



Many of our engagements involve matters in which our clients face significant public attention. The following is a list of news stories about the firm, our clients, cases and the results we have achieved.

British entrepreneur Harvey Boulter exonerated after UK liquidators' allegations of fraud are rejected in the Grand Court of the Cayman Islands

March 28, 2022

Kobre & Kim has secured a victory in the Financial Services Division of the Grand Court of the Cayman Islands for Harvey Boulter in proceedings arising from his former role as a director of two Cayman companies within his own venture capital group, Porton Capital, as well as his role as a director of Enigma Diagnostics Ltd.

Enigma is now in creditors' voluntary liquidation. Its liquidators, Messrs. Paul Allen and Geoffrey Carton-Kelly of London-based insolvency firm FRP Advisory, filed proceedings in the Grand Court in July 2021 alleging Mr. Boulter had misled the professional liquidators appointed in the winding up of his Cayman companies by signing false declarations of solvency and concealing purported contingent liabilities and claims arising from his own alleged misconduct. They also claimed the purpose of declaring voluntary liquidation was to avoid scrutiny of that alleged misconduct through a Court-supervised process.

In the written judgment handed down on 24 March, the Honorable Justice David Doyle described the allegations as, "somewhat unsatisfactory 'kitchen sink/scattergun' approach". In every instance, he concluded that he was not satisfied that Enigma's liquidators had proved Mr. Boulter had behaved fraudulently. In one instance Justice Doyle concluded that the allegations were "pretty flimsy" and in another he found that the allegations were "vague and generalized" and came "nowhere near jumping the hurdle in respect of fraud."

This is an important victory for Mr. Boulter in his defense against a multi-jurisdictional litigation strategy, which he believes is based on inadequate investigation, poorly formulated and unsupported allegations of the most serious wrongdoing and a campaign motivated by irrelevant or misleading rhetoric adduced for the purpose of causing prejudice or demonizing him in the public eye.

Kobre & Kim's Peter Tyers-Smith provided the following comment in response to the decision:

"We are pleased to have been able to assist Mr. Boulter vindicate his position in the face of serious allegations of fraud and dishonesty made by professional officeholders. Although this case concerned a novel point of Cayman Islands' law, Justice Doyle's carefully reasoned decision focuses on the serious factual allegations made against Mr. Boulter by the Enigma liquidators. Ultimately, the Enigma liquidators comprehensively failed to make good on their allegations. Importantly the Court concluded that Mr. Boulter had behaved honestly and properly. Mr. Boulter will now focus on defending the second set of proceedings pursued by the Enigma liquidators in London and we look forward to similarly vindicating his position in those proceedings."

Mr. Boulter also provided the following comment in response to the decision:

"From the outset I believed these allegations were without merit, and that has now been proven correct. I am pleased the matter was brought to trial and robustly defeated. I am grateful to my entire legal team for their outstanding and professional defense of this matter. This proved to be a waste of time for all concerned, and I will be asking the court to order Enigma to pay my costs."

Peter Tyers-Smith, Stephen Hayes, Ilona Groark and Ed Smith, together with David Quest QC and Craig Ulyatt, represent Boulter in the two sets of proceedings. The Cayman case is *Cause No. FSD 226 of 2021 (DDJ) In the matter of Porton Capital Inc and Porton Capital Limited*. The London case is *Enigma Diagnostics, Paul Allen, Geoffrey Carton-Kelly v Boulter, DLA Piper LLP, Charles Cook BL-2021-001208*.