

Changes in UK Insolvency Law - What Do Corporates Need to Know?

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Introduction to the webinar and panellists



- The Corporate Insolvency and Governance Act (CIGA)
 - Policy/Purpose
 - Temporary/Permanent Changes
 - Impact on non-distressed businesses
- New measures:
 - Moratorium
 - Restructuring Plan (RP)
 - Ipso facto regime
 - Temporary Measures
- Henry VIII Powers

Russ Hill – Partner

“Ipso Facto” Termination Clauses



- What is the ipso facto regime?
 - Non-termination for insolvency reasons
- Who will it affect?
 - Small suppliers/hardship exemptions
- What impact will this have on your business?
 - Continued supply
 - Getting paid
 - Pre-insolvency
 - During/post

John Alderton – Partner

The Moratorium



- **What is the new moratorium?**
 - Debtor in possession but independent monitor oversees
 - UK's Chapter 11
 - 2 month + moratorium
 - Rescue the Company as a going concern
- **What impact might this have on your business?**
 - Customer doesn't have to pay
 - Do you have to continue to supply?
 - Do you get paid for continued supply?
 - Can you enforce retention of title?
 - What is the monitor's role?
 - Can you challenge?
 - What happens next?

Mark Prior – Director

The Restructuring Plan



- What is a Restructuring Plan (RP)?
 - Where it sits in the overall insolvency and restructuring framework
 - Overview of process

- RP v CVA vs Scheme
 - Comparison
 - Ability to cram down dissenting/secured creditors

- When an RP might be used

- What impact might this have on your business?
 - Which of your debtors might consider an RP?
 - Responding to an RP
 - Consider economic interest
 - Voting
 - Rights
 - Impact during and post RP
 - Challenges?

Devinder Singh – Partner

Temporary Measures



- Statutory Demand
 - What is it?
 - Proof of Insolvency
 - Restriction
- Winding Up Petition/Order
 - Insolvency Requirement
 - Procedure
 - Restriction

- Objective/Impact of Restrictions for Corporates/Creditors
- Wrongful Trading
 - What Is It?
 - “Assumption”
 - Effect of Suspension
- Conclusion

Any Questions?



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Other Useful Resources

Coronavirus Resource Hub

Changes to the UK Insolvency Regime – What This Means for UK Businesses

