

A Small Business Restructure reduces debt with creditor approval while keeping control of your business. A Restructuring Practitioner ensures compliance and stability.

Eligibility

- ✓ Is a registered company
- ✓ Owes under \$1M (excluding employee entitlements)
- ✓ Has no outstanding employee entitlements (including Superannuation)
- ✓ ATO compliance is up to date
- ✓ Hasn't used SBR or simplified liquidation in 7 years

Current/recent directors (past 12 months) must not have led a company that used these processes.

The Restructuring Process

Step 1: Appoint a Restructuring Practitioner

Directors declare the company insolvent or at risk. A registered RP is appointed.

Step 2: Continue Business Operations

Directors retain control but need RP approval for major transactions and must meet obligations.

Step 3: Develop a Restructuring Plan

The RP assists in creating a proposal outlining debt repayment terms for creditors.

Step 4: Creditor Approval

Creditors have 15 business days to review and vote. A majority decision (by value) determines approval.

Step 5: Implementation & Completion

The plan runs for up to 3 years. If successful, debts are cleared. Non-compliance may lead to liquidation.

