

Swiss Federal Council decision of October 14, 2020:

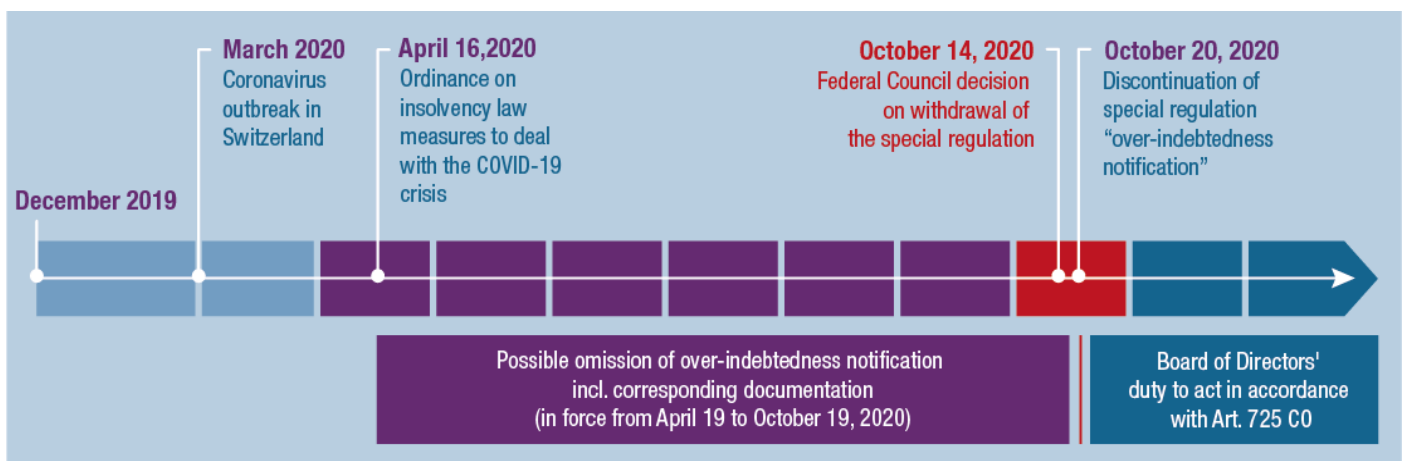
COVID-19 Measures against Bankruptcies not extended

The Swiss Federal Council has decided not to extend the COVID-19 Insolvency Regulation beyond October 20, 2020. There is an urgent need for action for companies that have relied on the temporary suspension of the over-indebtedness notification.

With the ordinance of April 16, 2020, the Swiss Federal Council had put together a package of measures to deal with the corona crisis. The measures were adopted for a period of 6 months and are valid until October 19, 2020. Among other things, the temporary suspension of the notification of over-indebtedness pursuant to Art. 725 of the Swiss Code of Obligations (CO) was intended to prevent a wave of bankruptcies caused by COVID-19.

With its decision on October 14, 2020, the Federal Council decided that the suspension of over-indebtedness notice will not be extended. This means that from October 20, 2020 the ordinary regulation according to Art. 725 CO will apply.

Given the increasing number of COVID-19 cases over the past few days and the resulting new measures, certain assumptions and scenarios need to be reassessed. For certain Boards of Directors, which have relied on the temporary suspension of the over-indebtedness notification, there is an urgent need for action. Similarly, companies that have or are likely to get into a distressed situation as a result of recent developments will also need to react promptly, as they will not be able to rely on the special regulation.



Which companies are affected? For whom do uncertainties arise?

For companies and their boards of directors who have relied on the temporary suspension of the over-indebtedness notification

What happened in the meantime?

Further measures to overcome the COVID-19 crisis with adverse effects on earnings development

What did the Federal Council decide on October 14, 2020?

The special regulation on the suspension of the notification of over-indebtedness will be lifted on October 20, 2020.

From October 20, 2020, the ordinary regulation according to Art. 725 of the Swiss Code of Obligations will apply again



How can A&M support Boards of Directors and management in this challenging phase?

COVID-19 Crisis Management

Crisis room & rapid action



Health & Safety



Liquidity & Cash Management



Balance sheet restructuring



Balance Sheet & Financing



Pivot-to-Cash



Ensure continuity



Exploring Options



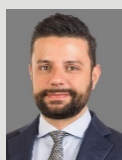
Stakeholder-Management



Rapid cost reduction

- Balance sheet restructuring to comply with Art. 725 CO ("over-indebtedness notification")
- Stop cash-drain and return to cash generation/conservation
- Focus on short-term business continuity
- Improvement of short to medium-term transparency regarding cash and profitability
- Identification and implementation of feasible measures
- Better to accept cuts now than later
- Central coordination/control is essential
- Connection between supply chain and cash must be understood

CONTACT



Alessandro Farsaci

Managing Director
Zürich, Schweiz

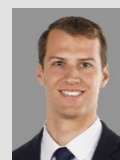
+41 78 600 50 66
afarsaci@alvarezandmarsal.com



Gioele Balmelli

Associate Director
Zürich, Schweiz

+41 79 708 04 87
gbalmelli@alvarezandmarsal.com



Tobias Fritsche

Associate Director
Zürich, Schweiz

+41 79 463 51 92
tfritsche@alvarezandmarsal.com

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