Safe Harbour by jurisdiction

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	UNITED STATES Chapter 11	AUSTRALIA Safe Harbour	UNITED KINGDOM Administration	SINGAPORE* Judicial Management
Court involvement	Court controlled process.	None.	Not necessary if commenced out of court by the company, its directors or a secured creditor holding a "qualifying floating charge" by simply filing the requisite papers at the court. Otherwise, a court application is necessary.	The company (including a foreign one with the requisite nexus to Singapore), its directors or its creditor(s) may apply to court to appoint a judicial manager. The court has general supervisory oversight over the judicial manager upon appointment.
Creditor compromises and cram down	Creditors vote on the reorganization plan. Impaired classes of creditors must accept by 2/3 in the dollar amount and more than half in number of the voting creditors in that class. If class is deemed to vote against the turnaround plan, the company may seek to effect a "cram down" to confirm the plan.	Creditors do not vote on the turnaround plan. Creditor compromises will be by express agreement only. There is no formal "cram down" mechanism.	An administrator can use the statutory "cram down" procedures of a scheme of arrangement or a company voluntary arrangement.	Possible. Judicial managers often attempt to reach an arrangement or compromise with creditors to restructure the company's debts. The arrangement or compromise may be implemented by way of a statutory "cram down" using a court-sanctioned scheme of arrangement.
Moratorium on creditor enforcement	Automatic stay provisions (including secured creditors).	No. Business as usual. Notably, secured creditors with security over the whole/substantially the whole of the assets of the company will be able to appoint a receiver. For this reason, it will be critical for the company to actively engage with its secured creditors. Practically the turnaround plan will likely require secured creditor approval.	Yes. The moratorium stays all legal proceedings, and prevents the enforcement of judgments and security (other than under security financial collateral arrangements) without the leave of the court or the consent of the administrator. The moratorium does not, however, prevent the enforcement of contractual rights (such as the right to terminate the contract upon insolvency of the company).	Automatic stay starting from the date on which the application is made to the court for the appointment of the judicial manager. Save with leave of court and consent of the judicial manager, the moratorium stays all legal proceedings, prevents the enforcement of judgments and security, and prevents forfeiture or re-entry under any lease of premises occupied by the company. The moratorium also prevents the company from being wound up. However, the moratorium does not prevent the enforcement of self-help remedies such as contractual set-off.
Super priority for fresh debt	Debtor may seek Court approval for "DIP" financing that provides for the granting of "priming" liens on encumbered assets, new liens on unencumbered assets and super priority claim status.	No.	No. Whilst an administrator has the power to borrow and encumber assets, no special priority is given to post-administration lenders. Borrowing by an administrator will be an administration expense and will rank above the claims of floating charge holders and behind the claims of fixed charge holders.	Yes, for rescue financing.
Notice to creditors	Creditors are able to obtain notice of entry into Chapter 11, by reason of the requirement for a petition to be filed for entry into Chapter 11.	With the exception of publicly listed companies who will need to comply with continuous disclosure requirements (discussed in Weekly Digest [5]), there is no formal requirement to notify creditors. In practical terms, standstill arrangements may need to be negotiated with secured creditors, which will involve informal notification of the company's position.	Yes. The administrator must publish their appointment and send a notice of such appointment to each known creditor of the company as soon as reasonably practicable.	Yes. An application for judicial management must be publicised. Creditors secured by a floating charge which entitles them to appoint a receiver of the whole (or substantially the whole) of the company's property must also be notified. In addition, upon appointment of the judicial manager, the company's invoices, purchase orders and letterhead must all contain a statement informing of the judicial management.
Employee entitlements	As a general rule, all members in a class must be treated equally. Limited priority status for certain employee wage claims only.	Along with tax reporting obligations, the company must be able to pay employee entitlements (including superannuation) throughout the duration of Safe Harbour.	Employment contracts do not terminate automatically. Administrators have 14 days from their appointment to "adopt" an employment contract or to dismiss the employee. If the employee is dismissed, any redundancy costs are an unsecured claim (subject to a capped preferential claim). If the employee is kept on, his salary (but not any subsequent redundancy costs) will be an expense of the administration and be paid in priority to the administrator's own remuneration.	The company's employees must be paid their salary and entitlements during the course of the judicial management, but this is not done in priority to other payments. However, in practice, an order of court is usually sought to give employees preferred creditor status with respect to their pre-judicial management claims.

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