

PRACTICE NOTE 3 OF 2024

PUBLICATION OF THE BUSINESS RESCUE PLAN

The Companies and Intellectual Property Commission (CIPC) has as one of its key objectives in terms of section 186(1)(d) of the Companies Act 71 of 2008, a responsibility to promote compliance with the Act, and any other applicable legislation through its function set out in section 187(2)(b) of monitoring proper compliance with this Act.

The Companies and Intellectual Property Commission (CIPC) has observed that based on case law that business rescue practitioners (BRPs) are failing to publish the business rescue plans or are delaying this crucial rescue stage as required by the Act. The CIPC hereby notifies BRPs of their obligation in terms of section 150(5) of the Act which stipulates as follows:

“Section 150 (5) The business rescue plan must be published by the company within 25 business days after the date on which the practitioner was appointed, or such longer time as may be allowed by-

- (a) the court, on application by the company; or*
- (b) the holders of a majority of the creditors’ voting interests.”*

The CIPC further requests any interested and/or affected party to notify the Commission of such failure in order to commence with the compliance notice process.

The notification by interested/affected parties to the business rescue proceedings must forward their correspondence via email to VNkohla@cipc.co.za or alternatively MMalinda@cipc.co.za when the BRP’s have failed to comply with Section 150 (5) as stated above.

We trust that you will find the above in order.

Yours Sincerely,



Adv. Rory Voller
Commissioner: CIPC
4 / 12 / 2024