INSOL INTERNATIONAL

FOUNDATION CERTIFICATE

IN INTERNATIONAL INSOLVENCY LAW

SUMMATIVE (FORMAL) ASSESSMENT: MODULE 1

(INTRODUCTION TO INTERNATIONAL INSOLVENCY LAW)

This is the **summative (or formal) assessment** for **Module 1** of this course and is compulsory for all registered candidates on the Foundation Certificate. The mark awarded for this assessment will determine your final mark for Module 1. 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 MS Word format, using a standard A4 size page and a 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: **[studentID.assessment1summative]**. An example would be something along the following lines: 202122-545.assessment1summative. **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 "studentID" with the student ID 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 **15 November 2021**. The assessment submission portal will close at **23:00 (11 pm) GMT on 15 November 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 **9 pages**.

ANSWER ALL THE QUESTIONS

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

Unlike (former) continental insolvency rules, the English insolvency laws provided for a rather liberal discharge of debt provision since 1570. Select the **most accurate response** to this statement from (a) – (d) below.

(a) This statement is correct since the English insolvency system was viewed as a pro-creditor system since its early development.

(b) This statement is correct since the English insolvency system, unlike continental systems, never provided for imprisonment for debt of insolvents and preferred to treat debtors in a humane way.

(c) This statement is incorrect since a statutory discharge of debt was only introduced in 1705 in England.

(d) This statement is incorrect since most of the continental insolvency rules provided for a liberal discharge of debt even before English law considered the introduction of such a dispensation.

Question 1.2

English insolvency law was not affected by the Covid-19 pandemic to date. Select the **most accurate response** to this statement from (a) – (d) below.

(a) This statement is correct since the UK decided to merely provide financial aid to financially troubled entities and individuals.

(b) This statement is correct since the legislative reform process in the UK is too slow to effect amendments to an elaborate piece of legislation such as its Insolvency Act of 1986.

(c) This statement is correct since the English insolvency law already provided special rules to deal with extreme socio-economic situations like those brought about by global disasters such as the Covid-19 pandemic.

(d) The statement is incorrect since the UK did review parts of its insolvency rules and amended some, amongst other things, to deal with the negative economic fall out of the pandemic.

Question 1.3

Since the Dutch insolvency system is rather outdated when compared with English or American insolvency / bankruptcy laws, it does not provide for a modern scheme of arrangement that could be used to reorganise or rescue a company in distress. Select the **most accurate response** to this statement from (a) – (d) below.

(a) This statement is correct since the Dutch insolvency system does not provide for a discharge of debt and without such a dispensation in place, a scheme of arrangement will not be functional.

(b) This statement is correct since the Dutch government has not approved such legislation yet.

(c) This statement is incorrect since the Dutch in fact introduced new legislation in this regard in 2000 already.

(d) This statement is incorrect since the Dutch quite recently adopted legislation in this regard and it became operational on 1 January 2021.

Question 1.4

There is no real need for the reform and establishment of a more uniform set of cross-border insolvency rules since the courts of the various States around the globe are well-equipped to deal with such issues by way of judicial discretion and since the broad rules of local insolvency legal systems are largely the same. Select the **most accurate response** to this statement from (a) – (d) below.

(a) This statement is correct since courts cooperating across jurisdictional borders are familiar with global insolvency principles.

(b) This statement is correct since courts across the globe are inclined to apply comity as a principle to assist foreign estate representatives to deal with cross-border insolvency matters in a coherent way.

(c) The statement is not correct since both local insolvency systems as well as cross-border insolvency rules differ quite significantly in many respects.

(d) This statement is correct since apart from the wide discretion that judges in general have, the UNCITRAL Model Law on Cross-Border Insolvency has been adopted by the majority of UN Member States, hence these rules are well-known to judges across the globe.

Question 1.5

Universalism has become the main approach regarding the application of cross-border insolvency rules around the globe since the majority of States follow a strict adherence to comity. Select the **most accurate response** to this statement from (a) – (d) below.

(a) The statement is not correct because very few States allow insolvent estate representatives to deal with assets of a foreign debtor situated in their own jurisdiction without some form of a (prior) local procedure to recognise the foreign insolvency proceeding.

(b) The statement is correct because universality has become the norm in the majority of States in cross-border insolvency matters since the introduction of the UNCITRAL Model Law on Cross-Border Insolvency in 1997.

(c) The statement is correct because the prevalent approach of modified territoriality amounts to a universal embracement of universalism amongst the majority of States around the globe.

(d) The statement is not correct because important international policy-making bodies such as the International Monetary Fund (IMF), the World Bank Group and the United Nations still support strong territoriality in cases of cross-border insolvency cases.

Question 1.6

A number of initiatives have been pursued in international insolvency in order to stimulate debate and to develop international best practice standards. Which of the following statements is **most accurate** regarding the World Bank's *Principles for Effective Insolvency and Creditor / Debtor Regimes*?

(a) They were developed in 2000 and are the international best practice standards for insolvency regimes.

(b) They were recently revised in 2021 and, together with the UNCITRAL Legislative Guide, form the international best practice standard for insolvency regimes.

(c) They were recently revised in 2020 and, together with the UNCITRAL Model Law on Cross- border Insolvency, form the international best practice standard for insolvency regimes.

(d) They were initially released in 2011 and are the international best practice standards for insolvency regimes.

Question 1.7

Which of the following **does not** focus on communication among States in international insolvencies?

(a) ALI - III Global Guidelines for Court-to-Court Communications in International Insolvency Cases.

(b) The JIN Guidelines.

(c) The JIN Modalities.

(d) The Nordic Convention 1933.

Question 1.8

Which of the following **best describes** the fundamental legal issues that arise in an international legal problem?

(a) Choice of forum, choice of law, and choice of jurisdiction.

(b) Choice of forum, recognition and effect accorded foreign proceedings in the same matter, and choice of law.

(c) Choice of effect, choice of recognition, and choice of law.

(d) Choice of forum, recognition and effect accorded foreign proceedings in the same matter, and choice of parties.

Question 1.9

Which of the following statements **best describes** the *UNCITRAL Practice Guide on Cross-Border Insolvency Cooperation*?

(a) It is not intended to be prescriptive and is intended to provide information for insolvency practitioners and judges on practical aspects of co-operation and communication in cross-border insolvency cases to illustrate how the resolution of issues and conflicts that might arise in cross-border insolvency cases could be facilitated by cross-border co-operation.

(b) It is prescriptive and provides information for insolvency practitioners and judges on practical aspects of co-operation and communication in cross-border insolvency cases to illustrate how the resolution of issues and conflicts that might arise in cross-border insolvency cases must be facilitated by cross-border co-operation.

(c) It is prescriptive and provides information for judges on practical aspects of recognition and enforcement in cross-border insolvency cases.

(d) It is not prescriptive and provides information for judges on practical aspects of recognition and enforcement in cross-border insolvency cases.

Question 1.10

What **best describes** the overriding objective of the ALI - III Global Guidelines for Court-to-Court Communications in International Insolvency Cases?

(a) To interfere with the independent exercise of jurisdiction by the relevant States' courts and ensure an effective outcome.

(b) In urgent situations only, to interfere with the independent exercise of jurisdiction by the relevant States' courts in order to ensure an effective outcome.

(c) To enhance co-ordination and harmonisation of insolvency proceedings that involve more than one State through communications among the States involved.

(d) To enhance co-ordination and harmonisation of insolvency proceedings that involve more than three States through communications among the States involved.

Marks awarded 10 out of 10

QUESTION 2 (direct questions) [10 marks]

Question 2.1 [maximum 3 marks]

Briefly indicate three significant (historical) developments regarding debt collection procedures in English law that shaped the way of thinking concerning modern insolvency law.

Much like the rest of the continent, the development of insolvency under English law began with first providing for individual debt-collecting procedures before introducing a collective (bankruptcy) procedure.

The Act of Elizabeth of 1570 is regarded as the first law specifically designed to be a true bankruptcy statute as opposed to a fraud-prevention law. This act provided additional acts of bankruptcy but did not contain any discharge provision. The jurisdiction of supervision of the estate was transferred to the Lord Chancellor, who could then be petitioned by creditors to convene a bankruptcy meeting. **It would be beneficial to elaborate and clearly state how this shaped the way of thinking concerning modern insolvency law.**

A particularly important piece of legislation was the Statute of Ann of 1705 because it introduced the notion of a statutory discharge. The discharge was not an automatic entitlement; rather, the commissioners had to confirm that the debtor had co-operated during the course of the proceedings. **It would be beneficial to elaborate on how this shaped 'fresh start' modern principles.**

The foundation of the present English system of bankruptcy law is thought to be the Act of 1883. The aim of this piece of legislation was to ensure fair procedure with adequate supervision, and a means by which to discourage dishonesty. The machinery established by the Act of 1883 for dealing with bankruptcy matters essentially remains in force to this day. It remained the approach of English insolvency law until a comprehensive review was undertaken in 1977 (the Cork Report) which led to the introduction of the Insolvency Act of 1986. **It would be beneficial to elaborate and clearly state how this shaped the way of thinking concerning modern insolvency law.**

1.5

Question 2.2 [maximum 3 marks]

Following the Covid-19 pandemic, States across the globe had to introduce measures to deal with the negative economic fall out of this pandemic. Briefly indicate three insolvency and insolvency-related measures so introduced in the UK.

The UK adopted a number of insolvency related reform measures in response to the Covid-19 pandemic. The Corporate Insolvency and Governance Act 2020 was passed, which introduced reforms to insolvency law to include a new restructuring plan, the relaxation of wrongful trading liability, new moratorium rules and the suspension of winding-up petitions and statutory demands. These measures allowed businesses and directors some breathing space to deal with the unprecedented effects of the pandemic. However, given how quickly the legislation was passed and its complexity, there are likely to be areas of potential challenge.
Further elaboration would improve the mark for this sub-question. While it does say 'briefly', the sub-question is for 3 marks.

2.5

Question 2.3 [maximum 4 marks]

Briefly explain the concept of treaties and “soft law” and indicate how these may be used to establish cross-border insolvency rules in States.

There have been various multilateral approaches that have sought to regulate international insolvencies by way of binding "hard law" or through persuasive "soft law" that seeks to influence its regulation. Generally, "soft law" approaches have had more success in providing solutions to the issues of international insolvency law. A broad spectrum of multilateral organisations (as opposed to States/governments by way of treaties or conventions) have championed this approach in recent times.

The Hague Conference on Private International Law was established in the 19th century with the aim of unifying private international law. One of early initiatives put forward in 1925 was the Model Treaty on Bankruptcy. Although this treaty was never ratified, it contributed to international consideration of regulation of international insolvency. Significantly, it allocated jurisdiction in respect of a corporation to the court where statutory seat was located.

The Hague Conference is now known as "the World Organisation for Cross-border Co-operation in Civil and Commercial Matters", and it liaises with the International Institute for the Unification of Private Law ("UNIDROIT") as well as the United Nations Commission on International Trade Law ("UNCITRAL"). The Hague Conference assisted UNCITRAL in the preparation of Legislative Guide on Insolvency Law (2004).

UNCITRAL's Model Law on Cross-border Insolvency ("MLCBI") is the most successful example of "soft law" to date. Developed in the mid-1990s, the initiative took the form of draft legislation (as opposed to a treat or convention) the UNCITRAL recommended States to adopt, with or without modification. The Model Law is gathering momentum as an influential response to international insolvency law thanks to the widespread number of States that are now adopting it. It is designed to assist States to more effectively address cross-border insolvency proceedings through encouraging cooperation and coordination between jurisdictions.

4

Marks awarded 8 out of 10

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

Question 3.1 [maximum 5 marks]

Briefly discuss the various possible different sources of insolvency laws in any State and how they may interact with each other.

There are a number of sources of insolvency law in England. The key piece of legislation regulating English insolvency law is the Insolvency Act 1986. This act is an example of unified insolvency legislation in that it deals with both consumer/personal and corporate bankruptcy. The act has been amended on various occasions, including by the Insolvency Act 2000 and the Enterprise Act 2002.

In addition to the Insolvency Act itself, the Insolvency (England and Wales) Rules 2016 set out the detailed procedure for the conduct of company and individual insolvency proceedings under the Insolvency Act, providing the framework giving effect to the regime specified in the Act. They represent the single most significant piece of legislation in respect of the insolvency regime operating in England and Wales, aside from the Insolvency Act itself.

As a response to the Covid-10 pandemic, the Corporate Insolvency and Governance Act 2020 was passed which reformed certain areas of insolvency law in England, to include the

introduction of new moratorium rules and the suspension of winding-up petitions and statutory demands.

The UK also implemented the UNCITRAL Model Law on Cross-Border Insolvency Model Law (the "MLCBI") in 2006 via the Cross-Border Insolvency Regulations 2006 (SI 2006/1030).

Because England is a common law country, common law principles and judge-made law are also relevant to insolvency proceedings.

The EU Insolvency Regulation ("EIR") also applied to cross-border insolvency matters between the UK and other EU Member States up until the UK ceased to be a member of the EU at 11pm on 31 January 2020.

Aside from insolvency legislation itself, many legal principles forming part of the general law (i.e. non bankruptcy law) will also have an effect in insolvency proceedings, such as rights of real security.

Take care to answer the question put to you. You've not been asked to pick a State to consider nor to consider the UK, rather you've been asked to consider the sources of laws in any State. This question requires you to consider different types of sources of law and how they interact.
You have touched upon legislation, common law and general law.
It would be beneficial to discuss how the insolvency legislation varies from State to State as either a code or multiplicity of legislation, and to elaborate on how common law in common law countries fills any gaps in law.

3.5

Question 3.2 [maximum 5 marks]

A number of difficulties arise in cross-border insolvencies, including as a result of differences in laws between States. Harmonisation of insolvency laws is pursued. In an attempt to bring the "cross-border" aspects and the "insolvency" aspects together, Fletcher asks three very pertinent questions. Discuss these pertinent questions / issues raised by Fletcher.

With the aim of bring the aspects of "cross-border" and "insolvency" together, Fletcher asks the following questions:

1. In which jurisdictions may insolvency proceedings be opened?

   This relates to whether a particular court can and will hear and determine a particular matter. This necessarily requires examination of the parties or the dispute in question.

2. Which country's law should be applied in respect of different aspects of the case?

   Where the local court has determined that it will hear a particular matter, it may then have to decide upon which law to apply. The issue is approached differently in different legal systems. In a common law system like England, the choice of law issue only arises if the parties invoke them, otherwise the law of the forum applies. Further, proof of foreign law is a questions of fact whereas in civil law systems it is presumed to be a question of law, and is therefore applied regardless of whether or not the parties plead it.

3. What international effects will be accorded to proceedings conducted at a particular forum (including issues of enforcement)?

This will include considerations of the conclusiveness (or res judicata) of a judgment and its enforcement/effect (i.e. the execution of a judgment or the debtor's compliance with its terms). Foreign judgments raise issues with regard to the court that actually issued the judgment, the type of judgment and the effect of that judgment. The type of judgment can be significant in insolvency matters, for example, whether it is the judgment commencing the insolvency proceedings against the debtor (e.g. an order to liquidate a company) or an order made in the course of an insolvency proceeding (e.g. an order requiring a third party to pay money to the estate on foot of a successful action setting aside a voidable disposition).

In answering the three questions posed by Fletcher, could insolvency proceedings possibly be opened concurrently in more than one State, each State would apply its own laws? What cooperation difficulties does this raise ?

3.5

Question 3.3 [maximum 5 marks]

It is said that "co-ordination agreements are sometimes known as Protocols or Cross-border Insolvency Agreements. Their growing acceptance internationally is evident in the work by the ALI-III in their *Guidelines Applicable to Court-to-Court Communication in Cross-Border Cases*; by UNICTRAL in their *Practice Guide on Cross-border Insolvency Agreements*; and by the Judicial Insolvency Network in their *Guidelines for Communication and Cooperation between Courts in Cross-Border Insolvency Matters*…"

It is also said that "While court approval of such agreements for the purposes of co-ordinating insolvency proceedings is encouraged by the MLCBI, they in fact pre-date the Model Law."

Briefly discuss a prominent case law example for this last quotation.

Maxwell Communications Corporation plc ("Maxwell") is a cross-border insolvency case from 1991 in which concurrent principal insolvency proceedings issued in the United States (Chapter 11 Proceedings) and in England (administration proceedings) were co-ordinated through an "Order and Protocol" approved by the courts in each State.

The case involved two primary insolvency proceedings initiated by a single debtor. Two different insolvency representatives were appointed in each State, each charged with a similar responsibility.

The judges in the US and England both, independently, suggested that an insolvency agreement between the two administrations could resolve conflicts and facilitate the exchange of information. Pursuant to the agreement, the following key aims were set to guide the representatives: (1) maximising the value of the estate, and (2) harmonising the proceedings to minimise expense, waste and jurisdictional conflict.

The parties agreed that the US court would defer to the English proceedings, provided that certain criteria were met. It was agreed that:

1. Certain of the existing management would be retained in order to maintain the debtor's going concern value, but the English insolvency representatives would be permitted to select new and independent directors provided that their US counterpart was in agreement;
2. The English insolvency representative should only incur debt or file a reorganisation plan with the consent of the US insolvency representative or US court;

3. The English insolvency representative should give prior notice to his/her US counterpart before undertaking any major transaction on behalf of the debtor. Prior agreement was not required for any minor transactions.

A number of issues were deliberately left out of the agreement to be resolved at a later stage in the proceedings, such as distribution matters which were included in a subsequent extension.

5

Marks awarded 12 out of 15

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

Rydell Co Ltd (Rydell) is an incorporated company with offices in the UK and throughout Europe. Its centre of main interest (COMI) is in the UK. Rydell supplies engine parts for large vehicles, including airplanes, and has had a downturn in business due to border closures and travel restrictions throughout the Covid-19 pandemic.

Rydell's main creditor is Fernz Co Ltd (Fernz) which is incorporated in a country in Europe that is a member of the EU. Fernz is considering commencing proceedings or pursuing other options with respect to recovering unpaid debts from Rydell.

There are a number of other creditors owed money by Rydell, who are located throughout different countries in Europe which are all members of the European Union.

If you require additional information to answer the questions that follow, briefly state what information it is you require and why it is relevant.

Question 4.1 [maximum 7 marks]

An insolvency proceeding against Rydell was opened in the UK by a minor creditor on 18 June 2020. A month later, Fernz was considering also opening proceedings in another country in Europe which was a member of the European Union.

Discuss if and how the European Insolvency Regulation Recast would apply. Also note what further information, if any, you might require to fully consider this question.

The European Insolvency Regulation (EIR) introduced a regime in 2002 governing the administration of insolvent corporates or individuals which operate in more than one member state of the European Union (EU). The EIR Recast applies to insolvency proceedings commenced on or after 26 June 2017. It is important to note that, with regard to the UK, the EIR Recast only applies to insolvencies where the main proceedings (explained below) were opened prior to the expiry of the Brexit transitional period (i.e. 11pm on 31 December 2020).

Given that insolvency proceedings against Rydell were opened in the UK by a minor creditor on 18 June 2020, the EIR Recast will apply.

It is significant that Rydell's centre of main interest (COMI) is in the UK. The concept of a debtor's COMI is an essential element of the EIR Recast. The debtor's COMI is defined as "*the place where the debtor conducts the administration of its interests on a regular basis and is ascertainable by third parties*" (Article 3(1)).

If a debtor's COMI is within the European Union (other than Denmark) then the courts of the member state where the debtor's COMI is situated have the jurisdiction to open "main insolvency proceedings" (EIR Recast, Article 3(1)). Therefore, in this case, the English courts have the jurisdictional competence to open to main proceedings in relation to Rydell.

There can only be one set of main insolvency proceedings in respect of a debtor. If a debtor's COMI is within a member state, but the debtor has an establishment in another member state, the courts of the member state where that debtor has an establishment have jurisdiction to open territorial insolvency proceedings (Article 3(2)). Territorial insolvency proceedings are restricted to the assets in the relevant member state (Article 3(2)).

It is therefore possible in this scenario for territorial insolvency proceedings to be opened in the member state in which Rydell's main creditor, Fernz, is incorporated. It must first be established whether or not Rydell as an "establishment" in Fernz's member state. Given that Rydell has offices throughout Europe it is likely that Fernz will be able to demonstrate this, but more information is needed in order to address this issue with any certainty.

It is also worth bearing in mind that, as there are a number of other creditors owed money by Rydell who are located throughout different countries in Europe which are all members of the EU, there may already be territorial insolvency proceedings opened either in Fernz's member state or another member state.

7

Question 4.2 [maximum 3 marks]

How would your answer to 4.1 differ if the proceedings were opened in the UK on 18 June 2021 instead of 18 June 2020? Also note what further information, if any, might become relevant.

From 11pm on 31 December 2020, the EIR Recast ceased to apply to the UK following its exit from the EU. Therefore under UK law, the EIR Recast no longer applies to post-11pm 31 December 2020 proceedings in the UK and so would not apply to insolvency proceedings opened against Rydell on 18 June 2021. Therefore those, such as Fernz, wanting to determine whether a UK insolvency proceeding will be recognised in the EU (and vice versa) will have to look to other sources.

There are two other main methods by which English insolvency proceedings could seek recognition in another EU member state:

1. via domestic legislation adopting the UNCITRAL Model Law on Cross-Border Insolvency (if adopted); or
2. through the rules of private international law application in the relevant EU member state.

In order to determine the options available to Fernz in the absence of the EIR Recast, it would need to be determined whether its member state has adopted the Model Law or implemented it in some way. **It would be beneficial to discuss in this conversation how the UK has adopted the MLCBI and what that means.**

2.5

Question 4.3 [maximum 5 marks]

Consider an alternative situation now. What if Rydell were unregistered with its COMI in a country in Europe that was a member of the European Union, instead of the UK, and formal insolvency proceedings were opened in the UK on 18 June 2021? What UK domestic laws would be relevant to consider whether the minor creditor could commence those formal insolvency proceedings in the UK?

An English court has jurisdiction to wind up a company formed in another state/formed under foreign law and that has carried on business in England even if that company has not complied

with the requirements to register in England (i.e. it is an "*unregistered company*"). This is provided for in sections 220 – 221 of the Insolvency Act 1986.

Section 221(5) of the Insolvency Act 1986 provides for a court-ordered winding up of unregistered companies if:

1. the company is dissolved, has ceased to carry on business or is carrying on business solely for the purpose of winding up its affairs;
2. the company is unable to pay its debts; or
3. the court is of the opinion that it is just and equitable that the company should be wound up.

The provisions have been applied by the English Courts in circumstances where the court is satisfied that there is a sufficient connection with England and Wales. This approach is underpinned by the following pre-requisites:

1. there must be a sufficient connection to England and Wales which may (but does not have to) include assets within the jurisdiction;
2. there must be a reasonable possibility of there being a benefit to those applying the a winding up order;
3. one or more persons interested in the distribution of the assets of the company must be persons over whom the court can exercise jurisdiction.

END.

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Marks awarded 14.5 out of 15
TOTAL MARKS 44.5/50

*** End of Assessment ***