

ATIS-037

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Transfer of a registered training contract – statutory (sale of business or dissolution of a business partnership)

Information to get started

When businesses are sold or disposed of, or a business partnership is dissolved, a statutory transfer of any registered apprentices or trainees they employ occurs, if appropriate.

The apprentice or trainee does not undergo a new probationary period with the new business entity.

The following actions relate to the training contract only, and have no impact on the continuing employment obligations that may be applicable.

The employer's business is sold or disposed of to someone else ('the purchaser')

Within **14 days** after the sale of business occurs:

- The employer must give their Australian Apprenticeship Support Network (AASN) provider or the Department of Employment, Small Business and Training signed notification of the sale of business.
- If the purchaser **agrees to continue** training the apprentices and/or trainees of the business, they must give their AASN provider or the department signed notification that they have agreed to continue training under the training contract/s.

The training contract is taken as transferred to the purchaser on the day agreed between the employer and the purchaser/new owner.

However, if the purchaser or new owner **does not agree** to continue to train an apprentice or trainee under the training contract, they must provide signed notification of this decision to the AASN provider or the department **before** the sale of business takes effect. The training contract will be cancelled.

The employer is a partnership that has dissolved, and one or more persons who were partners prior to dissolution will continue the business

If one or more of the partners will continue the business as a sole trader or in a new partnership, the training contract is taken as transferred to them when the affairs of the dissolved partnership are wound up.

Within **14 days** after the partnership is dissolved the employer must provide to their AASN provider or the department signed notice that the partnership has dissolved and advise whether or not one or more of the

partners will continue the business as a sole trader or under a new partnership.

The [ATF-041 Notification of change of ownership/statutory transfer form](#) can be used to provide this advice.

Partnership completely dissolved

If the employer is in a business partnership which dissolves, and the business is not continued by any of the partners, the employer must advise their AASN provider or the department, by signed notice, within **14 days**. The training contract will be cancelled.

Advising the training organisation

Where statutory transfer occurs:

- the new employer and apprentice or trainee must advise their supervising registered training organisation about the transfer, and
- if the training organisation is replaced by a new training organisation, the new employer must—
 - give the replaced training organisation at least **14 days'** signed notice that they are being replaced and advise them of the replacement date, and
 - notify their AASN provider or the department of the change of training organisation using the [ATF-010 Change of supervising registered training organisation form](#).

The training organisation for the apprentice or trainee has a responsibility to take all reasonable steps to ensure a new training plan is negotiated and signed within **28 days** after the training contract is transferred or they replace the old training organisation.

For further information

Contact:

- Fair Work Ombudsman on 13 13 94, regarding the employment obligations
- the nominated AASN provider
- Apprenticeships Info on 1800 210 210.

Related document:

- [Statutory transfer or cancellation of registered training contracts procedure](#).

