



**IN THE GRAND COURT OF THE CAYMAN ISLANDS**

**FINANCIAL SERVICES DIVISION**

**Neutral Citation Number: [2025] CIGC (FSD) 80**

**CAUSE NOS: FSD 244,245 AND 246 OF 2022 (IKJ)**

**IN THE MATTER OF SECTION 131(b) OF THE COMPANIES ACT (2025 REVISION)**

**AND IN THE MATTER OF TOURADJI PRIVATE EQUITY ONSHORE FUND LTD (IN OFFICIAL LIQUIDATION)**

**IN THE MATTER OF SECTION 131(b) OF THE COMPANIES ACT (2025 REVISION)**

**AND IN THE MATTER OF TOURADJI PRIVATE EQUITY OFFSHORE FUND LTD (IN OFFICIAL LIQUIDATION)**

**IN THE MATTER OF SECTION 131(b) OF THE COMPANIES ACT (2025 REVISION)**

**AND IN THE MATTER OF TOURADJI PRIVATE EQUITY MASTER FUND LTD (IN OFFICIAL LIQUIDATION)**

**IN CHAMBERS**

**Before:** Hon Justice Kawaley

**Appearances:** Mr Harry Shaw of Campbells for the Joint Official Liquidators of (the “JOLs”) Touradji Private Equity Onshore Fund Ltd (In Official Liquidation), Touradji Private Equity Offshore Fund Ltd (In Official Liquidation) and Touradji Private Equity Master Fund Ltd (In Official Liquidation) (the “Funds”)

Mr Jonathon Milne and Mr Romane Duncan of Conyers for Touradji Capital Management LP (“TCM”)

**Date of hearing:** 8 July 2025

**Draft Ruling circulated:** 5 August 2025

**Ruling delivered:** 13 August 2025

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*Joint liquidators' summons for directions in relation to stakeholder's proof of debt rejection appeals-cross-application for case management stay*

## RULING

### Introductory

1. The JOLs filed a Summons dated 16 May 2025 seeking directions relating to timetabling and the scope of TCM's Summons dated 21 April 2023 and three Summonses dated 20 February 2025 (the "POD Summonses"). TCM filed a Summons dated 30 May 2025 seeking to stay the POD Summonses. These two cross-Summonses were heard together.
2. The central controversy was whether the JOLs' wish to progress the presumptively solvent liquidations should be given deference over TCM's desire to postpone the prosecution of its own proof of debt appeals pending the determination of proceedings brought against it by its former employees in New York (the "US Proceedings"). The US Proceedings are scheduled to be tried in September 2026.
3. As I indicated in the course of the hearing, the benefits of a stay were difficult to understand while it was easier to understand why the majority of stakeholders would wish the Funds' liquidations to be brought to an expeditious conclusion.

### Case Management stays: governing principles

4. *In In the matter of Nanfong International Investments Ltd* 2018 (2) CILR 321, Moses JA held that a case management stay should only be granted for "very strong reasons". In *Enigma Diagnostics v Boulter*, FSD 226 of 2021, Judgment dated 8 February 2022, (unreported), Doyle J stated:

"22. ...The jurisdiction to grant such case management stays is only exercised in rare and compelling circumstances which do not exist in this case. It is well established that such exceptional jurisdiction should be exercised with caution and only for very good reason (*Nanfong International Investments Limited* 2018(2) CILR 321). I have not been persuaded that there is a good reason let

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*alone a very good reason for granting such a stay in the circumstances of this case. I am not persuaded that a case management stay would better serve the interests of justice (Unwired Planet International Ltd v Huawei Technologies (UK) Co Ltd [2020] UKSC 37 at [99]). These proceedings in the Cayman Islands should not be unduly delayed and do not need to await the outcome of the proceedings in England. The interests of justice are best served by proceeding to trial.”*

5. Mr Shaw relied on that passage and, *inter alia*, the following observations of Segal J in *Abraaj SPV 108 Limited & Anor v IGCF SPV 21 Limited*, FSD 237 of 2023, Judgment dated 14 June 2024 (unreported):

“93. *It is clearly established that the test to be applied by the Court when considering a case management stay is whether the stay is, in the relevant circumstances, in the interests of justice. It is also established that (as Justice Doyle said in Enigma Diagnostics) that the jurisdiction should be exercised with caution and only for a very good reason (where there are strong reasons). There is however no separate requirement of rare and compelling circumstances.”*

6. Mr Milne merely emphasised the flexible nature of the jurisdiction by reference to judicial statements which emphasised that the Court’s focus should really be on what the interests of justice require. For instance, in *Youbi Capital (Cayman) GP*, FSD 140 of 2022 (RPJ), Judgment dated 4 April 2023 (unreported), Parker J observed:

“45. *The Court needs to consider what is required in the interests of justice in the particular case ... it will usually be only in rare and compelling circumstances that it will be in the interests of justice to grant a stay on case management grounds. A Court will usually get on and hear the case before it rather than await the outcome of proceedings in another jurisdiction...*” [Emphasis added]

7. But even that authority also emphasised the exceptional nature of a stay. As regards how the Court should approach a stay application based on the pendency of foreign proceedings, Mr Milne also submitted, based on the *Youbi* case, that relevant factors to be taken into account included:

- “a. whether the benefits of a stay outweigh any disadvantage to the opposing party;*
- b. whether a stay would mitigate the risk of inconsistent findings; and*
- c. whether the foreign decision would be determinative or materially assist in the Cayman Islands proceedings.”*

8. I am guided by all of these governing principles. Most of the cases cited involved an analysis of the interaction between the rights of a claimant to have their case promptly heard and the rights of a defendant/stay applicant to obtain some benefit from a stay. Here TCM had filed its POD Summonses and was itself seeking to postpone them being promptly heard.

### **Merits of stay application**

9. As I observed in the course of the hearing, courts do not generally look favourably on parties who commence proceedings and then seem reluctant to have them determined. A better way of expressing that point is that the Court is always required to promote the normal advancement of proceedings rather than to impede that course.
10. TCM’s proofs of debt concern:
- (a) costs incurred and to be incurred in the US Proceedings (“POD1”); and
  - (b) three further proofs of debts for legal fees and expenses in the US Proceedings, legal fees and expenses in relation to the liquidation of the Funds and other expenses and fees under the reimbursement and/or indemnification provisions of the governing documents (“Additional PODs”).
11. POD1 was rejected on 10 March 2023 and the Additional PODs were rejected, in part, on 30 January 2025. It is essentially common ground that a distinction can be drawn between (1) the Funds’ liability to pay the sums claimed under the PODs and (2) assuming liability is established, what the quantum of that liability will be. TCM could not contend that the US Proceedings (in which it is being sued by former employees for claims it is vigorously contesting) would determine issues directly relevant to the Funds’ liability for the rejected claims.

12. Instead TCM attempts to imply that the JOLs have for no good reason, contrary to earlier suggestions that the liquidations cannot be closed until uncertain liabilities (including those arising from the US Proceedings) are resolved, suddenly decided that the POD appeals should now be adjudicated. Against this background, the following central submission is made:

*“22. In response, TCM asserts that a temporary stay of the POD Appeals is appropriate for at least the following reasons:*

- a. By hearing and deciding the POD Appeals in advance of the outcome of the US Litigation, the Court is being asked by the JOLs to make provision for different possible outcomes of the US Litigation and make decisions based on an incomplete picture;*
- b. TCM asserts that this may lead to irreparable harm and/or risk inconsistent rulings, if the JOLs progress the POD Appeals to a public judgment and then take further steps in advance of the conclusion of the US Litigation; and*
- c. The JOLs’ refusal to agree to a temporary stay is wasteful and is causing costs to escalate to the detriment of stakeholders.”*

13. In my judgment it is not necessary for the JOLs to adduce positive evidence of support from other stakeholders for their current position for this Court to be satisfied that such support exists. TCM, Mr Touradji and/or entities affiliated with Mr Touradji have only a 40% total interest in the Funds’ estate. Each ground for the case management stay must therefore be assessed on its merits. The most significant overarching point which Mr Shaw readily established is the lack of any significant overlap between the US Proceedings and the POD appeals. None of the Funds are party to the US Proceedings. Moreover, the mere fact that a trial was presently scheduled for September 2026 did not mean that the US Proceedings would be finally determined then having regard to the possibility of appeals. The most significant implications which Mr Milne demonstrated might arise from the US Proceedings for the POD appeals were accordingly:

- (a) if TCM lost the US Proceedings, this might impact on the solvency of the Funds. This consideration supported TCM's general point that completing the winding-ups in early course was not feasible; and
- (b) what amounts TCM was entitled to claim against the Funds, assuming its appeals were successful in liability terms, would depend in part on the outcome of the US Proceedings, irrespective of their outcome.

14. In summary, I find that:

- (a) the contention that proceeding with the POD Summonses before the termination of the US Proceedings would not permit this Court to properly adjudicate the appeals was not substantiated. If the JOLs succeeded on liability, quantum issues dependent on the US Proceedings would fall away. If TCM succeeded in establishing liability through the POD Summonses, the need to have regard to the outcome of the US Proceedings could be reassessed at that point;
- (b) the risk of inconsistent findings was not substantiated. The fact that this Court might be required with the assistance of New York law experts, to consider documents governed by New York law while the US Court would be considering different documents between different parties was not comparable to two different courts deciding the same issues between the same parties. The fact that the US Plaintiffs might at some point assert a proprietary claim against the Funds' assets would be a contingency for the JOLs to consider before closing the liquidations, but not a reason to grant a stay of the POD Summonses; and
- (c) whether the pursuit of the appeals was in the best interests of stakeholders was not a matter TCM was in a position to independently assess. Its legitimate commercial and legal interests most clearly entitled it to vindicate the merits of its appeals, the present status quo being that the JOLs had in part rejected the proofs as lacking merit. In these circumstances, the majority of stakeholders would logically support the JOLs' decision to expedite the appeals in the hope that the JOLs' initial decisions would be vindicated. Such an outcome would have the result that the assets otherwise available for distribution to them would not be diminished by TCM's claims.

**Disposition of TCM's stay Summons**

15. TCM's Summons dated 30 May 2025 seeking to stay the POD Summonses is dismissed. It is difficult to see why TCM should not pay the JOLs' costs of successfully opposing this Summons to be taxed if not agreed on the standard basis.

**The JOLs' Summons for Directions**

16. The JOLs seek directions in relation to the POD Summonses in relation to the following matters:

- “(a) The scope of the issues for determination for the POD Appeal Summonses;*
- (b) Paragraph 1 of the POD Appeal Summonses, namely whether TCM be granted leave to rely on expert evidence on the laws of the State of New York, USA in support of the POD Appeal Summonses, and, if so, whether the JOLs be granted such leave and the scope of such expert evidence to be adduced by the parties; and*
- (c) Timetabling through to the hearing of the POD Appeal Summonses, including in respect of the filing of expert evidence (if any).”*

17. In the course of argument I indicated that I would not have the conduct of the substantive determination of the POD Summonses in light of my imminent retirement. Counsel appeared to me to agree that it was more appropriate that the “trial judge” should decide all aspects of the directions which had not been or could not be agreed, if TCM's stay application was refused. The limited argument which took place appeared to me to have reduced rather than hardened the remaining areas of controversy.

**Disposition of JOLs' Summons for Directions**

18. I accordingly direct that:
- (a) the agreed directions are approved;

- (b) the JOLs' Summons is adjourned generally with liberty to apply;
- (c) it is difficult to see why the costs of the JOLs' Summons to date should not be in the POD appeals; and
- (d) the present causes should all be assigned to another FSD Judge.



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**THE HONOURABLE JUSTICE IAN RC KAWALEY**  
**JUDGE OF THE GRAND COURT**