and (perhaps to a lesser extent) Malaysian legal systems. The clear arguments for autochthonous development[25] cannot entail a total abandonment of English rules and principles, much less decisions by the Privy Council, lest the baby be thrown out together with the bathwater. And where the most general level of analysis is involved, the quality of Privy Council judgments (already mentioned above) must carry a not inconsiderable amount of weight.[26] All these (as well as other) arguments mean that the present work is, and will continue to be, of signal importance; it marks a milestone in the legal literature of the region.

ANDREW PHANG

JUDICIAL MANAGEMENT. By CHOONG AND RAJAH. [Singapore: Butterworths. 1990. xxiii + 285 pp. (including index). Hardcover: S$195.00.]

THIS book is written by two practitioners who have close links with academia. T.C. Choong was for many years a lecturer in the Faculty of Law at the National University of Singapore, while V.K. Rajah is an adjunct lecturer with the Faculty. The book fails to state to what date the law is at but a dating of the foreword at 3 January 1990 and a reference in the foreword to an English case reported in the *Times* (of London) newspaper of the same date leads to the conclusion that the law is as stated to that date or a few days after (assuming that the report was obtained from the relevant issue of the *Times*, and not from a facsimile copy which took a few days to arrive in Singapore).

The book covers the following aspects of judicial management - alternatives to judicial management; petitioning for a judicial management order; the interim period following the petition; the consequences of the judicial management order; the judicial manager's appointment, powers and duties; the rights of creditors; strategic implications of judicial management for creditors; impact on banking practice; security considerations and documentation; practice and procedure; and law reform.

Judicial management is a recent change in the law which provides for essentially the rescue of companies in financial difficulties. Without such provisions, the fate of insolvent companies would usually be liquidation, with rescue through a scheme of arrangement or a compromise being rather remote possibilities. Basically, judicial

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25 See, *e.g.*, Phang, *The Development of Singapore Law - Historical and Socio-Legal Perspectives* (1990), especially at pp. 91 to 96.

26 On generality and specificity in the context of autochthonous development, see Phang, "Of Generality and Specificity: A Suggested Approach Toward the Development of an Autochthonous Singapore Legal System" (1989) 1 S.Ac.L.J. 68.

management provides the company with a shield. This shield prevents proceedings (including petitions for winding-up) against the company, the execution of judgments against the company, the enforcement of security and the recovery of property in the possession of the company under retention of title (Romalpa) contracts, hire-purchase or chattel leasing agreements. This immunity gives the company the one commodity that it perhaps lacks most - time. This time allows the judicial manager to sell off the company's assets at a price higher than fire-sale prices or to work out a plan to restructure the company *(e.g.,* a debt for equity swap).

In judicial management, an owner of property under retention of title, hire-purchase or chattel leasing agreements is not allowed to recover his property but retains first rights to the proceeds of sale of the property. The question that comes to mind then is why take with one hand while giving with the other? The answer is found in the accounting concept of "goodwill" which is defined as the excess of a part of a business over the value of the individual assets. This is the result of a host of possible factors such as good reputation for product quality and harmonious labour relations. The prohibition against recovery of the property by the owner thus allows the judicial manager to sell off the whole company or a division of it at higher prices than if he sold off the assets individually. This is a minor point that does not seem to be dealt with clearly by the authors.

There is discussion of various decisions involving judicial management, including those which are not reported. The last category of cases can be distinguished from the other cases found in the table of cases by the fact that unreported cases have their citation in the form "OP" (presumably originating petition) followed by a number. The reference to such judgments shows that the authors did not skimp on their research.

The book is practitioner oriented. There is a discussion of how the provisions for judicial management affect the banker taking security. Among other topics, the possible liability of bankers as shadow directors and the use of automatic crystallization clauses are discussed briefly. Unfortunately, the authors assume knowledge on the part of the reader as to the nature of an automatic crystallization clause. This thus makes the book useful only to a person with a good knowledge of company law.

The index to this book is unfortunately not very well done. For example, the question of whether the judicial manager can dispose of machinery subject to a hire-purchase contract is listed as a subheading under the heading "Moratorium" rather than under "Hire Purchase" which would have been more logical. A person who has little knowledge of the nature of judicial management would obviously have difficulty using the index as an aid when referring to the book.

The first appendix contains the full text of the provisions of the Companies Act relating to judicial management. The equivalent English provisions are placed side by side to facilitate comparison. In addition, this area contains brief commentaries which do not otherwise fit into

the text of the discussion in the rest of the book. The second appendix contains the relevant provisions of subsidiary legislation. The last appendix is a collection of forms and precedents. The precedents will be useful to the practitioner as they include sample affidavits (for example, affidavits in support of an application to dispose of property of a company which is subject to a security and in support of an application by the judicial manager for an extension of the period for sending to the various parties a statement of his proposals) and sample court orders (for example, orders authorising the judicial manager to dispose of property which is the subject of security and extending the period for the judicial manager to send his proposals to the various parties).

All in all, this is a highly useful book for both the legal practitioner called to advise on judicial management matters and for the certified public accountant actually appointed as a judicial manager.

TERENCE TAN

THE LAW OF ADVOCATES AND SOLICITORS IN SINGAPORE AND WEST MALAYSIA. By TAN YOCK LIN. [Singapore: Malayan Law Journal. 1991. lx + 458 pp. (including Index). Hardcover: S$150.00]

THIS book, about lawyers, is the first of its kind to be published in Singapore and Malaysia. Its scope is not limited - as are many articles and shorter books - to a particular aspect of the legal profession such as its history, the functions of the advocate and solicitor or the disciplinary system. In its ten chapters it covers all these matters as well as the requirements for admission to the Bar, the rights and privileges of the advocate and solicitor, the matter of his remuneration, his retainer, his duty of care, his position as a fiduciary, his status as an officer of the court and the matter of legal professional privilege. Although not a comprehensive reference text in the sense that *Cordery on Solicitors* is, the book gives clear and effective guidance on the rules and procedures which govern the legal profession. The author analyses the statutory provisions and case law and writes in a style which makes enjoyable reading - by no means an easy task given the rule-orientated subject matter. The author does not merely describe the rules and procedures. He examines their significance as well and in certain instances he proposes the appropriate steps which may be taken. For instance, at page 92 of the chapter on the solicitor's retainer he warns of the risk which the solicitor takes when he relies on an informal arrangement and points to the importance of a clear agreement. The book is also characterised by its academic perspective as seen in the extensive reference to the common law (including Commonwealth authorities), and its analysis of the legal principles in relation to such matters as the duty of care, fiduciary and contrac-