

## LAW WATCH

### Article - Director's right to inspect the company's accounts and other documents under section 199(3) of the Companies Act

The Singapore High Court recently clarified the principles relating to the exercise of this right in the case of Hau Tau Khang v. Sanur Indonesian Restaurant Pte Ltd & Anor (Hau Tau Thong, non-party) and another matter [2011] SGHC 97.

The Appellant in this case took out an application, pursuant to section 199(3) of the Act, to exercise his right as a director to inspect the Companies' accounts, in order to defend a potential claim that he had breached his duties as a director of the subject companies.

The Assistant Registrar below held that the right to inspect under s 199(3) was restricted to enabling a director to carry out his duties. As she found that the application was intended to seek "ammunition" to defend the Appellant against the potential claim, she dismissed the application. The Appellant

appealed to the High Court.

Justice Steven Chong allowed the appeal holding that the purpose of the right of inspection is to enable a director to discharge all his statutory duties, including but not limited to those in relation to accounts. The right in this case related to the Appellant's discharge of his director's duties even if he did so with a view to prove that he had not acted in breach of his duties.

Thus, in determining whether the exercise of the right of inspection relates to the performance of a director's duties, the court should adopt a broad and liberal interpretation so as not to render the right nugatory. If you would like more information about this case or the topic, please contact Grace Lin at [gracelin@jtjb.com](mailto:gracelin@jtjb.com)

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### Notable Cases handled by JTJB

JTJB acted for clients in two significant shipping cases that went to the Singapore Court of Appeal this year.

One case involved a claim by our clients, who were shipowners, against a shipyard for the constructive total loss of its vessel due to a fire that broke out whilst the vessel was undergoing repairs. A hotly contested issue was whether clients could recover loss of profits for the full period of a cancelled charterparty. Our clients recovered the value of the vessel, expenses and third party liabilities incurred as well as loss of profits for the full period of the charterparty. (The "Rainbow Star" [2011] SGHC 35)

The other case concerned a claim by a shipowner against our clients, a major international oilfield service provider, for damage caused to its vessel during the loading of clients' cargo. The central issue was which party bore the risk of and responsibility for loading of the cargo. The shipowner's claim was dismissed. (Subiaco (S) Pte Ltd v Baker Hughes Singapore Pte (trading as Baker Hughes Integ) [2011] 1 SLR 129)

The successful clients were represented by our Litigation Partner Murali Pany. If you would like more information about these cases or the points that arose, please contact Murali Pany at [murali@jtjb.com](mailto:murali@jtjb.com)

## NEWS

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### Lagoon View Privatisation Exercise

JTJB represented Lagoon View Owners' Association (LVOA) in the privatization exercise. The Sale and Purchase Agreement between the Ministry of Finance and LVOA for the purchase of the common area in Lagoon View was signed on the 30 June 2010. The matter was promptly completed in December 2010.

Upon receipt of the Subsidiary Strata Certificate of Title issued by the Singapore Land Authority for the

481 units, including a Light House belonging to the Maritime & Port Authority of Singapore, our lawyers and staff distributed the SSCT to the delighted residents of Lagoon View at the office of LVOA.

If you would like more information about the Firm's property services, please contact our Conveyancing and Real Estate Partner Mabel Tan at [mabeltan@jtjb.com](mailto:mabeltan@jtjb.com)

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### Jude Benny assumes Chair at SMAA

JTJB's Managing Partner Dato Jude P Benny assumed the position of Chairman of the Singapore Maritime Arbitrator's Association, from outgoing Chairman, Mr. Arul Chandran, at the last AGM of the Association. Speaking after the meeting, Dato Benny said "The Association hopes to play its part in improving the maritime arbitration landscape in

Singapore. It will work closely with the Singapore Chamber of Maritime Arbitration (SCMA) to advance the objective of increasing the number of maritime arbitrations in Singapore. It will also be a platform for dialogue between members, and a collective voice for external communications".

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### JTJB supports the Olam Cup

JTJB was proud to be the Official Legal Services Provider to the Olam Cup organized by the Singapore Indian Association.

The Olam Cup, named after title sponsors Olam International, is a high profile annual cricket tournament played in the fast paced and exciting 20/20 format. The 2011 tournament was held between 29 to 31 July 2011.

Boasting total prize money of S\$56,000.00, the tournament had four participating teams fielding

the top local cricketing talent in Singapore, foreign first class players and international stars Sanath Jayasuriya, Shoaib Aqter, Shane Bond, Dirk Nannes and Imran Farhat.

Mr S Iswaran, Minister, Prime Minister's Office & Second Minister for Home Affairs & Trade and Industry, gave away the prizes after the exciting finals where ICS Lions beat Sentosa Challengers in the last over.

JTJB looks forward to being involved in the 2012 edition of the Olam Cup.



## NEWS

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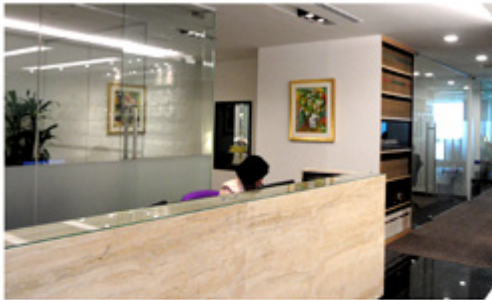
### Muhammad Raffli

JTJB welcomes its newest addition to the JTJB Team with Mohd Raffli joining our Firm as a Legal Associate on 29 August 2011. Raffli first joined the Firm as a Practice Trainee in January 2011, and has now joined our litigation team. The recruitment of Raffli continues our Firm's belief in

selecting quality trainees, giving them a well rounded and structured training programme, and the opportunity to grow and learn as lawyers in our practice. We wish Raffli all the best in his career, as he continues his 'education' in the practice of law at JTJB.



### JTJB moves to DBS Building



After spending almost 15 years at our wonderful offices at UIC Building, on Shenton Way, we have moved to our new premises on the 23rd floor of DBS Building Tower 2.

Located at 6 Shenton Way, the new offices are located just opposite UIC Building, which is slated for demolition soon. Like the former premises, the new one boasts an outstanding sea view, to go with the impressive finishes of the 5 star building.

The well appointed new offices feature all the same maritime artifacts that were displayed at UIC Building, but encased within a modern and polished look.

Dato Jude Benny described the new offices as "refreshing and pleasing to the senses".

We invite all our clients and friends to drop by and pay us a visit, at any time.

## EVENTS

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### Shipyard Seminar

JTJB participated in a seminar organized by Global Conferences Limited on 16 June 2011 at the Raffles Country Club in Tuas. The seminar was specially designed for shipyards and focused on key and commercially relevant topics affecting shipyard operations.

The seminar was chaired by our Managing Partner Dato' Jude Benny and the speakers were the Firm's litigation Partners Danny Chua, Murali Pany and John Sze who spoke respectively on the following topics:

1. Effectiveness and enforceability of standard terms and conditions

2. Ship arrests and how it can help shipyards in debt recovery
3. Proper emergency procedures for shipyard accidents

The seminar was well attended by representatives from various shipyards who participated in lively discussions and Q&A sessions.

Our Firm carries out a regular schedule of topic or industry focused seminars and also conducts customized in-house seminars for our clients. For more information, please contact John Sze at [johnsze@jtjb.com](mailto:johnsze@jtjb.com)

## EVENTS

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### Olam Cup Cocktails

Following the successful Olam Cup, JTJB organised cocktails at the iconic China Club for the tournament sponsors and participants, including Global Indian International School, Agrocorp, MSC SEAsia (Singapore), and the State Bank of India, to meet in a

more relaxed setting. Also present at the cocktails were the President of the Singapore Indian Association, Ambassador K. Kesavapany and other clients and friends of the Firm.

### Force JTJB!

A FORCE JTJB Team comprising of JTJB drivers John Sze and Ravi Muthusamy, guest drivers Alex Yeo and Ong Kian Leong, and Team Manager Grace Lin participated in the OCBC Corporate Karting Challenge Qualifying round on 6 August 2011. This was a four hour endurance race that saw the drivers race around the Kartright Speedway circuit.

It was an exciting, adrenaline-pumping race, with spectacular crashes (not involving us) and some fearless driving. We finished a respectable 7th position, missing out on qualification by 1 lap. The race was well supported by members of the firm, who turned up to cheer on our drivers.



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