

Options Summary

As with the accompanying “Company Insolvency Solutions Guide”, this table is only intended to form the basis for discussions when considering a company’s most appropriate insolvency solution and is not intended to be and is not to be treated as a statement of law or of all the various options available. We cannot accept any liability for any direct or indirect loss howsoever suffered by any company, director, shareholder, or insolvency practitioner, or any of their employees or associates that relies, either directly or indirectly, on this table, or gives or receives inappropriate advice as a result of using this table, or deliberately or inadvertently misinterprets any of the information contained in the table.

Subject to the above disclaimer the following table sets out a comparison of some of the key concerns that directors appear to have when considering their options for the future of the company:

Solution	Statutory	Personal Guarantees usually required	Higher than average cost	Directors retain control	Business usually survives	Employees usually retain jobs	Personal liability for continued trading	Report on conduct of directors
Do nothing	No	No	No	Yes	Yes	Yes	Yes	No
Informal agreement	No	Yes	No	Yes	Yes	Yes	Yes	No
Re-financing	No	Yes	No	Yes	Yes	Yes	Yes	No
Sale	No	No	No	No	Yes	Yes	No	No
Administration	Yes	No	Yes	No	No	Yes*	No	Yes
Company Voluntary Arrangement	Yes	No	Yes	Yes	Yes	Yes	No	No
Members’ Voluntary Liquidation	Yes	Yes	No	No	No	No	No	No
Creditors’ Voluntary Liquidation	Yes	No	Yes	No	No	No	No	Yes
Compulsory Liquidation	Yes	No	No	No	No	No	No	Yes

* assuming that a sale of some of the business is achieved and employees transfer to the purchaser.