



SAFE HARBOUR GUIDE

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1. INTRODUCTION

1.1 Directors' Duty to Prevent Insolvent Trading

Australian directors are legally required to prevent their company from trading while insolvent. This obligation — set out in section 588G of the Corporations Act — is central to responsible governance.

The law emphasises that directors must remain alert to signs of financial distress, take steps to properly inform themselves of the company's position, and act proactively to mitigate risks to creditors, employees and other stakeholders. ASIC, ARITA, TMA and AICD have all provided guidance that similarly stresses that directors should seek expert advice early, maintain accurate financial records, and continuously assess solvency throughout any downturn.

The law provides a framework — Safe Harbour — designed to give directors the room and protection needed to pursue a genuine recovery strategy.

1.2 Purpose and Structure of this Guide

This guide has been developed to help directors and executives understand how Safe Harbour operates, what standards apply, and how to position their company for a viable restructure outside of insolvency.

It draws on:

- The Safe Harbour framework as established through section 588GA of the Corporations Act
- The relevant and very helpful Association and Institute guidelines — including ASIC, ARITA, TMA and AICD and crucially,
- Wexted's extensive experience supporting listed and major private companies through complex turnaround environments.

The structure of this Guide follows the natural Safe Harbour journey — from statutory foundations, to eligibility testing, to practical planning, to the professional support required to maintain protection. The aim is to give directors clarity, confidence and a credible pathway through uncertainty.

1.3 The Safe Harbour Framework as a Restructuring Solution

Safe Harbour — introduced via section 588GA of the Corporations Act — exists to encourage directors to remain engaged during financial distress and to give them the space to pursue a turnaround plan that is “reasonably likely to lead to a better outcome” than immediate administration or liquidation.

As ASIC notes in Regulatory Guide 217, Safe Harbour is not merely a defensive mechanism; it is a strategic restructuring tool. It allows directors to take considered, well-informed steps — supported by experts, financial modelling and restructuring measures — without the looming threat of personal liability derailing the recovery process.

When used correctly, Safe Harbour becomes the legal and operational framework through which directors can stabilise the business, negotiate constructively with stakeholders, realign the company’s financial position, and preserve value for employees, creditors, investors and owners.

1.4 Wexted’s Authority in Safe Harbour Advisory Services

Wexted is a recognised leader in Safe Harbour advisory work, engaged by boards of ASX-listed companies, large private groups and complex multi-entity structures.

Our team brings expertise across restructuring, insolvency, turnaround management, financial advisory and corporate governance — allowing us to support directors through every stage of the Safe Harbour process.

Our advisory approach is grounded in established frameworks — In addition to our own extensive work, we have integrated ASIC’s Regulatory Guide 217, ARITA’s Safe Harbour practice guidelines and TMA Australia Safe Harbour principles — strengthened by decades of practical experience in high-stakes restructures, and characterised by a collaborative, steady and solutions-focused commitment to achieving better outcomes for all stakeholders.

In every engagement, we aim to safeguard value, restore stability and navigate adversity.



Wexted’s **Safe Harbour Resource Centre** is designed as a central, authoritative library of credible materials relating to Safe Harbour; including section 588GA of the corporations act. [Click here to access.](#)



2. SAFE HARBOUR FUNDAMENTALS

2.1 Overview of Safe Harbour Protection

Safe Harbour was introduced to support directors who are confronting financial distress but are committed to pursuing a turnaround.

Instead of defaulting to administration or liquidation, properly run Safe Harbour provides a protective legal framework: if directors take certain steps, they may be shielded from personal liability for debts incurred while developing and implementing a restructuring plan.

The law explains that Safe Harbour aims to promote a culture of early and careful consideration of financial difficulty, enabling directors to remain engaged and take responsible action.

Safe Harbour is a mechanism that gives directors time – time to assess solvency, to explore strategic alternatives, and to build a plan that is grounded in evidence, expert input and realistic pathways to recovery.

2.2 The “Better Outcome” Requirement

Safe Harbour protection applies only where the directors’ chosen course of action is “reasonably likely to lead to a better outcome” for the company than immediate administration or liquidation.

“Reasonably likely” does not require certainty, but it does require rational justification: informed decision-making, careful planning, and continuous review.

There are several indicators that support this assessment, as outlined under section 588GA(2) of the Corporations Act 2001. These include:

- Gaining informed visibility of the company’s financial position
- Preventing misconduct by officers or employees
- Ensuring the company maintains accurate financial records
- Obtaining advice from an Appropriately Qualified Entity
- Developing and implementing a viable restructuring plan



Wexted’s Better Outcome Test

Determining whether your company meets the ‘Better Outcome’ criteria can prove challenging. Wexted’s **Better Outcome Test** is designed to help directors satisfy this requirement. The process involves:

- Analysing the company’s financial position and liquidity profile,
- Modelling possible restructuring scenarios,
- Assessing capital, operational and stakeholder considerations, and
- Determining whether the proposed plan is likely to outperform an insolvency appointment.

By conducting a structured Better Outcome assessment at the outset – and refreshing it as circumstances evolve – directors strengthen both the legal robustness of their Safe Harbour position and the commercial credibility of their turnaround strategy.

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2.3 Key Eligibility Preconditions

Before Safe Harbour protection can apply, the company must also meet eligibility criteria set out in section 588GA(4) of the Corporations Act. These requirements ensure that directors are acting from a foundation of good governance and basic compliance. In general terms, to qualify:

- Employee Entitlements: All wages, superannuation, leave and related payments must be paid on time
- Tax Obligations: All relevant returns and lodgements must be substantially compliant under taxation laws
- No Repeated Failures: Compliance failures over the past 12 months are considered in assessing eligibility

Eligibility is not a procedural formality, but a substantive threshold designed to demonstrate that the company is capable of meeting essential responsibilities.

These conditions also serve a practical purpose: a company cannot credibly pursue a turnaround or secure stakeholder confidence while falling behind on its core legal obligations.



Wexted's experience shows that early verification of these conditions/obligations not only enables/preserves Safe Harbour eligibility, but also strengthens director credibility in front of employees, financiers, regulators and prospective investors.

It ensures that a company's most fundamental obligations are stable — creating the foundation upon which more sophisticated restructuring initiatives, financial negotiations and turnaround measures can be built.



3. DIRECTOR'S SAFE HARBOUR ACTION PLAN

Wexted's extensive experience advising boards through difficult financial distress demonstrates that Safe Harbour works best when directors follow a structured, disciplined and well-supported pathway.

This section outlines a structured action plan that provides the statutory expectations, the practical application required, aligned with Wexted's comprehensive Safe Harbour methodology, judgement, analysis and oversight.

3.1 Early Solvency Assessment

Establishing an accurate picture of the company's solvency is the essential first step. The law emphasises that directors must properly inform themselves of the company's financial position before determining any course of action. This requires reviewing liquidity, debt obligations, cash-flow forecasts, trading conditions, and operational risks.



Wexted's Solvency Review

Wexted's **Solvency Review** provides an independent and comprehensive assessment of solvency indicators, funding pressures, and the likely trajectory of financial distress.

This early diagnostic phase delivers immediate analysis and actions – protecting directors, reducing the risk of continued insolvent trading and starting the Safe Harbour process with clarity.

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3.2 Confirming Eligibility and Compliance

As referenced in Chapter 2, Safe Harbour protection only applies where the company satisfies the eligibility requirements set out in section 588GA(4) of the Corporations Act. These are fundamental indicators of responsible governance, not administrative formalities.

Other industry guidelines (ARITA, TMA, AICD) also state the importance of this stage: directors must start Safe Harbour from a position of compliance, credibility and good governance.

Confirming eligibility early ensures that directors can rely on Safe Harbour from the outset and maintain protection throughout the turnaround journey.



Wexted assists through:

The Safe Harbour Eligibility Review

For those ready to engage, Wexted's **Eligibility Review** guides directors through the eligibility and compliance requirements in-detail. This includes:

- Reviewing the timeliness of wages, superannuation and employee entitlements
- Confirming substantial compliance with tax lodgements
- Identifying historical or systemic gaps that may undermine protection
- Supporting rapid remediation where required

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Coming soon:

Safe Harbour Evaluation Tool

A free, confidential and succinct online assessment that helps directors evaluate eligibility pre-conditions and governance indicators before formal engagement.

This will be a great first step for those looking to better understand Safe Harbour within the context of their organisation.

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3.3 Developing a Course of Action

Once eligibility is established, directors must begin developing a restructuring plan that is “reasonably likely to lead to a better outcome” than immediate administration or liquidation, as required under section 588GA(1).

From Wexted’s experience, this is where Safe Harbour becomes most transformative. Directors gain the freedom to rebuild a credible strategy, with expert guidance, without the pressure of insolvency appointments.

3.3.1 Financial Restructuring Strategies

Financial restructuring is often central to achieving a better outcome. Examples include:

- capital raising or new investment
- refinancing or renegotiation of existing facilities
- debt-for-equity transactions
- asset realisation to restore liquidity

Wexted works alongside directors to model the feasibility of each option, assess funding pathways, and support negotiations with lenders and investors.

Appropriate modelling is a key indicator of a “reasonably likely” plan – an expectation embedded in Wexted’s approach.

3.3.2 Operational and Corporate Restructuring

Operational and corporate restructuring often determine the long-term success of a turnaround. These measures may include:

- Cost optimisation
- Rationalisation of unprofitable divisions
- Supply-chain and contract restructuring
- Group-level corporate restructuring for multi-entity businesses



The Corporate Structuring Plan

Wexted's **Corporate Structuring Plan** provides a proven, iterative framework to evaluate, plan and execute any operational and corporate changes identified and/or required.

This ensures harmonious and continuous alignment with Safe Harbour obligations and long-term value preservation.

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3.3.3 Stakeholder Engagement and Debt Negotiation

Directors must maintain transparency and constructive communication with key stakeholders – including lenders, employees, major creditors and investors. Directors should:

- Adopt a consistent communication strategy
- Negotiate amendments or waivers where appropriate
- Manage expectations early to avoid escalation

Wexted assists boards in structuring these engagements to preserve goodwill and maintain strategic momentum.

3.3.4 Controlled Incurrence of New Debts (plan-aligned borrowing)

Under Safe Harbour, new debts may only be incurred if they align with the turnaround plan and contribute to a better outcome for the company in the ordinary course of business.

Directors should monitor this closely, ensuring that new liabilities do not worsen the company's position or expose creditors to unreasonable risk.

Directors must therefore:

- Review cash-flow forecasts before committing to new obligations
- Ensure borrowings are essential for implementing the plan
- Document the rationale behind each material decision

3.4 Seeking Professional Advice from Appropriately Qualified Entities

Directors are expected to obtain advice from appropriately qualified professionals who can independently assess the company's financial position and proposed strategy.

Wexted's breadth of Safe Harbour expertise – spanning restructuring, turnaround, insolvency, governance and financial advisory – enables boards to draw on experienced judgement at every stage of the process.

3.5 Documenting Decisions and Monitoring Progress

Documentation is a core expectation under Safe Harbour Law. Directors should maintain:

- Clear records of financial assessments
- Minutes of board discussions
- Evidence of compliance with obligations
- Updates to the restructuring plan as conditions evolve



Monitoring must be continuous. A plan that was initially “reasonably likely” may no longer be so if trading conditions deteriorate or milestones are not met. Regular review is essential to sustaining Safe Harbour protection.



3.6 Transitioning Out of Safe Harbour

Safe Harbour is not indefinite. It concludes when:

- The restructuring plan is successfully implemented
- Directors become aware that the plan is no longer reasonably likely to succeed
- Eligibility conditions fall out of compliance
- A formal insolvency appointment is made

Wexted supports directors in evaluating these triggers and determining whether continuation, modification or escalation is the most responsible course of action.

3.7 Resilience and Continuity Planning

Standing still in a never-ending sea of restructuring is not enough. You need to be looking ahead.

Whether conducted as a stand-alone review by businesses looking to stress-test their organisation and market position; or as a key final piece in a successful turnaround – resilience and continuity planning is key.

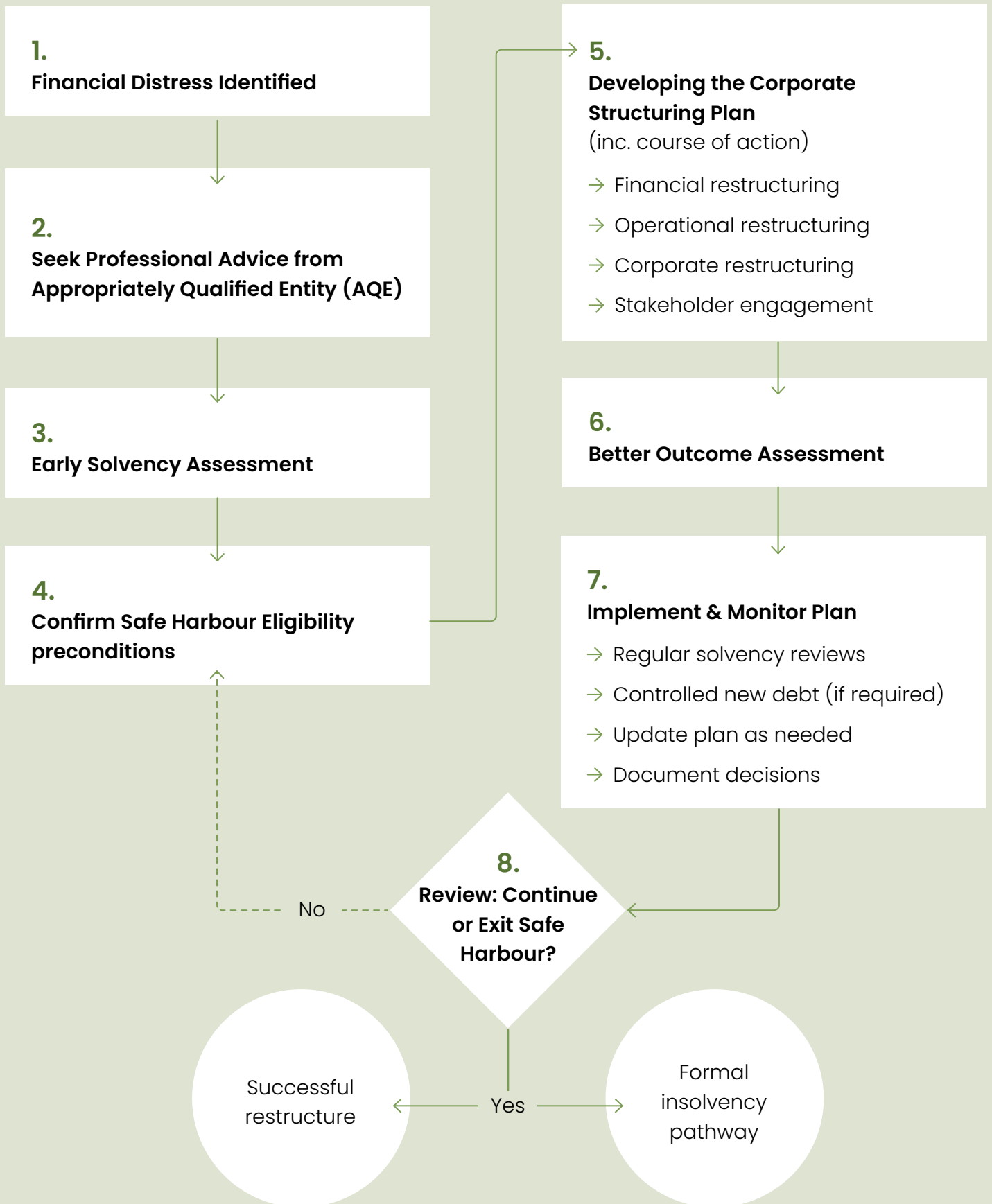


Wexted Continuity Test

Wexted's **Continuity Test** supports directors in identifying longer-term risks, strengthening governance systems, and ensuring the company can maintain compliance, cash-flow stability and operational discipline post-restructure.

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Safe Harbour Flow Chart





4. STATUTORY FRAMEWORK AND DECISION CRITERIA

Wexted's approach to the statutory framework puts practical application at the centre: translating Safe Harbour's statutory expectations into disciplined processes that directors can follow and evidence.

Below, each subsection looks to identify and clarify the legal principle, explains its significance, and sets out recommended actions.

4.1 Ongoing Directors' Duties during Safe Harbour

Legal Principle: Directors retain statutory duties throughout any Safe Harbour period (including duties under Section 588GA and general duties of care, diligence and good faith). Directors cannot abdicate responsibilities while pursuing a turnaround.

Practical significance: Safe Harbour does not suspend directors' duties – it requires continued oversight, informed decision-making and active governance. Directors must be able to demonstrate that they remained properly informed and that decisions were reasonable given the information available at the time.

Practical examples (Demonstrating duties)

- Require and review timely management accounts (P&L, balance sheet, cashflow) and 13-week cash forecasts
- Hold regular, documented board meetings focusing on solvency and turnaround milestones
- Ensure robust internal controls are in place (financial delegations, fraud controls etc)
- Seek and record independent professional advice where appropriate (financial restructuring, specialist tax, employment law)

Wexted's role: we assist across board reporting frameworks, independent solvency diagnostics, advisory records and more to establish a clear audit trail – mapping decisions, evidence and advice in line with Section 588GA.

4.2 The “Reasonably Likely” Standard (Strategies & Examples)

Legal Principle: As discussed in earlier chapters, Safe Harbour requires that the course of action directors pursue is “reasonably likely to lead to a better outcome” than immediate administration or liquidation. ASIC’s RG 217 clarifies that “reasonably likely” requires a rational, evidence-based case – not certainty.

Practical significance: Essentially, boards should be able to demonstrate why the chosen plan is commercially realistic and superior to insolvency. Modeling, sensitivity analysis and credible stakeholder support is often central to this.

How Wexted assesses “reasonably likely”: We apply scenario modelling, probability assessments, creditor impact analysis and stress tests – then document why the selected strategy satisfies the threshold in the company’s circumstance



Strategy	Typical Actions	Evidence Required	Wexted assessment – “reasonably likely”?
Short-term working capital facility	Secure short-term lender support to bridge liquidity; strict covenant terms	Signed facility letter, cashflow model showing runway for plan implementation	Often reasonable if facility is committed and funds enable a credible plan with measurable milestones
Debt-for-equity swap	Negotiate creditors to convert part of debt into equity to reduce leverage	Indicative creditor support, valuation/multiples analysis, shareholder approvals	Varies – requires strong creditor support and realistic valuation; evidence of negotiated terms improves probability
Asset sale / portfolio divestment	Sell non-core assets to restore liquidity	Market appraisals, sale timelines, proceeds allocated to critical liabilities	Often reasonable if proceeds materially affect solvency and sale execution is credible
Operational restructuring (cost reduction)	Headcount rebalancing, supplier renegotiation, closure of loss-making units	Detailed ops plan, cost savings schedule, transition timelines	Often reasonable where savings are immediate and modelling shows meaningful cash benefit
Capital raising (new equity)	Negotiation with strategic investor, placement, or rights issue	Investor term sheet, due diligence progress, conditionality assessment	Varies – probability rises with formal investor commitment and realistic valuation
Complex group reorganisation	Intercompany adjustments, transfer pricing, legal entity rationalisation	Corporate structure plans, legal advice, tax analysis	Varies – can be reasonable but requires thorough legal/tax support and a credible implementation timetable

note: These are examples only to help individuals understand the complex nature of what may or may not be ‘reasonably likely’. Typically, a strategy is more likely to meet the “reasonably likely” standard where: (a) there is documented evidence (term sheets, facility letters, modelling), (b) the plan has clear, measurable milestones and has been stress tested (c) credible advisor and stakeholder support exists.

Wexted’s role: test multiple strategies, produce scenario outputs, document the rationale for the recommended strategy and the residual risks – all prepared for board, insolvency and legal scrutiny (if needed).

4.3 Scope of Protected Debts and Timing

Legal Principle: Safe Harbour protection only applies to debts incurred in the course of a bona fide restructuring plan developed under section 588GA – subject to eligibility and the “reasonably likely” threshold.



ASIC clarifies the timing element: This could include debts incurred in the ordinary course of the company's business (where the course of action involves ongoing trading) and debts specifically incurred to develop and implement that course or courses of action.

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Practical Significance: Not every debt incurred during distress is automatically protected – directors must show the debt was necessary, aligned to the plan and reasonably likely to assist the company to achieve a better outcome.

Practical examples:

- When protection begins: when directors take steps to develop a credible plan and take actions in alignment with that plan (documentation is essential).
- Which debts are covered: new debts incurred to implement the plan (e.g., supplier credit, short-term financing) may be protected if they are aligned with the plan and are reasonable. Pre-existing unsecured debts ordinarily remain outside the Safe Harbour defence.
- Timing risk: debts incurred before a defined plan exists (or where the plan is retrospectively asserted without contemporaneous evidence) have a weak protection case.

Wexted's Role: establish the plan timeline, map every material incurrence of debt against the plan, produce contemporaneous rationale for each new liability, and prepare the evidence bundle that demonstrates alignment.

4.4 Exclusions and Triggers for Ending Safe Harbour Protection

Legal principle: Safe Harbour will not protect directors where eligibility criteria are not met or where the conduct otherwise falls outside the statutory protections (e.g., misconduct, repeated substantial non-compliance). There are several behaviours and omissions that undermine Safe Harbour.

Common exclusions / Triggers

- Material non-payment of employee entitlements (wages, superannuation) or substantive and repeated tax non-compliance within 12 months
- Fraud, dishonesty or deliberate concealment of information from the board or advisors
- Failing to seek or act upon appropriate professional advice where it is reasonably available
- Continuing to incur debts unrelated to the plan (e.g. dividends paid when not sustainable)
- Clear evidence the plan is failing and directors failure to recognise or act (i.e., continuing with a plan no longer “reasonably likely”)

Practical Response (Demonstrating duties)

Directors should immediately re-assess and, where appropriate, move the company to an alternative formal process (e.g., voluntary administration), ensuring they document the decision rationale and steps taken.



Wexted’s role: identify exclusion risks early, recommend timely remediation steps, and if required, advise whether Safe Harbour continuation is responsible — or whether an alternative insolvency pathway should be pursued.



5. WEXTED'S SAFE HARBOUR ADVISORY SERVICES

Wexted provides a comprehensive suite of Safe Harbour advisory services to assist and support all stakeholders (principally directors but also accountants, lawyers, brokers and other advisors).

Services are designed to be modular (a single service for discrete needs) or integrated (a coordinated program that runs from Solvency Review through to Continuity Test).

In all cases, our work is prepared with the express purpose of meeting the law's expectations and producing evidenceable, board-ready outputs that support directors' governance obligations and increase the likelihood of a genuine recovery strategy.

5.1 Solvency Review

Summary: An independent, rapid but rigorous assessment of a company's solvency position – liquidity, exposures, timing of creditor demands, and short-term cash runway.

Benefits

- Rapid clarity on whether the company is trading solvently, near insolvent, or insolvent
- Prioritised list of immediate liquidity gaps and covenant risks
- A factual basis for board decision-making and the Safe Harbour pathway

Typical Process

- Collate core financial documents: latest management accounts, bank statements, ATO statements, major contracts, facility agreements
- Reconcile cash balances, creditors and debt schedules
- Build a 13-week rolling cash forecast and stress scenarios
- Identify critical timing risks (payroll, tax, supplier triggers)
- Preliminary recommendation on immediate stabilisation steps

Typical Outputs

- Solvency Review report (concise executive summary + detailed analysis)
- 13-week cashflow model and sensitivity scenarios
- Recommended immediate actions
- Board briefing notes for meeting

Scope & Complexity: For a more standard company, the review may focus on a single trading entity with straightforward cashflows and limited external funding. For a significant or complex organisation – such as a multi-entity group, leveraged business or ASX-listed company – the review may expand to include multiple cashflow scenarios, covenant testing, intercompany exposures and detailed forecasting.

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5.2 Eligibility Review

Summary: A focused compliance audit against section 588GA(4) eligibility criteria (employee entitlements, taxation lodgements, recordkeeping and any repeated failures in the prior 12 months).

Benefits

- Clear confirmation of whether eligibility preconditions are met or where gaps exist
- Targeted remediation plan to restore eligibility quickly where possible
- Evidence file to support any subsequent Safe Harbour strategy

Typical Process

- Review payroll records, superannuation remittance reports and bank reconciliations
- Review ATO lodgement history (BAS, PAYG, FBT, income tax) and tax agent confirmations
- Assess recordkeeping systems and management reporting frequency
- Identify any repeat or material failures within the past 12 months and quantify their impact
- Recommend remediation actions and prioritise fixes (e.g., urgent lodgements, emergency payments)

Typical Outputs

- Eligibility Review report (pass/fail indicators, gap register)
- Remediation action plan with responsibilities and timelines
- Evidence checklist to be retained for board minutes and advisor reviews

Scope & Complexity: The scope is adjusted to ensure the eligibility assessment is robust enough to withstand scrutiny.

In simpler businesses, the Eligibility Review may involve a targeted confirmation of payroll, superannuation and tax lodgements. In larger or more complex groups, the review may extend to multiple payroll systems, historical compliance issues, group-wide tax positions and coordination with external tax advisers.

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5.3 Corporate Structuring Plan

Summary: A strategic operational and corporate redesign to improve governance, efficiency, intercompany arrangements and the balance sheet – tailored for both complex group structures and single-entities.

Benefits

- Removes structural impediments to liquidity and clarity
- Simplifies reporting and governance
- Supports operational measures that feed into the Better Outcome assessment

Typical Process

- Map the current legal and operational entity structure and cash flows
- Identify non-core or loss-making entities, intercompany exposures and inefficiencies
- Develop options for consolidation, divestment or reallocation of assets/liabilities
- Assess tax, regulatory and contractual consequences (legal/tax advice co-ordinated)
- Prepare implementation steps (timing, approvals, stakeholder communications)

Typical Outputs

- Corporate Structuring Plan (option analysis + recommended structure)
- Implementation roadmap with governance checkpoints
- Draft documentation / transaction templates (as required) for execution

Scope & Complexity: Wexted scales the analysis to reflect the operational and stakeholder complexity of the business. Documentation of material or lack of said documentation will also impact actions and timings.

For smaller businesses, the Corporate Structuring Plan may focus on cost optimisation, contract rationalisation and simplified governance. For complex corporate groups, it may involve multi-entity restructuring, intercompany funding redesign, asset separations or coordinated divestments.

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5.4 Better Outcome Test

Summary: A structured, documented assessment that determines whether a proposed course of action is reasonably likely to lead to a better outcome than immediate administration – i.e., the formal articulation required by Section 588GA(1) and RG 217.

Benefits

- Provides the core evidentiary basis for Safe Harbour entry and ongoing Safe Harbour Protection
- Strengthens directors' ability to justify the chosen course of action
- Produces the written rationale necessary for board minutes and advisor records

Typical Process

- Define the restructuring options available and preferred solution
- Produce detailed financial models for each option (base case + upside/downside scenarios)
- Analyse creditor impact and potential acceptance/objection points
- Assess operational feasibility and implementation risk (timelines, resourcing etc)
- Produce a clear consolidated recommendation

Typical Outputs

- Better Outcome Test report (rationale, modelling, probability assessment)
- Sensitivity and downside analysis (stress scenarios)
- Board briefing and recommended resolution wording for minutes

Scope & Complexity: This is a serious test that should always be carried out by an Appropriately Qualified Entity.

In less complex situations, the Better Outcome Test may assess a limited number of restructuring options with straightforward modelling. In larger or higher-risk engagements, it may involve multiple scenarios, creditor outcome comparisons and more extensive documentation.

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5.5 Continuity Test

Summary: A forward-looking resilience assessment designed to confirm whether, post-intervention, the company is able to maintain ongoing compliance, cash-flow stability and operational continuity.

Benefits

- Identifies residual risks that could re-emerge post-restructure
- Confirms governance and reporting adjustments required to embed resilience
- Provides assurance to stakeholders that the recovery is durable

Typical Process

- Review the implemented restructuring measures and their operational effects
- Test the business against a set of continuity scenarios (supply disruption, loss of major customer etc)
- Review governance and compliance frameworks (financial controls, reporting cadence)
- Recommend structural changes to embed and maintain oversight (board committees, CRO arrangements, monitoring KPIs)

Typical Outputs

- Continuity Test report (residual risk register + mitigation plan)
- Revised governance and reporting framework (templates, KPIs)
- 12-24 month Resilience roadmap

Scope & Complexity: For smaller businesses, the Continuity Test may focus on practical governance improvements and short-to-medium-term cashflow resilience. For larger or more complex organisations, it may involve extended scenario analysis, enhanced reporting frameworks and longer-term resilience planning. The objective in all cases is to ensure recovery is durable, not temporary.

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6. WEXTED TEAM AND CREDENTIALS

6.1 Leadership in Restructuring and Safe Harbour Advisory

Wexted's leadership combines long-form restructuring experience with deep operational and insolvency technical skills. We translate Safe harbour's statutory expectations into disciplined, board-ready processes that protect directors while actively pursuing value preservation.

We are routinely engaged by boards, lenders and stakeholders to lead high-stakes turnarounds, provide independent solvency analysis, and build the documented evidence that section 588GA requires.



Confidentiality, practical judgement and measurable outcomes sit at the centre of our approach.

6.2 Leadership team



Joe Hayes — Partner

A trusted restructuring leader with 25+ years' sector experience, Joe founded Wexted after senior partner roles at KPMG and McGrathNicol. He specialises in complex restructures and multi-party dispute resolution, bringing calm, decisive leadership to high-stakes recoveries and litigation oversight.



Andrew McCabe — Partner

Andrew combines 25+ years of restructuring, corporate and operational experience with formal insolvency appointments. He specialises in Safe Harbour advice for ASX and large private companies, cutting to core issues quickly and delivering pragmatic, commercially focused outcomes.



Chris Johnson — Partner

With 17+ years in restructuring and regulatory roles, Chris blends operational improvement with forensic rigour. He leads independent reviews, creditor and lender advisory, and hands-on turnaround management across construction, resources, retail and financial services.



Christopher Sequeira — Partner (Melbourne)

A technically adept insolvency accountant, Chris brings specialist sector experience (including agriculture, property, FMCG, NFPs, health and manufacturing). He focuses on stakeholder alignment in complex group restructures and pragmatic execution under pressure.



Rebecca Wilson — Director (Brisbane)

Rebecca delivers rapid, sustainable recovery outcomes (specialist sectors include mining, manufacturing, property, servicing and retail). Her background includes lender reviews, government secondments and multi-jurisdictional restructures — with a strong track record in operational stabilisation and asset realisation.



Jessie Wang — Director

Jessie Wang is a Registered Liquidator. Her appointments include small business restructuring, liquidation, voluntary administration and receivership, alongside Safe Harbour advisory, investigative accountant reviews and expert witness reports.

6.3 Commitment to Strategic Outcomes for Directors



Wexted acts as a board-grade partner: we prioritise director protection, commercial realism and stakeholder stewardship.

Our commitments include:

- **Evidence-first advice:** every recommendation is supported by modelling, scenario testing and documented rationale to meet legal expectations.
- **Board-ready deliverables:** concise briefings, resolution wording and evidence reporting for minutes and advisor records.
- **Discreet, rapid engagement:** confidential assessments and rapid mobilisation to preserve options.
- **Outcome orientation:** we measure success by recoveries delivered, value preserved and the stability restored for employees, creditors and shareholders.

7. CONCLUSION AND NEXT STEPS

7.1 Summary of Key Safe Harbour Insights

- **Act early and deliberately:** prompt assessment and evidence gathering materially improve all options.
- **Verify eligibility first:** wages, superannuation and tax compliance are critical threshold requirements required under section 588GA(4).
- **Document everything:** contemporaneous records, modelling and advisor engagement are central to a credible Safe Harbour position and protection.
- **Test for a Better Outcome:** a structured, stress-tested plan is required in order to satisfy the 'reasonable likely' better outcome requirement.
- **Engage appropriate expertise:** independent advice strengthens both governance and commercial outcomes and is recommended by ASIC.

7.2 Acknowledgements

This Guide has been prepared by Wexted and is informed by ASIC's Regulatory Guide 217 and the Corporations Act 2001.

We also acknowledge the complementary guidance and sector insights provided by ARITA, the AICD and TMA Australia, which inform best practice in restructuring and governance.





RESTRUCTURING | SAFE HARBOUR | INSOLVENCY

Partnering with Wexted for Safe Harbour Planning and Action

As a Safe Harbour authority, Wexted supports directors, stakeholders and management, utilising the Safe Harbour framework to deliver a complete redemptive restructuring solution; from initial submissions to plan implementation.

Start a conversation with Wexted today.

If immediate liquidity questions exist, we encourage you to contact Wexted with urgency.

For further Resources and Information

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