

## **1. What is Examinership?**

Examinership protects companies which are insolvent with protection from being wound up for a period of 70–100 days (with further extensions available depending on the circumstances). This protection is open to all companies. The test to determine whether a company is eligible for examinership protection is that it has a reasonable prospect of survival.

## **2. What is the Examinership process?**

A petition for examinership is filed with the Court. The Court will hear submissions on behalf of the company, including recommendations contained in an independent expert's report. The petition will name a person to be appointed examiner and must demonstrate how the company has a reasonable prospect of survival, which will be dependent on various conditions—usually including the write-down of the company.

The examiner has 100 days (which can be extended in certain circumstances) to formulate a “scheme of arrangement” which will outline the terms under which the company can survive and trade onwards. This will usually involve reference to investment, often from a third party. The scheme must be approved by the creditors and by the Court.