



NEUTRAL CITATION NUMBER: [2026] CIGC (FSD) 82

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

FSD CAUSE NO. 0220 OF 2026 (DDJ)

IN THE MATTER OF SECTION 124(1) OF THE COMPANIES ACT (2026 REVISION)

AND IN THE MATTER OF RIVERSTAR FUND (IN VOLUNTARY LIQUIDATION)

Before: The Hon. Justice David Doyle

Appearances: Paul Kennedy and Samuel Keogh of Campbells LLP for Richard Murphy
the voluntary liquidator of Riverstar Fund (in voluntary liquidation)

Heard: 6 October 2026

***Ex tempore* judgment
delivered:** 6 October 2026

**Draft transcript of
judgment circulated:** 6 October 2026

**Transcript of judgment
approved:** 7 October 2026

Determination of application for a supervision order pursuant to section 124(1) of the Companies Act (2026 Revision) and Order 15 rule 5 of the Companies Winding Up Rules (2023 Consolidation)

JUDGMENT

Introduction

1. In this case the directors of Riverstar Fund (in voluntary liquidation) (the “Company”) have not signed a declaration of solvency within twenty-eight days of the commencement of the liquidation, so the voluntary liquidator was obliged pursuant to section 124(1) of the Companies Act (2026 Revision) (the “Companies Act”) to apply to the court for an order that the liquidation continue under the supervision of the court.
2. In the particular circumstances of this case, principally due to the existence of sanctions regulations, it appears that the Company is presently experiencing difficulties in paying its debts. The Company appears to be cash-flow insolvent. It is stated by the liquidator that on the information currently available the Company’s assets exceed its liabilities such that the Company may in fact be solvent on a balance-sheet basis. The simple fact remains, however, that the Company is presently unable to pay its debts as they fall due, and no declarations of solvency have been filed.

The relevant law

3. I have considered the relevant legislative provisions (both primary and secondary) and the relevant case law including *Re Alpha Ltd* (FSD unreported judgment, 2 March 2018, Smellie CJ, as he then was) particularly at [5] and [63].
4. I also note the comments of Parker J in *Port Link* (FSD unreported judgment, 6 October 2023) in particular at [37]-[38].
5. Both authorities were helpfully referred to in the skeleton argument dated 30 September 2026 filed by Campbells LLP.

The relevant evidence

6. I confirm that I have considered the relevant evidence contained in the hearing bundle.

Submissions

7. I have also considered the written and oral submissions put before the court so eloquently by Paul Kennedy of Campbells LLP, on behalf of the liquidator. Mr Kennedy, with his experience and knowledge of the relevant sanctions regimes, has patiently and carefully taken the court through the relevant regulations and the general licence issued by Her Excellency the Governor.

Determination

8. I am satisfied as to notification and advertisement of today's hearing. There is no opposition to the relief sought and there are plainly good grounds for the making of a supervision order.
9. The directors have failed to sign declarations of solvency. The caselaw establishes that in such circumstances a presumption, albeit a rebuttable presumption, arises to the effect that the company is deemed to be insolvent. The caselaw also establishes that the court nevertheless retains a broad discretion to achieve an outcome which would be in the best interests of the relevant stakeholders including the creditors. The stakeholders in this case do not oppose the relief requested. The making of a supervision order may assist the liquidator in gaining access to funds in bank accounts in Switzerland and, where permissible and appropriate, paying creditors.
10. I exercise this court's jurisdiction by making a supervision order.
11. In respect of the draft order and the sanction of additional powers sought I have considered the evidence in this case and the legal principles referred to by Jones J in *UCF Fund Limited* 2011 (1) CILR 305 and my judgment in *Ourgame International Holdings Limited* (FSD unreported *ex tempore* judgment, delivered 3 March 2026).
12. There is ample evidence to justify the additional powers sought.
13. During my exchanges with counsel I specified certain amendments that need to be made to the draft order.

Order

14. I make an order substantially in terms of the draft helpfully provided to the court before today's hearing. Such order is to include the amendments I specified during my exchanges with counsel.



THE HON. JUSTICE DAVID DOYLE

JUDGE OF THE GRAND COURT