



SUMMATIVE (FORMAL) ASSESSMENT: MODULE 8E

SINGAPORE

This is the **summative (formal) assessment** for **Module 8E** of this course and must be submitted by all candidates who **selected this module as one of their elective modules**.

The mark awarded for this assessment will determine your final mark for Module 8E. In order to pass this module, you need to obtain a mark of 50% or more for this assessment.

INSTRUCTIONS FOR COMPLETION AND SUBMISSION OF ASSESSMENT

Please read the following instructions very carefully before submitting / uploading your assessment on the Foundation Certificate web pages.

1. You must use this document for the answering of the assessment for this module. The answers to each question must be completed using this document with the answers populated under each question.
2. All assessments must be submitted electronically in **Microsoft Word format**, using a standard A4 size page and an 11-point Arial font. This document has been set up with these parameters – **please do not change the document settings in any way. DO NOT** submit your assessment in PDF format as it will be returned to you unmarked.
3. No limit has been set for the length of your answers to the questions. However, please be guided by the mark allocation for each question. More often than not, one fact / statement will earn one mark (unless it is obvious from the question that this is not the case).
4. You must save this document using the following format: **[studentnumber.assessment8E]**. An example would be something along the following lines: 202021IFU-314.assessment8E. **Please also include the filename as a footer to each page of the assessment** (this has been pre-populated for you, merely replace the words “studentnumber” with the student number allocated to you). Do not include your name or any other identifying words in your file name. **Assessments that do not comply with this instruction will be returned to candidates unmarked.**
5. Before you will be allowed to upload / submit your assessment via the portal on the Foundation Certificate web pages, you will be required to confirm / certify that you are the person who completed the assessment and that the work submitted is your own, original work. Please see the part of the Course Handbook that deals with plagiarism and dishonesty in the submission of assessments. **Please note that copying and pasting from the Guidance Text into your answer is prohibited and constitutes plagiarism. You must write the answers to the questions in your own words.**
6. The final submission date for this assessment is **31 July 2021**. The assessment submission portal will close at **23:00 (11 pm) GMT on 31 July 2021**. No submissions can be made after the portal has closed and no further uploading of documents will be allowed, no matter the circumstances.
7. Prior to being populated with your answers, this assessment consists of **8 pages**.

ANSWER ALL THE QUESTIONS

Commented [DB1]: 36/50 = 72% well done!

QUESTION 1 (multiple-choice questions) [10 marks in total]

Questions 1.1. – 1.10. are multiple-choice questions designed to assess your ability to think critically about the subject. Please read each question carefully before reading the answer options. Be aware that some questions may seem to have more than one right answer, but you are to look for the one that makes the most sense and is the most correct. When you have a clear idea of the question, find your answer and **mark your selection on the answer sheet by highlighting the relevant paragraph in yellow**. Select only **ONE** answer. Candidates who select more than one answer will receive no mark for that specific question.

Question 1.1

Which of the following **is not** one of the objectives of the IRDA?

- (a) To establish a regulatory regime for insolvency practitioners.
- (b) To introduce a new omnibus legislation that consolidates the personal and corporate insolvency and restructuring laws.
- (c) Adoption of the UNCITRAL Model Law on Cross-Border Insolvency.**
- (d) To enhance Singapore's insolvency and restructuring laws .

Question 1.2

Who may apply to court to stay or terminate the winding up of a Company?

- (a) A creditor.
- (b) A contributory.
- (c) The liquidator.
- (d) Any of the above.**

Question 1.3

Which of the following factors may enable a foreign debtor to establish a "substantial connection" to Singapore?

- (a) The debtor has chosen Singapore law as the law governing a loan or other transaction.
- (b) The centre of main interests of the debtor is located in Singapore.
- (c) The debtor has substantial assets in Singapore.
- (d) Any of the above.**

Question 1.4

What percentage of each class of creditors must approve a scheme of arrangement for it to be binding?

- (a) Over 50% in number.
- (b) 50% or more in number.
- (c) Over 75% in number.
- (d) 75% or more in number.

Question 1.5

Which of the following in respect of the automatic moratorium under Section 64(1) of the IRDA is **incorrect**?

- (a) The automatic moratorium lasts for 30 days.
- (b) The automatic moratorium may be extended.
- (c) The automatic moratorium can be obtained without filing an application to Court.
- (d) The debtor has to either propose or intend to propose a scheme of arrangement.

Question 1.6

Which of the following **does not** lead to the discharge of a judicial management order?

- (a) A receiver is appointed over the assets of the company.
- (b) The creditors decline to approve the judicial manager's proposals.
- (c) The judicial manager is of the view that the purposes specified in the judicial management order cannot be achieved.
- (d) The judicial manager has acted or will act in a manner that would be unfairly prejudicial to the interests of creditors or members of the company.

Question 1.7

Which of the following is **one of the three** aims of a judicial management?

- (a) To allow the directors to oversee the restructuring of the company.
- (b) Preserving all or part of the company's business as a going concern.
- (c) As a means for the secured creditors to realise their security.
- (d) To liquidate the company in a fast-track and cost-efficient manner.

Question 1.8

Which one of the following **is not** a corporate rescue mechanism in Singapore?:

- (a) Informal creditor workouts.
- (b) Judicial Management.
- (c) Receivership.**
- (d) Scheme of arrangement.

Question 1.9

Which one of the following countries **is not** one of the jurisdictions that Singapore has modelled its insolvency laws on?

- (a) England and Wales.
- (b) Brunei.**
- (c) The USA.
- (d) Australia.

Question 1.10

Which one of the following points regarding the landmark decision of *Re Zetta Jet Pte Ltd* is **not correct**?

- (a) The High Court did not grant full recognition of the US Chapter 7 proceedings.
- (b) The US bankruptcy proceedings continued in breach of the Singapore injunction.
- (c) This is the first reported decision where a Singapore court has been faced with the question of public policy in an application for recognition of a foreign insolvency proceeding.
- (d) The Court held that the omission of the word "manifestly" from Article 6 of the Singapore Model Law meant that the standard of exclusion on public policy grounds was higher than in jurisdictions where the Model Law had been enacted unmodified.**

10 marks

QUESTION 2 (direct questions) [10 marks]

Question 2.1 [maximum 4 marks]

Explain the elements of **two** types of impeachable transactions under Singapore insolvency law and what defences there may be to the two you have identified.

- **Impeachable transactions in Corporate Liquidation**

Commented [DB2]: 8/10

As it has been explained in the Guidance Text, in the case of a company liquidation, the a liquidator can apply to the Court to seek to claw back assets previously transferred in transactions where:

- a) an unfair or undue preference was given; or
- b) the transaction was conducted at an undervalue.

For an **unfair preference** transaction, the liquidator must show the following elements:

1. the preferred party (the beneficiary of the transaction) is a creditor or guarantor for any of the company's debts or liabilities;
2. the company was insolvent (or became insolvent as a consequence of the transaction) at the time of giving the preference;
3. the company has done anything which puts the preferred party in a better position than the preferred party would otherwise have been had the transaction not been entered in the event of the company's liquidation; and
4. the company was influenced in deciding to enter the transaction by a desire to prefer the preferred party, noting that the company is presumed to have been influenced by a desire to prefer if the preferred party is an associate of the company.

In this case, the relevant time period during which assets may be clawed back for an unfair preference is **two years** from the date of the winding-up application where the preferred party is an associate and six months for unrelated parties. **Incorrect lookback period.**

In the case of a **transaction at an undervalue**, the liquidator must show these two elements:

- a) the company makes a gift to the recipient or the company enters into transaction where the value of consideration received is significantly less than the value of the consideration provided; and
- b) the company was or became insolvent as a result of that transaction.

The company is presumed to have undertaken a transaction at an undervalue if the preferred party is an associate of the company.

Here, the relevant time period during which assets may be clawed back is **five years** from the date of the winding-up application, regardless of whether the undervalue transaction was with an associate or not. **Incorrect lookback period.**

No mention of the defences? 2 marks.

Question 2.2 [maximum 2 marks]

What is the objective and significance of the JIN Guidelines?

The Guidelines for Communication and Cooperation between Courts in Cross-Border Insolvency Matters (the JIN Guidelines) were adopted by the Supreme Court of Singapore On 1st February 2017. The US Bankruptcy Courts for the District of Delaware and the Southern District of New York, also adopted the these Guidelines.

The adoption of the guidelines marks the first time that a judicial communication and co Operation framework for cross-border insolvency has been adopted in Singapore, being its main goal to Improved Coordination of Cross-Border Insolvency Proceedings.

Thus, cross-border insolvency matters can be better managed for the benefit of all the parties

involved, including debtor companies, banks and other creditors, employees and other stakeholders.

This undoubtedly improves direct communication between courts, who will be able to communicate with each other, so that issues are heard in the most logical and efficient way. The Guidelines also provide a structure for joint hearings, enabling 2 or more courts to thereby simultaneously record evidence and hear arguments, what will undoubtedly save costs and time.

All these measures and improvements in the coordination of international insolvency proceedings works in the benefits of all the parties involved.

Detailed response. 2 marks.

Question 2.3 [maximum 4 marks]

How can a bankrupt obtain

- (i) an annulment; and
- (ii) a discharge

of his bankruptcy under the Singapore IRDA?

(i) Annulment

If the debtor wants to make an annulment, he has to make the corresponding application within 12 months of the bankruptcy order being made, unless leave is given for the application to be made later.

These are the circumstances under which the court may annul a bankruptcy:

- a) the order ought not to have been made on grounds existing at the time;
- b) debts and expenses of the bankruptcy have been paid or secured to the satisfaction of the Court;
- c) distribution of the estate will take place in Malaysia or the majority of creditors are residents in Malaysia and the distribution ought to happen there.

(ii) Discharge

An application to the Court for an order of discharge can be made by the Official Assignee, the bankrupt or any other person having an interest at any time after the bankruptcy order is made.

This application must be served on each creditor who has filed a proof of debt in the bankruptcy and the Court will hear any creditor before making an order for discharge.

The courts has the following option upon this application:

- a) refuse to discharge;
- b) make an order discharging the bankruptcy absolutely; or
- c) make an order discharging on conditions as it thinks fit, including conditions with
- d) respect to future income or property.

4 marks. The OA can also grant a certificate of discharge.

QUESTION 3 (essay-type questions) [15 marks in total]

Commented [DB3]: 8.5/15

Question 3.1 [maximum 8 marks]

Write a brief essay on

- (i) the restrictions on *ipso facto* clauses; and
- (ii) wrongful trading

under the Singapore IRDA.

(i) Ipso facto clauses

The ipso facto clauses are those provision in an agreement which permits its termination due to the bankruptcy, insolvency, or financial condition of a party.

This unilateral termination of contracts that may be key to the continuity of the company's Activity usually undermines attempts to restructure the company.

As it has been explained in the Guidance text, there was no restriction on the application of ipso facto clauses until the section 440 (*Certain contractual rights limited*) of the IRD Act 2018 was included.

Therefore, the section 440 it's intended to facilitate the restructuring efforts of companies in economic difficulties, preventing key contracts from being terminated simply because the company is going through an insolvency or restructuring proceeding.

However, it is necessary to bear in mind that this provision does not prevent those contractual rights from being exercised by reason of other grounds provided in the contract, such as non payment of money owed by the company.

Also, section 440 provides for certain exceptions such as:

- a. any eligible financial contract as may be prescribed;
- b. any contract that is a licence, permit or approval issued by the Government or a statutory body;
- c. any contract that is likely to affect the national interest, or economic interest, of Singapore, as may be prescribed;
- d. any commercial charter of a ship;
- e. any agreement within the meaning of the Convention as defined in section 2(1) of the International Interests in Aircraft Equipment Act (Cap. 144B); or
- f. any agreement

Therefore, entities seeking to include ipso facto clauses in their contracts have to take into account the restrictions specified and introduced under section 440 IRDA.

When can a debtor avail itself of section 440?

(ii) Wrongful trading

Section 239 IRDA provides that:

If, in the course of the judicial management or winding up of a company or in any proceedings against a company, it appears that the company has traded wrongfully, the Court, on the application of any person mentioned in subsection (5), may, if it thinks proper to do so, declare that any person who was a party to the company trading in that manner is personally responsible, without any limitation of liability, for all or any of the debts or other liabilities of the company as the Court directs, if that person

*(a) knew that the company was trading wrongfully; or
(b) as an officer of the company, ought, in all the circumstances, to have known that the company was trading wrongfully*

As it has been explained in the Guidance Text, wrongful trading is defined as the incurrence of debt or other liabilities without a reasonable prospect of meeting them in full when the company is insolvent or becomes insolvent as a result of such debt.

This provision is adopted from English insolvency legislation and does not require criminal liability before taking effect. In this regard, The previous regime was considered as unsatisfactory as criminal liability had to be found as a prerequisite before the making of an application to impose civil liability against the officer of the company. Thus, the new regime makes it easier for liability to be established as the standard of proof for civil liabilities is lower than for criminal liabilities. **Insolvent trading?**

6 marks . The answer could have been enhanced with more analysis and commentary.

Question 3.2 [maximum 7 marks]

Write a brief essay in which you discuss the differences between a judicial management and liquidation.

Judicial management is one of Singapore's corporate rescue tools. In a judicial management an insolvency practitioner is appointed by the Court as the judicial manager. Consequently, the judicial manager replaces the company's directors and management and takes over responsibility for the running of the company.

In the liquidation/winding up case, a liquidator is appointed. In a voluntary winding-up, all the powers of the company's directors cease, except in so far as the liquidator or the members of the company with the liquidators' consent approve the continuance of such powers or duties. The powers of directors also cease when the Court orders that a company be compulsorily wound up. **What is the purpose of liquidation? What is the role of the liquidator?**

Nevertheless, a liquidator may apply to the Court to appoint the directors as special managers to assist him, if the liquidator proves that the nature of the estate or business of the company, or the interests of the creditors or contributories generally, require such appointment.

In both cases creditors may form a creditors' committee.

Too short and lack of detail. There is no real compare and contrast. 2.5 marks.

QUESTION 4 (fact-based application-type question) [15 marks in total]

Commented [DB4]: 9.5/15

Paladin Energy Corporation Ltd (PEC) is a Cayman-incorporated company listed on the Singapore stock exchange. PEC was formed to become the dominant market player in all aspects of energy in South East Asia and China. Its primary lines of business are:

- oil and gas exploration and production with assets and fields in Malaysia, Thailand and Cambodia;
- Renewable energy, specifically solar and wind, with projects in Malaysia, Vietnam and the United States; and
- Water and waste to energy with plants in Singapore and China.

PEC has three wholly-owned Singapore incorporated subsidiaries that run each of the three lines of business:

- PEC Oil and Gas Pte Ltd;
- PEC Renewables Pte Ltd; and
- PEC WWE Pte Ltd.

Each entity in turn owns all, or substantially all, of the shares in the relevant entities incorporated in the local relevant overseas jurisdiction.

PEC had traditionally funded its business via bank lending, with project financing facilities advanced directly to a combination of the three Singapore subsidiaries referenced above and directly to the underlying project companies. As at 2016, the group had raised SGD 2 billion in bank lending, all of which was guaranteed by PEC.

In 2018, PEC wanted to take advantage of an opportunity to expand their water and waste to energy business and raised an additional SGD 1 billion in retail bonds for working capital purposes. Water (and energy needs in general) is of strategic importance to Singapore given its geographical position and many retail investors took up the bond issue. The retail bonds were stated to be specifically subordinated to all other debt of the PEC group.

PEC traded positively throughout 2018 and 2019. However, in late 2019 it started informing some of its bank lenders that they may require waivers on certain terms in the loan and potentially further time to repay certain amounts owing. In early 2020, PEC appointed legal and financial advisors to provide it with advice as to the best steps to take. Shortly thereafter, PEC announced that it had filed for protection under section 211B of the Companies (Amendment) Act 2017. Further to this, PEC Oil and Gas Pte Ltd, PEC Renewables Pte Ltd and PEC WWE Pte Ltd filed for protection under section 211C of the Companies (Amendment) Act 2017.

Into the first six (6) months' extension of the moratorium, the bank lenders decide that they have lost their patience and no longer have confidence in PEC's management. They have therefore decided to apply to court to place PEC under judicial management.

Using the facts above, answer the questions that follow.

Question 4.1 [maximum 7 marks]

The working group of the bank lenders has asked its advisors to provide it with a written analysis covering the following critical issues for PEC. Please provide analysis on the following issues:

- Confirmation of the purpose of judicial management proceedings and what must be presented to the court in order to obtain a judicial management order; **(2 marks)**

As it has been mentioned before, the judicial management proceeding is a restructuring tool, as well as a creditor-in-possession procedure.

The application for the judicial management can be made by the creditors, as has happened in this case, on the grounds that the company is or will be unable to pay its debts, and that there is a reasonable probability of rehabilitating the company, or of preserving all or part of its business as a going concern, or that otherwise the interests of creditors would be better served than by resorting to a winding-up.

The main purpose of this figure is therefore to restructure the company and reach an agreement with the creditors so that it can continue to operate as a going concern.

A Court will make a judicial management order in the following cases:

- a. is satisfied that the company is or will be unable to pay its debts;
- b. considers that the making of the order would be likely to achieve one or more of the following purposes, namely:
 - i. the survival of the company, or the whole or part of its undertaking as a going concern;
 - ii. the approval under section 210 of the Companies Act of a compromise or arrangement between the company and any such persons as are mentioned in that section; or
 - iii. the more advantageous realisation of the company's assets than would occur in a winding-up.

One of the benefits of the judicial management is the automatic moratorium that comes into effect upon its filing.

It is also necessary to bear in mind that a judicial manager will be appointed by the court. An interim judicial manager can be appointed by the Court, on application of the company or any of its creditors, so all the interests are safeguarded. This means that once a judicial management order has been made all the responsibilities, functions and powers of the board of directors are transferred to the judicial manager.

In this process, the creditors will have to file a proof of debt. where the Judicial Manager convenes a creditors' meeting, the notice will specify requirements for filing a proof of debt.

The majorities to approve the Plan are the following:

- (a) a majority in number of each class of creditors present and voting (either in person or by proxy) at the meetings convened by the Court; and
- (b) such majority in number must represent three-quarters in value of the respective class of creditor present and voting.

In this regard, we have to point out the introduction of the cross class cram down in 2017 Amendment Act and later passed in the IRD Act 2018. This figure allows a scheme to be approved notwithstanding one or more classes of creditor having rejected the proposed scheme if certain conditions are met.

This conflates a few issues. Consider (1) leave would need to be sought to apply for JM given the current moratorium; (2) under JM there is no plan – if anything, a scheme can be proposed but that is a separate application by the JM outside of the JM process. **1.5 Marks.**

- Assuming that PEC is placed under judicial management, what requirements must be satisfied in order for PEC to be able to access rescue financing under the IRDA?; **(2 marks)**

As it has been explained in the Guidance text, rescue financing is the financing that:

- a) necessary for the survival of a debtor that obtains the financing;
- b) necessary to achieve a more advantageous realisation of the assets of a debtor that obtains the financing, than on a winding-up of that debtor.

As indicated in the Guidance text, if a debtor is in a judicial management procedure, it can make an application to the court in order to obtain rescue financing, which will be treated under the following conditions:

- a. *be treated as part of the costs and expenses of the winding-up if the debtor is later wound up;*
- b. *enjoy priority over preferential debts if the debtor is later wound up;*
- c. *be secured by a security interest on property of the debtor not otherwise subject to any security interest, or be secured by a subordinate security interest on property of the debtor that is subject to an existing security interest if the debtor would not have been able to obtain unsecured rescue financing from any other person; or*
- d. *be secured by a security interest on property subject to an existing security interest, of the same or a higher priority than the existing security interest, if the debtor would not have been able to obtain rescue financing from any other person unless it was secured in such a manner and there is adequate protection for the interests of the existing security interest.*

This is correct. Some analysis as to the conditions for each would help. **2 Marks.**

- What are the steps that need to be taken in order to place PEC's subsidiaries under judicial management out of court? **(3 marks)**

Section 94(1) (Power of Court to make judicial management order and appoint judicial manager) of the IRD Act 2018 introduces a new voluntary process for initiating judicial management without having to first apply to the Court in the following circumstances:

- a) the company is, or is likely to become, unable to pay its debts;
- b) there is a reasonable probability of achieving one or more of the purposes of judicial management mentioned in section 89(1); and
- c) a resolution of its creditors is obtained.

A company that proposes to obtain under subsection (11) a resolution of the company's creditors for the company to be placed under judicial management must give at least 7 days' written notice in the prescribed form of its intention to appoint an interim judicial manager.

- a) to the proposed interim judicial manager; and
- b) to any person who has appointed, or is or may be entitled to appoint, a receiver and manager of the whole (or substantially the whole) of the company's property under the terms of any debentures of the company secured by a floating charge or by a floating charge and one or more fixed charges.

Upon the appointment of the interim judicial manager the company must take the following steps:

- a) within 3 days after the appointment of the interim judicial manager, cause a written notice of the appointment to be lodged in the prescribed form with the Official Receiver and the Registrar of Companies; and
- b) within 7 days after the lodgment of the notice under paragraph (a), cause a notice of the appointment to be published in the Gazette and in an English local daily newspaper.

The term of the appointment of the interim judicial manager will end if:

- a) the expiry of 30 days after the date of the appointment, or such extension of that period as the Official Receiver may allow in any particular case;
- b) the appointment of a judicial manager, or the rejection of the resolution to place the company under judicial management at a meeting of creditors convened.

After the lodgment of the statutory declaration mentioned in subsection (3)(e), the company must convene a meeting of the creditors of the company to be held not later than 30 days after the date of lodgment of the statutory declaration, at a time and place convenient to the majority in value of the creditors, to consider a resolution for the company to be placed under judicial management.

The company must:

1. give to the creditors at least 14 days' written notice of the meeting, together with
 - o a statement showing the names of all creditors and the amounts of their claims; and
 - o a full statement of the company's affairs showing in respect of the company's assets or property the method and manner in which the valuation of the assets or property was arrived at; and
2. cause notice of the meeting of the creditors to be published at least 10 days before the date of the meeting in an English local daily newspaper.

3 Marks

Question 4.2 [maximum 8 marks in total]

As things transpired, PEC was placed under judicial management. Private equity funds are actively talking to PEC's Judicial Managers in order to determine whether or not they might make an investment in PEC, or acquire its assets. One particular private equity fund, Forty Thieves Capital, is particularly interested in acquiring debt relating to the various projects across the oil and gas, renewables and water lines of business with a view to either enforcing over the security of the assets to realise value, or to see if a loan-to-own-type structure can be successfully implemented. Ideally, they would like to do this outside of the judicial management proceedings.

To try and protect against this risk, PEC has commenced local insolvency proceedings in Malaysia, China and the United States to seek protection for the companies that own assets in each of those jurisdictions.

Taking these additional facts above into consideration, answer the questions below.

Question 4.2.1 [maximum 4 marks]

Do the judicial management moratoria obtained by PEC and its subsidiaries have extra-territorial effect such that assets owned by the group in jurisdictions outside of Singapore will also be protected?

Under the new section 211B(5), a moratorium under the new section 211B may be ordered to have extraterritorial effect. This means that the moratorium will apply to acts taking place in Singapore or elsewhere so long as the creditor is in Singapore or within the jurisdiction of the Court.

211B is not judicial management. They are different processes which is important to remember when choosing which process to use. **1 Mark.**

Question 4.2.2 [maximum 4 marks]

What cross-border insolvency laws are available in Singapore to recognise foreign insolvency proceedings? Explain the general requirements in order for a Singapore court to recognise a foreign insolvency proceeding and what the effect will be if the court were to do so.

1. UNCITRAL Model Law on Cross-Border Insolvency (the Model Law)

It was adopted on 10 March 2017 through its adoption of the 2017 Amendment Act, becoming the 42nd State in the world to have enacted legislation based on the Model Law. Prior to the adoption of the Model Law, the Singapore Courts depended on common law doctrines to address cross-border insolvency issues. However, Singapore courts showed its preferential for universalism.

2. Guidelines for Communication and Cooperation between Courts in Cross-Border Insolvency Matters (the JIN Guidelines)

The Guidelines have also been adopted by the US Bankruptcy Courts for the District of Delaware and the Southern District of New York. This guidelines are aimed at improving cooperation frameworks for cross border insolvency in Singapore.

3. The Reciprocal Enforcement of Commonwealth Judgments Act (RECJA)

It enables judgments from the United Kingdom and Australia (and certain specific Commonwealth countries) to be registered in the Singapore High Court.

As it has been explained in the Guidance Text, a judgment from a foreign court may be recognised in Singapore or enforced by an action at common law through the Singapore courts.

Some foreign judgments may be registered in Singapore to be enforced. There are two statutory registration regimes:

- The Reciprocal Enforcement of Commonwealth Judgments Act: it enables judgments from the United Kingdom and Australia, and certain specific Commonwealth countries to be registered in the Singapore High Court.
- The Reciprocal Enforcement of Foreign Judgments Act: to the date, only Hong Kong SAR has been a gazetted country recognised for registration.

Once registered, the foreign judgment may be enforced against in Singapore as if it was a judgment issued from the Singapore High Court without fresh proceedings to be commenced.

Some further explanation of the Model Law requirements and effect of recognition, given it is now the primary mode of recognition of foreign processes, would have enhanced the answer. **2 Marks.**

*** End of Assessment ***