THE LAW OF INSOLVENCY. By IAN FLETCHER. [London: Sweet & Maxwell. 1990. lxxxix + 650 pp. (including index). Hardcover: S$569.90].

THIS is the first edition of an interesting book on the law of insolvency relating to both individuals and corporate bodies. The approach of the author to insolvency law, whether relating to individuals or to corporations, is essentially to treat it as a unitary subject. He therefore discusses the common procedures relating to both while leaving out procedures peculiar to one, for example, receiverships, which are used in relating to corporations (but note the power of the High Court to appoint receivers in relation to individuals in the specified circumstances, under the Rules of the Supreme Court).

The book is divided into four parts - the first is the introduction, the second covers personal insolvency, the third, corporate insolvency, and the fourth, international insolvency. The first part has two chapters on the nature and incidence of insolvency and the evolution of the administrative machinery of insolvency law. The second part has chapters on bankruptcy law in outline, voluntary procedures and alternatives to insolvency, who can be made bankrupt, the bankruptcy petition, the bankruptcy order and its consequences, proof of debts, distribution of assets, termination of bankruptcy, special cases, and bankruptcy and the criminal law. The chapters on company insolvency cover voluntary arrangements and administration orders as alternatives to winding up, winding up law in outline, creditors' voluntary winding up and the appointment of a liquidator in such winding up, compulsory winding up, the winding up petition, the winding up order and its consequences, common aspects to both forms of insolvent liquidation - proof of debts, collection and distribution of debts, the conclusion of the winding up, the effects of winding up on creditors and third parties, liability of directors and others. In the part on international insolvency, there are chapters on general problems and issues of principle, bankruptcies and liquidations with an international element, and the international regulation of cross-border insolvency.

In light of the fact that many provisions of the old law have been redrafted in the United Kingdom Insolvency Acts of 1985 and 1986, the reader will wonder whether the cases interpreting the old provisions are still good law today. The author believes that a thorough understanding of insolvency law can only occur through a knowledge and appreciation of the old case law, and has therefore taken the trouble to explain and discuss them. At the same time, he does compare the new provisions with their predecessors in order to examine the differences.

The most important changes in the United Kingdom law of insolvency came as a result of the recommendations of the Review Committee on Insolvency Law and Practice under the chairmanship of Sir Kenneth Cork (otherwise known as the Cork Committee). The terms of reference of this committee were limited unfortunately and did not include a review

of the general law of credit and security nor of the remedies for debt enforcement. These areas are intimately linked with insolvency law.

One of the recommendations of the Cork Committee was that those holding office in any type of insolvency be subject to a system of centralised ministerial control. To this end, the United Kingdom Acts now require that those acting (in relation to a company), as liquidator, provisional liquidator, administrator or administrative receiver or as a voluntary arrangement supervisor or, in relation to an individual, as a trustee in bankruptcy, interim receiver of property, trustee under a deed of arrangement or as a supervisor of a voluntary arrangement, should be qualified insolvency practitioners. To become such, it is necessary either for a person to be a member of an officially recognised and properly regulated professional body (to whose disciplinary supervision he would be subject) or for that person to obtain a licence from the Department of Trade. There are various provisions relating to disqualification of certain types of persons, for example, those who are undischarged bankrupts. In addition to these strict requirements, an insolvency practitioner has also to furnish security for the proper performance of his functions. This is done by effecting a fidelity bond through a surety.

With the increasing trend towards the internationalisation of companies and their operations, the problem of liquidating companies with assets situate in many countries is likely to arise. The difficulties of international insolvency are thus going to surface. The author of this book does not neglect this often forgotten area. He devotes nearly a hundred out of seven hundred pages of this book to this area. Both the insolvency of foreign individuals and companies with assets in the United Kingdom and the insolvency of individuals and companies resident in the United Kingdom but with assets overseas are discussed. Other important areas discussed here are the international regulation of cross-border insolvency (with reference made to the United States Bankruptcy Code and the Draft Bankruptcy Convention of the European Economic Community), and the jurisdiction of the court to adjudicate disputes relating to debts under foreign judgments.

One may, after this rather involved reference to the United Kingdom law, wonder "so what?" The fact of the matter is that the present law in Singapore relating to individual and corporate insolvency is under review as at the time of writing this review. Preliminary indications are that many of the recommendations of the Cork Committee *(e.g.* those relating to insolvency practitioners) will be adopted in a new Insolvency Act. It is thought that certain changes will also be made in relation to charges (namely, that priority of charges will accord with registration, that automatic crystallisation will be permitted, and that provision will be made for the registration of negative pledge clauses). Because of the likely changes to our law, this book will prove useful both to the academic as well as the practitioner.

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