



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).
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6. The final submission date for this assessment is **31 July 2022**. The assessment submission portal will close at **23:00 (11 pm) BST (GMT +1) on 31 July 2022**. 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] 10 marks

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 roles of a scheme manager?

- (a) To administer the scheme after it has been approved by the creditors.
- (b) To run the business of the debtor company.**
- (c) To prepare the scheme of arrangement proposal.
- (d) To adjudicate on the proofs of debt filed by the creditors.

Question 1.2

Which of the following forms of security **need not** be registered?

- (a) A fixed charge.
- (b) A mortgage.
- (c) A pledge.**
- (d) A floating charge.

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 debtor is registered as a foreign company in Singapore.
- (c) The debtor is carrying on business 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 value.
- (b) 50% or more in value.
- (c) Over 75% in value.
- (d) 75% or more in value.

Question 1.5

Which of the following is **not** one of the statutory duties of a bankrupt?

- (a) To make discovery of and deliver all his property to the Official Assignee.
- (b) To attend any meeting of his creditors as may be convened by the Official Assignee.
- (c) To execute such powers of attorney, conveyances, deeds and instruments as may be required.
- (d) To not travel overseas under any circumstances whatsoever.

Question 1.6

Which of the following **is not true** of the Model Law as enacted in Singapore?

- (a) It allows foreign representatives to apply to court for the recognition of foreign proceedings.
- (b) The court can deny recognition only if recognition is "manifestly contrary" to public policy.
- (c) It provides for concurrent insolvency proceedings.
- (d) It provides for international co-operation and communication between courts and representatives.

Question 1.7

Which of the following new reforms **were not** introduced by way of the 2017 amendments to the Companies Act?

- (a) The automatic moratorium.
- (b) The cross-class cram down.
- (c) Restrictions on *ipso facto* clauses.
- (d) Pre-packaged scheme of arrangement.

Question 1.8

Who amongst the following **may not** bring a judicial management application?

- (a) The company by way of a members' resolution.
- (b) The liquidator by way of an application to court.**
- (c) The directors pursuant to a board resolution.
- (d) The creditors either together or separately.

Question 1.9

Which one of the following **is not** one of the statutory duties that a bankrupt is subject to?

- (a) Make discovery of and deliver all his property to the Official Assignee.
- (b) Disclose all property disposed of by gift or settlement without adequate valuable consideration within the five years immediately preceding his bankruptcy.
- (c) Not being able to travel overseas at all.**
- (d) Attend meetings with the Official Assignee and answer all relevant questions.

Question 1.10

Which of the following **is not** one of reasons for which the Court will appoint an interim judicial manager:

- (a) The preservation of the company's property or business from dissipation or deterioration.
- (b) The more advantageous realisation of the property than in a liquidation.**
- (c) To bridge the gap between the application for judicial management and the hearing of the judicial management application.
- (d) To safeguard the interests of the company as well as its creditors.

QUESTION 2 (direct questions) [10 marks]

Question 2.1 [maximum 4 marks]

What is the significance of the decision in *Sun Electric Power Pte Ltd v RCMA Asia Pte Ltd* [2021] SGCA 60 and what did the Court of Appeal decide?

The decision in *Sun Electric Power Pte Ltd v RCMA Asia Pte Ltd* [2021] SGCA 60 is significant as it clarified that the cash flow test should be the sole and determinative test applicable in establishing section 125(2)(c) of the Insolvency, Restructuring and Dissolution Act 2018, which provides for the ground of winding up of "unable to pay its debts".

The Court of Appeal provided for clarity that, the cash flow test assesses whether the company's current assets exceed its current liabilities such that it is able to meet all debts as and when they fall due.

The Court of Appeal further set out a non-exhaustive list of factors that should be considered under the cash flow test, which include:

- (a) the quantum of all debts which are due or will be due in the reasonably near future;
- (b) whether payment is being demanded or is likely to be demanded for those debts;
- (c) whether the company has failed to pay any of its debts, the quantum of such debt, and for how long the company has failed to pay it;
- (d) the length of time which has passed since the commencement of the winding-up proceedings;
- (e) the value of the company's current assets and assets which will be realisable in the reasonably near future;
- (f) the state of the company's business, in order to determine its expected net cash flow from the business by deducting from projected future sales the cash expenses which would be necessary to generate those sales;
- (g) any other income or payment which the company may receive in the reasonably near future; and
- (h) arrangements between the company and prospective lenders, such as its bankers and shareholders, in order to determine whether any shortfall in liquid and realisable assets and cash flow could be made up by borrowings which would be repayable at a time later than the debts.

How about the balance sheet test? 3 marks

Question 2.2 [maximum 2 marks]

State **four (4)** new features that were only introduced in the IRDA **and were not in force** at the time of the 2017 amendments to the Companies Act.

Four of the new features introduced in IRDA are:

- (a) Voluntary judicial management – Section 94 IRDA introduces a new voluntary process for initiating judicial management without needing to apply to the Court first.
- (b) Rescue financing. **Not new**
- (c) Moratoria/limitation on ipso facto clauses – section 440 IRDA limits the exercise of certain contractual rights by reason that the company is insolvent.
- (d) Moratoria obtained under section 64 IRDA would have extra territorial effect. **Not new**

1 mark

Question 2.3 [maximum 4 marks]

Describe the process involved in one of the alternatives to formal bankruptcy.

An alternative to formal bankruptcy is a voluntary arrangement, which is a formal arrangement made between a debtor and his creditors for the satisfaction of its debts overseen by a nominee.

Any insolvent debtor who intends to make a proposal to its creditors for a composition in satisfaction of the debtor's debt may apply to the Court for an interim order under section 276(1) of the Insolvency, Restructuring and Dissolution Act 2017 (IRD). Section 277 of the IRD provides that a debtor making an application under section 276 must appoint a nominee, who must be a licensed insolvency practitioner, to act in relation to the voluntary arrangement.

Under section 276(3) of the IRD, while the interim order under section 276(1) is in force, the moratorium applicable are (i) no bankruptcy application may be made or proceeded with against the debtor; and (ii) no other proceedings, execution or other legal process may be commenced or continued against the person or property of the debtor without the leave of the Court.

Pursuant to section 276(3) of the IRD, where a debtor intends to make a voluntary arrangement proposal to its creditors.

Once an interim order is granted by the Court, the nominee must submit a report to the Court pursuant to section 280 of the IRD, stating his opinion whether a debtor's creditors meeting should be summoned, and if so, to state the date, time and place which nominee proposes the meeting should be held. Then unless directed otherwise by the Court, the nominee will summon a creditors meeting (section 281 IRD)

For a voluntary arrangement to be approved, it needs to be passed by way of a special resolution by the creditors at a creditors meeting (being three-fourths in value of the relevant creditors). Once a voluntary arrangement is approved by the requisite majority, it will then bind all creditors who have had notice of and were entitled to vote at the meeting.

The nominee or any creditor bound by the voluntary arrangement may bring a bankruptcy application against the debtor, should the debtor fail to comply with its obligations under the voluntary arrangement.

4 marks

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

Question 3.1 [maximum 8 marks]

Write a brief essay in which you discuss some of the claims that a liquidator or judicial manager can bring and how the IRDA has enhanced their ability to do so.

When a company goes into liquidation or judicial management and once a liquidator or judicial manager is appointed, the liquidator or judicial manager are empowered to apply to the Court to seek to claw back assets previously transferred in certain transactions which are regarded as (i) undervalued transactions; or (ii) unfair or undue preference.

Undervalue transaction

Under section 224 IRDA, a liquidator or judicial manager can apply to the Court to claw back an undervalue transaction and the Court has powers to make order to restore the position to what it would have been if the company had not entered into such undervalue transaction (section 224(2) IRDA).

Pursuant to section 224(3) IRDA, to successfully challenge a transaction as undervalue transaction, the liquidator or judicial manager must show that:

- (a) the company makes a gift to that person or otherwise enters into a transaction with that person on terms that provide for the company to receive no consideration; or
- (b) the company enters into a transaction with that person for a consideration the value of which, in money or money's worth is significantly less than the value, in money or money's worth, of the consideration provided by the company.

Unfair or undue preference

Pursuant to section 225 IRDA, to establish that a transaction is unfair or undue preference, the liquidator or judicial manager must show that:

- (c) The preferred party being the beneficiary of the transaction is a creditor or guarantor for any of the company's debts or other liabilities (section 225(3) IRDA).
- (d) The company has done anything or suffered anything to be done which (in either case) has the effect of putting that person into a position which, in the event of the company's winding up, will be better than the position that person would have been in if that thing had not been done (section 225(3) IRDA).
- (e) 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 (section 225(5) IRDA)

The relevant time period where the assets could be clawed back for undervalue transaction and unfair preference is 2 years from the date of the winding up application or the date of the judicial management application where the preferred party is an associate and 1 year for unrelated parties (section 226 IRDA). **Not correct for undervalue.**

There is a presumption that the company have undertaken an undervalue transaction if the preferred party is an associate of the company. **Not correct.**

There are circumstances where creditors, as a matter of strategy, would seek to place a company in liquidation or judicial management, with the main intention of triggering the appointment of a liquidator or judicial manager to avail themselves to the actions against impeachable transactions explained above.

Inaccuracies in the answer. Also has not discussed wrongful trading and third party funding. 3.5 marks. Falls short of expectations.

Question 3.2 [maximum 7 marks]

Write a brief essay in which you discuss the process of commencing a voluntary judicial management application. In your answer you should also discuss how this differs from a judicial management application that is filed in court.

Voluntary judicial management is a new voluntary process to initiate judicial management without first applying to the Court, introduced under section 94(1) of the IRDA. The most obvious difference between a voluntary as opposed to court judicial management, is that in the former, the company does not need to make an application to court to place the company under judicial management. Consequentially, in a voluntary judicial manager, the court choice of interim judicial manager or judicial manager could not be rejected by the Court, as opposed to in a court judicial manager which is a court driven process.

The provision provides that the company may obtain a resolution (as required under section 94(11)) of the company's creditors for the company to be placed under the judicial management of a judicial manager where the company considers that:

- (a) The company is or is likely to become unable to pay its debt; and
- (b) There is a reasonable probability of achieving one or more of the purposes of judicial management as mentioned in section 89(1).

Pursuant to section 89(1), the purposes of judicial management include:

- (a) The survival of the company, or the whole or part of its undertaking, as a going concern.
- (b) The approval under section 210 (early dissolution of company) or section 71 (power of court to approve a compromise) of a compromise or an arrangement between the company and any such person.
- (c) A more advantageous realisation of the company's assets or property than on a winding up.

The procedural requirements of a voluntary judicial management are as follows:

- (a) Pursuant to section 94(2), before obtaining a creditors' resolution under section 94(11), the company must give at least 7 days written notice of its intention to appoint an interim judicial manager to (i) the proposed interim judicial manager; and (ii) any person who has appointed, or is or may be entitled to appoint, a receiver and manager of the company's property under the terms of any debentures of the company secured by a floating charge or fixed charge (in other words, a debenture holder).
- (b) In order to appoint an interim judicial manager, 7 conditions set out under section 94(3) must be complied. In brief, such conditions include inter alia:
 - (i) The appointment is authorised by a members' resolution or board of directors' resolution, if so allowed under the constitution of the company;
 - (ii) The notice period under section 94(2) above had expired but not more than 21 days have elapsed after date of the said notice;
 - (iii) each person who received the section 94(2) notice had provided written consent to the appointment of the interim judicial manager;
 - (iv) The interim judicial manager must lodge with the Official Receiver and Registrar of Companies a statutory declaration stating that there is no conflict of interest, one or more of the statutory section 89 purpose of JM can be achieved and the proposed interim judicial management consents to the appointment.
 - (v) The company's directors lodge with Registrar of Companies a statutory declaration that the company is or is likely to become unable to pay its debts; the company will summon a creditors' meeting within 30 days after the lodgement of the statutory declaration.
 - (vi) The interim judicial manager must be a licensed insolvency practitioner and not the auditor of the company.
- (c) Once an interim judicial manager is appointed, the company must within 3 days of the appointment, must lodge a written notice with the Official Receiver and Registrar of Companies (section 94(5)(a)).

- (d) Once an interim judicial manager is appointed, the company must within 7 days of the notice under section 94(5)(a) above, must publish the notice of appointment in the Gazette and in an English local daily newspaper (section 94(5)(b)).
- (e) Other requirements pertaining convening of creditors' meeting are as set out under section 94(7) to 94(11) IRDA.

Procedure thereafter? Meeting?

Voluntary judicial management is not available after the company has gone into liquidation.

In respect of procedural requirements, overall such statutory requirements are similar in a voluntary judicial management and court judicial management. Not really.

Does not answer the question on the comparison. Also write up on procedure is incomplete. 3 marks.

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

PT Angostura Textiles Tbk (Angostura, and together with its subsidiaries, the Angostura Group) is an Indonesia-incorporated company listed on the Indonesia stock exchange. Angostura is a substantial market player in textile production in South East Asia and China. Its primary lines of business are:

- fibre production with assets and factories in Malaysia, Thailand and Cambodia;
- textile manufacturing with assets and factories in Indonesia, Vietnam and China; and
- garment manufacturing and distribution facilities with assets and factories in Indonesia, Vietnam and the United States.

The Angostura Group has two key Singapore incorporated subsidiaries:

- Juniperus Textiles Pte Ltd. (Juniperus) which is wholly owned by Angostura; and
- Casuarina Garments Pte Ltd (Casuarina) which is wholly owned by Juniperus.

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

The Angostura Group had traditionally funded its business via bank lending, with a combination of bilateral and syndicated loan facilities advanced directly to Angostura. As at 2019, the group had raised SGD 2 billion in bank lending, all of which was guaranteed by Angostura Indonesian subsidiaries.

In late 2019, as COVID-19 started to spread around the world, the Angostura Group sought to take advantage of the situation by expanding its garment manufacturing business into personal protective equipment. To fund this expansion, Juniperus issued SGD 200 million in retail bonds (the Juniperus SG Bonds) on the Singapore Stock Exchange (SGX) which were guaranteed by Angostura. The proceeds of the Juniperus Bonds were on-lent to Casuarina who lent them via an offshore intercompany loan to Angostura (the Casuarina Intra-Group Loan). To ensure bondholders had rights in connection with the Casuarina Intra-Group Loan,

holders of the Angostura Bonds are given security over the shares of each of Juniperus and Casuarina. The Juniperus Bonds are governed by a New York law.

In late 2020, Angostura's business experienced significant supply-chain disruptions as a result of the COVID-19 pandemic. During this time, Angostura started informing some of its bank lenders that they may require waivers on certain terms in their loans and potentially further time to repay certain amounts owing. In early 2021, Angostura appointed legal and financial advisors to provide it with advice as to the best steps to take. Shortly thereafter, a trade creditor filed a PKPU petition in Indonesia against Angostura and its Indonesian subsidiaries. Further to this, Juniperus and Casuarina filed for protection, under sections 64(1) and 65(1) respectively, of the Insolvency Restructuring and Dissolution Act (Act No 40 of 2018) (the IRDA). Angostura then announced that Juniperus will launch a separate Singapore Scheme of Arrangement under section 210 of the Companies Act (Cap 50) to restructure the Juniperus Bonds after the conclusion of the Indonesian PKPU, which will largely mirror the terms in the PKPU.

The bondholders of the Juniperus Bonds are concerned the moratoria being sought will prevent them from participating in the PKPU proceedings in Indonesia and enforcing their security over the shares in Juniperus and Casuarina, respectively. They have therefore decided to object to the Singapore moratorium applications.

Using the facts above, answer the questions that follow.

Question 4.1 [maximum 6 marks]

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

Question 4.1.1 (2 marks)

What must be presented to the court in order to obtain moratorium protection order under section 64(1) IRDA?

Pursuant to section 64(4) IRDA, the company must file the following with the Court in support of its application under section 64(1):

- (a) Evidence of support from the creditors of the company, with an explanation of how such support would be important for the success of the proposed compromise/arrangement;
- (b) in a case where the company has presented a proposed compromise/arrangement to the creditors, a brief description of the proposed compromise/arrangement containing sufficient particulars to enable the Court to assess whether the proposed compromise/arrangement is feasible and merits consideration by the creditors;
- (c) a list of every secured creditor of the company; and
- (d) a list of all unsecured creditors who are not related to the company, or if there are more than 20 of such unsecured creditors, a list of 20 of such unsecured creditors whose claims are largest among the unsecured creditors.

2 marks

Question 4.1.2 (2 marks)

What must be presented to the court in order to obtain moratorium protection order under section 65(1) IRDA?

In order to apply for moratorium protection order under section 65(1), the company must first have obtained protection order under section 64(1) IRDA – as section 65(1) offers protection to the a subsidiary, a holding or ultimate holding company. The related company may make an application to court and must satisfy the requirements under section 65(2) and 65(3) IRDA including inter alia, the related company plays a necessary and integral role in the compromise or arrangement.

What other requirements? Please list out. 1 mark.

Question 4.1.3 (2 marks)

Can the moratoria sought by Juniperus and Casuarina be ordered to have extra-territorial effect? If so, what acts and / or creditors will the moratoria apply to?

Pursuant to section 64(5) IRDA and 65(4), moratoria/orders granted under section 64(1) and 65(1) IRDA may be expressed to apply to any act of any person in Singapore or within the jurisdiction of the Court, whether the act takes place in Singapore or elsewhere. Therefore, such moratoria could be regarded to have extra-territorial effect.

Depending on the terms of the restraining order(s) obtained under section 64(1) and 65(1), the moratoria could, inter alia:

- (a) Restrain a winding up resolution of the company from being passed.
- (b) Restrain the appointment of a receiver of the company over any property or undertaking of the company.
- (c) Restrain commencement or continuation of any proceedings against the company, except with leave of court (except proceedings under section 210 or 212 – scheme of arrangement).
- (d) Restrain the commencement, continuation of levying of execution, distress of any other legal action against the company, except with leave of court.
- (e) Restrain enforcement of security over any property of the company or to repossess any goods held by the company under chattels leasing agreements.
- (f) Restrain the re0entry or forfeiture proceedings.

2 marks

Question 4.2 [maximum 9 marks in total]

As things transpired, Juniperus and Casuarina were granted moratorium protection for a period of three (3) months and are expected to apply for an extension to this moratorium period for an additional six (6) months upon expiry of the original three- (3) month period. The working group of bondholders intends to oppose any extension application.

The bondholders have instructed the Juniperus Bonds' trustee under the relevant indenture to be ready to enforce their security over the shares in Casuarina as soon as practicable. The Juniperus Bonds appear to be traded heavily in the market, with private equity funds looking to buy up significant stakes in order to enforce the security over shares in Casuarina.

To try and protect against this risk, Angostura also commenced local insolvency proceedings and emergency recognition proceedings in the United States.

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

Question 4.2.1 [maximum 5 marks]

What are the steps that need to be taken in order to launch a subsequent scheme of arrangement under section 210 of the Companies Act? How does the process for a scheme proposed under section 210 of the Companies Act differ from a prepack scheme proposed under section 71(1) of the IRDA?

In order to apply for scheme of arrangement under section 210 of the Companies Act (CA), the applicant could be Angostura the company itself, or any creditor or shareholders of the company. Such person can make an application to the Court in a summary manner, to obtain order to commence creditors' meeting where a compromise or arrangement is proposed between the company and creditors (section 210(1) CA). **Voting threshold? Court approval?**

The main difference between a prepacked scheme under section 71(1) IRDA with a scheme of arrangement under section 210 CA is that the former allows the applicant company to dispense with the court hearing to convene creditors' meeting and the actual creditors' meeting itself. Effectively, this will significantly shorten and accelerate the process involved as compared to the normal scheme of arrangement, in respect of timeline and procedural requirements. Consequentially, with an accelerated timeline, the cost involved would also decrease. As such, a prepacked scheme of arrangement would enable companies under financial distress to seek urgent respite.

Under section 71(1) IRDA, the applicant company can straightaway apply to court for the approval of its proposed compromise/arrangement, subject to the requirements under section 71(3) IRDA. **What are the requirements?**

In respect of the voting process, in a normal scheme of arrangement, voting of the proposed scheme happens during the creditors meeting after obtaining an order to convene creditors' meeting from the court. In a prepacked scheme of arrangement regime, the voting occurs by casting of ballot which are sent to the scheme creditors together with explanatory statement of the proposed scheme and proof of debt forms.

An approved pre-packaged scheme of arrangement would have the same effect as that of a normal scheme of arrangement.

Incomplete answer that could have been organised better. 2.5 marks.

Question 4.2.2 [maximum 2 marks]

What requirements must be satisfied in order for the Angostura Group to be able to access rescue financing under the IRDA?

Angostura Group in its application to the Court must be able to show that the rescue financing is necessary for the survival of the company and/or necessary to achieve a more advantageous realization of the assets, than winding up the company.

1 mark. Other requirements?

Question 4.2.3 [maximum 2 marks]

Explain the key 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.

Prior to adopting the UNCITRAL Model Law on Cross-Border Insolvency on 10.3.2017, the Singapore courts relied on trite common law principles to grant recognition to foreign insolvency proceedings whereby such proceedings will be recognised when:

- (a) The foreign insolvency proceeding takes place in the jurisdiction in which the debtor company is incorporated; and
- (b) The foreign insolvency proceeding takes place in the jurisdiction in which the debtor's centre of main interest is located at, even if it is different from the place the company is registered.

After adoption of the Model Law (which was adopted substantially in the same form as the original Model Law), the Singapore court no longer needs to rely on the common law principle. Rather, recognition could now be given via the 2017 Amendment Act upon the application of a foreign insolvency representative. Briefly, some key requirements to be met would be the foreign proceeding must fall within the definition of "foreign proceedings" of Model Law being (i) a proceeding; (ii) either judicial or administrative; (iii) collective in nature; (iv) in a foreign State; (v) authorised/conducted under a law relating to insolvency; (vi) in which the assets and affairs of the debtor are subject to control or supervision by a foreign court; and (vii) which proceeding is for the purpose of reorganization or liquidation.

And since the Model Law does not require reciprocity, it does not matter whether the State of the foreign proceeding would recognize a Singapore insolvency proceeding or otherwise. Note that the Singapore Court is empowered to deny a recognition application if it such recognition is contrary to public policy.

Once recognition is granted by the Singapore Court, it facilitates international co-operation and communication between courts and representatives, and for concurrent insolvency proceedings. **How about a stay?**

1.5 marks.

*** End of Assessment ***

34.5 out of 50