Question	Correct Answer	Marks
1	**D** **The company has altered its primary business within the first 12 months of its incorporation** The company has altered its primary business within the first 12 months of incorporation is not a ground for the winding up by the court of a company – s.125(1) Insolvency, Restructuring and Dissolution Act 2018.	2
2	**C** **It must be an unqualified assent to all the terms proposed by the offeror** The offeree cannot add further terms while purporting to accept the offer: *Hyde v Wrench* [1840] 3 Beav 334.	2
3	**C** **An ordinary resolution has to be passed at the general meeting** To issue shares in a private company, an ordinary resolution has to be passed at the general meeting – s.161 Companies Act 1967.	2
4	**C** **A shadow director** Nelson is a shadow director in accordance with s.4 Companies Act 1967 and *Raffles Town Club Pte Ltd v Lim Eng Hock Peter* [2010] SGHC 163. He was not appointed as a director but David and Polly are accustomed to act in accordance with his instructions.	2
5	**A** **It is redundancy which arises from reorganisation of the employer's business** There is no statutory definition of the term 'retrenchment'. 'Retrenchment' has been defined as redundancy which arises from reorganisation of the employer's business in the Tripartite Alliance for Fair and Progressive Employment Practices which has been adopted by the Ministry of Manpower.	2
6	**D** **20** A patent that has been granted is in force for 20 years from the filing of the patent – s.36 Patents Act 1994.	2

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7	**C** **A special resolution** A special resolution must be passed in order to alter a company's constitution – s.26 Companies Act 1967.	2
8	**C** **He is not contractually bound to pay Winston the additional £10 because Winston did not provide consideration** Winston did not provide fresh consideration merely by fulfilling his contractual obligation: *Stilk v Myrick* [1809] EWHC KB J58.	2
9	**D** **He did commit an offence under the Computer Misuse Act 1993 because he accessed the files without Chong's consent** Beng committed an offence under s.3 Computer Misuse Act 1993 because he accessed the files without Chong's consent.	2
10	**A** **The consequences of breach are different** The innocent party may claim damages if a term in the contract is breached, whereas they may rescind the contract if the misrepresentation caused them to enter into the contract.	2
11	**A** **It is initiated by the creditors applying to court** Section 160 Insolvency, Restructuring and Dissolution Act 2018 provides a voluntary winding up is initiated by the passing of a special resolution, and not by way of an application to court.	2
12	**B** **It is a requirement that the rights of preference shares be stated in the constitution but there is no such requirement for ordinary shares** It is a requirement that the rights of preference shares be stated in the constitution but there is no such requirement for ordinary shares - this in accordance with s.75 Companies Act 1967.	2

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13	**D** **A partner may be personally liable for losses resulting from their own wrongful actions** In a limited liability partnership, a partner may be personally liable for losses resulting from their own wrongful actions – s.12 Limited Liability Partnerships Act 2005.	2
14	**D** **Trellis Pte Ltd's liquidator and other creditors** In light of the non-registration of the charge, it is void against Trellis Pte Ltd's liquidator and other creditors – s.131 Companies Act 1967.	2
15	**D** **Of the employee to enjoy their social rights** The employee's right to exercise their skills, the employer's right to protect their legitimate proprietary interest and the state's interest in ensuring free flow of expertise are all considerations which the court takes into account to determine if a restraint of trade clause is enforceable: *Man Financial (S) Pte Ltd v Wong Bark Chuan David* [2008] 1 SLR(R) 663.	2
16	**A** **If the contract of service specifies a notice period, the employee may pay compensation in lieu of notice to the employer** If the contract of service specifies a notice period, the employee may pay compensation in lieu of notice to the employer - in accordance with s.11 Employment Act 1968.	2
17	**B** **The employee's representation to the third party** The agent cannot represent their own authority: *Sigma Cable Pte Ltd v NEI Parsons Ltd* [1992] 2 SLR 1087.	2

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18	**B** **They do business for their employer** A contract of service establishes an employer and employee relationship, such that the employer is obliged to provide work for an employee, and the employee is obliged to carry out the business of the employer. The employee is different from an independent contractor.	2
19	**A** **They have to be appointed within three months of the company's incorporation** An auditor of a company must be appointed within three months of the company's incorporation – s.205 Companies Act 1967.	2
20	**A** **It binds the company and its members, and members to members** A company's constitution binds the company and its members, and members to members – s.39 Companies Act 1967.	2
21	**C** **6** Section 184A(4) Companies Act 1967 requires a majority of the total voting rights of all the members.	2
22	**A** **It allows the board of directors to remain in control of the company** Section 99 Insolvency, Restructuring and Dissolution Act 2018 provides that functions of directors of a company placed under judicial management will vest in the judicial manager, whereas there is no such provision in the case of a company undergoing a scheme of arrangement.	2
23	**A** **The company's members cannot be called on to contribute to its assets when it enters into insolvent liquidation** Limited liability means that a company's members cannot be called on to contribute to its assets when it enters into insolvent liquidation – s.4 Companies Act 1967.	2

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24	**B** **It has to be passed by Parliament** Subsidiary legislation is promulgated under a 'parent' Act – s.2 Interpretation Act 1965.	2
25	**B** **1 and 2 only** The company, when insolvent, incurs debts without a reasonable prospect of repaying in full; and the company incurs debts that it has no reasonable prospect of meeting repaying in full and that results in it becoming insolvent – s.239 Insolvency, Restructuring and Dissolution Act 2018. The company incurs debts with intent to defraud its creditors is a statement which more accurately describes fraudulent trading.	2
26	**B** **They must have a minimum of two partners** A limited liability partnership must have a minimum of two partners – s.28 Limited Liability Partnerships Act 2005.	2
27	**D** **A legally enforceable contract has not been concluded because the offer was properly revoked through Peony** Revocation of an offer through a third party is possible: *Dickinson v Dodds* (1876) 2 Ch D 463.	2
28	**A** **A condition** The price of the car is a very important term which goes to the root of the contract, so it should be a condition.	2
29	**D** **6 months** An annual general meeting of a private company must be held within 6 months of the end of a financial year – s.175 Companies Act 1967.	2

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30	**C** **The President** The President is given power under s.58 Constitution of the Republic of Singapore to assent to a bill.	2
31	**A** **Specific performance** A house is considered unique and the remedy for specific performance is often granted for breach of contract to sell the house.	2
32	**C** **It must be sufficient but need not be adequate** Courts do not inquire into the adequacy of consideration and are only concerned with its sufficiency: *White v Bluett* (1853) 23 LJ Ex 36.	2
33	**C** **Money laundering** Tan may have committed money laundering – s.55A Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992.	2
34	**B** **The person must have made use of information that is not generally available** The person must have made use of information that is generally not available is an element of the offence of insider dealing – s.218 and 219 Securities and Futures Act 2001.	2
35	**C** **The subsidiary is being set up to limit the holding company's exposure to future liabilities** Incorporating a subsidiary to limit risks and exposure is not an abuse of the corporate form: *Simgood Pte Ltd v MLC Barging Pte Ltd* [2016] 1 SLR 1129.	2

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36	**D** **The maker of the statement only** The offeror has to be willing to be bound: *Storer v Manchester City Council* [1974] 1 WLR 1403. The court will ascertain the intention of the maker of the statement only to determine whether a statement is an offer or an invitation to treat.	2
37	**B** **An ordinary resolution with special notice** Nova Ltd is a public company. Section 152 Companies Act 1967 requires special notice to be given of the ordinary resolution to remove a director of a public company.	2
38	**D** **3 only** Larry's failure to disclose the conflicts of interest is a breach of his duty to avoid conflicts of interest. Since the transaction is fair to Pinnacle Ltd, Larry is unlikely to have breached the duty to act bona fide in the interests of the company.	2
39	**B** **Their negligence did not cause loss to the shareholder** Causation is one of the elements of the tort of negligence. To escape liability an auditor can argue that their negligence did not cause loss to the shareholder.	2
40	**C** **Small Claims Tribunal** Only the Small Claims Tribunal is a court of first instance. Section 6 Small Claims Tribunal Act 1984 sets out its exclusive jurisdiction, and this does not include hearing cases on appeal.	2
41	**D** **Either an order for winding up or an order for a buy-out of shares is obtainable** Either an order of winding up or an order for a buy-out of shares is obtainable on the winding up of a company by the court on the just and equitable ground. This is in accordance with s.125(3) Insolvency, Restructuring and Dissolution Act 2018.	2

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42	**C** **It is not binding on any court** Only the *ratio decidendi* of a higher court is binding on a lower court within the same court hierarchy: *Indo Commercial Society (Pte) Ltd v Ebrahim and another* [1992] 2 SLR(R)667 at [14]. The *obiter dictum* has no binding effect.	2
43	**D** **Telling someone you will reduce the marked price on it by 10%** Telling someone you will reduce the marked price on it by 10% constitutes a binding offer to sell a unique item of furniture. The term appears certain and evidences an intention to be bound.	2
44	**C** **Both parties do not need to perform their future obligations** Discharge puts an end to contractual obligations, and when a contract is discharged by breach, both parties do not need to perform their future obligations.	2
45	**B** **It must be given, asked for or received with the requisite intent** Gratification must be given, asked for or received with the requisite intent – s.2 and 5 Prevention of Corruption Act 1960.	2
46	**C** **The board of directors manages the business of the company but its powers can be limited by the company's constitution** The board of directors manages the business of the company but its powers can be implied by the company's constitution. This is in accordance with s.157A Companies Act 1967.	2
47	**B** **An offer** An offer is an expression of willingness to be bound. Since the bidder is willing to be bound, the bid is an offer.	2

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48	**C** **It protects a trader's goodwill** Passing off is intended to prevent competitors from leveraging on a trader's goodwill and misleading their customers.	2
49	**A** **The members enjoy limited liability** Separate legal personal and limited liability are different concepts. An unlimited liability company is a separate legal person from its members, and can, for instance, enter into contracts in its own name, in the same way a limited liability company can.	2
50	**D** **The company itself** The company itself keeps the register of members in a public company – s.190 Companies Act 1967.	2

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