Application for restoration of a Company and the appointment of joint liquidators

[2019]GRC015

IN THE ROYAL COURT OF GUERNSEY

(ORDINARY DIVISION)

IN THE MATTER OF:
HIGHBRIDGE INVESTMENTS LP, INC

AND IN THE MATTER OF AN APPLICATION BY
DAVID ANTHONY RUBIN AS LIQUIDATOR OF HIGHBRIDGE CONSULTANCY LIMITED (IN LIQUIDATION)

Hearing and decision date: 16th May 2018

Reasons handed down: 23rd April 2019

Before: Richard James McMahon, Esq., Deputy Bailiff
Jurats: B J Bartie, D J Mortimer, and J M Wyatt

Counsel for the Applicant: Advocate A M Davidson

Cases, Texts & Legislation referred to:

The Limited Partnerships (Guernsey) Law, 1995
The Royal Court (Reform) (Guernsey) Law, 2008
The Companies (Guernsey) Law, 2008
The Consumer Credit Act 1974
The Insolvency Act 1986
In the matter of Synergy Capital Limited (unreported, 20 July 2012)
In the matter of Maplecross Properties Limited (in liquidation) (unreported, 29 January 2018)
In the matter of Jubilee General 2 Limited (in administration) (unreported, 18 August 2017)

Introduction

1. By an Application dated 4 May 2018, David Rubin, as the liquidator of Highbridge Consultancy Limited, sought the restoration of Highbridge GP Limited to the Register of Companies, a winding up order in respect of the restored company and his appointment, along with his colleague, David Sheil, as the joint liquidators of that company. If so appointed, Mr Rubin further sought that both of them be appointed as joint liquidators in the winding up of the affairs of Highbridge Investments LP, Inc. This Application was supported by the Applicant's Affidavit

sworn on 4 May 2018. Advocate Davidson, who appeared on behalf of the Applicant, also relied upon a Skeleton Argument dated 10 May 2018.

2. The hearing took place on 16 May 2018. As a result of some questions about certain aspects of the Application, which the Court will briefly explain further in due course, Advocate Davidson sought not to pursue paragraphs 1 to 3 of the Application, which were then adjourned sine die with liberty to restore. Instead, the Applicant was given leave to amend para. 4 of the Application so that seeking appointment as joint liquidators of the limited partnership was not dependent on first being appointed as joint liquidators to the restored general partner, but could be pursued discretely. At the conclusion of the hearing, the Jurats decided that it was appropriate to grant the relief sought by para. 4 of the Application as amended. Brief reasons were given with the promise that, when time permitted, full written reasons for that decision would be provided. It has taken far longer than it should have done to find the time to set out those reasons, for which the Court apologies, but this judgment now sets out the approach that was taken under the terms of the Limited Partnerships (Guernsey) Law, 1995.

3. This judgment contains the unanimous findings of the Jurats, who were directed otherwise than in open Court pursuant to the terms of the Royal Court (Reform) (Guernsey) Law, 2008.

Background

4. Highbridge Consultancy Limited ("HCL") had been incorporated in the United Kingdom on 9 November 2010. Its directors were Oliver Mishcon and Ortho Barnes, however the latter resigned from office in August 2011 and Quaestor Capital Limited, a company of which Mr Barnes had been sole director for many years, was appointed as director in November 2012. At a general meeting of the company on 18 December 2015, a special resolution was passed that the company be wound up voluntarily. By ordinary resolution, Mr Rubin was appointed as the liquidator.

5. During his work as the liquidator of HCL, Mr Rubin was contacted by a number of persons who had availed themselves of services offered by Highbridge Investments LP, Inc ("HILP"). By an assignment dated 23 May 2014, HILP had purported to assign all its rights and obligations under various agreements to HCL. An addendum to that assignment document was executed on 11 December 2014. As a result, Mr Rubin had concerns that those contacting him could be creditors of HCL. However, he had discovered that it appeared that HILP, acting through its general partner, Highbridge GP Limited ("HGPL") had been used in a way that the services apparently offered to customers had never been delivered. He had sought material to assist him in his enquiries but had found no other avenue by which this was possible, including within the context of the liquidation he was undertaking. As a consequence, he had chosen to make the Application as a means of obtaining access to the information he felt he needed, including the books and records of HILP.

6. HILP was registered as a limited partnership under the 1995 Law on 6 December 2010. As shown on its certificate of registration, it chose to have legal personality. HGPL gave notice on 19 December 2014 that the limited partnership had been terminated with effect from 17 December 2014. Initially, HILP had been set up for PPI claims handling. However, when that business stalled, its principal business activity was to take over the credit card debts of others as part of a consumer protection service with a view to arguing that there had been unfair treatment by the counterparty to those credit card arrangements.

7. HILP's general partner had been incorporated in Guernsey on 2 December 2010. The subscriber for the sole share in HGPL was Provident Trustees (Guernsey) Limited ("Provident"). Provident provided corporate administration services to both HGPL and HILP. The directors were Mr Barnes and Andrew King and a Mrs Chapman, both of whom were directors of Provident. Mr King, acting on behalf of the entire Board, signed the declaration of compliance required in

accordance with sections 357(2)(b) and 365(1) of the Companies (Guernsey) Law, 2008, which was dated 30 December 2014. HGPL was dissolved on 2 March 2015. HILP's limited partner has been Parriwood Management Limited and then Reddington Management Limited, both of which were registered in the United Kingdom and Mr Mishcon served as director to each.

8. Mr Rubin exhibits some of the marketing material used. A letter sent to one customer in February 2012 shows that HILP was simply using Highbridge as its trading name. The marketing material explains that Highbridge's unique offering was that it took legal ownership of the client's credit card debt. There were various steps that had to be taken, usually performed through a Highbridge agent, but the indication was that, if the client were to be taken on, as part of a welcome pack, letters would be provided to be sent to the credit card company, after which Highbridge would confirm to the client that the client was free of the debt burden for ever. The credit card should not be used again and, to avoid set-off, the client should consider severing all ties with the financial institution concerned, eg, closing a current account also held with it. The process of transfer was envisaged to take a matter of weeks. The material further explained that, if the credit card company did not write off the debt, Highbridge would have the responsibility of dealing with it. Apart from paying a fee to Highbridge, no further money would be demanded. An example of a Client Agreement Form shows the fee to be 20% of the credit card debt being transferred. Mr Rubin states that the fee in other cases could be as much as 30% and these fees were often taken on the credit card in respect of which the debt, also to include that fee, was being taken on by HILP. The small print of the Standard Terms and Conditions makes the laws of England and Wales the governing law. One of the letters to be sent by the client to the credit card company was in standard form and would outline the client's disputes relating to unfair treatment as well as alleging breaches of the Consumer Credit Act 1974, before giving details of the assignment to HILP. A second letter informed the credit card company of the change of address for future correspondence. In the event that contact was made by, or on behalf of, the credit card company, HILP would send a short letter declining to engage further until every point raised in the letter of complaint had been addressed.

9. Mr Rubin also gives some details about what would happen if the credit card company, or a collection agent on its behalf, pursued one of HILP's clients through a court. HILP would offer assistance in the form of pleadings to be lodged in response, including a counterclaim, and suggest to the customer that the matter was being handled. When matters progressed, Highbridge would write on behalf of its customer offering to settle the debt through monthly payments, claiming the customer was suffering financial hardship. In one instance Mr Rubin exhibited, the offer was for just £1 each month, which is derisory when clearly it would not even meet the interest accruing on the debt. In particular, Mr Rubin exhibited an anonymised account dated 17 January 2016 of the dealings one couple had with Highbridge where the form of prevarication just mentioned is clear and the outcome was unsatisfactory because judgments were entered against both spouses that they had to pay without any recourse available to Highbridge, which stopped responding to them by late 2014.

10. Customers of Highbridge received a letter dated 27 March 2015 informing them that regulatory changes were taking effect from 31 March 2015 and that "*the company has reviewed all the available options but has had to accept that it cannot continue to trade after*" that date. The letter enclosed a guidance note that explained *inter alia* that the account(s) would be transferred back to the customer and that the customer must make arrangements to deal directly with the account(s). No explanation was given that HILP as a limited partnership had by then been terminated some three months earlier but customers were informed that HILP was "*ceasing to trade with immediate effect*".

11. During the course of Mr Rubin's work, he discovered that there were approximately 800 credit card arrangements that were covered by agreements with HILP. The aggregate credit card debts are around £5.4 million and the fees paid by the 400 or so customers affected were around £1.3

million. Mr Rubin considers that these customers have been duped because the promises made by the Highbridge materials and its agents when getting customers to enter into these agreements have not been performed. Whilst the advice he has taken indicates that the purported assignment of these contracts from HILP to HCL is ineffective, he remains concerned that disenchanted customers could look to the liquidation of HCL as a means of securing some redress and, in order to be in a position to know whether or not any such creditor claim is valid, he needs access to more materials than he has through his work as liquidator with HCL.

12. Mr Rubin also explains the steps he has taken to seek assistance. Following a meeting of creditors of HCL on 8 December 2015, on 13 January 2016, he wrote to Mr King at Provident requesting a copy of the assignment to HCL. Mr King replied that Provident was seeking legal advice. Mr Rubin wrote again on 19 January 2016, referring to the assignment, and requiring the books and records of HILP to enable him to substantiate the claims against HCL and HILP's bank statements. The reply from Mr King on 25 January 2016 was to decline to assist, citing Provident's duties of confidentiality as the reason. Mr King suggested contacting the directors of HCL, who might be able to assist. Mr Rubin replied on 28 January 2016, drawing attention to the obligations under sections 235 and 236 of the Insolvency Act 1986. Accordingly, relying on the powers conferred on him, he made a formal requirement for delivery up of the information requested. Mr King's response on 3 February 2016 provided a copy of the assignment, to which was appended the details of all contracts assigned. On 22 August 2016, Mr Rubin wrote to Mr King at Provident indicating that Mr Barnes had authorised the release of files held with Provident relating to HCL and HILP for inspection on behalf of Mr Rubin, after which they would be returned. A substantive response was sent by Mr King on 27 September 2016. He referred to the documents assigned to HCL under the assignment agreement, which were apparently enclosed with the letter, being the original client agreement files, and also to four further documents, copies of which HCL should already have had. As regards the broader request from Mr Rubin for all the books and record of HILP, Mr King sought clarification as to the basis on which Mr Rubin could require them. By letter dated 3 November 2016, Mr Rubin repeated his request for copies of HILP's bank statements, explaining that this was necessary to reconcile the claims of clients who were part of the assignment so as to understand better the level of potential liabilities of HCL.

Restoration application

13. Against that factual background, the Court understands why it was that Mr Rubin sought first to restore HGPL and then seek its winding up under the Companies (Guernsey) Law, 2008 because of the way in which the Limited Partnerships (Guernsey) Law, 1995 places a general partner at the centre of the limited partnership's affairs. Section 12(1) of the 1995 Law provides that a limited partner is not permitted to participate in the conduct or management of the business of the limited partnership. Subject to the provisions of the partnership agreement, a limited partner, using such assistance as may be reasonably required of the general partner or partners, is allowed to examine and inquire into the state and prospects of the partnership business. Section 13 makes provision as to general partners, who have all the restrictions, obligations and liabilities of a partner in a partnership which is not a limited partnership. By virtue of section 30(1), the affairs of a limited partnership are, on dissolution, generally wound up by the general partners, unless the Court appoints a liquidator. Accordingly, seeking to engage with the general partner of HILP was logically the place to start for Mr Rubin.

14. Mr Rubin's application for restoration of HGPL under section 370 of the 2008 Law, however, ran into a number of procedural hurdles that were raised at the hearing with Advocate Davidson by the Deputy Bailiff, which resulted in that part of the Application not being pursued. The question of standing was one of those issues. It was not immediately apparent that HCL, on whose behalf Mr Rubin was acting as liquidator, could establish that it was a creditor of HGPL, particularly because HILP had been established with legal personality and was the other party to the

assignment arrangement. The alternative basis advanced on behalf of Mr Rubin as regards standing was that he could meet the test in section 370(1)(e) as an "*other person appearing to the Court to have a sufficient interest in making the application*".

15. There was a degree of overlap with the way this issue would also arise if HGPL were restored in respect of Mr Rubin's standing, as liquidator of HCL, to seek to have HGPL wound up compulsorily. Section 408(1) of the 2008 Law confers standing in respect of the subject company on "*any director, member or creditor thereof or by any other interested party*". In *In the matter of Synergy Capital Limited* (unreported, 20 July 2012), as confirmed in *In the matter of Maplecross Properties Limited (in liquidation)* (unreported, 29 January 2018), this Court found that (at para. 79):

> "*A "director, member or creditor" of a company necessarily has a close connection with the company itself (which is also given standing). In my judgment, an "interested party" must be a person who is interested in the company in respect of which the application is being made and that interest must be treated as something broadly equivalent to, but distinct from, the interests of the persons actually specified.*"

That paragraph further states:

> "*Other persons who are "interested parties" may be in some contractual relationship with the company, but I am not limiting the category of person who can bring themselves within the term to those who have, or have had, such a contractual relationship. I am merely offering that type of link as being of the nature that can potentially lead to the conclusion that the applicant is an "interested party".*"

16. Whilst recognising that whether HCL was a creditor of HGPL would have been a question of fact for the Jurats had these elements of the Application been pursued, as also would be the question of whether HCL (or even Mr Rubin as its liquidator) was a person with a sufficient interest to seek HGPL's restoration and thereafter an "*interested party*" to have the company wound up, the material on which Mr Rubin relied concentrated on the need to have access to whatever the limited partnership continued to hold following its dissolution and so the general partner was, it appeared, being used as the vehicle through which to gain that access. Had the restoration element, or the winding up element, of the Application failed on the basis of standing, the relief sought in relation to HILP could not have been pursued because, in the original Application, it was predicated on joint liquidators already having been appointed to HGPL.

17. A second issue in relation to restoration of HGPL arose from section 371(1) of the 2008 Law. By para. (d), the Court is obliged to give an opportunity to make representations to:

> "*such other persons, if any, as the Court thinks fit, including (without limitation) –*
>
> *(i) any member, creditor or director of the company, and*
>
> *(ii) any liquidator, administrator or (in the case of a protected cell company) receiver of a cell of the company.*"

Because Provident was the sole member of HGPL, although Advocate Davidson might have attempted to persuade the Deputy Bailiff that it did not need to be given an opportunity to make representations, in the light of the correspondence that had passed between Mr Rubin and Mr King in 2016, a provisional view had been taken that Provident should at least be alerted to the application. If a company's name is restored to the Register, section 371(7) provides that "*the company shall be deemed to have continued in existence*". As such, being the member of a company that is restored can have consequences, which is no doubt why the opportunity to be heard is generally to be afforded.

18. Similarly, upon restoration and before being wound up, section 425 of the 2008 Law provides that:

> "*The Court shall not hear an application for the winding up of a company under this Law unless satisfied that the company has been notified of the date, time and place of the application.*"

As Advocate Davidson pointed out, prior notification cannot be given to a company that has been dissolved. However, upon restoration, because it is deemed to have continued in existence, notification to those who would have continued to act on behalf of the company is possible. In that way, any representations that such a person wishes to make can be heard. If the opportunity is not given, the risk is that something could have been said which would lead to a different outcome and so, had the Court ordered HGPL's restoration, the Court may well then have been minded to adjourn the application to wind up HGPL to enable the company to be notified as required by section 425.

19. As a result of discussing these procedural issues with Advocate Davidson, Mr Rubin did not pursue the relief he had sought in respect of HGPL and concentrated instead on HILP.

Liquidators of limited partnerships

20. The only aspect of the Application on which a determination by the Court was required was para. 4 of the Application, as amended, which sought the appointment of Mr Rubin and Mr Sheil as joint liquidators to wind up HILP's affairs and distribute its assets pursuant to section 30(3) of the 1995 Law, which provides:

> "*Upon the dissolution of a limited partnership or at any time thereafter, the Royal Court may, on the application of any partner or assignee thereof or any creditor, make such orders in relation to the dissolution as it thinks fit, including one for the appointment of one or more liquidators to wind up the partnership's affairs and distribute its assets.*"

21. The Deputy Bailiff gave the Jurats the usual general directions, reminding them about their respective roles: the Deputy Bailiff is the sole judge of questions of law and procedure and the Jurats are the sole judges of questions of fact. The Jurats were directed that they must accept his directions on the law and follow them. The Deputy Bailiff explained that the Applicant had the burden of satisfying them on the balance of probabilities, which means proving that something is more likely so than not so. The Jurats should consider what Mr Rubin had set out in his Affidavit evidence and the documents he exhibited in determining the questions for their consideration. They might take account of the arguments presented by Advocate Davidson, but were not bound to accept them. Further, if at any time the Deputy Bailiff appeared to express any views concerning the facts, or emphasise a particular aspect of the evidence, the Jurats were not to adopt those views unless they agreed with them, because it is the Jurats' judgment alone on the facts that matters.

22. In relation to whether Mr Rubin on behalf of HCL had standing to seek the appointment of himself and Mr Sheil as liquidators, the Deputy Bailiff pointed out that HIPL had through the assignment agreement dated 23 May 2014 purported to assign its rights and obligations under the various contracts with customers to HCL in return for £1. If, as had been suggested by Mr Rubin, this agreement did not have legal effect for any reason, that potentially meant that HCL could demand back from HIPL the consideration shown as having been paid under the contract. Further, or alternatively, even if that assignment agreement were effective and HCL had stepped into the shoes of HIPL, it might be thought that the obligations that HCL had assumed were different from what HIPL may well have indicated. For example, the customers did not appear to have avoided being pursued by credit card companies or agents acting on behalf of such companies and so had had to pay monies out when they had believed that they were relieved of

all their debts. Accordingly, those customers would, on that basis, potentially have claims against the assignee, HCL, in which case HCL, acting through Mr Rubin, might in turn look to HILP for some redress. The 1995 Law does not contain a definition of "creditor". However, the Deputy Bailiff directed the Jurats that they could give the term its ordinary meaning, which extended to cover someone currently owed money, someone who will be owed money and also someone who is a contingent creditor in the event of something happening. Looking at section 30(3) of the 1995 Law, Mr Rubin on behalf of HCL seemed not to be arguing that he stood in the shoes of a partner (which might have been possible had the restoration of HGPL been pursued and he had then been appointed as liquidator) or an assignee of a partner, so if the Jurats were not satisfied that HCL was a creditor, it meant that para. 4 of the Application as amended would have to be dismissed for want of standing.

23. If the Applicant was found to have standing, however, the Jurats then needed to proceed to consider whether to exercise the Court's power to appoint one or more liquidators to wind up HILP's affairs. In that regard, the Jurats were invited to consider the scheme of the 1995 Law, much of which had been canvassed in an earlier decision to which Advocate Davidson referred the Court, *In the matter of Jubilee General 2 Limited (in administration)* (unreported, 18 August 2017). They could note that section 30(1) provides the general position that the general partner, or general partners, wind up a limited partnership that is to be dissolved. The circumstances in which a limited partnership is dissolved are set out in section 28. Although there was no real information about how this event had actually come to pass, it appeared that HGPL had given notice of the dissolution of HILP. One thing, though, appeared to be clear, and that was that HILP had not been dissolved by the Court under section 29. It was significant to note that the power to appoint one or more liquidators appeared both in section 29(2) in the context of an application to dissolve a limited partnership, and also in section 30(3), which meant that the legislature had acknowledged that an application for orders, including the appointment of a liquidator, exists where the process of dissolving the limited partnership is in accordance with section 28 as well as when the Court orders its dissolution.

24. Section 30(7) provides:

> "*Upon the dissolution of a limited partnership, notwithstanding the fact that (pursuant to subsection (8)(c) below) the certificate of registration has ceased to be valid, the persons winding up the partnership's affairs, in the name of and for and on behalf of the partnership–*
>
> *(a) may, to the extent necessary for the beneficial winding up of the partnership, prosecute, defend or settle any civil or criminal action;*
>
> *(b) shall dispose of the partnership's property and realise its assets; and*
>
> *(c) shall, in accordance with the provisions of section 32–*
>
> *(i) discharge the partnership's debts; and*
>
> *(ii) distribute to the partners any remaining assets of the partnership;*
>
> *the whole without prejudice to the personal liability of the partners.*"

In relation to the consequences of a limited partnership's dissolution and winding up, the Deputy Bailiff reminded the Jurats that the general partner of HILP had been dissolved with effect from 2 March 2015 and so any ongoing winding up of HILP's affairs under section 30(1) cannot have been continued after that date. Indeed, the Jurats might wish to consider whether, on the basis of what Mr Rubin said in his Affidavit, whether the application for voluntary winding up could properly have been made when it was on 30 December 2014. For example, by reference to section 358(1)(b) of the 2008 Law, they might consider whether HGPL had been carrying on any

business. It was for them to consider the evidence of Mr Rubin and decide whether the affairs of HILP can have been satisfactorily wound up by HGPL before its own dissolution. However, if they were satisfied that there was still something that needed to be reviewed in relation to HILP as a result of Mr Rubin's investigations through his position as the liquidator of HCL, the fact that there was no longer in existence any general partner was not, of itself, reason not to exercise the Court's discretion to appoint liquidators. The Deputy Bailiff reminded the Jurats that the relief sought by the Applicant was discretionary and the Court's discretion needed to be exercised rationally, proportionately and judicially.

Findings

25. The Jurats first considered whether HCL, acting through its liquidator, Mr Rubin, had satisfied them that there was standing to bring para. 4 of this Application. They concluded that HCL was in the position of being a creditor of HILP. Without making any finding as to whether the assignment agreement between HILP and HCL was valid, the Jurats accepted that HCL potentially had a claim against HILP if the assignment agreement were subsequently found to be valid or if it was not. If valid, there was something amiss in what the parties to that assignment agreement had purported to do, which meant that HCL could well be pursuing a claim against HILP for some form of breach, whether of the agreement itself or possibly some underlying warranty, from which loss had then arisen. As such, it was at worst a contingent creditor. However, if the assignment agreement were not valid, HCL ought to have a claim at the bare minimum for the return of the consideration paid under the agreement. Accordingly, the substance of the Application could be entertained.

26. Taken in the round, the Jurats were next satisfied that there had been something untoward in the way HILP had been conducting its business that ought to be investigated further by someone independent of those involved at the time. Those behind HGPL were inevitably too closely associated with what had taken place for the Court to have any confidence in HGPL, as general partner, playing any further role in the winding up of the limited partnership's affairs. The Jurats had considered whether there was an acceptable solution that did not involve appointing a liquidator pursuant to section 30(3) of the 1995 Law, but had concluded that such a "halfway house" would not have the same benefits as granting Mr Rubin's Application. The Jurats noted that section 30(3) conferred upon the Court the power to "*make such orders in relation to the dissolution as it thinks fit*" and explored whether it would be feasible simply to require Provident to make available the documents relating to HILP that Mr Rubin had been unable to access by any other means, but they concluded that if further action were then warranted it would simply escalate the overall costs of the exercise to require Mr Rubin (or some other person) to seek the relief of having one or more liquidators appointed at that later stage. The Court further recognised that one of the advantages of appointing joint liquidators to conduct any further winding up of the affairs of HILP would be that section 30(12) enabled the joint liquidators to seek directions from the Court on any matter arising during the course of the liquidation.

27. Whilst recognising that HCL was a distinct entity from HILP, the Jurats were satisfied that Mr Rubin, in his capacity as liquidator of HCL, would be well-placed to conduct the further investigations in the course of winding up the affairs of HILP, to the extent that HGPL had not already done so. They accepted that Mr Rubin had already familiarised himself with the scheme operated by HILP and had had contact from affected customers of the limited partnership.

28. The Jurats also took into account that section 30(4) of the 1995 Law provides that, upon the appointment of a liquidator, the powers of any general partner cease. This was a relevant consideration because it meant that, even if Mr Rubin had chosen to pursue the restoration and subsequent liquidation of HGPL, the end result would have been that the appointment of liquidators to HILP would have resulted in there being no further role for HGPL, and the liquidators of that company, to play in respect of HILP. Turning to section 30(5), they noted that the premise of what happens after the dissolution of the limited partnership is that there will be a

beneficial winding up. They were satisfied that it was a factor for them to take into consideration that the beneficial winding up extended to any creditors of the limited partnership who might otherwise not have been identified during what must have been a very cursory winding up conducted by HGPL as general partner. Accordingly, in exercising their discretion in favour of granting para. 4 of the Application, they recognised that Mr Rubin could aim to reconcile the positions adopted by HCL, of which he was already aware, with those of HILP as they affected the persons whose credit card debts HILP had purported to take over.

Conclusion

29. For the reasons given, the Court decided that this was a proper case in which to make an appointment of joint liquidators for HILP under the terms of section 30(3) of the 1995 Law. Although the dissolution of HILP had taken place some time earlier, the information now presented by Mr Rubin was such that the Jurats were satisfied that Mr Rubin was justified in believing that the possibility of HILP's customers being duped warranted further investigation and that such investigation could only properly be undertaken by someone unconnected with the way in which the business had been conducted.

30. The costs of the Application were ordered to be costs in the liquidation of the limited partnership. Section 30(6) of the 1995 Law provides that the liquidator's remuneration is included in the totality of the expenses properly incurred in the dissolution of a limited partnership and that all those expenses are payable from the partnership's assets in priority to all other debts.