



Neutral Citation Number: [2025] CIGC (FSD) 120

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

CAUSE NO: FSD 192 of 2025 (DDJ)

**IN THE MATTER OF SECTIONS 94 AND 159 OF THE COMPANIES ACT (2025 REVISION)
AND IN THE MATTER OF SEQUOIADB SOFTWARE LTD**

Before: The Hon. Justice David Doyle

Appearances: Tom Lowe KC instructed by Charlotte Walker of Appleby (Cayman) Ltd for New Trident Holdings Ltd (the Petitioner)
Andrew Ayres KC instructed by Spencer Vickers and Sean-Anna Thompson of Conyers Dill & Pearman LLP for SequoiaDB Software Ltd (the Company)

Heard: 3 December 2025

Ex tempore judgment delivered: 3 December 2025

Draft transcript circulated: 8 December 2025

Transcript Approved: 10 December 2025

Determination of a winding up petition and a summons for an arbitration stay

JUDGMENT

1. There are before the court two applications:
 - (1) A winding up petition dated 4 July 2025 and amended 30 September 2025 (the “Petition”); and
 - (2) A summons for an arbitration stay dated 24 November 2025 (the “Summons”).

2. I have considered the hearing bundles, the skeleton arguments, the oral submissions and the relevant law. I am grateful to the attorneys for their assistance to the court.
3. As Mr Andrew Ayres KC (who appears for the Company) persuasively emphasised, it is trite law that if a petitioner's debt is *bona fide* disputed on substantial grounds the normal practice is for the court to dismiss the petition. See for example *Parmalat Capital Finance Limited v Food Holdings Limited* 2008 CILR 202 and *Grand State Investments Limited* (FSD unreported judgment of Parker J delivered on 28 April 2021). I note also Parker J's judgment (delivered 2 May 2025) subsequent to the arbitration, brought to my attention by Mr Tom Lowe KC (who appears for the Petitioner).
4. Mr Lowe with his usual eloquence, seeks to portray this case as a simple and straightforward case where there is no genuine dispute as to the existence of the debt, and as he endeavours to persuade the court, almost as night follows day, that a winding up order should be made.
5. In his skeleton argument Mr Lowe says that the Company's case on Article 9 (i) is "*hopeless as a matter of construction*". He in effect asks me to see through the Company's "*smokescreen or contrived arguments presented late in the day*" and the "*disingenuous delaying tactics*" and to exercise the court's discretion by making a winding up order.
6. Mr Lowe this morning took me through the evidence in respect of the history of the redemption request and the various communications thereafter in an endeavour to stress to the court that there was no genuine dispute as to the debt. Mr Lowe in effect invites me to conclude that this is a recently invented dispute with no real substance, and I should see through it.
7. Mr Lowe, amongst others, stressed the following points:
 - (1) On the legally available funds argument the Company has not provided evidence in respect of the insufficiency of funds.
 - (2) There is no need for the Petitioner to provide reasons for the redemption request.
 - (3) Under Article 9(i), whether an IPO occurred on or before 31 December 2023 is an uncontested fact. The court need dig no deeper.

- (4) No dispute as to the debt was raised at the time of the redemption request or within a reasonable time thereafter and when it was later raised in correspondence, no detail was provided despite requests.
 - (5) The evidence in respect of the alleged disagreement between shareholders on the listing place is extremely thin: in effect, a mere assertion.
 - (6) The Company failed to properly deal with shareholders' requests for financial information.
 - (7) The Company attempts to put a different construction on Article 9 but that does not amount to a genuine dispute of the debt on substantial grounds.
8. In addition to the inability to pay debts ground, the Petitioner in its Petition also gently relied on the just and equitable ground under the heading "*Justifiable loss of confidence in the management of the Company.*" At paragraph 82 (d) (ii) of the Petition, the following words appear:
- "..further and in the alternative, it is just and equitable that the Company be wound up under the provisions of the Companies Act."*
- I note the way it has been pleaded, and I have considered the position. Sensibly this ground was not pressed upon the court in oral submissions. I have concluded that there is insufficient to wind the Company up on the just and equitable basis. The main ground of the winding up petition was the inability to pay debts ground.
9. Mr Ayres refers to various arguments in respect of the redemption request, Article 9, and the shareholders agreement. Mr Ayres helpfully took me through the redemption request and what the Company regards as the proper construction of Article 9, stressing that a party cannot rely on its own failings to take advantage of a benefit, as a matter of construction. He says such a point is arguable and not fanciful. He says in effect that the shareholders are at fault in respect of failing to pass a listing place resolution. He raises other arguments in respect of the other grounds the Petitioner relies upon in Article 9 but not, he says referred to in its redemption notice.
10. Mr Ayres says that in the absence of cross examination I should accept the evidence filed on behalf of the Company in respect of the disputes between shareholders in respect of the listing place, unless it is manifestly absurd which he says it is not. He adds that the Petitioner has not filed any evidence to contradict what is said in the Company's evidence on this point.

11. Mr Ayres says that there are arguments in respect of the phrase “*legally available funds*” which the court cannot in effect dismiss on a summary basis.
12. Mr Ayres says that the Company only received a proper list of the financial documents required by letter dated 29 October 2025.
13. Mr Ayres refers to the agreement to arbitrate and the arbitration and I note all his arguments.
14. Despite the elegant way in which Mr Lowe presented his submissions on behalf of the Petitioner, I have concluded that there is a *bone fide* dispute on substantial grounds in respect of the alleged debt. I do not think that the Company’s construction arguments are hopeless or fanciful, whether they would succeed or not is a different question. There are however serious arguments in respect of the Articles and the Shareholders’ Agreement. They have been raised late but I do not think I can legitimately categorise them as “*smokescreens or contrived arguments*” or simply “*disingenuous delaying tactics*”.
15. The Company has raised issues of substance. There is plainly a genuine dispute on substantial grounds. The Petitioner’s skeleton argument runs to some 35 pages and many of these pages endeavour to deal with the dispute as to the debt. The Company has satisfied me that there is a genuine dispute on substantial grounds.
16. I exercise the discretion of this court by dismissing the Petition. In light of that decision the Summons for the arbitration stay falls away as there are no proceedings to be stayed. It too should be dismissed.

THE HON. JUSTICE DAVID DOYLE
JUDGE OF THE GRAND COURT