



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

FSD CAUSE NO: FSD 316 OF 2020 (MRHJ)

**IN THE MATTER OF THE COMPANIES ACT (2020 REVISION)
AND IN THE MATTER OF UNISOL HOLDINGS LTD (IN OFFICIAL LIQUIDATION)**

Before: Hon. Mrs. Justice Margaret Ramsay-Hale
Heard: On the Papers 2nd May 2022
Mr Erik Bodden and Ms Tonicia Williams of Conyers Dill and Pearman LLP
for the Joint Official Liquidators

Judgment on an application for winding up and dissolution of the Company taken on the papers

JUDGMENT

Introduction

1. Unisol Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an Exempted Company on 10 June 2016. The Company was created to act as a special purpose vehicle for the sole purpose of owning a Hawker 125-800 aircraft (the “Aircraft”). The Grand Court made a winding-up order against the Company on the petition of ExecuJet Middle East (“ExecuJet”), a company incorporated under the laws of Dubai, United Arab Emirates which had provided maintenance services in respect of the aircraft owned by the Company for which it had not been paid. Martin Trott and Mr Christopher Smith of R & H Restructuring were appointed as Joint Official Liquidators (“JOLs”).
2. Following their appointment and their first meeting with creditors on 11 March 2021 by telephone conference call, the JOLs identified and sold the Company’s only apparent



asset which was an aircraft, achieving a sale price of US\$440,000. Having realised the Company's only known asset, they issued a Notice of Intention to declare a final dividend which was sent to all known creditors on 21 October 2021, in accordance with Order 18, rule 7 of the CWR.

3. The JOLs provided their Final Report to Creditors dated 31 December 2021 (the "**Final Report**"), notice of the final meeting of creditors scheduled for 30 March 2022 (the "**Final Meeting**") and notice of the dissolution hearing to all known creditors on 1 March 2022 by email. The Final report was filed with the Court and sealed on 15 March 2022.
4. Notice of the Final Meeting, including the notice of the dissolution hearing listed to be heard by this Court on 26 April 2022, was advertised in the Cayman Islands in the Gazette published on 14 March 2022 and in the United Arab Emirates in the Khaleej Times newspaper on 16 March 2022.
5. The notices requested that creditors contact the JOLs by 28 March 2022 if they wished to attend the Final Meeting which was to be held via teleconference. As no creditors responded to either the published notices or the email dated 1 March 2022 to request the dial in details for the Final Meeting, the meeting did not take place. The notices also requested that any creditor objecting to the application for dissolution, or wishing to be heard by the Grand Court at the hearing for dissolution, contact the JOLs before the date for hearing. Up to 6 April 2022, no creditor had responded to the JOLs. All creditors were given notice of the JOLs' intention to request that the hearing be dealt with on the papers. No creditor attended at Court on the date when the matter was set down for hearing.
6. As there are no further identifiable assets in the liquidation estate and the aircraft has been sold and a final distribution to creditors has been made, the JOLs have determined that all material matters in the Company's liquidation have been dealt with and that it is appropriate to proceed to dissolve the Company.



This Application

7. The JOLs now seek orders that:
- a. The JOLs' remuneration for the period 4 February 2021 to 31 December 2021 in the sum of US\$96,604 be approved;
 - b. The JOLs' remuneration for the period 1 January 2022 to dissolution in the sum of US\$10,000 be approved;
 - c. An Order that the requirement for the JOLs to form a liquidation committee be dispensed with;
 - d. an order that the Company be dissolved pursuant to section 152(1) of the **Companies Act (2022 Revision)** (the "Act") and Order 22 of the **Companies Winding Up Rules, 2018** (the "CWR"), such dissolution to take effect two (2) weeks after the date that this Order is made,

And directions that:

- e. The JOLs be released from the performance of any further duties forthwith, save for those reasonably required to give effect to the terms of this Order;
- f. The JOLs' liquidation files be preserved for a period of 3 years, after which time the JOLs be at liberty to destroy such liquidation files;
- g. The Company's books and records recovered by the JOLs be preserved by the JOLs for 3 years from the date of the close of liquidation; and
- h. The costs of this application be costs in the liquidation.

The Application for Remuneration

8. Before seeking the Court's approval of their remuneration, the JOLs are obliged to seek the approval of a liquidation committee of their fees. In this case, no liquidation



committee was formed at the first meeting of creditors. Mr. Trott's evidence is that the Company's creditors - three in total - attended the first meeting but only one creditor was nominated. O9 r 1(1) of the CWR requires that a liquidation committee be comprised of not less than three members with the consequence that no liquidation committee could be formed.

9. Given those circumstances, I formally order that the requirement for the JOLs to form a liquidation committee be dispensed with.
10. Mr. Trott's evidence is that, in the absence of a liquidation committee, the JOLs sought creditor approval of their remuneration. In the Final Report they informed creditors of the proposed basis of their remuneration and the amount that the JOLs would ask the Court to approve and of their intention to seek the creditors' approval of their remuneration at the Final Meeting, which the creditors chose not to attend as stated in para 5 *supra*.
11. The JOLs remuneration and expenses in the sum of \$96,603.75 are detailed at paragraph 9 and in Appendix III of the Final Report. Mr. Trott estimates the fees from 1 January 2022 to the date of dissolution will be in the sum of \$10,000.
12. The JOLs bear the burden of proving that the remuneration sought is reasonable and justified. As was observed by the learned Chief Justice *In Re Liberty Capital* 2002 CILR at para 57,

"The liquidator must exercise his own best judgment and determine what has to be done and how to do it most effectively. In the liquidation field, he has extraordinary discretion and latitude. The liquidator must therefore satisfy the court (to which he is by law accountable in the interests of the creditors and shareholders), as its officer, that the time spent is reasonable in the circumstances, is necessary and has achieved a useful result."



13. I have considered the costs summary produced to the Court by Mr. Trott. The rates of the remuneration charged fall within the prescribed rates of remuneration for official liquidators under the Schedule to the **Insolvency Practitioners' Regulations 2018**. Having considered the scope of the work undertaken by the JOLs, and, in particular, the steps the JOLs were required to take to achieve the sale of the aircraft and its delivery to the United States from Dubai as set out at paragraph 2 of the Final Report, I am satisfied that the time spent and the costs incurred by the JOLs are reasonable.
14. The JOLs' application for remuneration for the period 4 February 2021 to 31 December 2021 in the sum of US\$96,604 is approved. I also approve their remuneration for the period 1 January 2022 to the dissolution of the Company in the sum of \$10,000.

The Application to Dissolve the Company

15. Section 152 of the Act provides that when the affairs of the company have been completely wound up, the Court shall make an order that the company be dissolved. Mr. Trott's evidence is that all material matters in the liquidation have been dealt with, subject to the payment of the JOLs remuneration and expenses and the closure of the Company's bank account.
16. It is appropriate that an order be made that the Company be dissolved. In the circumstances, where the JOLs need adequate time to close the Company's bank account before the Company is dissolved, the dissolution will take effect two weeks after the date that the order is made.

Books and records

17. Pursuant to O 26, rr 2 and 3, the Court directs that the JOLs' liquidation files be preserved for a period of three years, after which time the JOLs be at liberty to destroy such liquidation files; and that The Company's books and records recovered by the JOLs be preserved by the JOLs for a period of three years, after which time the JOLs be at liberty to destroy such books and records.



18. The JOLs are hereby released from the performance of any further duties save for those reasonably required to give effect to the terms of the Order made.

19. The Draft Order is approved as to form and content.

DATED THE 13TH MAY 2022

RAMSAY-HALE J