



INSOL
INTERNATIONAL



**INTRODUCTORY CERTIFICATE IN INSOLVENCY LAW AND PRACTICE
IN THE CAYMAN ISLANDS 2023**

Summative Assessment (Final Examination)

Date: 23 - 24 November 2023

Time limit: 24 hours (from 13:00 Cayman time on 23 November to 13:00 Cayman time on 24 November 2023)

EXAMINERS

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It is imperative that all candidates read and take cognisance of the examination instructions on the next page.

All candidates are expected to comply with ALL the instructions.

Commented [BB1]: TOTAL = 80.5/100 - Excellent results, well done!

Commented [BB2R1]: Mark adjusted to 81/100

INSTRUCTIONS

1. This assessment paper will be made available at **13:00 (1 pm) Cayman time on Thursday 23 November 2023** and must be returned / submitted by **13:00 (1 pm) Cayman time on Friday 24 November 2023**. Please note that assessments returned late will not be accepted.
2. All assessments must be submitted electronically in Microsoft Word format, using a standard A4 size page and an 11-point Avenir Next font (if the Avenir Next font is not available on your PC, please select the 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. 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). Candidates who include very long answers in the hope it will cover the answer the examiners are looking for, will be appropriately penalised.
4. You must save this document using the following format: **studentID.SummativeAssessment**. An example would be something along the following lines: 202223-336.SummativeAssessment. **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 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. The assessment can be downloaded from your student portal on the INSOL International website. The assessment must likewise be returned via your student portal as per the instructions in the Course Handbook for this course. **If for any reason candidates are unable to access their student portal, the answer script must be returned by e-mail to david.burdette@insol.org.**
6. Enquiries during the time that the assessment is written must be directed to David Burdette at **david.burdette@insol.org** or by WhatsApp on +44 7545 773890 or to Brenda Bennett at **brenda.bennett@insol.org** or by WhatsApp on +27 66 228 2010. Please note that enquiries will only be responded to during UK office hours (which are 9 am to 5 pm GMT, or 11 am to 7 pm SAST).
7. While the assessments are open-book assessments, it is important to note that candidates **may not receive any assistance from any person** during the 24 hours that the assessment is written. **Answers must be written in the candidate’s own words; answers that are copied and pasted from the text of the course notes (or any other source) will be treated as plagiarism and persons who make themselves guilty of**

this will forfeit the assessment and disciplinary charges will follow. When submitting their answers, candidates will be asked to confirm that the work is their own, that they have worked independently and that all external sources used have been properly cited. If you submit your assessment by e-mail, a statement to this effect should be included in the e-mail.

8. Once a candidate's assessment has been uploaded to their student portal (in line with the instructions in the Course Handbook), a confirmatory e-mail will be auto-generated confirming that the assessment has been uploaded. If the confirmatory e-mail is not received within five minutes after uploading the assessment, candidates are requested to first check their junk / spam folders before e-mailing the Course Leader to inform him that the auto-generated e-mail was not received.
9. You are required to answer this paper by typing the answers directly into the spaces provided (indicated by text that states [Type your answer here]). For multiple-choice questions, please highlight your answer in yellow, as per the instructions included under the first question.
10. If a candidate is unable to complete this summative assessment (examination), please note that a re-sit assessment will only be given if there are exceptional circumstances that prevent the candidate from completing or submitting it (such as illness). Feedback on this final assessment will be provided within four weeks of the paper having been written - please do not enquire about your marks before four weeks have elapsed. **However, please note that it is our intention to send out the results on this course by Friday 22 December 2023 at the latest.**
11. Please note that this document will probably reformat in line with the default settings of your printer or PC. Please do not be concerned if the formatting of this document changes in line with your printer or PC settings.

ANSWER ALL THE QUESTIONS

QUESTION 1 - MULTIPLE CHOICE QUESTIONS (20 MARKS)

Commented [BB3]: Question 1 - Sub-total = 19/20

Questions 1.1 - 1.20 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. Each of the 20 questions count 1 mark.

Question 1.1

What is the date for Financial Institutions to submit its common reporting standard (CRS) Return in respect of reportable accounts?

- (a) 1 January (annually)
- (b) 1 April (annually)
- (c) 1 July (annually)
- (d) 1 October (annually)

Question 1.2

What is the maximum success fee permitted pursuant to Conditional fee agreements?

- (a) 50%
- (b) 33.33%
- (c) 66.66%
- (d) 100%

Question 1.3

Choose the **correct** statement:

How many forms of security interests are recognised in the Cayman Islands?

- (a) 3

(b) 5

(c) 6

(d) None of the above

Question 1.4

Who may **not** petition for the winding up of a Company?

(a) The company.

(b) Any creditor.

(c) Any prospective creditor.

(d) Any contributory.

(e) Any prospective contributory.

Question 1.5

Choose the **correct** statement:

What is the minimum sum required to be owed, to enable a statutory demand to be used?

(a) KYD 50

(b) KYD 100

(c) KYD 1,000

(d) KYD 10,000

Question 1.6

Choose the **correct** statement:

A Restructuring Officer is required to report to the Court following their appointment:

(a) Within 21 days of the appointment.

(b) Within 28 days of the appointment.

(c) At such intervals as the Restructuring Officer considers appropriate.

- (d) Within 7 days of the appointment.

Question 1.7

Which of the following is **not** required to be included in an affidavit filed in support of a restructuring petition:

- (a) A statement that, having made due enquiry and taken appropriate advice, the board believes that the company is or is likely to become unable to pay its debts.
- (b) An explanation of how the company will be funded during the restructuring period.
- (c) A statement as to why the directors believe that the appointment of a restructuring officer will be in the bests interest of the company.
- (d) A detailed outline of the proposed restructuring plan.

Question 1.8

Choose the **correct** statement:

A petition for the appointment of a Restructuring Officer can be brought by:

- (a) the company.
- (b) any creditor;
- (c) any contributory; or
- (d) all of the above

Question 1.9

Choose the **correct** statement:

Unless the Court otherwise directs, when must the petition for the appointment of a Restructuring Officer be heard?

- (a) within 14 days of the petition being filed.
- (b) within 21 days of the petition being filed.
- (c) within 28 days of the petition being filed.
- (d) within 56 days of the petition being filed.

Question 1.10

Choose the **correct** statement:

A scheme of arrangement:

- (a) can be sanctioned by the Court with the consent of all affected parties.
- (b) requires a special resolution in accordance with the company's Articles.
- (c) can only proceed if there are shareholders / creditors who may not agree with it.
- (d) Only needs to be approved by a majority in value.

Question 1.11

Select the **incorrect** statement:

- (a) The Cayman Islands adopts the principle of universalism and the principle of assistance in respect of cross-border insolvency.
- (b) Foreign representatives can apply for assistance under Part XVII of the Companies Act.
- (c) The Cayman Islands has implemented the UNCITRAL Model Law on Cross-Border Insolvency.
- (d) There are no automatic rights in the Cayman Islands based on the centre of main interests of the debtor.

Question 1.12

Choose the **correct** statement:

If winding up proceedings are filed against a Cayman Islands company in the Cayman Islands and in a foreign country, which of the following statements is true?

- (a) The Cayman Islands Court will wish to ensure comity between courts in other jurisdictions so it will be deferential to whatever decision is reached by the foreign court.
- (b) The Cayman Islands Court will wish to ensure that Cayman Islands creditors have priority over foreign creditors.

- (c) The Cayman Islands Court will wish to ensure that secured creditors cannot prejudice unsecured creditors.
- (d) The Cayman Islands Court takes into account a number of factors, but the starting point is that the main insolvency proceedings for a Cayman Islands company should take place in the Cayman Islands.

Question 1.13

Select the **correct** statement:

- (a) A voluntary liquidator will automatically cease to hold office if a conflict of interest arises during the liquidation.
- (b) A voluntary liquidator will automatically cease to hold office as such upon the appointment of an official liquidator following a supervision order.
- (c) A sole voluntary liquidator can resign at any time without reference to the shareholders or the court.
- (d) A voluntary liquidator can be removed by the company's creditors.

Question 1.14

Select the **correct** statement relating to the adjudication, quantification and distribution of claims during an official liquidation:

- (a) An official liquidator acts in *quasi*-judicial capacity in respect of the adjudication of claims, meaning that the liquidator's determination will be final and is not capable of dispute.
- (b) A proof of debt is always required in order for an official liquidator to adjudicate on a creditor's claim.
- (c) Only creditors with a contractual right to interest have an entitlement to interest.
- (d) A valid contract (agreed between the company and the creditor) can have the effect of changing the otherwise statutory ranking of that creditors' claim, such that the claim is subordinated.

Question 1.15

Select the **correct** statement relating to the appointment of inspectors:

- (a) The report of an inspector can be used in any legal proceeding as evidence of the opinion of the inspectors.
- (b) Upon the appointment of an inspector the directors' powers will automatically cease.
- (c) Upon the appointment of an inspector there is a stay of proceedings such that a winding up application cannot be brought.
- (d) Only CIMA has the power to appoint an inspector.

Question 1.16

Select the **correct** statement relating to exempted limited partnerships (ELPs):

- (a) Limited Partners have an unfettered statutory right to petition the court to wind up the relevant ELP / General Partner.
- (b) Where there are inconsistencies in relation to the dissolution of ELPs, the ELP Act will take priority over the Companies Act.
- (c) An ELP is required to have more than one limited partner.
- (d) An ELP formed under the Exempted Limited Partnership has a separate legal personality.

Question 1.17

Select the **correct** statement:

Which of the following statements in relation to informal workouts pursuant to the Cayman Islands law is correct:

- (a) The restructuring officer regime is an example of an Informal workout process under Cayman Islands law.
- (b) A stay of proceedings is not available in the Cayman Islands for informal creditor workouts.
- (c) A qualified insolvency practitioner is required to oversee an informal workout under the Insolvency Practitioners Regulations.
- (d) Under Cayman Islands law, any new financing advanced during an informal creditor workout will be provided with priority status in the event the company is later liquidated.

Commented [BB4]: The correct answer is (b)

Question 1.18

Choose the **correct** statement:

Which of the following statements is true regarding a provisional liquidation application?

- (a) The company has the statutory power to commence the proceedings.
- (b) There is a worldwide moratorium (stay) upon the presentation of the provisional liquidation application.
- (c) A winding up petition must be presented as a precursor to the application for the provisional liquidation.
- (d) Following the implementation of restructuring officer regime, a company can no longer seek the appointment of a provisional liquidator if it intends on presenting a restructuring proposal.

Question 1.19

Select the **correct** statement:

An official liquidator can set aside dispositions that seek to prefer one creditor over other creditors within how many months / years before the deemed commencement of the company's liquidation.

- (a) Three months
- (b) Six months
- (c) Six years
- (d) There is no time limit

Question 1.20

Select the **correct** statement:

Which of the following is **not** a fundamental principle of ethics for Insolvency Practitioners per the Cayman Islands Institute of Professional Accountants:

- (a) Conflicts of interest
- (b) Integrity
- (c) Confidentiality

(d) Professional behaviour

**** END OF QUESTION 1 ****

QUESTION 2 FOLLOWS ON NEXT PAGE / . . .

QUESTION 2 - LIQUIDATION (45 MARKS)

Where appropriate, refer to the fact pattern below when answering the questions that follow. Please note that not all questions relate to the fact pattern.

FACT PATTERN

BLUESEA DIGITAL CAPITAL LIMITED

Bluesea Digital Capital Limited (Bluesea) was established in 2018 in the Cayman Islands as a digital asset management platform. Bluesea operated multiple online cryptocurrency trading platforms across the Caribbean and Latin America, known as OTPs. Investments made into these OTPs were held in secure brokerage accounts under Bluesea's own name. Bluesea's clientele comprised a diverse mix of institutional investors, high-net-worth individuals, and consumers.

On 24 June 2022, one of Bluesea's prominent OTPs, eTrade Wave (eTrade), abruptly disabled its buy / sell functionality without prior notice. At the time of suspension, eTrade had amassed over 2,500 users who had collectively invested approximately \$125 million. This sudden suspension of the trading platform created widespread apprehension among investors, resulting in an overwhelming surge of withdrawal requests. Notably, Whitesand Capital (Whitesand) sought to withdraw its entire deposit of \$32 million but faced insurmountable challenges in recovering the funds.

Unable to retrieve its deposit, Whitesand initiated winding up proceedings against Bluesea in May 2023. The petition faced vehement opposition from Bluesea, which asserted that deposits had been transferred to its joint venture partner. Bluesea claimed it needed additional time to resolve a "cordial disagreement" to facilitate the return of deposits. Amid allegations that investor deposits had not been segregated as promised and due to Bluewave's inability to meet its financial obligations, the Grand Court of the Cayman Islands saw fit to make a winding up order on 22 August 2023.

Following the appointment of the official liquidator, Bluesea's joint venture partner, based in Singapore, became the subject of several press reports. These reports alleged that its director had previously been involved in a fraudulent investment scheme in the early 2000s. Furthermore, the official liquidator had discovered that only one audit had ever been conducted in respect of Bluesea's financial statements, with Bluesea's auditors resigning shortly thereafter.

The official liquidators have called for creditor claims, and among the submissions received, a claim amounting to \$0.5 million has surfaced, relating to leasing obligations tied to office space that was utilised by the joint venture partner. Bluesea's documented records fail to substantiate any historical evidence of rental payments being disbursed by the company, nor do they reveal any corresponding liabilities recorded within its financial statements.

Commented [jo5]: Love to see this by the way, this may have been the only paper where someone has taken the time to highlight key facts from the question!

Question 2.1

As part of Whitesand's petition to wind up Bluesea, Whitesand obtained sworn consent(s) to act from the proposed official liquidators. Set out the required content of the consent to act signed by the proposed official liquidator(s). (5)

Order 3 Rule 4 of the Companies Winding Up Rules as amended sets out the requirements of a Consent to Act. Each person or persons nominated for appointment as official liquidators (OLs) shall provide a statement in support of the petition, in the form of an affidavit, which states that: (1)

- a) The person is a qualified insolvency practitioner and meets the residency requirement in regulation 5 Insolvency Practitioners Regulations (IPRs). (1)
- b) Having made due enquiry, the person believes that they, and their firm meet the independence requirement in Regulation 6 of the IPRs; (1)
- c) The person and/or their firm are in compliance with the insurance requirements in Regulation 7 IPRs. (1)
- d) The person is willing to act as official liquidator if so appointed by the court. (1)

Regulation 5 IPRs residency requirement requires that the person is resident in the Cayman Islands, or their firm holds a trade and business license authorizing that person/ their firm to carry on business as professional insolvency practitioners.

Regulation 6 IPRs requires the person or their firm to be independent of Bluesea, which according with Reg. 6(2) requires that the person or their firm has not acted in relation to Bluesea as its auditor for a period of 3 years immediately preceding the commencement of the liquidation.

Regulation 7 IPRs the person or their firm to have professional indemnity insurance up to a limit of at least US\$10 million in respect of each claim and US\$20 million aggregate, with a deductible of not more than US\$1 million, which is applicable to the negligent performance or non-performance of the person's duties as the OL.

In the present case, in addition to the nomination of a Cayman-based practitioner, consideration may be given to the appointment of a foreign official liquidator (FOL), qualified to act in Singapore, as it appears that some or all of the assets of Bluesea may have been transferred to the Singapore-based joint-venture partner (JVP). The Official liquidators may need to act quickly to prevent dissipation of the transferred assets by the JVP, and knowledge by the FOL of Singaporean procedures, including freezing injunctions and enforcement of foreign orders could be a significant advantage.

If a FOL is to be nominated as OL in the liquidation, they must also swear an affidavit in support of the petition, which complies with O.3 r.4(2), stating:

- a) The FOL's qualifications;
- b) The country in which that person is qualified to perform functions equivalent to those being performed by OLs under the Companies Act;
- c) The FOL's professional experience;

Commented [BB6]: Question 2.1 - sub-total = 5/5

- d) Confirmation that the FOL will have professional indemnity insurance as required by Reg. 7 IPRs;
- e) If the FOL has been appointed by a foreign court or authority as liquidator, trustee, receiver or administrator of Bluesea's JVP, full particulars of that appointment;
- f) That the FOL, having made due inquiry, meets the independence requirement of Reg 6. IPRs.

5 marks

Question 2.2

The proposed liquidators are employees of the accountancy practice Bodden & Ebanks Limited. Shortly prior to the hearing of the winding up petition of Bluesea, it transpires that Bodden & Ebanks Limited previously acted as auditors of Bluesea in 2021. Are the proposed liquidators still able to act in relation to Bluesea? Please provide an explanation for your answer. This information came to light after the proposed liquidators had already provided their consents to act; what should the proposed liquidators do in respect of the same? **(5)**

Having acted as auditors for Bluesea within 3 years (1) of the commencement of the liquidation, Bodden and Ebanks, and their directors and employees, will not be "independent" as per the definition within Regulation 6 IPRs (1), and therefore are ineligible to be appointed by the court as OLs. (1) The mistake appears to be particularly egregious as they presumably must have conducted the only audit of Bluesea (as disclosed within the question) and subsequently have withdrawn their services (presumably having raised concerns and/or provided reasons sufficient to justify their withdrawal) , so quite how they managed not to notice the issue may take some careful and urgent explanation.

Having sworn affidavits, the authors of these affidavits stand to perjure themselves by asserting they satisfy the independence requirements of Regulation 6, when in fact they do not. It is imperative that they immediately file supplementary affidavit evidence to correct the position, express they are not eligible to act as OLs and apologise to the court. (1)

As it appears the error has been noticed prior to an order having been drafted and filed according with GCR O.42, so even if preliminary approval has been indicated by the court, the order will not yet have taken effect. Alternative, eligible OLs must be located, identified, and an application must be made to the court seeking their appointment under the existing petition, rather than the nominated Bodden and Ebanks employees, and that application must also be supported by notices of consent complying with the O.3 r.4 requirements set out above.

4 marks

Question 2.3

Commented [BB7]: Question 2.2 - sub-total = 4/5

Commented [AD8]: Must be more than 3 years

Commented [BB9]: Question 2.3 - Sub-total = 3.5 / 5

Tom and Jerry have been appointed as joint voluntary liquidators of Cheese Limited, a Cayman Islands exempted company, upon the passing of a special resolution of the shareholders of Cheese Limited, dated 1 March 2023.

On 1 April, Tom decides to retire from his career as voluntary liquidator and leave his firm, leaving Jerry to act as sole voluntary liquidator.

On 1 June, one of the shareholders reads that Jerry has been named in an Offshore Alert article suggesting that he has been defrauding companies in liquidation. They wish to remove him as liquidator immediately, but do not have the support of the other shareholders to take that action.

Using the facts above, answer the questions that follow:

Question 2.3.1 (1/1 mark)

List the qualifications Tom and Jerry need to act as voluntary liquidators. (1)

Neither Tom nor Jerry are required to have any specific qualifications to act as voluntary liquidators (1) under s.119 Companies Act (per s.120). Their appointment will take effect from the filing of their consent to act with the Registrar (s.119(3)).

Question 2.3.2 (2/2 marks)

List the statutory steps Tom and Jerry must take within 28 days of their appointment, as set out in the Companies Act. (2)

According with s.123 Companies Act, within 28 days of the commencement of the voluntary winding up Tom and Jerry must:

- a) file notice of the winding up with the Registrar;
- b) file the liquidators' consent to Act with the Registrar;
- c) file the declaration of solvency with the Registrar, in CWR Form No.21
- d) Publish notice of the winding up in the CI Gazette. (2)

I am not instructed that Cheese Ltd has a license to conduct any regulated business in the jurisdiction, so there appears to be no requirement to serve notice of the winding up upon CIMA.

Question 2.3.3 (½ / 2 marks)

Describe the basis upon which the company may resolve to remunerate Tom and Jerry in their capacity as the voluntary liquidators. **(2)**

According with s.130 Companies Act the rate and amount of their remuneration shall be fixed, ($\frac{1}{2}$) and payment authorised, by ordinary resolution of Cheese Ltd. (s.130(2)), which will payable out of the company's assets (s.130(1)).

An account of their fees shall be laid before the company in a general meeting, setting out the rate and particulars of work done (s.130(3)).

If the company does not approve the remuneration and expenses as claimed, or Tom and Jerry are dissatisfied with the decision of the company, either party may apply to court to fix the rate and amount of their remuneration and expenses (s.130(4)).

The correct answer is:

Answer: (0.5 marks per point, maximum 2 marks)

- an hourly rate (or scale of rates) for the time reasonably and properly devoted to the liquidation; **(0.5 marks)**
- a fixed sum; **(0.5 marks)**
- a commission or percentage of the assets distributed or realised; or **(0.5 marks)**
- a combination of these methods. **(0.5 marks)**

Question 2.4 (2/2 marks)

Assuming that the contributories petition the Grand Court of the Cayman Islands for an appointment of a provisional liquidator, what are the Court's powers upon the hearing of a winding-up petition?

Section 95 Companies Act sets out the powers of the court on hearing a petition. The court may:

- a) dismiss the petition
- b) adjourn the hearing conditionally or unconditionally;
- c) make a provisional order (according with the below)
- d) make any other order the court sees fit.

The court, when hearing the petition will consider the summons for appointment of a provisional liquidator, with the evidence in support and consider whether appointment of PRs is appropriate according with the test in s.104(2) Companies Act, namely:

- a) There is a prima facie case for making a winding up order; and
- b) The appointment of a PL I necessary in order to:
 - i) Prevent the dissipation or misuse of a company's assets;
 - ii) Prevent the oppression of minority shareholders;

Commented [BB10]: Question 2.4 - sub-total = 2/2

Commented [ni11]: good, thorough answer that covers off both bases

iii) Prevent mismanagement or misconduct on the part of the Directors.

The court order in addition to identifying the PL, must set out their powers and the remuneration structure.

(2)

Question 2.5

Question 2.5.1 (4/4 marks)

In a brief essay, explain who can apply to the Court to remove official liquidators, and in what circumstances. Who must such an application be served on? (4)

Under s.107 and O.5 r.6 CWR, a creditor (in the case of an insolvent liquidation) or contributory (in the case of a solvent liquidation) may apply by "Removal Summons" to the court for removal of an official liquidator (OL). The Removal Summons must be accompanied by an affidavit setting out, in full, the facts and matters relied upon to justify the removal, which also must nominate an eligible replacement OL. The replacement will be required to file a Notice of Consent compliant with O.3 r.4 setting out their consent to the appointment and confirming their eligibility in accordance with Regulations 5, 6 and 7 of the IPRs.

The Removal Summons must be served upon the OL, each member of the liquidation committee, counsel for the liquidation committee (if counsel is so appointed), and such other creditors or contributories as the court may direct (O.5 r.6(2) CWR). The OL must have at least 14 days' notice of the Removal Summons (O.5 r.5).

Under O.5 r.4 a single OL may apply to court to resign as an OL. To do so, the OL must prepare accounts and a report, in accordance with O.10 r.2, must give notice of the resignation to the liquidation committee, and apply to the court seeking that they are released from the performance of any further duties. In the case of two or more joint official liquidators (JOLs) having been appointed, one or more may resign by giving notice to each member of the Liquidation Committee, but without the need to prepare accounts and a report.

The Application must be served upon each member of the Liquidation Committee, counsel to the Liquidation Committee (if counsel has been so appointed), and such other creditors or contributories as the court may direct (r.4(2)). In these circumstances it will be the responsibility of the Liquidation Committee to appoint a replacement OL to succeed the resigning OL.

Question 2.5.2 (4/5 marks)

Briefly explain why it makes sense that the class of potential applicant varies in accordance with the solvency of the company. (5)

Commented [BB12]: Question 2.5 - sub-total = 8/9

Commented [ni13]: great answer

Commented [ni14]: or

Commented [ni15]: not sure why we're getting into this. try to answer the question only please

Commented [ni16]: Good answer. The 5th mark was reserved for those answers that mentioned *BTU Power Company* (which is cited in the course notes under section 4.2.6.2 removal).

The solvency of the company will determine the identity of the "relevant stakeholders" for the purposes of the liquidation, and therefore towards whose interests the court will have regard (pursuant to s.115 Companies Act). If the company is solvent, and can pay its debts (and therefore, its creditors) as they fall due, then the parties interested in the liquidation will be the contributories/shareholders, whose interest will vest in the residual value of the shares once the debts are paid to creditors. In the event the company is insolvent, however, the interests of the creditors, who will now be unlikely to recover the full value of indebtedness, will become paramount as the shares will effectively hold no residual value. Accordingly, in each case the "relevant stakeholders" will have locus to file the removal summons, as they are the parties interested in the conduct and outcome of liquidation.

Commented [ni17]: not quite. More in the distributions they will receive from the liquidation.

Commented [ni18]: correct

Question 2.6

During a liquidation there is an expected recovery into the liquidation estate. The amount is such that the liquidation estate is no longer deemed to be insolvent and the official liquidator can settle all of the outstanding creditor claims (including interest) in full. The official liquidator has subsequently filed a revised certificate of solvency (CWR Form No 14) with the court. What impact will the change in solvency have on the liquidation committee, assuming one has been constituted? (4)

Commented [ca19]: Question 2.6 Subtotal 4/4 marks

In circumstances in which the official liquidator (OL) has certified by filing in CWR Form 13 to state the company is "insolvent", a meeting of creditors only would have been convened within 28 days from the date of the winding up order, according with CWR O.8 r.1(4) and r.2. During the meeting, a liquidation committee (LC) would have been established (CWR O.9 r.1). The LC usually comprises the largest creditors by value.

If the OL had filed the original certificate stating the company's solvency was "doubtful" (which in the circumstances of the present example may be likely, particularly as the solvency or otherwise of the company appears to have hinged solely upon the success of a single, large recovery) then the meeting of stakeholders would have comprised both creditors and contributories, and the LC would comprise not less than 3 and not more than 6 members, of whom a majority would have been creditors, and at least one would have been required to be a contributory (O.9 r.6).

In the example, following a revised determination of solvency being filed by the OL, which would be binding upon the stakeholders (O.8 r.2) the official liquidator would then convene a meeting of contributories only, now being the relevant stakeholders according with r.1(5), from which a new liquidation committee would be elected. It is doubtful that the contributory faction of an existing "doubtful solvency" mixed-stakeholder LC would be quorate for purposes of forming a new LC, and so in all the circumstances it appears it will be necessary to convene a meeting of contributories in order to elect a new LC, to replace the existing LC of creditors. The OL will not require sanction of court for this purpose.

Commented [ca20]: Not doubtful given creditors paid in full. Although you arrive at the right answer so no marks deducted,

Question 2.7

Discuss the steps that a liquidator will need to take following the making of an order for dissolution. (5)

Commented [ca21]: Question 2.7 Subtotal =5/5 marks

The Order for dissolution must be in Form 36 CWR, and will take effect from the date it is made (or such later date as ordered). Within 14 days of the perfected order, the OL must file a copy with the Registrar of Companies (s.152 Companies Act).

Upon the order for dissolution being made, the duties of the OL cease, save for those residual duties as directed in the order itself. The OL will be required to file a final report to stakeholders.

Pursuant to s.153 Companies Act and O.23 CWR, unclaimed dividends and undistributed assets will be held on trust and administered for the benefit of stakeholders entitled to receive them, which may require:

- a) the setting up of a trust account under O.23 r.2 CWR.
- b) Transfer of title to the liquidator acting as trustee of undistributed assets which ought to have been distributed;
- c) Upon discovery of beneficiaries, payment out of the trust account and transfer of assets as required,

At the end of one year after the dissolution, the former OL shall transfer any remaining funds or assets held on trust to the Minister with responsibility for Finance, to be managed in accordance with Part VIII Public Management and Finance act (2020 Revision)

The OL will be required to retain or dispose of the company's records and books in accordance with any direction of the court, and must retain liquidation files for a minimum period of three years from the date of dissolution.

Question 2.8

Commented [BB22]: Question 2.8 - Sub-total = 3/5

Describe the general investigative powers and duties of a liquidator. (5)

An official liquidator's statutory function is set out in s.110(1) Companies Act:

- a) *To collect, realise and distribute the assets of the company to its creditors and if there is a surplus, to the persons entitled to it; and*
- b) *To report to the company's creditors and contributories upon the affairs of the company and the manner in which it has been wound up.*

The Companies Act sets out the powers which may be exercised by an Official Liquidator (OL) with, and without, sanction of the court in Part I and Part II of Schedule 3 respectively.

Cite case law in your answer, see below.

The investigative powers of an OL are broad. S.101 Companies Act provides power to require individuals, within 21 days of a request being made, to furnish sworn statements in affidavit form related to the affairs of the company. These individuals may include directors

and officers of the company, professional service providers and former employees (s.101(3)). (1) These reports may be required to be very detailed and carry criminal sanctions in the event a person fails to comply with the request, with a fine up to \$10,000. The power to institute criminal proceedings vests in the OL themselves (s.102(2)).

Section 102 Companies Act empowers the OL to investigate the causes of failure of a failed company and generally all business dealings and affairs of the company, (1) understandably, as his duties to the stakeholders require thorough and detailed analysis of the business in order to assess, quantify, and realise company assets to be disseminated.

Section 103 imposes statutory duties upon persons resident in the jurisdiction who has been employed by, a director of, a professional service provider, controllers, advisors and receiver, or any person involved in the promotion or management of the company to cooperate with the OL. (1) Any such person may be, upon application, examined in court as to relevant matters or to deliver any document or property to the OL.

The OL's powers of investigation are extremely broad, and certainly have teeth, carrying sanctions of the court to ensure thorough investigation can be made.

The powers of a provisional liquidator appointed under s.104 will be defined in the court order, and owing to the stricter test of "necessity" usually are narrower in scope than the general powers of OLs. However, should the court has very broad discretion to empower provisional liquidators as necessary to effect the purposes of their appointment.

Model answer:

A liquidator is an officer of the court with certain general duties which were summarised in the Cayman Islands case *In the Matter of Citrico International Limited* [2004-05 CILR 435] (citing *Gooch's Case* 1872, 7 Ch App 207), (1 mark) as requiring the liquidator "to make himself thoroughly acquainted with the affairs of the company; and to suppress nothing, and to conceal nothing, which has come to his knowledge in the courts of his investigation, which is material to ascertain the exact truth in every case before the Court".

Additionally, the liquidator is also empowered (subject to obtaining directions from the court) to assist the CIMA and the RCIPS to investigate the conduct of persons, and institute and conduct a criminal prosecution of person referred to in section 101(3) of the Act.

Question 2.9

Explain what is meant by the "relevant date" for the purposes of a section 101 of the Companies Act (2023 Revision) notice served by a liquidator in order to procure a statement of affairs from persons listed in section 101(3). (5)

The Relevant Date is defined in s.101(6) as:

- a) *In the case of a provisional liquidator, the date of that person's appointment by the court; and*

Commented [BB23]: Question 2.9 - Sub-total = 1/5

b) *In any other case, the commencement of the winding up.* (1)

The effect is that, pursuant to s.101(3), any person who previously was a director or officer of the company, a service provider to the company, or an employee of the company at any time during the period of one year ending on the day before the commencement of the winding up may be required by service of a s.101 notice to provide affidavit evidence as to the affairs of the company.

Please refer to the model answer below:

In the context of an official liquidation (noting that this section also applies to provisional liquidators), the relevant date for the purposes of section 101 means the commencement of the winding up. (1 mark) In many cases, this is the presentation of the winding up petition (pursuant to section 100(2)). (1 mark) However, this is subject to section 100(1), which provides that the commencement of the winding up may be an earlier date if, before the presentation of a petition for the winding up of a company by the court, a resolution was passed by the company for voluntary winding up; any period fixed for the duration of the company by the articles of association has expired; an event giving rise to a requirement to wind up the company in the articles of association has occurred; or a restructuring officer has been appointed. (2 marks) If any of these events occur then the winding up is deemed to have commenced at the time of the relevant aforementioned event. (1 mark)

**** END OF QUESTION 2 ****

QUESTION 3 FOLLOWS ON NEXT PAGE / ...

QUESTION 3 - CORPORATE RESCUE (20 MARKS)

Where appropriate, refer to the fact pattern below when answering the questions that follow.

FACT PATTERN

SMB TECH CORPORATION

SMB Tech Corporation (SMB Tech), a Cayman Islands-based company operating in the technology sector, boasts a global presence with subsidiaries spanning various jurisdictions, including the United States, the United Kingdom, and Hong Kong. However, SMB has recently encountered significant financial challenges stemming from an economic downturn and heightened competition within its industry. Considering these difficulties, SMB sought the advice of a reputable advisory firm, which cautioned that SMB Tech teetered on the brink of insolvency and urgently required a financial restructuring.

While exploring its strategic alternatives, SMB Tech found itself confronting mounting pressure from its creditors. One particularly assertive creditor, Tech Credit Systems (TCS), threatened to initiate winding-up proceedings against SMB Tech. In a bid to secure some respite, SMB Tech entered into a three-month standstill agreement with TCS. However, as the three-month period lapsed without concrete restructuring proposals in place, TCS exhibited signs of growing impatience.

The delay and indecision on the part of SMB Tech's management have further exacerbated tensions among certain contributories of the company. These contributories, expressing their dissatisfaction, have indicated an intent to petition the Grand Court of the Cayman Islands for the appointment of a provisional liquidator. Their chosen provisional liquidator is based in Hong Kong, and their motivation is grounded in a perceived loss of trust and confidence in SMB's directors.

SMB Tech's financial obligations include unsecured debt governed by English law, amounting to GBP 6 million, owed to three creditors situated in the United Kingdom. The company hopes to negotiate a compromise on these liabilities as part of its restructuring efforts. Additionally, SMB Tech has undertaken guarantees for certain financial obligations of several subsidiaries. Notably, the creditors holding these guarantee liabilities have indicated a reluctance to endorse any proposed restructuring scheme.

Question 3.1

The chosen provisional liquidator by the contributories of SMB has professional indemnity insurance up to a limit of US\$5 million in respect of each and every claim. The chosen provisional liquidator is unwilling to increase his professional indemnity liability insurance limit due to the increasing cost of insurance products in the market. Along with your

Commented [BB24]: Question 3.1 - sub-total = 4/5

reasons, provide an explanation as to whether the chosen provisional liquidator could be appointed by the Grand Court of the Cayman Islands. (5)

In order to be eligible to act as a court-appointed liquidator, including as a provisional liquidator, the person, or their firm, must be in a position to satisfy the requirements of the Notice of Consent to Act under O.3 r.4 CWR. This affidavit must state that the person meets the residency requirement of Reg. 5 Insolvency Practitioners Regulations (IPRs), the independence requirement of Reg. 6 IPR and the insurance requirement of Reg.7 IPR. Reg. 7 requires a minimum coverage of US\$10 million in respect of each and every claim, and at least \$20 million in the aggregate. (1) At first blush, then, the nominated Provisional Liquidator (PL) would appear unable to satisfy the Reg. 5 requirement of residence and the Reg.7 requirement as to insurance, so would be ineligible without any further action. (1)

This does not however, completely debar the PL from acting.

The court has power to order that the PL or his company shall procure appropriate professional indemnity insurance in excess of the \$10 million minimum in respect of each claim as part of its broad powers in appointment of liquidators. Notwithstanding the nominated PL may be unable to pay the increased premiums for the insurance, the premium may be ordered payable out of the estate as an expense of the liquidation. (1)

Particularly in the case of PLs, in which the test includes the *necessity* to appoint the PL to prevent the dissipation or misuse of assets, or mismanagement or misconduct by directors, time may be of the essence, and the delays in finding an alternative, suitable replacement candidate with insurance already in place could have grave consequences for the company, and the prospects of recovery of assets to pay the relevant stakeholders.

If the court makes an order for the insurance policy to be paid for out of the estate, and assuming the nominated PL satisfies the independence test, the nominated PL will qualify to act as a foreign PL. He may not do so alone, however, and any such appointment must be joint with a PL who is resident in the jurisdiction (Reg. 8 IPR). (1) The nominated PL's consent to act as a joint provisional liquidator will need to set out the matters in O.3 r.4(2) relating to his qualifications, experience, etc. in Hong Kong.

4 marks

Question 3.2

What must the company demonstrate to the Court before the Court will appoint a restructuring officer? (2)

The company must present a petition on grounds that demonstrates that the company:

- a) is, or is likely to become, unable to pay its debts; and (1)
- b) Intends to present a compromise agreement to its creditors, under the Companies act, a law of a foreign jurisdiction, or an informal consensual restructuring arrangement. (s.91B Companies Act) (1)

Commented [BB25]: Question 3.2 - sub-total = 2/2

The test effectively replaces the former s.104(3) Companies Act, which related to the appointment of provisional liquidators, and the courts have highlighted the petition for restructuring should be made on notice to stakeholders, rather than *ex-parte* in the case of provisional liquidators (e.g. *Kawaley J., Re. Oriente Group Ltd.* Unrepd, 8 December 2022, para 30).

The petition must be supported by affidavit evidence that demonstrates:

1. the board of directors believe the company is unlikely to be able to pay its debts;
2. statement of company's financial position, including assets and liabilities, with an explanation of how the company will be funded during the restructuring period;
3. statement explaining the directors' belief that the appointment of a restructuring officer is in the best interests of the company and its creditors;
4. a notice of consent to act by the nominated restructuring officer, which must comply with O.3 r.4 CWR, similar to the requirements of an official liquidator.

The court will balance the interests of stakeholders, and may require the restructuring proposal to have advanced

2 marks

Question 3.3

What are the advertising requirements for a restructuring petition? (2)

A restructuring petition, after having been filed in court in accordance with GCR O.9, is required to be advertised (in Form no. 3A CWR), once in a newspaper having circulation in the islands (½) (O.1A r.1(3)). In addition, if the company is carrying on business in a different jurisdiction, the petition shall be advertised once in a newspaper having circulation in the country (or, if more than one, countries) in which it is most likely to come to the attention of the company's creditors and contributories. (½)

The advertisements must appear no more than seven business days after the filing of the petition, (½) and not more than 7 business days before the listed hearing date. (½)

Locally, of course, petitions will be advertised in the CI Gazette. Owing to the tight timescales for advertising, it will be advisable to make enquiries and provisional arrangements for advertising in any foreign jurisdictions, as necessary.

Question 3.4

Describe at least six (6) elements of the new restructuring officer regime that assist in safeguarding the interests of creditors. (6)

The restructuring regime has been built specifically, and it would seem, intentionally, with the protection of creditors' interests in mind.

Commented [BB26]: Question 3.3 - Sub-total = 2/2

Commented [BB27]: Question 3.4 - sub-total = 4/6

1. The requirement for advertising the petition and O.1A r.5(5) CWR requires notice to creditors, and, the right to appear provided they provide notice of their intention to do in the correct form and accordance with the time limit in the CWR. Even in the case there is evidence of a majority of creditors' consent to the restructuring, any dissenting creditors may be heard and voice their concerns. The court may take into account the concerns of minority creditors, and consider these in the round before making an order. **(1)**
2. Creditors expressly have locus to apply for variation or discharge of an order appointing restructuring officers pursuant to s.91E(1)(c) Companies Act. The court may, upon hearing the application vary or discharge the order appointing the restructuring officer, adjourn the hearing with or without conditions, dismiss the application or make any other order that is considered fit. The wide ambit of powers of the court provide substantial protection to creditors in these circumstances, which mirror the powers of the court in hearing a winding up petition. **(1)**
3. A creditor may apply to remove and replace a restructuring officer pursuant to s.91F Companies Act, which, if successful will require the exiting restructuring officer to provide a report and accounts for their replacement within 21 days. **(1)**
4. After a petition for the appointment of a restructuring officer is filed, even before an order is made, and until the discharge of an order, Creditors may apply to stay any other proceedings, in any court in the jurisdiction, including criminal proceedings, which have been brought against the company (s.91G Companies Act).
5. Creditors right to enforce their security is unaffected by the order, and they may proceed to enforce without leave of the court or reference to the appointed restructuring officer (s.91H Companies Act). **(1)**
6. Notwithstanding the presentation of a restructuring petition, Creditors may also present a winding up petition, with leave of the court. The application may be made by summons and heard by the judge before whom the restructuring officer petition has been heard, or is to be heard (O.1A r.5(1)), and may be heard at the same time as the restructuring petition is heard.

4 marks - model answer below

Any 6 of the following

- There are a number of provisions which prescribe the specific notice and reporting requirements for the benefit of creditors. **(1 mark)**
- The default position is that a Restructuring Petition will be heard on notice to stakeholders (while the prior statutory framework provided that applications for appointment of provisional liquidators were to be made ex parte by default). **(1 mark)**
- The same advertising requirements are imposed as applicable to a winding up petition (the prior regime did not require advertisement of an application to appoint IFLs) - no more than seven business days after the filing of a Restructuring Petition and not less than seven business days before the hearing date **(1 mark)**
- Heightened evidential requirements for the affidavit in support including the need to explain how the company will be funded during the restructuring period and why it is in the best interests of creditors **(1 mark)**
- The hearing must be heard within 21 days of presentation **(1 mark)**

- A requirement for the ROs to report - open and transparent process (1 mark)
- The petitions shall be heard in open court unless the Court otherwise directs (1 mark)
- The ROs must report within 28 days of appointment (1 mark)
- A creditor or contributory may apply for an order discharging the appointment (1 mark)
- Secured creditors remain entitled to enforce their security. (1 mark)

Question 3.5

Outline the relief **that is and is not** available to the Court upon a restructuring petition. (5)

Upon a restructuring petition, the court may:

1. Make an order appointing a restructuring officer pursuant to s.91B Companies act and O1A r.6 CWR). (1)
2. The court may also make order and directions relating to:
 - a. Preparation of reports by the restructuring officer;
 - b. Entry into international protocol with and foreign officeholder
 - c. Convening of meetings of creditors or members;
 - d. Preparation of a compromise or arrangement in accordance with s.911, or other proposals under s.91B(1)(b);
 - e. Preparation of a compromise or arrangement under s.86 Companies Act;
 - f. The validation of dispositions made or to be mad by the company;
 - g. Listing further hearings for updates from the restructuring officer;
 - h. Directions as to payment of the remuneration of the restructuring officer out of the assets of the company;
 - i. Provision for payment of liabilities falling due during the term of te restructuring officer's appointment
 - j. Such matters as the court thinks fit. (O.1A r.6)
3. The court may also vary or terminate an appointment of a restructuring officers.
4. The court may discharge the appointment of a restructuring officer in the event an agreement has been reached successfully (O.1A r.9).
5. In the case an appointed restructuring officer is unsuccessful in securing a viable agreement between the creditors, the court may terminate the appointment to permit a winding up petition to be filed. IN such circumstances, however, the date of the winding up commencement will be deemed to have commenced on the date of filing the Restructuring Petition, in order to give the official liquidators power to recover preference payments made within 6 months before that date. S.99 will also render void any dispositions which took place between the filing of the petition and the winding up order.

The court may not, on the restructuring petition, make an order placing the company into official liquidation (s.91(b)(3)(d) Companies Act). (1)

Commented [BB28]: Question 3.5 - sub-total = 2/5

2 marks - answer below in the context of what the Court can order at RO petition hearing

Upon the hearing of a Restructuring Petition the Grand Court may: (i) make an order appointing a restructuring officer (1 mark); (ii) adjourn the hearing conditionally or unconditionally (1 mark); (iii) dismiss the petition (1 mark); or (iv) make any other order as the Grand Court thinks fit (1 mark) except an order placing the company into official liquidation (1 mark).

**** END OF QUESTION 3 ****

QUESTION 4 FOLLOWS ON NEXT PAGE / ...

QUESTION 4 - GENERAL QUESTIONS (15 MARKS)

The questions below deal with exempted limited partnerships (ELP's), cross-border insolvency, the recognition of foreign judgments and consumer insolvency.

Question 4.1

In addition to the Limited Partnership Agreement, what governs the operation of ELPs? (3)

The Partnership Act (2013 revision) (1) and Exempted Limited Partnership Act (2021 revision) (1) (ELPA) govern the operation of ELPs, together with the principles of common law (1) regarding partnerships, as expressly applied by s.3 ELPA.

Commented [BB29]: Question 4.1 - Sub-total = 3/3

Question 4.2

When does the Cayman Islands court have jurisdiction to wind up a foreign company? (5)

A foreign company which is registered in the Cayman Islands under Part IX of the Companies Act may be wound up under s.91(d) Companies Act by presentation of a winding up petition. Part IX applies to and foreign company which establishes a place of business, or carries on business, within the Cayman Islands.

The principle of universality ought to apply, such that a winding-up of an entity spanning multiple jurisdictions, will have a central proceeding governing the winding overall. In circumstances in which the Cayman Islands is the "hub" jurisdiction for the winding up, there may be international protocols entered into by the official liquidators to promote the orderly administration of the estate of the company, and to avoid duplication of work by, or conflict between, the Official liquidator and other jurisdictions' equivalent office holders.

The court, upon application by a foreign representative under s.241 Companies Act may make orders ancillary to a foreign bankruptcy, for purposes of:

- a) Recognition of the foreign representative's right to act on behalf of a debtor;
- b) Enjoining commencement of, or staying proceedings against, a debtor
- c) Staying enforcement of any judgment
- d) Requiring examination of relevant persons.
- e) Ordering turnover of property to foreign representative.

The court will be guided by matters which will best assure an economic and expeditious administration of the estate (s.241 Companies Act), including:

- a) Just treatment of creditors, or claimants in the estate, wherever they are domiciled;
- b) Protection of local claim holders from prejudice or inconvenience in their claims;
- c) Prevention of preferential or fraudulent transactions;
- d) Distribution of the estate among creditors in accordance with an order under Part V Companies Act;
- e) Recognition and enforcement of security interests created by the debtor;

Commented [sp30]: Question 4.2 - Sub-total = 2/5

- f) Non-enforcement of foreign taxes, fines, penalties etc.
- g) Comity

If there is a Part IX registered entity subject to foreign proceedings, the court is required to consider whether to make a winding up order of the local branch under Part V companies act before making any order under s.241 (s.242(2)).

Further detail regarding s 91(2) required to fully answer question.

Question 4.3

Does a judgment of a foreign court need to be registered and / or enforced within the Cayman Islands before it is relied upon as the basis for seeking a winding up order? Provide reasons. (3)

Ordinarily, a foreign judgment has no direct effect in the Cayman Islands. They are unenforceable as a result, without more, or unless statutorily approved by relevant enactments, e.g. the Foreign Judgments Reciprocal Enforcement Act (1996 revision). This has only limited scope, relating to judgments from Australian territories. Other judgments require an application under GCR O.72 to be recognised in the Cayman Islands, sufficient for enforcement steps to be taken, which must be commenced in the FSD of the Grand Court.

However in *Re. GuoAn International Ltd. FSD 153 of 2021_Unrepd.* 21 October 2022, Kawaley J. found that, while a foreign judgment might not be *enforced* in the Cayman Islands Courts, it was possible for a winding up petition to rely upon a foreign judgment (in that case, a Hong Kong judgment), even in circumstances where there was a pending appeal of the judgment.

Question 4.4

State the main statutory powers and duties of the trustee in bankruptcy, and provide at least one example with reference to a section of the Bankruptcy Act. (4)

Upon a provisional or absolute order under the Bankruptcy Act being made, certain property of the debtor/subject of the petition will immediately pass to and vest in the Trustee in Bankruptcy (s.37 Bankruptcy Act).

The Trustee bears a duty to preserve the property and its value as a provisional order may be set aside by the court, requiring all property to be returned to the debtor.

In order to preserve the value of the property, the trustee has various powers to administer the estate pending absolute determination of the petition, including:

- a) Carrying on the trade or business of the debtor, in order to preserve its value, in case that there is a beneficial winding up or sale of the going concern of a business

Commented [sp31]: Question 4.3 - Sub-total = 3/3

Commented [BB32]: Question 4.4 - Sub-total = 4/4

(s.79); (1)

- b) Bringing or defending any proceedings which relate to the property of the debtor, or its value (s.80); (1)
- c) Disclaiming onerous and unprofitable property (s.105)
- d) Declaring fraudulent and void any preferential payment or disposal of property made by the debtor to a creditor within 6 months prior to the provisional order
- e) The Trustee has power to oppose an application for discharge made by the debtor (s68(2)).

The Trustee has a duty to receive the proof of debts of creditors, and adjudicate upon them. The Grand Court (Bankruptcy) Rules set out the form and procedure for filing the proof of debts. (1)

Additionally, the Trustee, must draft and file a report relating to the affairs of the debtor and the conduct of the debtor before and during the bankruptcy, according with s.67 Bankruptcy Act.

Upon the making of a final/absolute order by the Court, the Trustee must administer the property, including any business, to preserve value and distribute to the creditors according with the Bankruptcy Act. (1)

TOTAL MARKS: [100]

**** END OF ASSESSMENT ****