



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO: FSD 333 OF 2021 (DDJ)

**IN THE MATTER OF SECTION 124 OF THE COMPANIES ACT (2021 REVISION)
AND IN THE MATTER OF LAVLE HOLDINGS, INC. (In voluntary liquidation)**

Appearances: Mr. Peter Tyers-Smith and Ms. Ilona Groark of Kobre & Kim (Cayman) for and on behalf of Messrs Andrew Childe and Richard Lewis (the “Petitioners” or the “JVLs”) as joint voluntary liquidators of Lavle Holdings, Inc. (In voluntary liquidation) (the “Company”)

Before: The Hon. Justice David Doyle

Heard: 2 December 2021

Judgment: 2 December 2021

Transcript of *ex tempore* judgment

1. In this case, the Petitioners are the current joint voluntary liquidators of the Company, having been appointed on 11 October 2021. No declaration of solvency has been filed and accordingly they make application under section 124(1) of the Companies Act (2021 Revision) for the liquidation to continue under the supervision of the court and for the Petitioners to be appointed as joint official liquidators (“JOLs”) of the Company.



2. I have considered the contents of the hearing bundle and the skeleton argument dated 29 November 2021 of Peter Tyers-Smith and I have also had the benefit of hearing oral submissions this afternoon from Mr. Tyers-Smith.
3. Mr. Tyers-Smith makes reference to the judgment of Jones J in *AJW Master Fund II Limited* 2011 (1) CILR 363. I read that authority in the light of subsequent authorities, such as the judgment of Quin J in *OVS Capital Management (Cayman) Limited* 2017 (1) CILR 232.
4. I am satisfied that the relevant law and procedural requirements have been met.
5. I have revisited my judgment in *Global Fidelity Bank, Ltd (In voluntary liquidation)*, delivered on 20 August 2021 in respect of independence requirements and I have carefully considered the evidence placed before the court. No formal objections as to the independence of the Petitioners have been placed before the court, but Mr. Tyers-Smith has very properly directed the court's attention to the correspondence of a shareholder, Mr. Jason Nye. I have carefully considered that correspondence.
6. Mr. Nye makes some very serious allegations in his communications including the comment in his email 30 October 2021 to the Petitioners and copied to many others: "*I have no reason to expect FFP or either of you will be honest and transparent with Lavle's shareholders, but I hope you will be.*"
7. There is nothing in the correspondence that indicates to me that the Petitioners have not approached this matter in an honest and transparent way. Having considered the evidence placed before this court, I have reason to expect that the professionals engaged in this matter have and will undertake their professional duties in the appropriate way. It speaks volumes for their professionalism that the Petitioners reasonably reached out to Mr. Nye to allay his concerns.
8. Mr. Nye has not attended today and has not nominated any alternatives and has not filed an affidavit or given any notice of appearance or sought to appear today to oppose the Petitioners' appointment as joint official liquidators.

9. In the circumstances of this case, I see no reason not to appoint the JVLs as JOLs. The fact that they were engaged by 3DOM (stated to be the Company’s super majority shareholder) and that 3DOM is funding the Petitioners’ fees to a certain extent does not lead me to the conclusion that such is capable of impairing the appearance of independence and, even if it was, in my judgment it is not sufficiently material to the liquidation that a fair minded and informed stakeholder would reasonably object to the appointment of the nominated practitioners in this case. I am led to the conclusion that the JVLs will not be, or properly perceived to be, lacking in independence as JOLs.
10. Mr. Tyers-Smith has also referred this afternoon to *UCF Fund Limited* 2011 (1) CILR 305, and I have revisited that authority. In the case presently before me the Petitioners do not now ask for blanket authority. They did at paragraph 5(d) of the Petition, but such request was narrowed down and properly refined in the draft Order. On the evidence before me, I am content with paragraph 5(a)-(d) of the draft Order with a minor amendment to paragraph 5(d), namely the deletion of “CWR” and the full reference to the “Companies Winding up Rules, 2018”.
11. In summary and conclusion, I am content to make an Order substantially in terms of the draft, helpfully filed in advance of today’s hearing. That Order to include the very minor amendments to 5(d) and also to paragraph 6 which I have specified during my exchanges with counsel this afternoon. So that is the Order I make.
12. It only remains for me to thank Mr. Tyers-Smith and his team at Kobre & Kim (Cayman) for their valuable assistance to the court in this case. It is most appreciated.

THE HON. JUSTICE DAVID DOYLE
JUDGE OF THE GRAND COURT