

# Draft bill to introduce state of the art restructuring legislation in the Netherlands

August 14, 2014

On 14 August 2014, the draft bill on the continuity of companies II (Wet continuïteit ondernemingen II) went into public consultation. The bill is based on a proposal in 2013 by Ruud Hermans and Reinout Vriesendorp of De Brauw Blackstone Westbroek and was extensively pre-discussed with experts from relevant market parties and other stakeholders. The bill provides for a restructuring procedure inspired by international restructuring practices, in particular English scheme of arrangement and US Chapter 11 proceedings. The bill will be one of the most significant amendments of the Dutch Bankruptcy Act in decades.

In short, the bill introduces a statutory procedure to bind creditors and/or shareholders, or any class of them, to a composition (akkoord) amending the rights of creditors and/or shareholders with the approval of a Dutch court. This can be done without having to initiate formal insolvency proceedings such as bankruptcy (faillissement) or suspension of payments (surseance van betaling). After enactment of the bill, expected on 1 January 2016, the Netherlands will have state of the art legislation to restructure companies and groups of companies.

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To read the Legal alert, please click [here](#). *Available in English only.*

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