



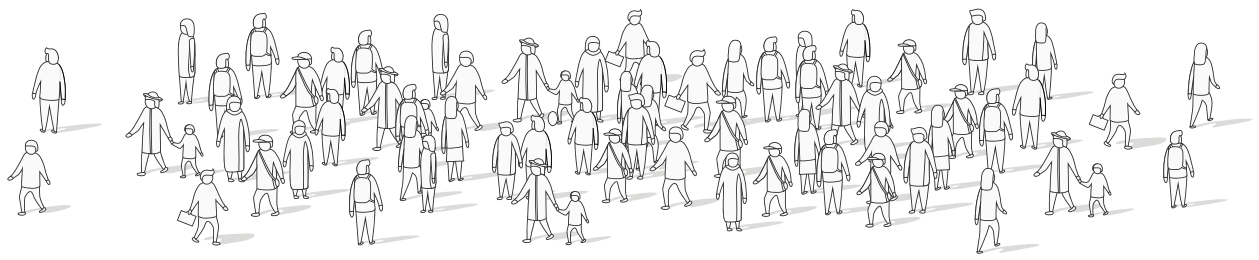
Think differently .

With HCR's restructuring service



hcr

harrison clark
rickerbys solicitors



In uncertain economic times many businesses tend to look at their current structure and make adaptations. For many that will mean restructuring in some shape or form, and taking proactive steps to benefit the company for the future.

Why restructure?

Exit Shareholders:

Shareholders may be looking to leave the business to retire or do other things. It may also be the case that the management team combine resources to acquire all or part of the company they manage in the form of a management buy-out.

Incentivising Employees:

A company may look to incentivise key members of staff by giving them equity. There are a number of options including issuing shares to employees. If the company meets certain criteria, it may qualify for the option plans known as Enterprise Management Incentives share options or Company Share Option Plan which are both tax efficient ways of incentivising employees.

Acquisition by a company of its own shares:

This enables you to return surplus cash to shareholders; increase earnings per share; increase net assets per share; enhance share liquidity; or provide an exit route for shareholders.

Reduction of share capital:

This enables you to create distributable reserves, for example to pay a dividend or to allow the company to buy back or redeem its own shares. Alternatively you can use this option to reduce or eliminate accumulated realised losses in order to be able to make distributions in the future; return surplus capital to shareholders; or distribute non-cash assets to shareholders.

Demerger of a business into two or more separate organisations:

This can help unlock the value of underlying businesses or enable you to separate different business sectors or divisions where one part of a group places regulatory or financial restrictions on another. This is also an alternative to selling or dividing a jointly owned group and can be useful in times of a change in focus.

Voluntary liquidation of a subsidiary:

This procedure is particularly useful where the continued existence of a company serves no useful purpose. For example:

- The business and assets of a company within the group may have been sold, leaving the company as a mere shell that is not otherwise required
- The company's business may have been wound up
- The company may be a subsidiary in a group and is no longer needed following a group restructuring or you may wish to transfer the business of a company within the group to another company within the group, leaving the company a shell
- The company may have been set up for a purpose that was not pursued and is dormant.

Financial distress:

- Economic downturns, refinancing risks, loss of key clients or staff, new competitors and other unexpected events can cause any company to experience financial difficulties, no matter how well the company has been managed. If your business is in financial distress our team can help navigate the issues.

How can we help you?

We can help with the whole restructure process including the following areas:

Corporate structure



We would check the constitutional documentation of the company including the articles of association, any investment agreement or shareholders' agreements and deal with any necessary corporate authorities required to carry out the restructure.

Employees



Where a corporate restructuring involves the transfer of an undertaking, or part of an undertaking, situated immediately before the transfer in the UK, the effects of the Transfer of Undertaking (Protection of Employment) Regulations 1981 (TUPE) must be considered.

We can provide all necessary advice to ensure compliance with TUPE.

We can also provide advice regarding any redundancies if so required.

Property



If the property that the business uses is in the name of a company that you are removing from the group, we will review the title documents of the property (including any leases) and deal with the transfer or assignment of the property or advise on another way of dealing with the property.

Intellectual Property Rights



If any business IPR is owned by a company that you are removing from the group, we will be able to deal with the assignment of the IPR to a company that you are retaining. If any business IPR is licensed to a company you are removing from the group, we will review the assignment provisions in the licence to advise you as to whether assignment of the IPR is permitted or whether novation of the IPR is required.

Finance



If some of the assets of the business are secured by a financial institution, we can review the terms of the security and confirm whether consent to the restructure is required from the financial institution. If so, we can deal with obtaining such consent.

Contracts



We can review the terms of your business contracts to see whether there are any change of control clauses which give the other party to the contract an immediate right to terminate the contract as a result of the restructure or if there is any prohibition on the assignment of such business contracts.

We can then discuss the options with you and how to approach such a situation then if necessary deal with the assignment or novation of contracts.

Tax



We work very closely with other professionals such as accountants and tax advisors and will liaise closely with other professional advisors to ensure there are no adverse tax implications of the restructure and as far as possible, it is done in the most tax efficient way.

A lifeline when you need it

We advise on all stages and aspects of financial distress - from contingency planning, distressed investments, corporate restructurings (including by way of scheme of arrangements, company voluntary arrangements, pre-packaged administration sale and the new moratorium and restructuring plan) and acquisitions (out of formal processes) and disposals - to formal insolvencies, acting on contentious and non-contentious matters.

We work with the full range of stakeholders, including creditors, bond trustees, private equity firms, lenders (from clearing to challenger banks), insolvency practitioners and directors.



Why choose us?

Our specialist team has the skills and experience to advise on every step of a restructure. And because we've helped so many clients with restructures before, we're quick and efficient, tailoring our tried and tested documentation to speed up the process for you.

Our network of trusted funding, tax and finance professionals means we're able to call upon additional expertise where it's needed.

How much does it cost?

We offer a range of fixed fee charging structures depending on your needs. This means you're in control of your costs.

Contact us



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