was eventually a change in management, given the circumstances and system failures in this case, this is situation where it would appear managerial change early on could have sent the right message to the stakeholders, and hopefully addressed the information systems issues.[[33]](#footnote-33)

A more comprehensive review of the operations, and potential asset divestment (and corresponding investment where desirable) could have led to an earlier and superior result.[[34]](#footnote-34) However, it does not appear these were seriously pursued or analysed.

**Banks C and D seem to frustrate the process at a certain point. What could have been the (rational and/or opportunistic) reason(s) for them to behave like that? What would you have done in that situation in your role as advisor of the other two banks?**

Banks C and D appear to take a differing approach than Banks A and B, which has the potential to frustrate a negotiated restructuring. There could be a number of reasons for this, but the most likely appear to be:

1. a loss of confidence in management. Over the restructuring period, the information provided was consistently incorrect (and always overly optimistic), and the position of the lenders appears to become consistently worse. It is quite possible that Banks C and D lost confidence in management and no longer saw a debtor-driven restructuring a feasible (especially once the security issues were addressed). The literature notes that governing stakeholders no longer associating management with good firm performance has a negative impact on a successful restructuring.[[35]](#footnote-35) Banks C and D would certainly be aware that poorly implemented restructuring plans are far less likely to succeed[[36]](#footnote-36).
2. an attempt to get management’s and the shareholder’s attention. Bank C and D failure to agree to a standstill or common approach may have been to create a sense of urgency among the debtor’s management and shareholder (and possibly the other lenders) to get things moving.
3. an attempt to gain leverage. By being the parties potentially frustrating a process desired by the other stakeholders, Banks C and D may have been seeking to leverage themselves into a more dominant position, making them more key to a successful restructuring (and allowing them to control the agenda).[[37]](#footnote-37)
4. an attempt to be bought out. At various points, the recovery for the banks from Flow Management appears to be in question (at one point, potentially zero due to security issues). As such, Banks C and D may see a buy-out from either Banks A and B, or some other party that the lenders or debtor can find, as the best way to exit their position. By causing issues and frustrating the process, they may see this as an opportunity to make it more advantageous to ‘get rid of them’ and encourage negotiation.

As the advisor to Banks A and B, I would first seek to determine what the driving motivation of Banks C and D is. If it is in fact a lack of confidence or an attempt to get the attention of the debtor and its shareholder, then I would suggest Banks A and B seek an agreement to neutralise that concern – including through the engagement of separate financial advisors to ensure that the lenders have good, independent advice of their own.[[38]](#footnote-38)

If the motives of Banks C and D are more opportunistic, such as in c) and d) above, then my advice to Banks A and B would be more strategic. First, they would need to have a good, independent analysis of what their best recovery looks like, and that will inform if they have an interest in purchasing the positions of Banks C and D (or selling their position), and if so, at what discount. The discount will need to be sufficient to price in the risk of further issues arising with the debtors, but no be so significant that Banks C and D see a sale of their position as undesirable. This will be driven by good, objective, independent data and analysis (presumably through a financial advisor hired by Banks A and B separately). The other, riskier approach is to challenge Bank C and D’s position by aggressively taking positions that threaten to frustrate the process to determine if this has them ‘back down’ if they see a risk to their recovery. This is a very dangerous position to take, and should only be taken with clear information and reasonable certainty on the motivations.

**Which of the eight principles of the ‘Statement of Principles for a Global Approach to Multi-Creditor Workouts II’ can be found in the workout process of Flow Management (explicit or implicit)?**

The following principles are applied:

1. the first principle regarding a stand-still. While it varies between a formal (preferred) and a *de facto* standstill, there is time and room provided to gather information, evaluate the proposals (and in some instances their results).
2. the second principle is also employed partially. While no steps are taken to improve positions or enforce, the lenders do seek to fix their security (which appears to be more akin to fixing an error). In addition, there is a potential conflict of interest between Banks C and D and Banks A and B (discussed above) that, if it exists, may need to be addressed.
3. the third principle is also employed – there is not suggestion that Flow Management granted additional charges or acted outside the ordinary course.
4. it appears that there is an attempt to abide by the fifth principle to provide timely access to information and assets and liabilities, though the debtor’s lack of accurate information systems appear to frustrate this.
5. the sixth principle regarding relevant law and priorities is followed, as the transfer of assets and write-off of debts is in accordance with the waterfall of priorities.
6. as the four banks are the only relevant creditors, it appears that they received all relevant information, and (where confidential) it was not otherwise disclosed. Accordingly, the seventh principle is followed.

The fourth principle was not applied as there as not a coordinated response from the banks with one representative.

It is unclear if the eighth principle was applied. There does not appear to have been additional financing (other than subordinate contributions from the shareholder), so the eighth principle regarding super-priority financing is not engaged. However, in January 2015 there was a payment of €25 million paid to the providers of “(additional) working capital”. If this working capital was provided after the parties entered at least the informal standstill, then it would engage the eighth principle.

**Suppose it is not possible to convince other creditors to adopt the Statement of Principles in a given situation, are there any other possibilities for “soft law” to use (perhaps specifically in your country/region)? If yes, explain in what way. If not, do you see any alternative (informal) possibilities?**

In Canada, outside a formal restructuring proceeding (which, as discussed above, includes robust debtor-in-possession regimes), there are few, if any, “soft law” opportunities available.

Without engaging the CCAA or BIA process, it is necessary to have agreement among the parties so, while it is possible to adopt an agreement that does not reflect the Statement of Principles, practically speaking any type of standstill or forbearance amongst creditors needs to address the subject matter of the Statement of Principles to be effective (e.g. you need a standstill to be effective[[39]](#footnote-39), no creditor party is likely to lend money post-agreement with out having priority[[40]](#footnote-40), etc.)

However, where the parties having senior security over a debtor are in agreement, they hold security over all of the key assets, and the value in liquidation is unlikely to exceed their secured debt, it can be possible to force a *de facto* forbearance on subordinate creditors simply because taking any steps against the debtor will cause them to incur costs, and they are unlikely to see any recovery (including of those costs). This most often occurs where a bank has a charge on all assets and permits ordinary course funding to continue while restructurings are looked at, knowing there is little risk of action being taken by subordinate or unsecured creditors.

**Explain in detail the essence and result of the restructuring agreement as signed on the 4th of July 2015.**

The agreement signed on July 4, 2015, transfers the operating companies of Flow Management Holdings BV (“**OldCo**”) to a new, clean company (Flow Management II BV (“**NewCo**”)). The equity in NewCo is held in agreed percentages by the 4 banks (the “**Banks**”), and certain board members. This transfer is in satisfaction of €97 million of the Bank’s debt secured against OldCo. It is similar to a credit-bid of that debt.

The shareholder of OldCo has also relinquished its shareholdings in OldCo, and OldCo will be liquidated (likely with no recovery). Any claims of OldCo and its shareholder against NewCo (or the subsidiaries) are cancelled, further ensuring NewCo is “clean”.

The subordinate debt of Banks C and D is written off, as well as the Banks’ subordinate €55 million working capital loan. The Bank’s senior debt, reduced by the €97 million to acquire the operating assets, remains as a €240 million claim against OldCo, though unlikely to see recovery.

The result is that it is possible for the shareholders of NewCo to restructure the business and seek its sale as a going concern, and hope to effect recovery that way.

**Which (potential) legal and/or non-legal cross-border issues – if any – do you recognize in the Flow Management restructuring process?**

The cross-border issues to be encountered depend on the restructuring path taken. By effecting the restructuring agreement in July 2015, the Banks ensured that the transfer and agreement happened at the Flow Management Holdings BV level, which left the restructuring at the Netherlands level only, and avoided engaging foreign proceedings. Other than the impact of a change of control at the parent, the subsidiaries should not be directly affected.

Had the matter proceeded through a formal proceeding, or had there been an attempt to restructure more broadly across the enterprise group, then a number of issues would arise, including the need for plenary proceedings or recognition. This would be complicated as the Netherlands has not adopted the UNCITRAL model law on cross border insolvency, and a number of the entities involved are outside of the European insolvency directives’ purview. As such, the agreement struck appears to be the most efficient and effective way to avoid these cross-border issues.

**In October 2014 four scenarios have been drawn up. Why was or wasn’t calling for a moratorium (see scenario 4) a good option given the situation at that time? [you are allowed to give your opinion based on your own countries’ Bankruptcy Act; be as detailed as possible]**

Under Canadian law, a moratorium effected through a stay of proceedings and related relief as part of a formal proceeding under the CCAA would have been a viable option, and arguably should have been pursued. Given the size and the complexity of Flow Management, a proceeding under the more rigid BIA would be unlikely and impractical.

Under the CCAA, once a proceeding is commenced, it is possible to a) provide the bridging loan on a ‘super-priority’ basis as a DIP loan (referred to in Canada as ‘Interim Financing’)[[41]](#footnote-41), ensuring that any new funding has priority. Further, the process specifically allows for the sale of assets without a creditor vote or shareholder approval.[[42]](#footnote-42) To be approved, a going concern sale must meet certain factors, namely[[43]](#footnote-43):

(a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;

(b) whether the court-appointed monitor approved the process leading to the proposed sale or disposition;

(c) whether the monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;

(d) the extent to which the creditors were consulted;

(e) the effects of the proposed sale or disposition on the creditors and other interested parties; and

(f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

The oversight of the independent court-appointed Monitor (a licenced insolvency trustee) ensures that the process and results are properly administered, and that the process leading to a sale is appropriate. As such, the “controlled” sale is achieved. These processes frequently include detailed and court-approved sale solicitation processes, which set out requirements for teasers, data room, forms of agreements, and timelines.

Upon the approval of a sale, the court has broad discretion to pronounce an approval and vesting order, which vests the assets in the purchaser free and clear of any security or encumbrances (a “clean sale”)[[44]](#footnote-44). In addition, the court can grant a ‘reverse vesting order’, which approves a sale of the equity of a company and vests all non-purchased assets and unassumed liabilities into a new company, which (along with the purchase price), is liquidated in accordance with the original debtor’s waterfall of priorities. While relatively new and considered exceptional, reverse vesting orders allow the sale of assets without a change in the corporate entity, which can be beneficial where a change of control or transfer restrictions are a concern.[[45]](#footnote-45) In many respects, the allow cram-down which is otherwise not permitted by the statute.

Accordingly, under the Canadian CCAA, much of what was achieved under the ultimate restructuring agreement could have been achieved through the formal process and a controlled sale to a) test the market and b) allow the Banks to credit-bid their debt if the market did not return sufficient results.

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2. *Ibid*, 30. [↑](#footnote-ref-2)
3. Sudarsanam, S, Lai, J., (2001), ‘Corporate Financial Distress and Turnaround Strategies: An Empirical Analysis’, *British Journal of Management*, Vol. 12, 186. [↑](#footnote-ref-3)
4. *Ibid*, 184-185. [↑](#footnote-ref-4)
5. *Ibid*, 194. [↑](#footnote-ref-5)
6. Adriaanse, J.A.A., & Kuijl, J.G. (2006). Resolving Financial Distress: Informal Reorganization in The Netherlands as a Beacon for Policy Makers in the CIS and CEE/SEE Regions?, *Review of Central and East European Law*, 31(2), 145-147. [↑](#footnote-ref-6)
7. *Ibid*, 145. [↑](#footnote-ref-7)
8. Companies’ Creditors Arrangement Act, *Revised Statutes of Canada 1985, c. C-36*. [↑](#footnote-ref-8)
9. Bankruptcy and Insolvency Act, *Revised Statutes of Canada 1985, c. B-3*. [↑](#footnote-ref-9)
10. *Ibid*, s. 54, *Supra* note 8, s. 6. [↑](#footnote-ref-10)
11. *Supra* note 6, 146-147. [↑](#footnote-ref-11)
12. *Supra* note 8, s. 23, *Supra* note 9, s. 59. [↑](#footnote-ref-12)
13. *Supra* note 6, 146. [↑](#footnote-ref-13)
14. Sherman Estate v. Donovan. 2021 SCC 25. *Supreme Court of Canada*. 2021. [↑](#footnote-ref-14)
15. *Supra* note 6 at 151. [↑](#footnote-ref-15)
16. *Ibid*. [↑](#footnote-ref-16)
17. *Ibid*. [↑](#footnote-ref-17)
18. *Ibid*. [↑](#footnote-ref-18)
19. *Ibid*. [↑](#footnote-ref-19)
20. *Ibid*, 140 [↑](#footnote-ref-20)
21. Pajunen, K. (2006). Stakeholder Influences in Organizational Survival. *Journal of Management Studies*, 43(6), 1279. [↑](#footnote-ref-21)
22. *Ibid*, 1280. [↑](#footnote-ref-22)
23. *Supra* note 6, 141. [↑](#footnote-ref-23)
24. *Supra* note 3, 1283. [↑](#footnote-ref-24)
25. *Supra* note 6, 140. [↑](#footnote-ref-25)
26. *Ibid*, 142, *Supra* note 3, 193-194. [↑](#footnote-ref-26)
27. Schmitt, A., Raisch, S. (2013). ‘Corporate Turnarounds: The Duality of Retrenchment and Recovery’, *Journal of Management Studies*, 50(7). [↑](#footnote-ref-27)
28. *Supra* note 3, 197. [↑](#footnote-ref-28)
29. *Supra* note 21, 1282. [↑](#footnote-ref-29)
30. *Ibid*, 1281. [↑](#footnote-ref-30)
31. *Supra* note 6, 143. [↑](#footnote-ref-31)
32. *Ibid*, 144. [↑](#footnote-ref-32)
33. *Supra* note 3, 184-185. [↑](#footnote-ref-33)
34. *Ibid*, 185-186. [↑](#footnote-ref-34)
35. *Supra* note 21, 1283. [↑](#footnote-ref-35)
36. *Supra* note 3, 194. [↑](#footnote-ref-36)
37. *Supra* note 21, 1279. [↑](#footnote-ref-37)
38. INSOL International. (2017), *Statement of Principles for a Global Approach to Multi-Creditor*

    *Workouts II*, 26-27. [↑](#footnote-ref-38)
39. *Ibid*, 2. [↑](#footnote-ref-39)
40. *Ibid*, 3. [↑](#footnote-ref-40)
41. *Supra* note 8, s. 11.2. [↑](#footnote-ref-41)
42. *Ibid*,s. 36(1). [↑](#footnote-ref-42)
43. *Ibid*,s. 36(3). [↑](#footnote-ref-43)
44. *Ibid*,s. 36(6). [↑](#footnote-ref-44)
45. Harte Gold Corp. (Re), 2022 ONSC 653, *Ontario Superior Court of Justice*. [↑](#footnote-ref-45)