Date

Creditor

Address1

Address2

Address3

Dear Creditor

**Re. [ENTITY NAME] (“the Entity”)**

**Business Debt Hibernation (“BDH”) – Confidential**

Following the filing of our Entry Notice dated [x 2020], placing “Name of Business” into Business Debt Hibernation (“BDH”) we are writing to you in order to provide details of our proposed creditor arrangement pursuant to Schedule 13 of the Companies Act 1993. This letter provides you with some background information, the reasons a creditor arrangement is necessary and the details of the proposed arrangement. We thank you in advance for your understanding and hope that you will see fit to vote in favour of the arrangement.

**Background and rationale**

*[Insert background details and commentary on why BDH/creditor arrangement is in the best interest of creditors.]*

**The proposed Arrangement**

The Directors propose the following creditor arrangement:

*[Insert summary of the proposed arrangement – these should match the details of the arrangement described in the proposal document.]*

The proposed arrangement will be binding on all notified creditors (except general security holders and those debts that are excluded from BDH) if majority in number and value (of creditors who are entitled to vote), vote in favour of the arrangement.

Please find enclosed formal documents necessary for you to consider your acceptance or otherwise of the proposed creditor arrangement.

**Deadline**

The deadline for all votes to be received is [time] am/pm on [date].

Please ensure your votes are sent to [name] at [email & postal address]

We trust that the details of the arrangement are clear and hope that you will see fit to vote in favour of the proposal. Should you have any questions please do not hesitate to contact [Name] on [Number/Email].

Yours faithfully

**[Director Name]**

Director