



Schemes of Arrangement

A Scheme of Arrangement (Scheme) is a compromise or an arrangement that binds either creditors or members or both.

A Scheme is most commonly implemented during:

- mergers and acquisitions;
- takeovers;
- corporate reconstruction or reorganisation, which may involve an amalgamation or merger of companies;
- de-mutualisations;
- the de-merger or break up of a company or a corporate group;
- changes of control that are functionally equivalent therefore an alternative to a takeover bid; and
- in liquidations with long tail contingent or uncertain liabilities.

What are the benefits of Schemes?

- flexibility;
- can be used in the context of either solvent or insolvent restructures;
- cost effective;
- structured process;
- Court and regulator oversight; and
- clear and concise terms.

It is important to note – the compromise or arrangement must be approved by the Court as well as by creditors and/or members of a company.

How do Schemes Work?

Implementation of a Scheme follows a number of key steps:

- preparing a formal proposal for a Scheme, securing initial consensus from major creditors and/or members as to the possibility of success;
- preparation of a draft Explanatory Statement in relation to the proposed compromise or arrangement;

- the statement must deal with the effect of the
- proposed Scheme on creditors or members;
- Court application to obtain consent to hold the creditors and or
- holding a meeting of either creditors or members and seeking approval of the Scheme;
- obtaining an order of the Court approving the Scheme (Second Court Hearing): and
- a copy of the Court's final order is lodged with the Australian Securities and Investments Commission (ASIC), from which time the Scheme takes effect.

The team at Bentleys offer timely and commercial advice. We have a systematic methodology that will maximise the outcomes for you and your stakeholders.

Let Bentleys' expert team work with your business to identify the best solution for you.

Supporting you and your business

With expertise in turnaround management, divestment, corporate finance, restructuring and insolvency, we deliver solutions that help our clients get where they want to be.

Why Bentleys?

- Our professional and qualified team have a background working with all business types across a range of industries.
- We offer solutions built on expertise – both in Australia and across the globe. We know the questions to ask and what to look for to tailor solutions to your business.
- We are agile and have a robust approach. We focus on getting the job done, on time and on budget.
- You will benefit from a “one stop-shop” solution. Our national team means that you have ready access to the broad spectrum of business and financial expertise.

Ranked 12 in Australia's Top 100 Accounting Firms by the AFR, Bentleys offers:

- a highly commercial approach, with a focus on delivering timely outcomes within budget;
- end-to-end business solutions, providing compliance, strategic and practical support for your business;
- immediate access to a broad range of specialist advisors to support modern business needs;
- learning opportunities, including options to receive regular articles, event invitations, and subscribe to our magazine **Thinking Ahead** and our business program **Aspire**;
- personal, friendly service, with partners who are easily accessible and who take responsibility for successful working relationships;
- local expertise, national presence and international capability.

The Bentleys Network

Bentleys is an international network of advisory and accounting firms, with more than 700 talented staff delivering solutions from 18 locations across Australia, New Zealand and China.

We work with aspirational businesses and entrepreneurial people to help them get where they want to be.

As essential advisors, we provide the future thinking, strategic direction and practical support to help strengthen businesses.

Our multi-disciplinary team work with SMEs, family businesses, listed entities, professionals, individuals and government.

We are industry-aligned with expanding specialist skills in our core industries which include agribusiness, health and ageing, family business and SMEs, government and education.

Contact us. We can help you prepare for tomorrow.

Where you want to be.

As essential advisors - we provide future thinking, strategic direction and practical support.



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