IN THE GENERAL DIVISION OF
THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

[2026] SGHCR 13

Originating Application (Bankruptcy) No 125 of 2025 and Summons No 3405 of 2025

Between

Goh Chin Cheng

… *Claimant*

And

Choco Up SG Pte Ltd

… *Defendant*

GROUNDS OF DECISION

[Civil Procedure — Affidavits — Further affidavits]
[Civil Procedure — Costs — Personal costs order — Miscitation of authorities by counsel]
[Insolvency Law — Bankruptcy — Statutory demand — Setting aside of statutory demand]
[Insolvency Law — Bankruptcy — Statutory demand — Time for filing bankruptcy application]

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Goh Chin Cheng
v
Choco Up SG Pte Ltd

[2026] SGHCR 13

General Division of the High Court — Originating Application (Bankruptcy) No 125 of 2025 and Summons No 3405 of 2025
AR Wee Yen Jean
9 December 2025, 21 January 2026, 27 January 2026

4 May 2026

AR Wee Yen Jean:

Introduction

1 This application to set aside a statutory demand raised several issues of significance to bankruptcy proceedings and to the conduct of litigation more generally. The claimant, Mr Goh Chin Cheng ("Mr Goh"), sought to argue that the court ought to look behind the parties' settlement agreement and find that the underlying agreements governing the parties' dealings were tainted by illegality, because the defendant – Choco Up SG Pte Ltd ("Choco Up") – had engaged in unlawful moneylending and had imposed interest and fees that were unenforceable penalties. In the written submissions that were filed on Mr Goh's behalf, counsel for Mr Goh had miscited two authorities, claiming that they stood for propositions that were the opposite of what had been decided in those cases, and that the courts in those cases had said things that they had not in fact

said. In addition, as the relevant statutory demand in this case had been served just over four months before the setting-aside application was determined, Choco Up sought an extension of time to file its bankruptcy application based on Mr Goh's non-compliance with that statutory demand (assuming that it was not set aside).

2 I dismissed Mr Goh's application to set aside the statutory demand, with costs; granted Choco Up an extension of time to file any bankruptcy application against Mr Goh based on that statutory demand; and made a personal costs order against counsel for Mr Goh in respect of his miscitation of the authorities. I gave the parties my brief reasons at the final hearing of this matter on 27 January 2026. I now set out the full grounds of my decision.

The relevant facts

The parties and their agreements

3 Mr Goh was, at all material times, the sole shareholder and director of Advance Survey Consultant Pte Ltd ("Advance Survey").[1] The primary business activity of Advance Survey was the provision of land surveying services.[2] Choco Up was a technology and financial services platform that carried on business as a private lender and funder.[3]

4 On 19 April 2024, Advance Survey, Choco Up and Bueno Technologies Pte Ltd ("Bueno Technologies") entered into a "Commercial Agreement",

[1] 1st Affidavit of Phoe Hui Qing dated 10 November 2025 ("Choco Up's Reply Affidavit") at para 11 and pp 31–35.

[2] Choco Up's Reply Affidavit at p 31.

[3] 1st Affidavit of Goh Chin Cheng dated 30 October 2025 ("Mr Goh's Supporting Affidavit") at p 34; Choco Up's Reply Affidavit at para 12.

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which was to govern Choco Up's provision of financing to Advance Survey.[4] On the same day, a deed of guarantee ("the Guarantee") was executed by Mr Goh in favour of Choco Up, under which Mr Goh agreed to "unconditionally and irrevocably guarantee to [Choco Up] as primary obligor [Advance Survey]'s performance of all of the covenants and agreements made by [Advance Survey] to [Choco Up] in the [Commercial] Agreement".[5] According to Choco Up, the Commercial Agreement contained or evidenced a master agreement between Advance Survey, Choco Up and Bueno Technologies for the provision of factoring services to Advance Survey ("the Factoring Agreement"), and this was not a loan.[6]

5 A few months into this arrangement, Choco Up claimed that Advance Survey had breached the Factoring Agreement by failing to make payment of certain sums when they fell due.[7] Under the Commercial Agreement, this constituted an event of default that entitled Choco Up to accelerate and declare all or any part of Advance Survey's obligations to be immediately due and payable upon demand. Consequently, by a letter dated 1 August 2024, Choco Up's solicitors demanded payment from Advance Survey of a sum of $191,237.88.[8] As payment was not forthcoming from Advance Survey, Choco Up called on the Guarantee and issued a statutory demand to Mr Goh on 28 August 2024.[9]

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4 Choco Up's Reply Affidavit at pp 36–47.

5 Choco Up's Reply Affidavit at pp 48–51.

6 Choco Up's Reply Affidavit at paras 13 and 49.

7 Choco Up's Reply Affidavit at para 19.

8 Choco Up's Reply Affidavit at pp 113–115.

9 Choco Up's Reply Affidavit at para 21 and pp 117–121.

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6 Discussions followed in September 2024 between Advance Survey's and Mr Goh's then-solicitors from Contigo Law LLC ("Contigo") on the one hand, and Choco Up's solicitors on the other hand. These discussions culminated in Choco Up's solicitors proposing a repayment schedule and repayment terms on 23 September 2024, which were accepted by Contigo – on behalf of both Advance Survey and Mr Goh – on 24 September 2024 ("the Settlement Agreement").[10] Under the Settlement Agreement, Advance Survey and Mr Goh were jointly and severally liable to pay Choco Up instalments in accordance with a specified schedule, and time was stated to be of the essence. In addition, the Settlement Agreement stipulated that if Advance Survey or Mr Goh failed to pay any of the instalments in accordance with the repayment schedule, the remaining unpaid instalments would become immediately due and payable to Choco Up, with interest at the rate of 3% per month until full payment of all amounts due to Choco Up.[11] However, upon full payment of all instalments in accordance with the repayment schedule, Advance Survey and Mr Goh would be fully released and discharged from Choco Up's earlier demands.[12]

7 As Mr Goh failed to pay the first of the instalments due under the Settlement Agreement by the stipulated date, Choco Up issued a second statutory demand to Mr Goh on 14 October 2024, demanding payment of the total of all the unpaid instalments plus the interest, legal fees and disbursements claimed by Choco Up as at that date.[13]

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10 Choco Up's Reply Affidavit at pp 131–139.

11 Choco Up's Reply Affidavit at p 133.

12 Choco Up's Reply Affidavit at p 129.

13 Choco Up's Reply Affidavit at paras 27–28 and pp 141–145.

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The third statutory demand

8 Advance Survey and/or Mr Goh then made several part-payments from November 2024 to March 2025, amounting to $106,000.[14] However, as no further payments were made after March 2025, Choco Up issued a third statutory demand to Mr Goh on 19 September 2025 ("the Third SD"). The Third SD demanded payment of the sum of $174,834.53 ("the Alleged Debt"), this being the amount Choco Up claimed was due and owing to it under the Settlement Agreement as at the date of the Third SD.[15]

9 By way of a letter dated 8 October 2025 from his then-solicitors (at this point, Maximus Law LLC), Mr Goh requested more time to make payment.[16] Further negotiations ensued. On 23 October 2025, Choco Up made a final proposal, and informed Mr Goh that it would commence bankruptcy proceedings against him if he did not accept and comply with its proposed repayment terms by 30 October 2025.[17] On 28 October 2025, Maximus Law LLC informed Choco Up's solicitors that they had been discharged by Mr Goh.[18]

10 On 30 October 2025, Mr Goh filed HC/OSB 125/2025 ("the Setting Aside Application"), seeking to set aside the Third SD. In the Setting Aside Application, Mr Goh also sought an extension of time to set aside the Third SD, because the time for him to do so had elapsed. At this point, Mr Goh was represented by Crown Juris Law LLC, who acted for him throughout the

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14 Choco Up's Reply Affidavit at para 29.

15 Choco Up's Reply Affidavit at para 31 and pp 148–153.

16 Choco Up's Reply Affidavit at para 33 and pp 154–155.

17 Choco Up's Reply Affidavit at para 33 and pp 157–158.

18 Choco Up's Reply Affidavit at p 156.

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proceedings before me, and whom I refer to in the rest of these grounds as Mr Goh's counsel.

Mr Goh's application for permission to file a further affidavit

11 Before I turn to the Setting Aside Application proper, I deal briefly with a preliminary procedural issue that arose because Mr Goh had, after filing his supporting affidavit, filed a further affidavit on 17 November 2025 (Mr Goh's "Further Affidavit"), responding to the reply affidavit that Choco Up had filed to oppose the Setting Aside Application.

12 At the initial hearing of the Setting Aside Application on 18 November 2025, which was before another assistant registrar, an issue was raised as to whether Mr Goh's Further Affidavit ought to be allowed. On 20 November 2025, in response to a letter from Mr Goh's counsel, the assistant registrar granted Mr Goh permission to file an application for retrospective permission to file his Further Affidavit.[19] Mr Goh filed that application in HC/SUM 3405/2025 ("the Affidavit Application") on 21 November 2025. Mr Goh explained that he had filed his Further Affidavit "under the mistaken belief that [he] had an automatic right of reply" to Choco Up's reply affidavit and that he had not required the court's permission to do so.[20]

13 Having heard the parties' arguments, I allowed the Affidavit Application and also granted Choco Up permission to file a final affidavit in response to Mr Goh's Further Affidavit. I directed that Choco Up's final affidavit be strictly limited to putting before the court the facts and evidence that it wished to rely

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19 Other Hearing Related Request dated 20 November 2025.

20 3rd Affidavit of Goh Chin Cheng dated 21 November 2025 at para 6; Claimant's Written Submissions for HC/OSB 125/2025 and HC/SUM 3405/2025 dated 5 December 2025 ("CWS") at para 17.

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on in its response to Mr Goh's Further Affidavit, and only in so far as this was not already set out in its reply affidavit.

14 As the applicable procedural rules in this regard did not seem to me to be entirely clear, I now explain my reasons for so deciding.

15 It is clear from O 3 r 5 of the Rules of Court 2021 ("ROC 2021") that, in proceedings governed by the ROC 2021, the general rule is that only one round of affidavits may be filed in applications in an action – one from the applicant, and one from any party who wishes to contest the application. Order 3 r 5(6) expressly states that, "[e]xcept in a special case", the court will not allow further affidavits to be filed after the respondent has filed its reply affidavit. The principles that apply in determining whether a case is indeed a special case are also clear: the interpretation of the term "special case" should bear in mind the Ideals in O 3 r 1 and the requirement in O 3 r 5(7) that an affidavit "must contain all necessary evidence in support of or in opposition (as the case may be) to the application". The fact that new issues are raised in a reply affidavit might constitute a special case, justifying the grant of permission to the applicant to file a further affidavit, if these issues "could not reasonably have been within the applicant's contemplation when he filed his affidavit in support of his application": see *CZD v CZE* [2023] 5 SLR 806 ("*CZD*") at [19]–[21].

16 That much is clear for *proceedings governed by the ROC 2021*. However, although the provisions of the ROC 2021 "apply to and in relation to all civil proceedings in the Supreme Court … which are commenced on or after 1 April 2022" (pursuant to O 1 r 2(3)(*a*) of the ROC 2021), O 1 r 2(11) also states that the ROC 2021 – save for a handful of specific provisions relating mainly to court fees and the electronic filing service – do *not* apply to certain kinds of proceedings, including proceedings under the Insolvency,

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Restructuring and Dissolution Act 2018 ("the IRDA"). Proceedings under the IRDA are instead governed by the rules made under s 448 of the IRDA, which would include the Insolvency, Restructuring and Dissolution (Personal Insolvency) Rules 2020 ("the PIR"). The PIR, in turn, only expressly provide that the ROC 2021 apply in respect of an appeal to the court against the Official Assignee's decision to admit or reject a proof of debt (r 63(3) of the PIR), in relation to costs (r 147 of the PIR), and in relation to the fees payable for a search of records maintained by the Registrar (r 184(1) of the PIR). The PIR do not specify whether the provisions in the ROC 2021 governing further affidavits would apply in an application to set aside a statutory demand under r 67 of the PIR – and, indeed, do not mention any restrictions on the filing of affidavits other than the requirement that any affidavit that a party seeks to rely on at a hearing must be filed and served at least five days before the hearing, failing which it cannot be used except with the court's permission (rr 21 and 22(1) of the PIR).

17 Before me, both parties' counsel acknowledged that the IRDA and the PIR were silent on the question of whether an applicant in a case like the present would be entitled to file a further affidavit after the parties' initial round of affidavits – and, if not, whether such an applicant would be required to establish a "special case" in order to obtain permission to file such a further affidavit. However, counsel were both content to proceed on the basis that permission *was* required before a further affidavit could be filed, and that the threshold of a "special case" would apply. I therefore approached the Affidavit Application on that basis.

18 I add that, even if it had been necessary for me to *decide* this issue, I would have taken the same view. In the absence of any provision in the IRDA or the PIR specifically entitling such an applicant to a right of reply to the

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respondent's affidavit, the filing of any further affidavits ought to be subject to the permission of the court. This is the general rule in civil proceedings not only under the ROC 2021, but also under the revoked Rules of Court (2014 Rev Ed) ("ROC 2014"): O 28 r 3(4) of the ROC 2014 provided that in proceedings commenced by an originating summons, after the filing of the applicant's supporting affidavit and the defendant's affidavit in reply, "[n]o further affidavit shall be received in evidence without leave of the [c]ourt". There does not appear to be any reason why proceedings under the IRDA and the PIR ought to be subject to a different general rule; and s 10(1) of the IRDA requires that, "[i]n any matter of practice or procedure for which no specific provision has been made by [the IRDA], the procedure and practice for the time being in use or in force in the Supreme Court must, as nearly as possible, be followed and adopted". This would include O 3 r 5 of the ROC 2021.

19 As for the applicable threshold for obtaining such permission, although the requirement of a "special case" is only found in the ROC 2021, it should in my view also apply in determining whether a party should be granted permission to file a further affidavit in proceedings under the IRDA and the PIR. This follows not only from s 10(1) of the IRDA, but also from the fact that a party should logically be required to show that there is something *atypical* about his case in order to persuade the court to depart from the general position that only one round of affidavits may be filed.

20 In the particular circumstances of the present case, I was satisfied that the threshold of a special case was met. I bore in mind the following considerations:

(a) First, for the reasons explained above, there was in my view some uncertainty as to whether an applicant seeking to set aside a

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statutory demand could file a further affidavit without having obtained the court's permission to do so, and as to what he would have had to do to persuade the court to grant such permission.

(b) Second, Mr Goh's Further Affidavit had already been filed and read by both the court and Choco Up's counsel, and it raised factual assertions in response to Choco Up's reply affidavit that clarified and expanded on Mr Goh's case in support of setting aside the Third SD, which could not sensibly be ignored.

(c) Third, any prejudice that might be occasioned to Choco Up by giving Mr Goh two opportunities to adduce evidence in support of his application could be remedied by allowing Choco Up to file a final affidavit in response to Mr Goh's Further Affidavit.

21 While each of these considerations on its own would have been unlikely to suffice to establish a special case, taken together, I was of the view that allowing and considering Mr Goh's Further Affidavit – together with Choco Up's final affidavit in response – would conduce to the fair determination of the Setting Aside Application.

The Setting Aside Application

22 Even after taking into consideration the matters raised in Mr Goh's Further Affidavit, however, I found that Mr Goh had not succeeded in establishing any basis for setting aside the Third SD under r 68(2) of the PIR. Counsel for Mr Goh sought to rely on two limbs of r 68(2) in particular: first, r 68(2)(*b*), under which the court must set aside a statutory demand if the debt is disputed on grounds which appear to the court to be substantial; and second, r 68(2)(*e*), under which the court must set aside a statutory demand if the court

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is satisfied, on "any other ground" (other than those set out in rr 68(2)(*a*)–68(2)(*d*)), that the statutory demand ought to be set aside. Paragraph 160(3)(b) of the Supreme Court Practice Directions 2021 further provides that, where the debtor disputes a debt that is not a debt subject to a judgment or order, the court will "normally" set aside the statutory demand "if, in its opinion, on the evidence there is a *genuine triable issue*" [emphasis added]. To cross this threshold, the debtor must go beyond a bare allegation or a mere assertion of a particular factual position, and provide sufficient material to the court to justify the existence of a triable issue, or – in other words – to justify a conclusion that the matter should be left to trial rather than being dealt with summarily under the bankruptcy procedure: see *Lakshmanan Shanmuganathan (also known as L Shanmuganathan) v L Manimuthu and others* [2021] 2 SLR 1340 at [47] and *Oversea-Chinese Banking Corp Ltd v Ravichandran s/o Suppiah* [2015] SGHC 1 ("*Ravichandran*") at [16], [21] and [37]. The court must assess "whether there is a fair or reasonable probability of a real or *bona fide* defence" (*Ravichandran* at [21]).

23 In my view, Mr Goh had not established any substantial grounds on which to dispute the Alleged Debt, or any other ground on which the Third SD ought to be set aside. Nor had he established any genuine triable issues in respect of the Alleged Debt.

24 I deal first with Mr Goh's narrower argument regarding the validity of the service of the Third SD on him, and then with his prayer for an extension of time to file the Setting Aside Application, before addressing his main arguments on the unenforceability of the Settlement Agreement.

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Service of the Third SD on Mr Goh

25 I begin by dealing briefly with Mr Goh's suggestion, in his Further Affidavit, that the Third SD had not been properly served on him because it had not been *personally* served on him, and Choco Up had not applied for or obtained a court order for substituted service "as is required by the Bankruptcy rules".[21] While counsel for Mr Goh – quite rightly – did not press this point at the hearing of the Setting Aside Application, this provided an opportunity to restate what the provisions of the PIR do and do not require in relation to service.

26 Rule 66 of the PIR sets out the requirements relating to the service of a statutory demand. While a creditor must take "all reasonable steps" to bring the statutory demand to the debtor's attention and must make "reasonable attempts" to effect personal service of the statutory demand (r 66(1) of the PIR), r 66(2) permits a creditor to serve the statutory demand "by such other means as would be most effective in bringing the statutory demand to the notice of the debtor" in situations where the creditor is "not able to effect personal service" of the statutory demand". Those modes of substituted service are set out in r 66(3), and they include "forwarding the statutory demand to the debtor by prepaid registered post to the last known place of residence, business or employment of the debtor" (r 66(3)(*b*))), as well as "such other mode which the [c]ourt would have ordered in an application for substituted service of an originating application in the circumstances" (r 66(3)(*d*)). Rule 66(5) of the PIR goes on to provide that a creditor "must not resort to substituted service of a statutory demand on a debtor" unless the creditor has taken "all such steps which would suffice to justify the [c]ourt making an order for substituted service of a

21 2nd Affidavit of Goh Chin Cheng dated 17 November 2025 ("Mr Goh's Further Affidavit") at para 46; CWS at para 152.

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bankruptcy application", and the mode of substituted service "would have been such that the [c]ourt would have ordered in the circumstances".

27 Where the creditor files a bankruptcy application based on non-compliance with a statutory demand, the creditor must file an affidavit of service, which must – if the statutory demand is served on the debtor by one or more modes of substituted service – state the information required by r 78(3) of the PIR. That includes particulars of the steps taken to effect personal service and the reasons for which the steps have been ineffective (r 78(3)(*a*)), and the alternative means by which the creditor sought to bring the statutory demand to the debtor's attention (r 78(3)(*b*)), as well as why that means would have best ensured that the demand would be brought to the debtor's attention (r 78(3)(*c*)). The steps taken to effect personal service "must be *such as would have sufficed* to justify an order for substituted service of a bankruptcy application being made by the [c]ourt" [emphasis added] (r 78(4) of the PIR).

28 It is clear from the statutory scheme, as outlined above, that a court order permitting substituted service is *not* required in order for a *statutory demand* to be validly served on a debtor by one or more modes of substituted service. While the mode(s) of substituted service must be mode(s) that the court *would have ordered* in an application for substituted service of an bankruptcy application in the circumstances, and the creditor must have taken such steps to try to effect personal service on the debtor that *would have sufficed* for the court to make an order for substituted service, the creditor is not required to actually apply for or obtain a court order for substituted service of the statutory demand on the debtor.

29 This can be contrasted with the provisions of the PIR that govern the service of a *bankruptcy application* by a creditor. Here, a court order for

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substituted service must be obtained and complied with before the bankruptcy application will be "deemed to have been duly served on the debtor", pursuant to r 81 of the PIR. The difference in the requirements that apply to the service of statutory demands and creditor's bankruptcy applications makes sense because, at the point when a statutory demand is served, no court proceedings in respect of that statutory demand have yet been commenced. It is only after a creditor's bankruptcy application is filed in court based on that statutory demand that the substantive and procedural requirements relating to the service of court papers – including the need to obtain a court order for substituted service where personal service cannot be effected – are engaged.

30 This put paid to any argument that the Third SD had not been properly served on Mr Goh simply because Choco Up had not sought or obtained an order of the court for substituted service. On the facts, I was satisfied that the requirements of rr 66 and 78 of the PIR had been duly complied with in this case. As explained in the affidavit of service of the statutory demand that was filed on Choco Up's behalf, two reasonable attempts at personal service had been made at Mr Goh's registered residential address on 19 and 21 September 2025. The Third SD was ultimately served on Mr Goh by e-mail on 22 September 2025 and by registered post to Mr Goh's registered residential address, delivered on 24 September 2025.[22] The steps taken by Choco Up to effect personal service of the Third SD on Mr Goh would have justified the making of an order of substituted service of a bankruptcy application, and the modes of substituted service ultimately employed by Choco Up were modes of substituted service that the court would have ordered in the circumstances.

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[22] 1st Affidavit of Syed Alwee bin Syed Hassan dated 10 November 2025 at paras 5–9.

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31 Mr Goh therefore could not impugn the Third SD on the ground that it had not been properly served on him.

Extension of time to file the Setting Aside Application

32 Given that the Third SD was validly served on Mr Goh by 24 September 2025 at the latest, the applicable 14-day period for Mr Goh to file any application to set aside the Third SD would have expired on 8 October 2025 (see r 67(2)(*b*)(i) of the PIR). Mr Goh filed the Setting Aside Application on 30 October 2025, just over three weeks out of time.

33 It is trite that the court, in exercising its discretion to allow a debtor an extension of time under r 67(3) of the PIR, takes into account the following factors: the period of the delay; the reasons for the delay; the grounds for setting aside the statutory demand; and the prejudice that might result from an extension of time. The weight to be given to each factor is to be determined on the facts of each case: see *Koh Kim Teck v Shook Lin & Bok LLP* [2021] 1 SLR 596 at [51].

34 While the period of delay in this case was not short, I accepted Mr Goh's explanation of the reasons for the delay, which were that there had been negotiations between the parties' lawyers which ultimately fell through.[23] Choco Up had also not suggested that it would or might suffer any prejudice from the extension of time. I deal with the final factor – Mr Goh's grounds for seeking to set aside the Third SD – in the analysis that follows. For the reasons set out below, I found that the Setting Aside Application was ultimately without merit and I dismissed it on that basis.

[23] Mr Goh's Supporting Affidavit at para 5.

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Enforceability and effect of the Settlement Agreement

35 I turn now to the Settlement Agreement, which formed the basis for the Third SD. Mr Goh sought to argue that the underlying Commercial Agreement and alleged Factoring Agreement were tainted with illegality, and therefore the Settlement Agreement was likewise tainted with illegality and thus unenforceable.[24] Choco Up, on the other hand, contended that the Settlement Agreement left limited scope to reopen the disputes settled thereunder, and that the underlying agreements were all lawful and valid in any event.[25]

36 As explained in *Ling Yew Kong v Teo Vin Li Richard* [2014] 2 SLR 123 ("*Ling Yew Kong*"), where the parties have entered into a validly formed settlement agreement, the settlement agreement governs the parties' legal relationship, and the parties generally would not be allowed to rely on anything outside of that legal relationship to impugn the settlement agreement. Consequently, any disputed legal issues that fall within the scope of the settlement agreement would ordinarily have little bearing on the legality or formation of the settlement agreement. Given that a settlement agreement is ultimately premised on the law of contract, there is only a limited scope for the court to determine whether the terms of the compromise are fair and reasonable in deciding whether the settlement agreement should not be enforced. The burden lies on the party resisting the enforcement of the settlement agreement to satisfy the court that grounds for doing so exist (see *Ling Yew Kong* at [89] and [90]). If that party fails to do so, the settlement agreement stands, and the parties are entitled to enforce their rights and are bound by their obligations thereunder.

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[24] Mr Goh's Supporting Affidavit at paras 6(i), 6(k), 6(n), 10 and 14.

[25] Choco Up's Reply Affidavit at paras 5 and 36.

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37 In my judgment, Mr Goh had not shown either that the Settlement Agreement itself was not validly formed, or that it was premised on any circumstances that would render it unenforceable.

The Settlement Agreement was validly formed

38 First, Mr Goh offered no basis for finding that the Settlement Agreement was not validly formed. Its terms had been expressly accepted by Contigo on behalf of both Advance Survey and Mr Goh (see [6] above), and there was no suggestion from Mr Goh that Contigo had not had the authority to enter into the Settlement Agreement on his behalf, or had advised him in any way improperly in this regard. There was also no basis to find that any party had taken any sort of unfair advantage of Mr Goh, in the sense contemplated in *Ling Yew Kong* at [91]–[92], when he entered into the Settlement Agreement. As in *Ling Yew Kong* itself, Mr Goh had voluntarily entered into the Settlement Agreement; the language and meaning of the wording of the Settlement Agreement were clear; Mr Goh had had the benefit of legal advice when entering into the Settlement Agreement; and the parties had partly performed the Settlement Agreement, through the part-payments made by Advance Survey and/or Mr Goh after the issuance of the second statutory demand on 14 October 2024 (see [8] above).

39 In his oral arguments, counsel for Mr Goh suggested only that Mr Goh had not had the benefit of the legal advice that *he* was presently giving him at the time the Settlement Agreement was concluded, and intimated that *he* would not have advised Mr Goh to enter into the Settlement Agreement because there was “something amiss” in the underlying agreements that the Settlement Agreement sought to compromise. But this could not assist Mr Goh. The fact remained that he had entered into the Settlement Agreement while legally advised and represented, even if not by his *current* counsel; and even if his

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current counsel might have advised him differently, that did not change or diminish the legal effect of the Settlement Agreement already entered into.

The Settlement Agreement was not premised on any circumstances that would render it unenforceable

40 Mr Goh was also unable to show that the Settlement Agreement was premised on any circumstances that would render it unenforceable – specifically, the alleged illegality of the underlying Commercial Agreement, Factoring Agreement or Guarantee (which I will refer to collectively as "the Underlying Agreements"). As explained in *Ling Yew Kong*, it is only where the dispute that was settled or compromised was *clearly* tainted by illegality that the settlement agreement might itself be affected by the illegality. Where there is a *genuine dispute* as to whether there is some illegality that affects the original claim, then "there may be a greater argument that any settlement between the parties would be a truly *bona fide* one because of parties' differing legal positions" (see *Ling Yew Kong* at [88]). In my view, the material relied on in support of Mr Goh's allegations fell far short of discharging his burden of showing that the Underlying Agreements were tainted by any illegality, much less *clearly* tainted by illegality. I deal with each of Mr Goh's arguments in turn.

(1) The Underlying Agreements did not involve unlawful moneylending to an individual

41 First, Mr Goh argued that the "true nature and substance" of the Underlying Agreements was a moneylending exercise to an individual – Mr Goh himself – rather than to Advance Survey; and that, as Choco Up lacked the requisite licence to conduct the business of moneylending and enter into such a loan arrangement, it had contravened the provisions of the Moneylenders Act 2008 (2020 Rev Ed) ("the MLA"). Mr Goh described the structure of the Underlying Agreements as a "clever guise" by Choco Up to "avoid coming

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under the purview of the [MLA]".[26] Choco Up, naturally, denied this. It also took the position that it was an "excluded moneylender" under the MLA because it provided funding solely to companies and not individuals.[27]

42 The key provisions of the MLA, for present purposes, are the following:

(a) A person must not carry on or hold out in any way that he is carrying on the business of moneylending in Singapore unless he is either authorised to do so by a moneylender's licence issued under the MLA, or is an excluded moneylender, or is an exempt moneylender (s 5(1) of the MLA). Contravening s 5(1) is an offence under s 19(1) of the MLA.

(b) Where any contract for a loan has been granted by an unlicensed moneylender, or any guarantee or security has been given for such a loan, the contract for the loan and the guarantee or security (as the case may be) is unenforceable, and any money paid by or on behalf of the unlicensed moneylender under the contract for the loan is not recoverable in any court of law (s 19(3) of the MLA).

(c) Any person, other than an excluded moneylender, who lends a sum of money in consideration of a larger sum being repaid is presumed, until the contrary is proved, to be a moneylender (s 3 of the MLA).

(d) An "excluded moneylender" includes any person who lends money solely to corporations (see the definition of "excluded moneylender" in s 2 of the MLA, limb (*e*)(iii)(A)).

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[26] Mr Goh's Supporting Affidavit at para 10; Mr Goh's Further Affidavit at paras 11 and 14.

[27] Choco Up's Reply Affidavit at para 49(b).

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43 Thus, in order for Mr Goh to establish that Choco Up had contravened these provisions of the MLA such that the Underlying Agreements were tainted by illegality, he had to show – apart from establishing that the Commercial Agreement and the Factoring Agreement were properly characterised as *loans* – that Choco Up had lent *him* a sum of money in consideration of a larger sum being repaid. But, given that the Commercial Agreement had been entered into by *Advance Survey* and not by Mr Goh, accepting this argument would have required the court to either disregard the separate legal personality of Advance Survey, or to find that the structuring of the Commercial Agreement as an agreement with Advance Survey instead of Mr Goh was in fact a sham. Without this, the fact that Mr Goh had given the Guarantee for Advance Survey's performance of its obligations under the Commercial Agreement could not itself transform the Commercial Agreement into one between Choco Up and Mr Goh.

44 Counsel for Mr Goh sought to rely on two cases in support of his position that the court ought to look behind the structure of the Underlying Agreements and find that they involved, in truth, the unlawful lending of money to Mr Goh as an individual.

45 The first was *Sheagar s/o T M Veloo v Belfield International (Hong Kong) Ltd* [2014] 3 SLR 524 ("*Sheagar*"). There, the managing director of a company – one Mr Sheagar – had given guarantees for loans extended to the company, and after the company defaulted on one of the loans, the creditor commenced suit to claim repayment of the loan from Mr Sheagar under his guarantee. Mr Sheagar sought to raise a defence of illegality under the MLA, arguing that the loans to his company were sham corporate loans and consequently the creditor was not an "excluded moneylender" under s 2 of the MLA. The Court of Appeal held that Mr Sheagar could not rely on this defence as he had not discharged his burden of placing cogent evidence before the court

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to make good his assertion that the loans were sham corporate loans. Those loans had been intended to fund the business operations of the relevant group of companies, and had been entered into between commercial entities for commercial purposes. They were not personal loans granted to Mr Sheagar for his own domestic or social expenses yet routed through a nominee company to give the appearance of being a commercial loan to a corporation (see *Sheagar* at [84]–[86]). Importantly, while the Court of Appeal emphasised that "both the letter and spirit of the law must be complied with" in order to satisfy the definition of an "excluded moneylender", it emphasised that "in most, if not all cases, the form of the transaction would *prima facie* reflect its substance" (*Sheagar* at [81]).

46 *Sheagar* therefore lent no support to Mr Goh's position; quite the contrary. Like Mr Sheagar*,* Mr Goh had offered no basis for finding that the Commercial Agreement was anything other than a *commercial* arrangement, entered into with Advance Survey – a commercial entity – for commercial purposes.

47 Counsel for Mr Goh also sought to rely on the judgment of Dedar Singh Gill J in *North Star (S) Capital Pte Ltd v Megatrucare Pte Ltd and another* [2021] SGHC 110 ("*North Star (HC)*") and the judgment of the Appellate Division of the High Court in *North Star (S) Capital Pte Ltd v Yip Fook Meng* [2021] SGHC(A) 21 ("*North Star (AD)*"), dismissing the appeal against Gill J's decision. But these also did not assist Mr Goh. In the *North Star* cases, the loan agreement signed by the lender and a company was held to be a sham because the true borrower was a director of the company who had signed a personal guarantee undertaking to pay the lender, on demand, all sums owing and payable by the company under the loan agreement. Consequently, the loan had been granted by an unlicensed moneylender, and director's guarantee given for

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that loan was held to be unenforceable. But, in looking at the substance of the transaction over its form, a key part of the court's reasoning was that the evidence regarding who bore the obligation of repaying the loan showed that both the lender and the company had always intended for the lender to look *solely* towards the individual guarantor for the repayment of the loan – as "the foremost person who would have to pay the [l]oan", and thus the "true borrower" – instead of treating him as a guarantor whose repayment obligations arose only where the borrower defaulted (see *North Star (AD)* at [23]). Such evidence was critical to establishing a sham because the essence of a sham was that the parties' agreement was not intended to create enforceable legal obligations as between themselves, and instead was intended to deceive third parties or the court into thinking that was the true state of affairs when it was not so (see *North Star (AD)* at [22]). It was in this context that Gill J observed that the parties had "deliberately interposed a corporate entity to disguise a personal loan as a corporate one" (*North Star (HC)* at [63]).

48 The *North Star* cases therefore did not stand for the proposition that any loan to a company that was accompanied by a personal guarantee was *ipso facto* a sham corporate loan, or in substance a loan to the individual guarantor.

49 In the present case, Mr Goh had put forward no evidence that the parties to the Commercial Agreement or the Factoring Agreement – namely, Choco Up, Advance Survey and Bueno Technologies – had intended for Mr Goh to be the true borrower to whom Choco Up would look *solely* toward for payment, so as to render the Commercial Agreement or Factoring Agreement a sham. Indeed, the evidence before me showed that Choco Up had first demanded payment from Advance Survey on 1 August 2024, and had only called on the Guarantee to demand payment from Mr Goh, via the first statutory demand

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issued on 28 August 2024, after Advance Survey had failed to respond to that initial demand (see [5] above).

50 I therefore found that Mr Goh had not made good his assertion that the Underlying Agreements involved unlawful moneylending to him by Choco Up. To be clear, this was not a matter of the court looking only at the form of the relevant transactions and not considering their substance. The problem that Mr Goh was unable to overcome was that he had not provided any reasonable basis upon which the court could find that the substance of those transactions was not what their form would suggest.

(2) The interest and fees claimed by Choco Up were neither illegal nor penalties

51 The second ground on which Mr Goh urged the court to look behind the Settlement Agreement was that Choco Up's claim for interest under the Commercial Agreement was unenforceable. However, even supposing this was a conceptually valid ground for impugning the *Settlement Agreement*, this submission would not have taken Mr Goh anywhere on the facts of this case.

52 Initially, in Mr Goh's affidavit in support of the Setting Aside Application, this argument was framed as one based on *illegality* – Mr Goh stated that the interest rates under the Commercial Agreement "far exceed[ed] the interest rate … allowed under the [MLA] which [he] believe[d] [was] only 4%" .[28] Mr Goh did not state any basis for this belief on affidavit, but counsel for Mr Goh – when questioned on this point at the hearing – eventually clarified that he wished to rely on information published on the Ministry of Law's website, on a page titled "FAQs on Borrowing From Licensed Moneylenders",

28 Mr Goh's Supporting Affidavit at paras 6(k) and 10.

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stating that the maximum interest rate that licensed moneylenders could charge was 4% per month. Even if this information had been properly adduced in evidence, however, it was irrelevant because Mr Goh had not shown that Choco Up fell within the category of moneylenders to which this rate applied.

53 In Mr Goh's Further Affidavit, and in the written submissions filed by his counsel, this argument evolved into one based on the *rule against contractual penalties* – that the interest imposed under the Commercial Agreement amounted to an unenforceable penalty that was "both unconscionable and oppressive".[29] There were two specific rates that counsel for Mr Goh contended were penalties: first, the "Platform Fees", which ranged from 3.5% to 6.5% depending on the duration of the relevant account and the type of repayment cycle;[30] and second, the "Late Fees" of 3% per month.

54 Taking these in turn, the submission that the Platform Fees were a penalty was misconceived because – on a plain reading of the Commercial Agreement – the payment of the Platform Fees was not a secondary obligation triggered upon Advance Survey's breach of any of the primary obligations in the Commercial Agreement. It is trite that the penalty doctrine applies only to secondary obligations (and not to primary obligations), and specifically the obligation on the part of a party who has breached the contract to pay money to the innocent party: see *Denka Advantech Pte Ltd and another v Seraya Energy Pte Ltd and another and other appeals* [2021] 1 SLR 631 ("*Denka*") at [185(a)] and [235] and *Ethoz Capital Ltd v Im8ex Pte Ltd and others* [2023] 1 SLR 922 ("*Ethoz Capital*") at [1]–[3], [33] and [50]–[51]. The Commercial Agreement provided that the Platform Fees were payable by Advance Survey to Choco Up

29 Mr Goh's Further Affidavit at para 20; CWS at para 82.

30 Choco Up's Reply Affidavit at p 41.

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or Bueno Technologies for all accounts processed on Bueno Technologies' online credit management platform ("the Platform"), and that the Platform Fees were deductible from the face value of all accounts transacted by Advance Survey with its counterparties on the Platform. Plainly, the obligation to pay the Platform Fees was a *primary* obligation to pay for certain services under the Commercial Agreement, and not a secondary obligation to pay Choco Up upon any breach of the Commercial Agreement by Advance Survey. I add, for completeness, that the Platform Fees also did not appear to be accurately characterised by Mr Goh as "interest".

55 As for the Late Fees, while I accepted that the payment of these fees was a secondary obligation triggered upon Advance Survey's breach of its primary obligation to make timely payment of all amounts owed under the Commercial Agreement, Mr Goh had offered no basis whatsoever for saying that the rate at which the Late Fees were charged was not a genuine pre-estimate of the loss that Choco Up was likely to suffer in the event of Advance Survey's late payment, or – more importantly – that it operated *in terrorem* of Advance Survey so as to force its compliance with its primary obligation to pay (see *Denka* at [185(b)] and *Ethoz Capital* at [79] and [86]). I was therefore unable to accept the submission that the Late Fees were an unenforceable penalty.

Conclusion on the Setting Aside Application

56 For these reasons, I was not persuaded by any of the arguments made in support of Mr Goh's application to set aside the Third SD. Absent any ground on which Mr Goh could impugn the Settlement Agreement as a contract and as a *bona fide* settlement of any extant disputes between the parties at the time it was entered into, there was no reason why the Settlement Agreement should not be enforced, and consequently no basis for Mr Goh to dispute the Alleged Debt

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that arose under the Settlement Agreement. Mr Goh had not raised any genuine triable issue that might have justified leaving the matter for a full trial instead of allowing it to be dealt with summarily under the bankruptcy procedure. I therefore dismissed the Setting Aside Application and declined to set aside the Third SD.

Choco Up's request for an extension of time to file a bankruptcy application against Mr Goh

57 My decision to dismiss the Setting Aside Application raised a further issue in the circumstances of this case. Rule 73(2)(*b*) of the PIR provides that "[n]o creditor's bankruptcy application based on non-compliance with a statutory demand may be made — … if more than 4 months have elapsed since the date on which the statutory demand was served or deemed served in accordance with [the PIR]". As the Third SD was served or deemed served on Mr Goh on 24 September 2025 at the latest (see [30] and [32] above), and I dismissed the Setting Aside Application on 27 January 2026, the four-month period for Choco Up to file a bankruptcy application against Mr Goh based on his non-compliance with the Third SD had just elapsed. Counsel for Choco Up therefore sought an extension of time to file Choco Up's bankruptcy application. He submitted that this was possible based on the relevant statutory provisions and that this would be a practical and cost-effective order that the court ought to make in the circumstances, but acknowledged that he had not been able to find any case dealing with this particular issue.

The court had the power to make an order extending the time for the filing of a bankruptcy application

58 Although the wording of r 73(2) of the PIR appears to preclude any creditor's bankruptcy application from being made after four months from the service of the statutory demand, I took the view that the court had the power to

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make an order extending the time for the creditor to file such a bankruptcy application. I arrived at this view for three reasons.

59 First, such an order would fall within the scope of the *consequential directions* that the court may give upon hearing an application to set aside a statutory demand. Rule 68(1) of the PIR provides that, on the hearing of an application to set aside a statutory demand under r 67 of the PIR, the court "may either summarily determine the application or adjourn it, and *may give such directions as it thinks appropriate*" [emphasis added]. This appeared to me to confer on the court a broad power to give directions upon hearing a setting aside application, including consequential directions to deal with any further matters arising from the court's substantive decision on the application – such as the time for the creditor to file a bankruptcy application based on the statutory demand that the debtor had applied unsuccessfully to set aside.

60 This view was fortified by the fact that the predecessor to r 68 of the PIR in the repealed Bankruptcy Rules (2006 Rev Ed) ("the BR") – *ie*, r 98 of the BR – included a third sub-rule that provided that, if the court dismissed an application to set aside a statutory demand, the court "shall make an order authorising the creditor to file a bankruptcy application either on or after the date specified in the order" (r 98(3) of the BR). While r 98(3) of the BR has no equivalent in the PIR, the absence of an express provision to this effect did not appear to me to have been intended to remove the court's power to make such an order. Instead, it may be explained by the view that an express provision requiring the court to make such an order was *not necessary*. In *Wheeler, Mark v Standard Chartered Bank (Singapore) Limited* [2018] SGHC 205 ("*Wheeler*")), Woo Bih Li J (as he then was) – on an appeal against an assistant registrar's decision on an application to set aside a statutory demand – considered the effect of various provisions of the BR. Although Woo J allowed

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the appeal and set aside the statutory demand, Woo J also made the following concluding observation regarding r 98(3) of the BR (see *Wheeler* at [22]):

> … Rule 98(3) of the Bankruptcy Rules states that if the court dismisses the application (to set aside a statutory demand), it shall make an order authorising the creditor to file a bankruptcy application either on or after the date specified in the order. *It is not clear why such a provision is necessary.* I believe that some lawyers for creditors have overlooked this provision and not sought such an order. They have assumed that once the application to set aside the statutory demand is dismissed, they may proceed to file a bankruptcy application. That assumption is quite understandable and *perhaps the need for r 98(3) should be reviewed.*
>
> [emphasis added]

61 Given that the statutory demand in question in *Wheeler* was set aside, no issue arose in that case as to whether the creditor might be authorised to file a bankruptcy application based on that statutory demand after the time for filing such an application – as prescribed in r 102(2) of the BR (the predecessor to r 73(2) of the PIR) – had *elapsed*. Where the creditor is still within time, an order from the court expressly authorising the creditor to institute bankruptcy proceedings based on the statutory demand would, as Woo J observed, seem entirely unnecessary.

62 But this is not so where the prescribed period for the filing of a bankruptcy application *has* elapsed by the time the application to set aside the statutory demand is dismissed. It was in this context that the interaction between rr 98(3) and 102(2) of the BR was considered by Valerie Thean J (as she then was) in *Lalwani Ashok Bherumal v Lalwani Shalini Gobind and another* [2019] 4 SLR 1304 ("*Lalwani*"). There, Thean J held that the statutory demand in question ought not to have been set aside by the assistant registrar, even though the sum stated in the statutory demand had been erroneously calculated. However, more than four months had elapsed since the service of the statutory

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demand. In these circumstances, after clarifying the correct sum that was payable, Thean J granted leave to the creditors to proceed with a bankruptcy application only if the correct sum remained unpaid after 21 days (this being the specified time period in relation to the presumption of the debtor's inability to pay his debts following an unpaid statutory demand). In doing so, Thean J noted that reading rr 98(3) and 102(2) together with r 278 of the BR (which dealt with the effect of non-compliance with the BR) "must mean that r 102(2) does not operate to bar a bankruptcy application when an order of the court expressly authorising such an application is made under r 98(3)" (see *Lalwani* at [52]).

63 This analysis makes clear that, notwithstanding the wording of r 102(2) of the BR and now r 73(2) of the PIR, these provisions do not operate so as to bar *absolutely* the making of a creditor's bankruptcy application based on a statutory demand after the prescribed four-month period has elapsed. Rather, this is subject to the power of the court to make an order authorising the filing of such a bankruptcy application at a later date. While r 98(3) of the BR would have *required* the court to make such an order, the omission of an equivalent express provision from the PIR did not remove the court's *power* to make such an order after dismissing an application to set aside a statutory demand. In my view, such a power remains implicit in the broad power to give directions under r 68(1) of the PIR.

64 Second, the court has a *broad power to grant extensions of time* under s 13 of the IRDA, either before or after the expiration of the relevant period, upon such terms (if any) as the court thinks fit. I pause here to observe that the wording of s 13 of the IRDA would appear to apply only to time limits *prescribed by the IRDA itself* – it provides that the court's power to extend time applies "[w]here *by this Act* the time for doing any act or thing is limited" [emphasis added]. In contrast, its predecessor – s 14 of the repealed Bankruptcy

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Act (Cap 20, 2009 Rev Ed) ("the BA") – provided that the court's power to extend time applied "[w]here by this Act *or the rules* the time for doing any act or thing is limited" [emphasis added], with the "rules" referring to the rules made under the BA (see s 2(1) of the BA), which would include the BR. As noted at [57] and [61] above, the time limited for making a creditor's bankruptcy application based on non-compliance with a statutory demand was prescribed in r 102(2) of the BR and r 73(2) of the PIR, and not in the BA or the IRDA respectively. However, I did not think the omission of the words "or the rules" from s 13 of the IRDA was intended to remove the court's power to extend time that was limited under *subsidiary legislation* made under the IRDA. Section 2(3) of the IRDA provides that "[u]nless the contrary intention appears, a reference in [the IRDA] to a Part or a Division of a Part is to be construed so as to include a reference to any subsidiary legislation made in relation to that Part or that Division". This ought logically to apply equally to references to the IRDA as a whole, which should also be construed so as to include references to subsidiary legislation made in relation to various Parts of the IRDA – such as the PIR, which applies in respect of Part 3 and Parts 13 to 22 of the IRDA (within which the provisions relating to bankruptcy applications are found) and matters "incidental … or relating" thereto (see r 3 of the PIR). No contrary intention appears in this context to suggest that the court's power to extend time under s 13 of the IRDA should be restricted only to time limits prescribed in the IRDA itself, and should not extend to those prescribed in the PIR.

65 Third, r 186 of the PIR provides that "[n]on-compliance with any of [the rules in the PIR] or with any rule of practice does not render any proceeding void unless the [c]ourt so directs", although "such proceeding may be set aside wholly or in part, amended or otherwise dealt with in such manner and upon such terms as the [c]ourt thinks fit". This makes clear that a creditor's bankruptcy application that is filed outside the applicable period specified in

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r 73(2) of the PIR is not automatically void by virtue of non-compliance with r 73(2). Instead, the court has the *broad power to deal with the proceedings in which such non-compliance occurs "in such manner and upon such terms as [it] thinks fit"*. This wording is sufficiently broad to encompass a power to allow a creditor's bankruptcy application to be filed even after the applicable period specified in r 73(2) of the PIR has elapsed.

66 For these reasons, I was satisfied that the court had the power to make an order extending the time for Choco Up to file a bankruptcy application against Mr Goh based on the Third SD. Such an order could be framed as one authorising the creditor to file its bankruptcy application either *on or after* a specified date (to borrow the wording of r 98(3) of the BR) – such as was granted by Thean J in *Lalwani* – or as one authorising the creditor to do so *by* a specified date. The appropriate framing of the order will depend on the circumstances of each case.

Principles guiding the court's exercise of its power to extend time

67 I now consider the principles that should guide the court's exercise of its power to extend the time for a creditor to file a bankruptcy application based on the debtor's non-compliance with a statutory demand.

68 The starting point in this regard is that there are good reasons for the general rule in r 73(2)(*b*) of the PIR that a creditor's bankruptcy application based on non-compliance with a statutory demand must be filed within four months from the date on which the statutory demand was served or deemed served. The wording of a statutory demand puts the debtor on notice that, if he fails to comply with it or set it aside, the creditor may file a bankruptcy application against him: see Form PIR-2 in the First Schedule to the PIR. If the debtor has neither complied with the statutory demand nor applied to the court

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to set it aside after 21 days have elapsed since the statutory demand was served, the debtor is presumed, under s 312(*a*) of the IRDA, to be unable to pay the debt. The four-month time limit for the creditor to file any such bankruptcy application therefore serves at least three important objectives:

(a) First, it ensures that the threat of bankruptcy proceedings is not left hanging indefinitely over a debtor who is unable to comply with or challenge the statutory demand, thus giving the debtor a measure of certainty as to his legal position.

(b) Second, it compels creditors to act with reasonable promptness and prevents them from simply using statutory demands as a tool for exerting pressure on debtors to repay their debts, without any genuine intention of commencing bankruptcy proceedings against them.

(c) Third, it ensures that the bankruptcy application, when brought, is based on a reasonably current picture of the debtor's financial position and inability to pay the debt.

69 These policy considerations may, however, be outweighed by other considerations in appropriate circumstances. I first consider the principles that ought to apply in cases where the debtor has applied unsuccessfully to set aside the statutory demand (such as the present case), before suggesting those that should apply in other kinds of cases.

Where the debtor has applied unsuccessfully to set aside the statutory demand

70 Where a debtor's application to set aside a statutory demand is filed before the time for filing a bankruptcy application under r 73(2) of the PIR has elapsed, and the court dismisses the setting aside application only after that time

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has elapsed, it will generally be clear that the court *should* make an order extending time, for two main reasons:

(a) First, not doing so would render the court's decision to dismiss the setting aside application entirely nugatory, since the creditor would then be precluded from commencing bankruptcy proceedings against the debtor based on that statutory demand even though the debtor has failed to set it aside.

(b) Second, once an application to set aside a statutory demand is filed by the debtor, a creditor cannot reasonably be expected to file a bankruptcy application based on non-compliance with that statutory demand. When a creditor files a bankruptcy application, it is required by rr 73(1)(*b*) and 73(1)(*c*) of the PIR to state in its supporting affidavit that, to the best of its knowledge and belief, the statutory demand has neither been complied with nor set aside, and no application to set the statutory demand aside is pending. Indeed, if the creditor files a bankruptcy application against the debtor while the debtor's setting aside application is pending, the court is empowered to dismiss the bankruptcy application under s 316(5) of the IRDA. At the same time, the creditor may have no knowledge of or control over whether, and if so when, the debtor will apply to set aside the statutory demand. In this connection, while any such application by the debtor to set aside the statutory demand ought to be filed within 14 days from the date on which the statutory demand is served or deemed served (or 21 days if the statutory demand was served outside jurisdiction) under r 67(2)(*b*) of the PIR, the debtor may nevertheless be granted an extension of time to apply to set aside the statutory demand under r 67(3) of the PIR.

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71 I add that, under the BR, r 98(3) of the BR would effectively have *required* the court to make an order extending time in cases where it had dismissed the application to set aside the statutory demand.

72 In the interests of keeping proceedings expeditious and not requiring the parties to incur unnecessary time and costs, the court should make such an order extending time *upon its dismissal of the setting aside application*, in exercise of its power to give directions under r 68(1) of the PIR, without requiring the creditor to file a separate application for an order to this effect. That said, counsel for the creditor (if any) should be alert to this issue and should bring it to the court's attention, ideally before the time for filing its bankruptcy application has elapsed. This is what counsel for Choco Up did in this case, at the second hearing of the Setting Aside Application before me on 21 January 2026.

73 In the present case, it was clear that exercising the court's power to extend time was the sensible and practical way forward. The considerations outlined at [70] above applied with full force in this case. Indeed, I was satisfied that Choco Up could not reasonably have been expected to file any bankruptcy application based on the Third SD within four months from 24 September 2025, given that Mr Goh had to be given at least 21 days after 24 September 2025 (*ie*, until 15 October 2025) to comply with the Third SD, and the Setting Aside Application was filed on 30 October 2025 and determined only on 27 January 2026.

74 As there appeared to be no particular reason to give Mr Goh a further period of time to comply with the Third SD, the framing of the order as one allowing Choco Up to file any bankruptcy application based on the Third SD *by* a particular date (as opposed to *on or after* a specified date) was, in my view,

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suitable. Having heard from both parties' counsel on this point, and having taken into consideration the practical benefits of allowing the parties some time to see if the matter could be resolved amicably as well as of allowing the time for Mr Goh to file any appeal against my decision on the Setting Aside Application to elapse before any bankruptcy application was filed, I directed that Choco Up was to file any bankruptcy application based on Mr Goh's non-compliance with the Third SD by 19 February 2026.

Other situations

75 In cases other than those involving unsuccessful applications to set aside the statutory demand – where the court's power to extend time is derived more generally from s 13 of the IRDA or r 186 of the PIR (or both) – the considerations may be more finely balanced. While recognising that I did not have the benefit of arguments on this point, I would suggest the following broad principles:

(a) Where a creditor's bankruptcy application is filed (or a creditor wishes to file such an application) after the applicable period prescribed in r 73(2) of the PIR has elapsed, the court will consider: (i) the length of the delay; (ii) the reasons for the delay; and (iii) the prejudice (if any) that might be suffered by the debtor as a result of allowing the creditor to proceed notwithstanding the delay.

(b) The prejudice that will be relevant to this analysis must be prejudice other than that which would ordinarily be suffered by a debtor as a result of a creditor commencing bankruptcy proceedings against him.

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(c) In most cases, the reasons for the delay will be the most significant factor. These should be weighed against the policy considerations outlined at [68] above. By way of illustration:

(i) Where the delay is due to *inaction, oversight or error* on the part of the creditor or its counsel, the court is unlikely to be persuaded to exercise its power to extend time unless exceptional circumstances are shown.

(ii) Where the delay is due to the creditor and debtor's *attempts to negotiate an amicable resolution* of the matter (either between themselves or through their counsel), which have ultimately failed, the court may be somewhat more willing to consider exercising its power to extend time, especially if the creditor has taken steps to protect its position while the negotiations are ongoing – for instance, by obtaining the debtor's confirmation that he will not object to the court granting an extension of time if the parties' negotiations fall through. However, even in such cases, the creditor should be prepared to explain why it did not simply serve a fresh statutory demand on the debtor after it decided that it was not willing to engage in any further negotiations. Where the creditor is unable to offer any good explanation for this, and/or has taken no steps to protect its position during the negotiations because of some oversight on its part (or that of its counsel) as to the time limited for filing a bankruptcy application, the case is more likely to fall within category (i) above.

76 I add that, even where the court declines to exercise its power to extend time, the prejudice suffered by the creditor will in most cases be fairly limited.

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The creditor is at liberty to issue and serve on the debtor a fresh statutory demand based on the same debt and, after the time for the debtor to comply with that fresh statutory demand has elapsed, the creditor may file a bankruptcy application based on *that* statutory demand. This would, naturally, require the creditor to expend additional costs and time – but the rules on the time for filing bankruptcy applications are clear and exist for a reason, and the onus lies on the petitioning creditor to ensure that all the procedural and substantive requirements that apply to the application it wishes the court to grant are met.

Miscitation of authorities by counsel

77 I now turn to the final issue that arose in this matter. As I mentioned at the outset (at [1]), counsel for Mr Goh – Mr Deepak Natverlal ("Mr Natverlal") – had, in the written submissions that he had filed on Mr Goh's behalf (the "Submissions" or "Mr Natverlal's Submissions"), miscited two authorities. These were *Sheagar* and *City Hardware Pte Ltd v Kenrich Electronics Pte Ltd* [2005] 1 SLR(R) 733 ("*City Hardware*").

The miscited authorities

78 I set out below the relevant paragraphs of Mr Natverlal's Submissions and the propositions, holdings or quotations that they attributed to *Sheagar* and *City Hardware*.

79 First, para 116 of Mr Natverlal's Submissions stated as follows:[31]

[31] CWS at para 116.

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> 116. Even though the MLA doesn't apply to corporate borrowers, Singapore courts has sought to **look into the substance** where :-
>
> (i) If the company is merely a **front or conduit** for an individual (e.g., to evade the Act); or
>
> (ii) If the lender in substance is lending to an **individual** through the company,
>
> then the court could **pierce the veil** and apply the Act (see ***City Hardware Pte Ltd v Kenrich Electronics Pte Ltd [2005] 1 SLR(R) 733).***[15]

80 Second, para 119 of Mr Natverlal's Submissions stated as follows:[32]

> 119. In the case of **Sheagar s/o T M Veloo v Belfield International (Hong Kong) Ltd [2014] 3 SLR 524**[16]**,** the Court of Appeal pierced through the corporate veil and upheld that the transaction was tainted by illegality. The brief facts were that Belfield lent money to Sheagar, who used a **company vehicle** for borrowing. The loan carried **high default interest** and compounding clauses. Sheagar argued it was an **illegal unlicensed moneylending** transaction. It was held by the Court of Appeal that:-
>
> (i) the **borrower was effectively an individual** (even though the company name appeared), so the **Moneylenders Act applied**.
>
> (ii) However, the Court discussed in obiter that even if it hadn't applied, **common law doctrines** like **penalty and unconscionability** could still limit extreme interest.

81 Third, para 129 of Mr Natverlal's Submissions stated as follows:[33]

> 129. It is observed that in the case of **Sheagar s/o T M Veloo v Belfield International (Hong Kong) Ltd [2014] 3 SLR 524**[17], the Court of Appeal pierced through the corporate veil and upheld that the transaction was tainted by illegality.

82 Fourth, para 132 of Mr Natverlal's Submissions stated as follows:[34]

32 CWS at para 119.

33 CWS at para 129.

34 CWS at para 132.

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> 132. This is one of the key triable issues at the heart of the application to set aside the Defendant's Statutory Demand.
>
> **Key Authorities;-**
>
> **A. City Hardware Pte Ltd v Kenrich Electronics Pte Ltd [2005] 1 SLR(R) 733**[18]
>
> a. Here, the Court held that if the transaction is **genuinely between companies** and commercial in nature, the MLA does not apply. But if the corporate borrower is just a *front* for an individual, the court can **look at substance over form**.
>
> **B. Sheagar s/o T M Veloo v Belfield International (HK) Ltd [2014] 3 SLR 524**[19]
>
> a. Here the borrower was a company, but the *real borrower* was an individual. The lender **charged interest and enforced repayment** directly against that individual guarantor.
>
> b. The Court of Appeal held that the corporate veil will be lifted as the lender was effectively lending to an individual without a licence and that therefore the loan and guarantee were **unenforceable** under the MLA.
>
> c. Thus the principle from Sheagar is that if the "borrower" company is merely a conduit and the factor is in reality extending credit to an individual (through a guarantee and charging continuing interest to that individual), the MLA **applies**, and the agreement is **void for illegality** unless the lender is licensed.

83 Fifth, para 134 of Mr Natverlal's Submissions stated as follows:[35]

> 134. As explained herein above, Singapore courts will disregard the labels and examine what's *really happening*. In *Sheagar*, the Court of Appeal said:
>
> ***"The form of the transaction cannot disguise its substance. If in substance the defendant was lending money to an individual for reward, he is a moneylender notwithstanding the corporate wrapper."***

84 Although some of these paragraphs were footnoted, none of the corresponding footnotes cited any specific paragraphs of *Sheagar* or *City Hardware* for the propositions, holdings or quotations attributed to those cases;

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35 CWS at para 134.

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the footnotes included only references to the tabs and pages in Mr Natverlal's bundle of authorities where those cases could be found.

85 I have presented the relevant paragraphs of Mr Natverlal's Submissions in this way to make it very clear, even when they are read in isolation, that these are quotations *from those written submissions*, and ought not to be read as quotations from, or summaries of, the cited authorities. While I am conscious of the importance of preventing the further dissemination of false information (see, in this connection, *Tan Hai Peng Micheal and another (as the executors of the estate of Tan Thuan Teck, deceased) v Tan Cheong Joo and another and other matters* [2025] SGHC 217 ("*Tan Hai Peng Micheal (No 1)*") at [95]), it is in my view important for the actual paragraphs of Mr Natverlal's Submissions to be set out in full, in order to appreciate the degree to which they had miscited *Sheagar* and *City Hardware*.

86 I deal first with the paragraphs referring to *Sheagar*. It will be clear from the summary of *Sheagar* at [45] above that paras 119, 129 and 132(B) of Mr Natverlal's Submissions were a wholly inaccurate statement of what the Court of Appeal had decided in that case. Indeed, the Court of Appeal held the *opposite* of what those paragraphs claimed. The Court of Appeal did *not* pierce the corporate veil, or hold that the relevant transactions were tainted by illegality and void or unenforceable because the borrower was "effectively an individual (even though the company name appeared)" such that the MLA applied – quite the contrary. The Court of Appeal also did *not* discuss, even in *obiter*, the application of "common law doctrines like penalty and unconscionability" to "limit extreme interest". Even more puzzlingly, the block quotation attributed to the Court of Appeal at para 134 of Mr Natverlal's Submissions was nowhere to be found in *Sheagar*.

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87 Similar issues arose in relation to the paragraphs referring to *City Hardware*. That case does not stand for the propositions or holdings attributed to it in paras 116 and 132(A) of Mr Natverlal's Submissions. It involved a claim by one party against another in respect of transactions involving the defendant's purchase of real goods, and the relevant transactions were held in that case *not* to be moneylending (see *City Hardware* at [38]). No guarantee had been given by any individuals managing those companies, and no issue arose as to whether any corporate borrower was merely a front or conduit for any individual. Instead, the key issue before the High Court in that case was the nature of the relevant transactions between the companies, and whether or not they involved moneylending. While V K Rajah J (as he then was) did hold that "[c]areful consideration has to be given to the form *and substance* of the transaction as well as the parties' position and relationship in the context of the entire factual matrix" [emphasis added] (see *City Hardware* at [24]), Rajah J also observed that "[t]he defence of moneylending [was] often invoked in Singapore by unmeritorious defendants who are desperate to stave off their financial woes", and that it was "clearly not the objective or intention of the MLA to prevent or impede legitimate businesses from entering into legitimate arrangements for improving cash flow; nor [was] it the objective of the MLA to constrict the flow of financial liquidity in commerce among smaller businesses" (see *City Hardware* at [47] and [48]). These observations were much more pertinent to Mr Goh's case than were any of the other propositions that Mr Natverlal's Submissions purported to derive from *City Hardware*.

Counsel's explanations for the miscitations

88 At the hearing on 21 January 2026, I first asked Mr Natverlal to point me to the parts of *Sheagar* and *City Hardware* that corresponded to his Submissions. After some back-and-forth, Mr Natverlal eventually admitted that

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the statements found in his Submissions were not what the court had held or said in *Sheagar* or in *City Hardware*, and were instead "a summary of [his] reading" or "understanding" of the courts' decisions in those cases, and "[his] submissions" based on those cases, made "without having checked the particular paragraphs where these were found". I pointed out that these propositions and quotations had been stated unambiguously in his Submissions as holdings of the courts, and asked if there was any other explanation for this – such as his use of any artificial intelligence ("AI") tools. However, Mr Natverlal denied having used any AI tools in preparing the Submissions, explaining that he was not familiar with such tools.

89 At the end of that hearing, after I had reserved my decision on the Setting Aside Application, I asked both parties' counsel to address me at the next hearing on the issue of what, if any, consequences should follow from the miscitations of the authorities by Mr Natverlal. I drew counsel's attention to the two then-recent decisions in *Tajudin bin Gulam Rasul and another v Suriaya bte Haja Mohideen* [2025] 5 SLR 518 ("*Tajudin*") and *Tan Hai Peng Micheal (No 1)*. While I noted that those cases concerned the citation of AI-generated fictitious authorities, and Mr Natverlal had insisted that no AI tools had been used in this case, I highlighted that those cases might also set out principles of more general relevance to the incorrect citation of authorities.

90 On 26 January 2026 – the day before the final hearing on 27 January 2026, which I had fixed for the delivery of my decision on the Setting Aside Application and to deal with costs and other consequential matters – Mr Natverlal filed a ten-page letter to the court, seeking to provide a

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"clarification" of his Submissions and the oral submissions he had made at the hearing on 21 January 2026. Four main points emerged from this letter:[36]

(a) Mr Natverlal conveyed his "unreserved apologies" to the court and to counsel for Choco Up for giving these incorrect citations, as well as for "inaccurately attributing" the words set out in para 134 of his Submissions to the Court of Appeal's judgment in *Sheagar*. He acknowledged that this was "regrettable" and "[took] both personal and professional responsibility and accountability for these errors in his submissions".

(b) Mr Natverlal sought – for the first time – to rely on *North Star (HC)* and *North Star (AD)*, instead of *Sheagar* and *City Hardware*, in support of his arguments.

(c) Mr Natverlal explained that these errors in his Submissions had arisen as a result of him "mis-reading the cases" and "relying on case summaries and principles that he had come across in his online research". He also clarified that, while he had not used any AI tools in his research, "in his online research that he had carried out, he had submitted keyword or topic searches and came across case summaries and applicable principles on the law of unlicensed moneylending, corporate veil and what is the approach of the Court's [*sic*] here in Singapore in general". He said it was "not clear to him whether doing such online research alone [was] tantamount to using AI".

(d) Mr Natverlal emphasised that he had never harboured any intention to mislead the court or Choco Up's counsel.

36 Letter from Crown Juris Law LLC to the Registry dated 26 January 2026.

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Consequences that should follow from the miscitations

91 After hearing further from both Mr Natverlal and counsel for Choco Up on this issue at the final hearing of this matter, I ordered Mr Natverlal to personally pay Choco Up costs in the sum of $900 as a consequence of his miscitations of the relevant authorities in his Submissions. I made this personal costs order against Mr Natverlal pursuant to the court's inherent powers, which – in the context of civil proceedings – are codified in O 21 r 6 of the ROC 2021 (see, in this regard, *Tajudin* at [43]).

92 The exercise of those powers is guided by the three-stage test set out by the English Court of Appeal in *Ridehalgh v Horsefield* [1994] Ch 205, and cited with approval by the Court of Appeal in *Tang Liang Hong v Lee Kuan Yew and another and other appeals* [1997] 3 SLR(R) 576 ("*Tang Liang Hong*") at [71] ("the *Ridehalgh* test"). In my view, the *Ridehalgh* test was plainly satisfied in this case.

93 The first stage of the *Ridehalgh* test was satisfied as Mr Natverlal had acted "improperly, unreasonably or negligently" in misciting the authorities in the manner outlined above. Indeed, in my view, Mr Natverlal's conduct had been both improper and negligent:

> (a) It was negligent because Mr Natverlal's failure to read the relevant authorities carefully and derive the correct legal propositions and holdings from them, and his failure to check the accuracy of the statements of the law and the quotations that he had attributed to those authorities in his Submissions, fell far short of the standards of "competence reasonably to be expected of ordinary members of the profession" (*per Ridehalgh* at 233, cited in *Tang Liang Hong* at [71]).

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(b) It was also improper because it involved a "significant breach of a substantial duty imposed by a relevant code of professional conduct" or "[c]onduct which would be regarded as improper according to the consensus of professional (including judicial) opinion … whether or not it violates the letter of a professional code" (*per Ridehalgh* at 232, cited in *Tang Liang Hong* at [71]). Materially misciting authorities to the court would no doubt be regarded as improper according to the consensus of professional opinion, and this professional standard finds expression in at least two provisions of the Legal Profession (Professional Conduct) Rules 2015 ("the PCR"). Rule 9(1) of the PCR sets out, among other principles relating to the role of legal practitioners in the administration of justice, the principle that "[a] legal practitioner must always be truthful *and accurate* in the legal practitioner's communications with any person involved in or associated with any proceedings before a court or tribunal" [emphasis added] (r 9(1)(*c*) of the PCR). Rule 9(2)(*f*) of the PCR goes on to state that, when conducting any court proceedings, a legal practitioner must not "knowingly *or recklessly* cite the law out of context, interpret the law in a manner calculated to mislead the court or tribunal, or otherwise advance any submission, opinion or proposition which the legal practitioner knows *or ought reasonably to know* is contrary to the law" [emphasis added]. In this case, the propositions, holdings and quotations that Mr Natverlal claimed in his Submissions to have derived from *Sheagar* and *City Hardware* were obviously – and very materially – inaccurate. Although I accepted that this might have been the result of inadvertence and carelessness on Mr Natverlal's part, and not due to any intention to mislead the court, that did not change the fact that Mr Natverlal *ought reasonably to have known* that he was misciting these authorities.

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94 In this connection, I emphasise that Mr Natverlal's miscitation of *Sheagar* was particularly striking. His purported summary of what the Court of Appeal had held in *Sheagar*, as set out at [80]–[82] above, was not merely inaccurate; it was the *opposite* of what had been decided in that case. His purported direct quotation from *Sheagar*, as set out at [83] above, also appeared to be *completely fictitious*.

95 Turning to the second stage of the *Ridehalgh* test, this was also satisfied as Mr Natverlal's conduct had caused Choco Up to incur unnecessary costs. I accepted the submission made by counsel for Choco Up that they had incurred additional costs in re-reviewing the authorities in an attempt to locate the propositions, holdings and quotations attributed to them by Mr Natverlal, and to confirm that they had indeed been miscited. Counsel for Choco Up estimated these additional costs, together with the costs incurred in reviewing *North Star (HC)* and *North Star (AD)* on an urgent basis after these were tendered to the court in Mr Natverlal's letter dated 26 January 2026, at around $1,000.

96 Finally, the third stage of the *Ridehalgh* test was satisfied as it was, in my judgment, just in all the circumstances to order Mr Natverlal to compensate Choco Up for the whole or part of the relevant costs. I respectfully agreed with view expressed by the assistant registrar in *Tajudin* that, while this inquiry was fact-sensitive and required a careful consideration of the specific circumstances of each case, three broad considerations would be relevant (see *Tajudin* at [65]):

(a) fairness and proportionality;

(b) the need to preserve the integrity of the justice system; and

(c) deterrence, both general and specific.

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97 All three considerations weighed in favour of making a personal costs order against Mr Natverlal in the present case, and bearing these considerations in mind, I was of the view that fixing those costs at $900 was appropriate. I took note of the fact that personal costs of $800 had been ordered against the errant advocate and solicitor in *Tajudin*, for citing in his written submissions a fictitious case that had been generated by AI. In contrast, in the present case, *Sheagar* and *City Hardware* were not themselves fictitious authorities; they existed, but had been wholly miscited by Mr Natverlal. In my view, having weighed the following considerations, the circumstances of the case before me justified a quantum of personal costs that was slightly higher than that imposed in *Tajudin*:

> (a) The present case seemed to me to be more serious than that in *Tajudin* in that Mr Natverlal's miscitations of the authorities were directly material to issues that were *central* to Mr Goh's case in the Setting Aside Application; they did not merely go towards peripheral issues or trite propositions. As such, they posed a higher risk of materially affecting the proceedings before me and the outcome of those proceedings (see, in this regard, *Tajudin* at [70]). It was also reasonable to suppose that they would have caused Choco Up's counsel to expend more time and attention on verifying the miscited authorities.
>
> (b) In addition, the fact that the authorities that were miscited by Mr Natverlal actually existed (and were identified by the correct citations in the *Singapore Law Reports*) meant that there may have been a higher risk of the court being misled into accepting that Mr Natverlal's submissions on those issues were supported by the case law.
>
> (c) On the other hand, because Mr Natverlal had miscited real authorities, the miscitations were also readily verifiable. A careful

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reading of *City Hardware* and *Sheagar* would have revealed, almost immediately, that the relevant paragraphs of Mr Natverlal's Submissions were inaccurate. In contrast, where an entirely fictitious authority was cited, more unnecessary costs might be spent by opposing counsel in attempting to locate and verify it, especially if it purported to be a foreign authority which was less easily accessible.

(d) I also bore in mind that the unnecessary costs that were said to have been incurred by counsel for Choco Up as a result of the miscited authorities in this case amounted to less than $1,000 (see [95] above).

98 I add that it was, to my mind, immaterial whether the miscitations were the product of the use (whether intentional or unintentional) of artificial intelligence, or the result of human carelessness. Given the degree of inaccuracy of the purported citations and the wholly fictitious quotation attributed to *Sheagar*, I had some doubts about whether they could realistically have arisen simply from Mr Natverlal's misreading of the cases, and whether the "case summaries and principles" that Mr Natverlal said he had "come across in his online research" might themselves have been generated wholly or partly by AI (such that Mr Natverlal might have *unintentionally* relied on AI). But that was of no real consequence. The making of a personal costs order in circumstances like these is not to compensate for or punish the use of AI *per se*, but rather counsel's failure to discharge their duty of ensuring that the material they place before the court is accurate and appropriate, including by verifying that any authorities they refer to in their submissions are cited responsibly. Mr Natverlal's conduct in the present case was clearly irresponsible and caused Choco Up to incur unnecessary costs in having to deal not only with the cases that might have actually supported Mr Goh's arguments, but also with Mr Natverlal's misrepresentations of cases that, on a closer examination, either

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undermined or were irrelevant to Mr Goh's position. In my view, it would be just for the consequences of that conduct to be borne not by Choco Up or even Mr Goh, but by Mr Natverlal himself.

99 After I had given my decision on this issue (on 27 January 2026), a further decision of the General Division of the High Court was issued, in *Tan Hai Peng Micheal and another (as the executors of the estate of Tan Thuan Teck, deceased) v Tan Cheong Joo and another and other matters* [2026] SGHC 49 ("*Tan Hai Peng Micheal (No 2)*"), on 6 March 2026. This was the first published decision of a judge of the General Division of the High Court dealing substantively with the making of personal costs orders against counsel for citing fictitious authorities that, in the court's view, had most likely been generated by an AI tool (even though this ultimately remained unconfirmed by counsel: see *Tan Hai Peng Micheal (No 2)* at [50]). While I did not have the benefit of *Tan Hai Peng Micheal (No 2)* at the time of making my decision, I would have arrived at the same decision even if I had. Although S Mohan J imposed a considerably higher quantum of personal costs in that case – $5,000 to be paid by each of the two errant counsel (see *Tan Hai Peng Micheal (No 2)* at [66]) – Mohan J also noted that the court's powers to impose personal costs orders are not fettered or guided by any "tariff", and that each case depends on its particular facts (see *Tan Hai Peng Micheal (No 2)* at [67(a)]). I also note that the matter before Mohan J involved a trial of claims across three separate suits (see *Tan Hai Peng Micheal (No 2)* at [67(b)]).

100 I would, however, have given a further direction to the same effect as that set out in *Tan Hai Peng Micheal (No 2)* at [70], to state expressly that Mr Natverlal was not to charge Mr Goh for any time, costs or resources expended in dealing with the issue of his miscited authorities, and that no part of the personal costs order I imposed on Mr Natverlal ought to be charged or

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passed on by him in any way to Mr Goh, whether directly or indirectly. This, I hope, would have been understood from my order that Mr Natverlal *personally* pay Choco Up the costs of $900 and my remark that the consequences of his conduct ought to be borne not by Choco Up or even by Mr Goh, but by Mr Natverlal himself; as well as from Mr Natverlal's assurance in his letter dated 26 January 2026 that he took "both personal and professional responsibility and accountability" for the miscitations (see [90(a)] above). Mr Natverlal should, of course, also furnish a copy of these grounds of decision to Mr Goh.

Conclusion

101 For these reasons, I allowed the Affidavit Application but ultimately dismissed the Setting Aside Application. I made an order extending the time for Choco Up to file a bankruptcy application against Mr Goh based on his non-compliance with the Third SD, and directed Choco Up to file any such application by 19 February 2026. In addition, I ordered Mr Natverlal to personally pay Choco Up costs in the sum of $900 on account of his miscitation of the authorities. Mr Natverlal's attention is also drawn to [100] above.

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102 This left only the matter of the costs of the Setting Aside Application and the Affidavit Application which were to be paid by Mr Goh to Choco Up. Having heard and considered both parties' submissions on costs, I fixed these at $25,000 (all in).

Wee Yen Jean
Assistant Registrar

Natverlal Deepak (Crown Juris Law LLC) for the claimant;
Tony Tan and Eileen Lee (Havelock Law Corporation) for the defendant.

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