Neutral Citation Number: **[2026] EWHC 2102 (Comm)**

Case No: CL-2025-000245

IN THE HIGH COURT OF JUSTICE
KING'S BENCH DIVISION
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMMERCIAL COURT

Royal Courts of Justice, Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 7 August 2026

Before :

Mr Justice Birt

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Between :

(1) THE STATE OIL COMPANY OF THE REPUBLIC OF AZERBAIJAN (A BODY CORPORATE) **(2) SOCAR TRADING S.A.** **(3) SOCAR OVERSEAS LTD** **(4) AZERBAIJAN (ACG) LIMITED**	**Claimants**
- and –	
(1) MUBARIZ MANSIMOV **(2) PALMALI HOLDING COMPANY LIMITED** **(3) GÜNESLI DENIZ TAŞIMACILIĞI SANAYI VE TICARET AŞ** **(4) PALMALI HOLDING AŞ** **(5) ULVIYA GASIMOVA** **(6) GMM INVESTMENT VENTURES SA**	**Defendants**

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Anthony Peto KC, Timothy Lau & Joshua Hillis (instructed by **Clifford Chance LLP**) for the **Claimants**
Tom Sprange KC & Simon Maynard (instructed by **King & Spalding International LLP**) for the **Defendants**

Hearing date: 4 June 2026

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Approved Judgment

This judgment was handed down remotely at 10.30am on 7 August 2026 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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MR JUSTICE BIRT

Mr Justice Birt:

1. The claimants are creditors under two arbitration awards made in arbitrations seated in England.[1] The debtors under those awards are the first and second defendants, as well as another related company (called Palmali International Holding Company Limited, "PIHCL"). In this claim, the claimants contend that, through a series of restructurings, the defendants have sought to move assets away from the award debtors with the aim of frustrating enforcement of the awards. This judgment deals with the defendants' application to set aside the order of Jacobs J, dated 6 June 2025, in which he gave permission for the claim to be served out of the jurisdiction.

Background

2. The first claimant, the State Oil Company of the Republic of Azerbaijan ("SOCAR") is, directly or indirectly, the parent company of the other claimants, which are each incorporated in different jurisdictions (the second claimant in Switzerland, the third claimant in the DIFC, and the fourth claimant in the Cayman Islands).

3. The first defendant ("Mr Mansimov") was born in Azerbaijan, but has been domiciled in Turkey since 1996. He is the founder of the Palmali group of companies ("Palmali"). The fifth defendant ("Ms Gasimova"), who is Mr Mansimov's life partner and the mother of their son, was also born in Azerbaijan and is now domiciled in Turkey. The second defendant ("PHCL") is a Maltese company, the third and fourth defendants are incorporated in Turkey, and the sixth defendant in St Kitts and Nevis.

4. SOCAR and Palmali first entered into a commercial relationship in 2007. During the course of 2007 and 2008, PHCL entered into two long-term transportation services agreements (the "TSAs") with SOCAR, pursuant to which PIHCL agreed to transport SOCAR's crude oil internationally. Subsequently, SOCAR and its subsidiaries made two substantial loans to Palmali:

    i) Pursuant to an agreement dated 5 October 2009 (as subsequently amended), the fourth claimant provided a loan to PIHCL in the ultimate principal amount of \$120 million[2] (the "AzACG loan"). This loan was secured by a guarantee given by PHCL dated 7 October 2009 (the "PCG"). Both the AzACG and the PCG were governed by English law and stipulated that disputes would be settled by arbitration under UNCITRAL Rules in London.

    ii) Pursuant to an agreement dated 13 August 2013 (as subsequently amended), the third claimant provided a loan to PIHCL in the principal amount of \$30 million (the "SOS loan"). It was also governed by English law, but with a dispute resolution clause for arbitration under LCIA Rules in Dubai.

5. By 2016, the defendants say Palmali was in a precarious financial position. The defendants contend that was as a result of breaches by SOCAR of an exclusivity obligation in one of its agreements with Palmali, though that was a point on which the defendants failed in the subsequent arbitrations. In addition to the AzAGC loan and the

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[1] As explained below, there was also a third Dubai-seated arbitration, but no claim is brought in relation to the award in that arbitration in these proceedings.

[2] The original 5 October 2009 loan had been for \$75 million. The amount was subsequently increased by Deeds of Amendment to the loan agreement. All references to \$ in this judgment are to US \$.

SOS loan, Palmali became indebted to various banks. This led to SOCAR and Palmali entering into a restructuring transaction in December 2016, by which the TSAs were terminated, referred to as the Termination and Settlement Deed (the "T&SD"). Mr Mansimov was himself a party to the T&SD, in which he gave a personal indemnity to SOCAR in the event of a failure or delay by a member of the Palmali Group in complying with obligations under the T&SD. The T&SD was governed by English law, and contained an arbitration clause for LMAA arbitration in London.

6. The defendants contend that Palmali's financial situation continued to worsen in 2017, when many of its bank lenders issued default notices and sought to repossess vessels over which they held security.

7. Palmali entered into two restructurings during the course of 2018:

   i) In April 2018, PHCL's shareholding in approximately 47 fleet-owning subsidiaries incorporated in Malta was transferred to the third defendant ("the April 2018 restructuring"). The claimants contend that effected the stripping of a significant proportion of PHCL's assets.

   ii) On 5 June 2018, the shareholding in the third defendant was transferred from Mr Mansimov and a Mr Victor Hüseyin (who the defendants say was the CEO of Palmali at that time) to the fourth defendant ("the June 2018 restructuring"). The fourth defendant was, at that time, owned by Mr Mansimov.

8. There is no dispute that the restructurings took place, or that the transfers were made for no or nominal consideration. The defendants contend that they were legitimate measures, which were driven by the Palmali Group's creditors, as a result of its deteriorating financial position. In particular, the defendants say that Palmali's Turkish lenders insisted that they be able to enforce against Palmali's fleet under Turkish law, and demanded that the holding vehicle for Palmali be a Turkish corporate entity. The claimants say that the restructurings were undertaken for the purpose of seeking to put assets beyond the reach of creditors.

9. In mid-2018, SOCAR and its subsidiaries commenced three arbitrations against Mr Mansimov, PHCL and PIHCL:

   i) On 18 May 2018, SOCAR (with the second and third claimants) commenced a London-seated LMAA arbitration against PIHCL and Mr Mansimov alleging breaches of the T&SD (the "T&SD arbitration").

   ii) On 6 June 2018, the third claimant commenced a Dubai-seated LCIA arbitration against PIHCL, seeking repayment of the SOS loan (the "SOS arbitration").

   iii) On 20 June 2018, the fourth defendant commenced a London-seated UNCITRAL arbitration against PHCL, seeking repayment of the AzACG Loan by PHCL, pursuant to the PCG (the "PCG arbitration").

10. The claimants point out that in a sworn affidavit in the T&SD arbitration, Mr Mansimov gave evidence stating: "*I had no intention of performing the T&SD but needed the cash flow…*".

11. In February 2020, there was a further restructuring in relation to Palmali by which Mr Mansimov's ownership of the fourth defendant (which, as set out above, had become owner of the third defendant in the June 2018 restructuring) was transferred as to 50% to Ms Gasimova, and 50% to the sixth defendant, and Mr Mansimov also transferred his shareholding in other Palmali companies to the sixth defendant (the "2020 restructuring"). Mr Mansimov confirmed in a witness statement dated 6 January 2026, served in relation to an asset disclosure application made against him in this court, that he had been a shareholder in the sixth defendant, but had subsequently – on 26 August 2022 – transferred his shares to two other individuals, namely Ms Aytan Farajzade (who is said to be Mr Mansimov's niece) and Mr Sabahattin Su (who the claimants describe as the CEO of Palmali).

12. Again, there is no real dispute that the restructurings took place, or that the transfers were made for no or nominal consideration. The defendants say that they took place in circumstances where Palmali continued to be subject to financial pressures, including bank enforcement actions. The defendants also say that Mr Mansimov had been the subject of a criminal investigation in Turkey since 2017 (and was convicted in March 2020), and that the criminal proceedings caused him significant reputational damage, making it essential that Palmali's legal ownership be transferred away from Mr Mansimov.

13. Awards were issued in the arbitrations as follows: (i) in the SOS arbitration, on 5 November 2020; (ii) in the T&SD arbitration, on 26 January 2021; and (iii) in the PCG arbitration, on 3 February 2021. The awards ordered the respondents in the arbitrations to pay the claimants a combined total of around $240 million plus interest and costs. The respondents' counterclaims were rejected. Apart from a sum of about £107,000 in costs in 2021,[3] no amounts have been paid under the awards.

14. SOCAR have sought to recognise and enforce the awards in proceedings in Turkey, Malta and Azerbaijan, which Mr Mansimov and Palmali have been resisting. The outstanding sums have only grown, with interest, over the last 5 or 6 years. At the date these proceedings were issued, the claimants recorded the outstanding sums under the two English awards, including interest, as: (i) under the T&SD award, $71,860,111.94 plus £499,606.23; and (ii) under the PCG award, $235,563,719.02 plus £230,422.84. Despite the claimants' efforts in a number of jurisdictions, the defendants have to date successfully avoided paying.

15. On the same date that the claim was issued in these proceedings, 2 June 2025, the claimants also commenced three arbitration claims, applying for permission to enforce each of the three awards (the "arbitration claims"). Jacobs J granted that permission by orders dated 6 June 2025. In the arbitration claims, the claimants made an asset disclosure application against Mr Mansimov, PHCL and PIHCL, which was granted following a hearing before Butcher J on 14 January 2026. I was told that, as a result of the failure by the defendants in the arbitration claim to pay the costs ordered at that hearing, an unless order was made regarding payment of those costs, with the sanction that they be prevented from taking further steps in the arbitration claims, and that the

[3] I was told that (i) the sum of £50,000 was received on 19 February 2021 from Preston Turnbull LLP, who acted for PHCL in the PCG arbitration, in respect of legal costs of that arbitration pursuant to their solicitors' undertaking, and (ii) the sum of £57,110.40 was received on 11 March 2021 from the LCIA (in its capacity as deposit holder) in respect of costs of the PCG arbitration.

costs remained unpaid at the expiry of the unless order deadline. In addition, by order of Bryan J dated 13 May 2026, the claimants were given permission to use any document disclosed in the arbitration claims in these proceedings (and in any enforcement proceedings or civil proceedings relating to the same or similar subject matter elsewhere).

16. One further aspect of the background is that Palmali commenced an arbitration on 30 June 2023, on behalf of 10 Palmali SPV entities against 10 SOCAR SPV entities, referred to as the "UML arbitration". This was seated and heard in London under the LMAA rules. The tribunal in the UML arbitration, on 24 February 2026, dismissed the claims of the Palmali entities, finding them to be an impermissible collateral attack on the earlier arbitration awards. During the course of the UML arbitration, SOCAR says that it discovered two further restructurings:

    i) In 2022, Mr Mansimov transferred his shares in the sixth defendant to Ms Farajov and Mr Su, as I have already mentioned above.

    ii) In 2023, the claimants say at least seven Palmali vessels were transferred to Liberian registered SPVs, which Palmali allege are owned by a friend of Mr Mansimov, for what appears to be zero consideration and leased back to Palmali.

    I mention those allegations of two additional "restructurings" as background, but I was not taken to any evidence relating to the second of them, and neither of them form part of the currently pleaded allegations in this case.

The claims

17. The claims pleaded in these proceedings are:

    i) A claim under section 423 of the Insolvency Act 1986 ("section 423").

    ii) A claim for what is referred to as the *Marex* tort for inducing or procuring non-payment of the arbitration awards.

    iii) A claim in unlawful means conspiracy, where the unlawful means relied on are the acts constituting the claims set out at (i) and (ii) above.

The application

18. The defendants now apply to set aside the order of Jacobs J giving permission for service out of the jurisdiction. That order also provided for alternative service on each of the defendants, but no separate point is taken in the application in relation to that part of the order.

19. There was no dispute between the parties that, in order for the claimants to obtain permission to serve the defendants out of the jurisdiction they must satisfy the court that:

    i) There is a serious issue to be tried on the merits of the claim, i.e. the claim has to have a real, as opposed to a fanciful, prospect of success.

ii) There is a good arguable case that the claim falls within one or more of the jurisdictional gateways in paragraph 3.1 of PD6B.

iii) In all the circumstances England is clearly or distinctly the appropriate forum for the trial of the dispute and that the court ought to exercise its discretion to permit service of the proceedings out of the jurisdiction. This is reflected in CPR 6.37(3).

See ***AK Investment CJSC v Kyrgyz Mobil Tel Limited*** [2011] UKPC 7, [2012] 1 WLR 1804 at paragraph 71; ***Brownlie v Four Seasons Holdings Inc*** [2017] UKSC 80, [2018] 1 WLR 192 at paragraph 3.

20. The evidence in support of the application also referred to issues relating to limitation and suggested that there had been, on the without notice application for permission to serve out, a failure to comply with the duty of full and frank disclosure. However, Mr Sprange KC (who appeared for the defendants at the hearing) confirmed that those points were not pursued.

Serious issue to be tried

21. As I have noted above, it is for the claimants to establish that there is a serious issue to be tried, i.e. the claim must have a real, as opposed to a fanciful, prospect of success. That is the summary judgment standard (see Lord Collins in ***AK Investment***, above). I will address each of the claims separately.

The section 423 claim

22. There was no dispute that, in order to succeed on their claim under section 423, the claimants would have to establish that:

i) The transfers made as part of the restructurings were at an undervalue.

ii) The transfers were made for the purpose of putting assets beyond the reach of a creditor or otherwise prejudicing the interests of a creditor.

iii) The claimants had been, or were capable of being, prejudiced by the transfers.

iv) The relief sought is appropriate under sections 423(2) and 425 of the Insolvency Act 1986.

v) There was a sufficient connection with England.

23. The claimants dealt with each of those points in their without notice application. On the application to set aside, the defendants contended that the requirements at (i), (ii) and (v) were not met to the necessary standard. I will deal with those three elements in turn.

24. First, the defendants contended that the transactions were not at an undervalue. It was common ground that this requires a transaction that was entered into on terms that provided for no consideration or for a consideration significantly less in value than the value of the consideration provided by the person entering into the transaction.

25. As already noted, there was no dispute that the various transfers that made up the restructurings were made for nominal consideration. The issue between the parties was whether the shares transferred as part of the restructurings had any real value at the time. The defendants contended that the fact that the consideration was nominal or minimal reflected what they contended was the commercial reality, which included that Palmali was in a perilous financial position and was heavily indebted. In their evidence in support of the application (in the fourth witness statement of their former solicitor, Lucy Vials dated 14 November 2025 ("Vials 4")), the defendants relied upon the last available audited accounts for Palmali from 2014 and 2015, contending that the relevant entities were in "*deep financial distress and on the brink of insolvency*" such that any residual equity available to shareholders was minimal.

26. In response, the claimants adduced a witness statement from Mr Alexander Scott, Global Head of Forensic at Clifford Chance LLP, a qualified accountant and member of the ICAEW Valuation Community. He had analysed Palmali's 2014 and 2015 financial statements, concluding that the value of the assets transferred in the restructurings had a much more than negligible or nominal value.

27. That evidence was not referred to in the defendants' skeleton for this hearing at all, and in his oral submissions Mr Sprange dealt with this very briefly, making a small number of headline points in a short sentence each by way of summary of matters advanced in the reply evidence. However, none of those points suggests that Mr Scott's evidence can be dismissed:

    i) Although Mr Scott is an employee of Clifford Chance, rather than an independent accountant, his evidence carefully went through the financial statements explaining why they demonstrated the value of the assets. Even without relying on any element of "expertise", that was more than sufficient to demonstrate, at least to the standard of a serious issue to be tried, that there was more than nominal value in the assets transferred.

    ii) Mr Sprange said that Mr Scott had only given a "snapshot" based on accounts for the Palmali group in 2014 and 2015. However, those were the very accounts that had been relied on by the defendants in their evidence to which Mr Scott was responding. Moreover, they were the last financial statements Palmali had published.

    iii) Mr Sprange said Mr Scott had not taken into consideration events subsequent to the accounts, including the termination of the TSAs and the entering into of the T&SD with SOCAR. However, whilst Mr Scott's analysis of the figures was based on the 2014 and 2015 financial statements (which, as I have said, were the last published), he also noted that the Palmali group continued to operate throughout 2016 and into 2017 (noting that the 2015 audit report had been signed on 11 April 2017). He took the view that this continuation may have been attributable to the sale of vessels to SOCAR in December 2016 which, he said, relieved the Palmali Group of its mortgage debt on those vessels and ameliorated its cash flow position. This reflected the evidence given by Mr Robert Lambert (a partner at Clifford Chance LLP acting for the claimants) in his third statement ("Lambert 3"), responding to the set aside application, which noted that, at the same time as the T&SD was entered into, SOCAR agreed to acquire 10 vessels from Palmali for consideration equal to the amount required to discharge the debts which Palmali had secured by mortgages over those vessels, which consideration he said exceeded the vessels' combined market value, thereby relieving Palmali of over $190 million of mortgage debt which Palmali was not able to service.

iv) Mr Sprange referred to some excerpts from evidence given by accountants in the UML arbitration, which had been identified in Vials 4, to the effect that the Palmali Group was on the brink of insolvency in 2016. That would no doubt be important background, but does not itself answer the issue whether the particular transfers involved in the restructurings in 2018 (or 2020) were at an undervalue.

v) Points were made in Vials 4 as to the alleged adequacy of the consideration supporting certain aspects of the transfers, which were sought to be rebutted in Lambert 3, including by reference to evidence Mr Mansimov had given when being cross-examined in another action in the English High Court. For example, Mr Mansimov appeared to have accepted in that evidence that the sale of one of the companies in the June 2018 restructurings (namely, Palmali Gemicilik Ve Acentelik Anonim Sirkeyi) for $1 million took place when Palmali valued the company in their own accounts at approximately $17 million. Issue was also joined in relation to circumstances relating to the transfer of a Palmali entity named Armada Holding Two Company Limited from the second to the third defendants in April 2018. There were clearly factual issues between the two parties relating to these points, which cannot be resolved on an application such as this (not least when neither of the parties sought to go into detail in their written or oral submissions in relation to it). To seek to resolve such disputes would require the sort of "mini-trial" which is not to be engaged in on this type of application.

28. In short, there is clearly a factual issue between the parties as to whether the transactions were carried out at an undervalue,[4] where it cannot be said that the claimants do not have a real prospect of success.

29. Second, the defendants contended that the claimants had failed to establish a prohibited purpose sufficient for section 423. They emphasised that it was not sufficient, for a transaction to fall within section 423, that it had the consequence of putting assets of the debtor beyond the reach of the creditors, it had to be the purpose (see ***JSC BTA Bank v Ablyazov*** [2018] EWCA Civ 1176 at paragraph 15). The key dispute between the parties in relation to this element was whether (as the claimants suggested) there was no commercial or legitimate rationale for the transfers or (as the defendants claimed) the restructurings "*were implemented to preserve the Palmali Group's operations and to comply with banking pressure and requirements*" (as described in Vials 4). There was no detailed explanation of what "*banking pressure and requirements*" were being referred to, but the gist was that it was contended that Palmali's Turkish banks had demanded that Palmali undertake the restructurings.

30. In relation to this contention on behalf of the defendants, it is notable that I was shown no contemporaneous evidence to explain the Turkish banks' alleged requirements or demands. There were no contemporaneous documents containing or evidencing any

4 In his submissions, Mr Sprange noted that "*there's clearly a hotly contested evidence position in relation to the state of these companies at the time*".

such demand or requirement relating to either 2018 or 2020. The explanation given on behalf of the defendants for the lack of evidence of communications with the banks at the time of the restructurings was, based on instructions, that it was common for the Palmali Group's discussions with banks to take place orally, with records not being routinely kept of those discussions. The claimants fairly took the point that it was a rather surprising suggestion that a large shipping group would enter into such significant corporate restructurings at the behest of its bankers without any record showing what the banks' demands were.

31. The position as to the 2020 restructuring was particularly unclear. Vials 4 summarised that this was made for the same reason as the 2018 restructuring (namely, pressure from the banks) and also as a result of the political pressure then on Mr Mansimov which, it was said, meant it was no longer feasible for him to continue as a shareholder in Palmali. As noted above, there was no documentary record of the pressure or demands from banks but, in relation to the 2020 restructuring, Mr Jonathan Swil (a partner at King & Spalding International LLP, the defendants' current solicitors) said in his witness statement (on instructions) that the banks had held "*numerous meetings…with the board of Palmali Holding AS in which they set out their requirements for the 2020 restructuring*". If correct, that renders it still more surprising that there was no documentary record held by the board of those discussions, or written confirmation from the banks of their requirements. Moreover, the suggestion that the 2020 restructuring was carried out such that Mr Mansimov would no longer be a shareholder in Palmali does not sit well with the fact that, after the restructuring, Mr Mansimov continued to be the shareholder, albeit through a different structure, due to his (then) ownership of the sixth defendant (which he says he did not transfer away until August 2022).

32. The claimants also contend that, notwithstanding the restructurings (including the further transfer in 2022), Mr Mansimov remains the ultimate beneficial owner ("UBO") of Palmali and has regularly held himself out as such. In the UML arbitration, Mr Mansimov contended that he was the UBO of the "Maltese Palmali Group" but not the "Turkish Palmali Group", but that latter suggestion was rejected by the tribunal. Among other evidence, the claimants pointed to Mr Mansimov's evidence given in separate High Court proceedings in early 2025 in a claim brought by Palmali Shipping SA (a company which, if there was (as he had suggested) two parts of the Palmali Group, was on the Turkish side of it), when he confirmed in his oral evidence that he was the president and ultimate beneficial owner of the Palmali Group (with no distinction being made between two different parts of it). Lambert 3 also pointed out that Mr Mansimov sent a letter to the President of SOCAR in March 2024 on letterhead bearing the corporate details of a Palmali Holding company in Istanbul and referred (in the English translation) to "*the Palmali Group of Companies that I own.*" Mr Lambert set out further evidence in Lambert 3 demonstrating at least a prima facie case that Mr Mansimov remains the UBO of the entire Palmali Group. Indeed, in his oral submissions before me, Mr Sprange stated that "*Mr Mansimov was and remains the ultimate beneficial owner of the Palmali group of companies*" as well as expressly accepting he is the beneficial owner of the sixth defendant. That represented a direct u-turn from the position Mr Mansimov had adopted before the UML tribunal, which the claimants said itself lent weight to their submissions as to the defendants' purpose in the restructurings and to the lack of credibility in his explanations more generally. It also suggests that there is at least a serious issue to be tried as to whether the purported

purpose of the 2020 restructuring was, as the defendants have said, because it was no longer feasible for Mr Mansimov to continue as a shareholder in the Palmali Group (given that he now accepts he remains its UBO).

33. The claimants have pleaded that Palmali was on notice of the claims brought in the arbitrations prior to the restructurings, which was not a factual proposition with which the defendants took issue in their submissions before me. Rather, the defendants contended that mere notice of the claims was insufficient, as there is no principle to the effect that a party facing claims cannot restructure. They relied upon ***JSC BTA Bank v Ablyazov*** (above) where at paragraph 28 Leggatt LJ explained:

> "It is clear that there is no rule of law to the effect that, if the debtor knew at the time of entering into the transaction that he was facing claims, the judge must find that the transaction was entered into for the prohibited purpose unless the debtor adduces evidence to show otherwise."

However, the claimants do not seek to rely on the fact that the defendants had notice of the claims to create a presumption of a prohibited purpose. It is one of the factors relied upon to draw an inference of prohibited purpose, including the absence of any commercial or other legitimate reasons for the restructurings (as well as Mr Mansimov's professed intention not to comply with the T&SD from the outset) and it being part of a pattern of conduct by the defendants to obstruct enforcement of the awards, and to do so at the present stage of these proceedings, where all that is required is that they demonstrate a serious issue to be tried.

34. I cannot determine on this application that the purposes for which the defendants contend were the genuine reasons for the restructurings. There is clearly at least a serious issue to be tried that they were not, but rather that the restructurings were made for the purpose of putting assets beyond the reach of the claimants or otherwise prejudicing the interests of the claimants in relation to a claim or potential claim.

35. Third, the defendants contended that there was no sufficient connection with England and Wales to satisfy the requirements of section 423.

36. It was common ground between the parties that, for the court to make an order under section 423 which has extra-territorial effect, there must be a sufficient connection with the jurisdiction:

i) In ***In re Paramount Airways Ltd*** [1993] Ch 223, Sir Donald Nicholls V-C confirmed the extra-territorial scope of section 423, whilst noting that the court has a discretion whether or not to make an order under section 425 and it might refuse to exercise that discretion if there is insufficient connection with England and Wales. He explained (at page 240) that in considering whether there is a sufficient connection with this country, the court will look at all of the circumstances, and the importance to be attached to any particular factor will vary from case to case:

> "Thus in considering whether there is a sufficient connection with this country the court will look at all the circumstances, including the residence and place of business of the defendant,

> his connection with the insolvent, the nature and purpose of the transaction being impugned, the nature and locality of the property involved, the circumstances in which the defendant became involved in the transaction or received a benefit from it or acquired the property in question, whether the defendant acted in good faith, and whether under any relevant foreign law the defendant acquired an unimpeachable title free from any claims even if the insolvent had been adjudged bankrupt or wound up locally. The importance to be attached to these factors will vary from case to case. By taking into account and weighing these and any other relevant circumstances, the court will ensure that it does not seek to exercise oppressively or unreasonably the very wide jurisdiction conferred by the sections."

ii) The Court of Appeal confirmed in ***Orexim Trading Ltd v Mahavir Port and Terminal Pte Ltd*** [2018] EWCA Civ 1660; [2018] 1 WLR 4847, at paragraph 30 (Lewison LJ) that the court has power to make orders against persons or property outside England and Wales, subject to the court being satisfied that there is a close enough connection with England and Wales.

37. At the present stage, although the issue is not whether the court will ultimately find that there is sufficient connection with England and Wales to grant the relief sought, but rather that there is a serious issue to be tried that there is, there was no or little dispute as to the facts relating to the question of sufficient connection, such that it is not clear that the issue would be any different after trial. In any event, the need for a connection with the jurisdiction is an important part of the inquiry on the application to serve out. As Lewison LJ noted at paragraph 50 of *Orexim Trading*, this relates both to the question whether the claim has a real prospect of success and also in considering whether England and Wales is the appropriate place in which to bring the claim, and at paragraph 55 that there is a need for the court to be "scrupulous" when considering the question whether there is a sufficient connection, given the breadth of the potential scope of section 423.

38. The key point relied upon by the claimants as providing a sufficient connection to England and Wales is that the arbitration awards in question were made in English-seated arbitrations, and are sought to be recognised and enforced in England by the entry of a judgment in the terms of the awards. The claimants say that, insofar as the transfers comprising the restructurings were made for the purposes of putting assets beyond the claimants' reach, they were made for the purpose of frustrating the enforcement of awards likely to be made in an English-seated arbitration and ultimately reflected in an English judgment.

39. In support of their contention that the evasion of an English arbitration award is a sufficient connection for the purposes of section 423, the claimants relied in this respect on two decisions of this court in the case of ***Integral Petroleum SA v Petrogat FZE***:

i) The first was the decision of Calver J, on a without notice application for a freezing order and for permission to serve out of the jurisdiction [2021] EWHC 1365 (Comm), where he said (at paragraphs 29-30):

> "29. The court must look at all the relevant circumstances of the case to ensure that it does not seek to exercise oppressively or unreasonably the very wide jurisdiction which is conferred by section 423. The real question is whether there is a sufficient connection with England to mean that it would be just and proper to make such an order, notwithstanding the foreign element to the claim to which I have mentioned. And of course, that only needs to be established to the necessary standard, which is a realistic prospect of success.
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> 30. Whilst this case is indeed concerned with foreign parties and foreign bank transfers, the case is essentially concerned with an attempt by the respondents to frustrate an award of a London Arbitral Tribunal. Indeed, they make no bones about the fact that that is what they intend to do. And not only a London Arbitral Tribunal but the English court, who has enforced the award of the tribunal, arising out of a dispute that was before that tribunal and court. That, it seems to me, on the facts of this case, affords a sufficient connection to England, see for example *Dornoch v Westminster International* and *Suppipat v Narongdej* [2020] EWHC 3191. …"

ii) The second was the decision after trial of David Edwards KC (sitting as a deputy High Court Judge) [2023] EWHC 44 (Comm), where he identified the sufficient connection with England and Wales at paragraph 91 as follows:

> "i) Although Integral and Petrogat are foreign companies, the Contract between them was expressly governed by English law and required disputes to be resolved by LCIA arbitration in London, which is where the arbitration actually took place;
>
> ii) Insofar as the Transfers were made for the purposes of putting assets beyond Integral's reach, they were, thus, made for the purpose of frustrating the enforcement of awards made and/or likely to be made in an English arbitration (ultimately reflected in an English judgment); and
>
> iii) Petrogat, the party that entered into the impugned transactions, is the subject of an English receivership order."

40. The claimants also relied upon ***Dornoch Limited v Westminster International BV*** [2009] EWHC 1782 (Admlty); [2009] 2 CLC 226, where the court set aside the transfer to a Nigerian corporation of a ship registered in the Netherlands, but located in Thailand, on the basis that it could be viewed as an attempt to frustrate a future judgment of an English court. The impugned sale took place in the course of a dispute between the owners and underwriters which was already on foot in England. Tomlinson J found that there was sufficient connection where the underlying dispute involved an

insurance policy governed by English law containing an exclusive English jurisdiction clause: see paragraphs 135 to 136.

41. The defendants relied upon the outcome in ***Orexim Trading***, where Lewison LJ at paragraph 59 found there was no sufficient connection between the claim and this jurisdiction for permission to serve out to be given:

> "Contrary to the tentative view expressed by the judge, I consider that there is insufficient connection with England and Wales for the court to give permission to serve the claim out of the jurisdiction; and that it does not need a trial to resolve that question. None of the protagonists are incorporated in England and Wales. None of them carry on business here. There is no evidence that any of the defendants has any assets here. Nor is there evidence that Orexim has any assets here; or that any loss would be suffered in England and Wales. The vessel has never been flagged in this jurisdiction. There is no evidence that she has ever entered territorial waters. The impugned transactions all took place outside the jurisdiction, between foreign corporations. Zen's purchase of the vessel was financed by an Indian finance house. All the impugned transactions were governed by the law of Singapore. They took place before the making of the settlement agreement, which is the foundation of Orexim's assertion that there is sufficient connection with England and Wales. … At the time when the transactions took place there was no connection with England and Wales at all."

42. The defendants submitted that similar reasoning applies here, where the restructurings took place outside the jurisdiction, between foreign persons, under foreign laws, where none of the parties are domiciled or incorporated in England and Wales or carry on business here, nor is there any evidence that any of them has any assets here or that any loss has been suffered here.

43. In coming to the conclusion that he did in ***Orexim Trading***, Lewison LJ referred to ***Dornoch Ltd v Westminster International***, noting that there the impugned sale took place in the course of a dispute between the owners and underwriters which was already on foot, and indeed after the owners had been served with proceedings in England and had been notified of an application for an injunction to stop any disposal of the vessel. In explaining that it was a very different case from that before him, he also noted that the dispute itself arose under a policy of insurance governed by English law, placed in the London market with English underwriters, which also contained an exclusive jurisdiction clause. He took the view that the facts of ***Dornoch*** "*could well be viewed as an attempt to frustrate any award of an English court arising out of a dispute that was already before the court.*"

44. The defendants are right in what they say about the restructurings having taken place outside the jurisdiction, between parties who are not domiciled or incorporated here, and there was no suggestion by the claimants that the contracts effecting the transfers were governed by English law. However, the dispute that arose between the parties that ultimately ended up in the arbitrations on which the claimants rely in their claim was one that was governed by English law, and was subject to determination in English

arbitration. The April 2018 restructuring took place only shortly before those arbitrations were commenced and at a point in time when, it appears clear from the evidence before me, that there was going to be a dispute that would have to be so resolved. By the time of the June 2018 restructuring on 5 June 2018, the T&SD arbitration had certainly been commenced (on 18 May 2018) and the PCG arbitration was imminent (being commenced on 20 June 2018). The claimants' case is that section 423 should be engaged to hold the defendants liable for their attempt to evade or frustrate the English awards, or at least potential English awards that they anticipated might be made against them.

45. In ***Orexim Trading***, the connection with this jurisdiction was said to be (see paragraph 59) a settlement agreement that had been entered into in May 2014, governed by English law and with a jurisdiction clause for the Courts of England and Wales. However, the transactions that were sought to be impugned had been undertaken long before that – the first transaction (the purported sale of the vessel between MPT and Singmalloyd) was an agreement to sell entered into on 4 June 2013. The settlement agreement was also some 6 months after the transaction that had given rise to the dispute (which was a charterparty between Orexim and MPT that had been entered into on 19 December 2013).

46. In the present case, by contrast, the agreements giving rise to the dispute, which were expressly governed by English law and subject to English arbitration clauses – namely, the T&SD and the PCG – were entered into substantially before the transfers which are sought to be impugned. As I have said, the commencement of the arbitrations was imminent by the time of the April 2018 restructurings, and one had commenced by the time of the June 2018 restructurings. By the time of the 2020 restructurings, both arbitrations in London had been on foot for some time, although awards had not yet been made.

47. The defendants sought to draw a parallel with ***Orexim Trading*** by contending that, at the time the restructurings took place, there was no connection with England and Wales at all, beyond the two London seated arbitrations. However, the existence of the two London seated arbitrations itself is a factor that was not present in ***Orexim Trading***. Moreover, it is not only the existence of the arbitrations, but also the pre-existing contractual relationship between the parties which, insofar as relevant to the disputes that followed, arose under English law governed agreements which contained stipulations for London arbitrations. The disputes were always (unless settled) going to end up in London arbitration, and therefore potentially with English arbitration awards against the defendants which (if they were not paid) the claimants would eventually seek to enforce in England (as well as elsewhere).

48. It is fair to say that, in addition to the two London arbitrations, there was a third arbitration in Dubai (under the SOS loan). That has been pleaded as part of the facts supporting the claims, but does not figure in the claim for relief (which, at section H of the Particulars of Claim, focuses only on the T&SD and PCG Awards). Whilst that is a factor, it does not seem to me in the circumstances to be a weighty one, or one that diminishes the connection with the jurisdiction relating to the PCG and the T&SD and the two London seated arbitrations and their awards.

49. In summary, the facts here are more similar to those of ***Dornoch*** and ***Integral Petroleum*** than those of ***Orexim Trading***. Although in ***Integral Petroleum*** by the time

of the first transfers a partial award had been made in the arbitration (a few days earlier) and there was an additional factor that Petrogat, the party that entered into the impugned transactions, was the subject of an English receivership order, such as perhaps to make that a stronger case than the present, there is here nonetheless, as I have already noted, the key point that the contracts underlying the two disputes on which the claim for relief is based were English law contracts, requiring disputes to be resolved in London, which is then where the arbitrations took place. Like in ***Integral Petroleum*** it is right to conclude here that, insofar as the restructurings were made for the purposes of putting assets beyond the claimants' reach, they were made for the purpose of frustrating the enforcement of awards likely to be made in an English arbitration (and ultimately reflected in an English judgment).

50. As a result, there is a sufficient connection with England & Wales for the purposes of the claimants' section 423 claim.

51. I should record that the claimants also sought to rely on conduct they said the defendants had undertaken in this jurisdiction largely after the making of the Jacobs J order in June 2025, which the claimants intend to seek permission to include in their Particulars of Claim by way of amendment (if the defendants' application is unsuccessful). In summary, the claimants also seek to rely upon:

i) In the arbitration claims, the failure to pay the amounts under the judgments now entered in the same terms as the Awards, an attempt by the defendants to vary the enforcement orders made in the arbitration claims on the basis that an issue of common costs under the awards had not been resolved, and what the claimants describe as "egregious non-compliance" with the terms of the asset disclosure order made in the arbitration claims.

ii) In the UML arbitration (seated and heard in London under the LMAA rules), Palmali's attempt to relitigate issues that were already the subject of the awards (which the tribunal has since dismissed as an abuse of process), a failure to pay $8m in security for costs following the tribunal's finding that Mr Mansimov remained the UBO of Palmali, and the provision of what the claimants say was false and misleading evidence by Mr Mansimov on issues relating to his existing assets and ownership/control of Palmali.

52. The difficulty faced by the claimants in relying on almost all of those matters for the purpose of this application is that this is an application to set aside Jacobs J's order dated 6 July 2025. It is well-established that the date for assessment of the material relevant to the application is the date of the original order giving permission to serve out. Evidence not available at the time of the original application may be relevant, but only insofar as it illuminates facts and matters as they stood at the date of the original application. See, for example, ***Al-Aggad v Al-Aggad*** [2024] EWHC 673 (Comm); [2024] 4 WLR 35 (Cockerill J) at paragraphs 33 to 39; Civil Jurisdiction and Judgments, Briggs (8th ed.) at paragraphs 9.04 and 9.16. The claimants seek to rely on the conduct undertaken by the defendants after the date that order was made not to shed light on the position at that time, but rather to demonstrate further acts of the defendants which they say took place within the jurisdiction such as to strengthen their sufficient connection argument.

53. The only act which took place before the Jacobs J order was made was the commencement of the UML arbitration by the defendants (in June 2023), which the claimants contend (and the UML tribunal has since decided) was an illegitimate attempt to relitigate earlier-determined issues. The bringing of that arbitration, which took place in England, was not the subject of any major focus in the materials put before Jacobs J on the service out application, but was referred to in Lambert 1 supporting the application (which exhibited relevant material from the arbitration) and in the skeleton argument as a further matter connecting the dispute to this jurisdiction. Whilst it is a connecting feature in some respects, it was not made clear how the claimants intend to seek to pray this in aid of the relief they seek under section 423 (no draft pleading having been produced) and, given the length of time that passed between the restructurings sought to be impugned and the bringing of the UML arbitration, it is difficult to see how, if the facts and matters already considered had not given rise to a sufficient connection, the bringing of the UML arbitration would have tipped the balance into such a connection.

54. I have not, therefore, in coming to the decision I have reached above that there is, in this case, a sufficient connection for the purposes of section 423, taken into account any of these additional matters referred to by the claimants.

55. For the reasons I have set out above, there is a serious issue to be tried in relation to the section 423 claim.

The Marex claim

56. The second way the claim is put in the Particulars of Claim is on the basis of what is referred to as "the *Marex* tort", so-called after the judgment of Robin Knowles J in ***Marex Financial Ltd v Sevilleja*** [2017] EWHC 918 (Comm); [2017] 4 WLR 105.

57. In *Marex*, the allegation was that, in proceedings brought by the claimant for sums due under a contract against certain companies, the defendant stripped the companies of assets in the period of time between the post trial draft judgment being circulated to the parties and a post judgment freezing order being imposed. The question whether there existed a tort of knowingly inducing or procuring a party to act in wrongful violation of a claimant's rights under a judgment arose in the context of an application challenging jurisdiction. Robin Knowles J held (at paragraphs 17 to 28) that since tortious interference was recognised as a cause of action where there was a violation of rights in contract, there was a good arguable case that there existed a tort of knowingly inducing or procuring the wrongful violation of a judgment debt, into which contractual rights had merged, by causing the assets of the judgment debtor to be dissipated after the judgment had been released but before any freezing order had been obtained.

58. The *Marex* tort was considered by Bryan J in ***Lakatamia Shipping Co Ltd v Su*** [2021] EWHC 1907 (Comm), in which he held after trial that a claim in the *Marex* tort succeeded. Bryan J examined the rational for the tort and confirmed its existence. He stated:

> "120. The Marex tort finds a close, and I consider compelling, analogy with the tort of inducing a breach of contract. There would seem to be no compelling reason why, in circumstances where the law protects against intentional

> interference by third parties with contractual rights it should not equally protect against intentional interference with rights established by judgments.
>
> 121. I consider that the position is *a fortiori* in relation to judgments vindicating contractual rights (which is the case here given that it is the judgments of Cooke J that are in issue in this litigation). When judgment is given for a claim for breach of contract, the contractual right merges in, and is novated by, the judgment, see *Zavarco plc v. Nasir* [2020] EWHC 629 (Ch); [2020] Ch. 651, at [12], and I can see no reason why the law should protect against third-party interference with contractual rights but not against such interference with contractual rights that have been novated by judgment. Absent such protection, the law would perversely diminish the protection that it affords to a victim of a breach of contract where the victim has had those rights vindicated by the courts."

59. Bryan J went on to identify at paragraph 126 what in his view were the elements of the *Marex* tort as follows:

> "(1) The entry of a judgment in the claimant's favour,
>
> (2) Breach of the rights existing under that judgment,
>
> (3) The procurement or inducement of that breach by the defendant,
>
> (4) Knowledge of the judgment on the part of the defendant, and
>
> (5) Realisation on the part of the defendant that the conduct being induced or procured would breach the rights owed under the judgment."

He then set out a number of other principles that apply to the tort, which I do not currently need to deal with.

60. The claimants contended, and the defendants accepted, that the *Marex* tort applies equally to arbitration awards as to judgments.

61. However, the defendants contended that the essential ingredient for the *Marex* tort, namely a judgment or award pre-dating the restructuring, was missing. This, they emphasised, was a requirement of the tort that Bryan J had identified in ***Lakatamia v Su***, and there was no warrant for extending the *Marex* tort to cover (as the claimants suggested) "likely" judgment debts (or arbitration awards). Whereas in *Marex* when the relevant transfers were made the judgment had either been handed down, or was about to be handed down (having been circulated in draft already), in the present case, there was no arbitration award in sight when the restructurings took place – the last of the

restructurings relied upon, in February 2020, took place approximately eleven months before the first of the English arbitration awards was issued in January 2021.

62. On this point, the defendants must be right. Even assuming that the *Marex* tort applies to arbitration awards as much as it applies to judgments, it would require there to be an award in place (or imminent in terms the defendant was aware of) at the time of the conduct alleged to constitute the procurement or inducement of breach of the award. That is not only because of the first element identified by Bryan J ("*the entry of a judgment in the claimant's favour*"), but also because other elements of the tort rely on it being in place at the time of the conduct in question – including that the defendant must know about the judgment and must realise that the conduct it is inducing or procuring would breach the rights owed under the judgment.

63. The claimants contended that, in ***Marex*** itself, Robin Knowles J had held that the tort applied although the relevant conduct had taken place before the judgment was formally handed down. It is not, however, entirely clear from the judgment whether that was the case:

i) The chronology appears to have been that draft judgment was circulated on 19 July, and the judgment in final form was handed down on 26 July (***Marex***, paragraph 2); a freezing order was then obtained on 14 August 2013. (paragraph 3).

ii) The allegation was that the defendant transferred monies out of the companies' accounts in England, and then out of the companies altogether, in the period 24 July to 12 August. In particular in the period between the date of the draft judgment and the date of the handed down judgment the defendant made transfers from the companies' accounts in England to other accounts held by the companies in Gibraltar and Dubai (paragraph 9).

iii) At paragraph 17, Robin Knowles J said this:

> "Marex did not have judgment until 24 July 2013. By that date on its case although the Money had been moved it was still within accounts held by the Companies. It was then that it was taken away from the Companies. The rights that Marex had against the Company when the Money was taken away were rights under the Judgment and no longer under the original contract."

iv) The reference to 24 July 2013 appears to have been an error. Earlier in the judgment he had referred to 26 July 2013 as the date of judgment, and had explained the chronology by reference to the date of hand down of judgment.[5] In any event, what is clear from paragraph 17 is that the judge was treating the transfers between the different accounts held by the companies as having taken place before hand down, and the transfers away from the companies after hand down. That is what led him to identify the key point in the final sentence of

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5 In fact, the judgment available as [2013] EWHC 2155 (Comm) is dated 25 July 2013, but it is clear that the judgment of Robin Knowles J proceeds generally on the basis that it was 26 July, which was also the date pleaded in the claim form, as quoted at paragraph 8 of the *Marex* judgment.

paragraph 17, that when the money was taken away from the companies, the claimant's rights were under the judgment (which by then had been handed down), and were no longer under the original contract. This was emphasised during the course of his reasoning, where at paragraph 23 he said that "*the claimant had a right before judgment to be paid a contract sum, and a right after judgment to be paid the judgment sum.*"

v) It appears to me, therefore, that the basis upon which Robin Knowles J was approaching the argument, and the basis of his decision, was that the key relevant conduct took place once a judgment had been given.

vi) Even if that is wrong, and if some of the relevant conduct had taken place shortly before formal hand down of the judgment in ***Marex*** and if the *Marex* tort could be relied upon in relation to conduct between circulation of the draft and the handing down of judgment, there is a world of difference between conduct in the day or two before hand down of judgment takes place, after a draft judgment has been circulated such that there is a large degree of certainty as to what the judgment will say and what the outcome will be, and conduct taken months or years before any judgment or award is issued and before the final substantive hearings have even taken place.

64. The claimants contended that in ***Marex*** Robin Knowles J had considered and rejected an argument that the tort could not apply prior to any judgment having come into existence. They relied in this respect on what he said at paragraphs 22 to 23 in dealing with the argument (relying on what was said in ***Law Debenture Trust Corp v Ural Caspian Oil Corp Ltd*** [1995] Ch 152) that a party does not commit an actionable wrong by making itself judgment-proof before it is enjoined (by a freezing order) from doing so. However, in dealing with that argument, Robin Knowles J was dealing with whether any actionable wrong was committed before a freezing order was imposed, rather than specifically determining whether the tort he was considering would apply prior to any judgment having come into existence. His final sentence of paragraph 23 (which I have quoted above) is to the effect that, before judgment, the claimant's rights are to be found in his contract, and afterwards in the judgment.

65. That also emphasises that the claimant in this situation is not lacking in rights before the judgment. It has rights under the contract, and there is accessory liability in tort against those who intentionally induce breaches of contract. It was the parallel with such existing tortious liability which Bryan J prayed in aid when confirming the existence of the *Marex* tort in ***Lakatamia v Su***, e.g. at paragraph 121: "*I can see no reason why the law should protect against third-party interference with contractual rights but not against such interference with contractual rights that have been novated by judgment.*" There is, however, no basis to suggest that, the *Marex* tort having been established to deal with interference with contractual rights that have been "*novated by judgment*", it should then be extended back into the territory of the existing tort which deals specifically with interference with contractual rights before they have been "*novated by judgment*". Whatever may be the position in the situation where conduct is carried out immediately before judgment is handed down after circulation of the draft (where I can see difficult points may arise), in the situation which arises in the present case, where the conduct complained of is months or years before any arbitration award (and, in part, before the first arbitration was commenced), that is not sufficient to bring the *Marex* tort into play.

66. During the course of his oral submissions, Mr Peto KC, who appeared for the claimants, suggested that it might be possible also to put the claimants' claim as one of procuring breach of contract. However, that is not the claim that had been pleaded.[6] The relevant section of the Particulars of Claim was headed "*Marex Claim*". Although there were references in that section to "*the contracts underlying*" the awards, those were not pleaded as contracts of which it was alleged the defendants had induced a breach, but rather as identifying the basis for the awards, seeking to put the claim within the scope of what Robin Knowles J said in ***Marex*** in distinguishing the case before him from the situation addressed in ***Law Debenture Trust v Ural Caspian*** (at paragraph 23 of ***Marex***). This is fortified by the pleaded claim for loss which is based on the amounts ordered under the awards (not by reference to sums due under the contracts). There was no application to amend to plead a further claim for procuring breach of contract and, in the circumstances, I do not deal with that further.

67. In considering whether or not this claim meets the serious issue to be tried hurdle, I have in mind that I have held that there is a serious issue to be tried on the other claims that the claimants seek to bring (under section 423 and in unlawful means conspiracy) such that there will be a trial in any event, which Mr Peto suggested should weigh in favour of also permitting this claim. I also have well in mind the well-known warnings that disputed propositions of law are often not suitable for determination on a summary procedure. The position in relation to such points arising in the context of jurisdiction applications was addressed by Birss LJ in ***Tulip Trading Ltd v Bitcoin Association for BSV*** [2023] EWCA Civ 83; [2023] 4 WLR 16 at paragraphs 12 to 15 where he summarised the position as follows (at paragraph 15):

> "Therefore the court may, but is not bound in law to, decide any legal question arising, whether it is under the merits limb or the gateway limb. No doubt an important factor in deciding whether to do that will be the fact that the question goes to the jurisdiction of the court. If the point goes to jurisdiction and it can be decided summarily then no doubt it should be. However another important factor is the warning against deciding controversial points of law in a developing area on assumed or hypothetical facts. This concern does not cease to apply simply because the point arises in a jurisdiction application (whether under the merits test or the gateways). It is always an important factor to bear in mind."

68. In the circumstances of this case, although this is a point of law which arises in relation to a relatively recently identified tort, it is also relevant that the point goes to jurisdiction. I am not bound to decide the point, but it seems to me appropriate to do so, in particular given what are the very different facts and circumstances of this case compared to those in *Marex* (in particular in terms of the long period of time that passed here between the conduct complained of and the arbitration awards). In addition, there was no compelling attempt from the claimants to explain how the requirements identified by Bryan J applied to a situation such as the present where there was no award or judgment in place or imminent when the relevant conduct took place or how they would seek to fulfil them on the evidence here, and there was no real attempt by the claimants to explain how the scope of the tort as they contended for fitted in with the

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6 It was also not the way it had been put on the without notice application.

tort of inducing breach of contract. It seems to me appropriate, therefore, to have grappled with the point and, based on what I have set out above in relation to the *Marex* tort, to conclude that on the facts of this case there is no serious issue to be tried in relation to it.

The conspiracy claim

69. In relation to their claim in unlawful means conspiracy, the claimants addressed the relevant components of their claim in their evidence and skeleton argument filed in support of the without notice application. The only point taken by the defendants in relation to this at the set aside hearing was to note that the conspiracy claim was parasitic on the section 423 claim and the *Marex* tort claim in order to establish the necessary unlawful means, such that the defendants contended that if there was no serious issue to be tried on those claims, nor could there be on the conspiracy claim. Given that I have found there is a serious issue to be tried on the section 423 claim, but not on the *Marex* tort claim, and given that no other point was taken by the defendants as to there being no serious issue to be tried on the conspiracy claim, it follows that there is a serious issue to be tried on the conspiracy claim save insofar as its allegations of unlawful means are based upon the *Marex* tort.

Good arguable case on the jurisdiction gateways

70. The claimants must show that they have a good arguable case that each claim falls within one of the gateways in PD 6B3.1. There was no issue between the parties about the approach to be taken: (i) the claimant must supply a plausible evidential basis for the application of the relevant jurisdictional gateway; (ii) if there is an issue of fact about it, or some other reason for doubting whether it applies, the court must take a view on the material available if it can reliably do so; but (iii) the nature of the issue and the limitations of the material available at the interlocutory stage may be such that no reliable assessment can be made, in which case there is a good arguable case for the application of the gateway if there is a plausible (albeit contested) evidential basis for it: ***Brownlie v Four Seasons Holdings Inc*** (above) at paragraph 7; ***Goldman Sachs International v Novo Banco SA*** [2018] UKSC 34 at paragraph 9. As explained by the Court of Appeal in ***Kaefer Aislamentos SA de CV v AMS Drilling Mexico SA de CV*** [2019] 1 WLR 3514 (at paragraphs 73-74), the reference to a "*a plausible evidential basis*" in limb (i) was a reference to "*an evidential basis showing that the claimant has the better argument*" (but not "*much*" the better argument).

The section 423 claim

71. The gateway relied upon is that under PD 6B3.1 paragraph 20:

> "A claim is made – (a) under an enactment which allows proceedings to be brought and those proceedings are not covered by any other grounds referred to in this paragraph".

72. It was confirmed in ***Orexim Trading*** that service of a claim to set aside a transaction under section 423 falls within that paragraph: see paragraph 47 of the judgment of Lewison LJ. The defendants accepted that this claim fell within this gateway (though expressly subject to its points on serious issue to be tried and appropriate forum).

The unlawful means conspiracy claim

73. The first gateway relied upon was that at PD 6B3.1 paragraph 4A:

> "A claim is made against the defendant which …
>
> (c) falls within one or more of paragraphs (1A), (2), (6) to (16A) or (19) to (23), and a further claim is made against the same defendant which arises out of the same or closely connected facts."

74. The section 423 claim is a claim that falls within sub-paragraph (c) of that gateway, relief is sought in the section 423 claim against all of the defendants against whom the conspiracy claim is brought, and the unlawful means conspiracy claim arises out of the same or closely connected facts, with the result that the claims fall within that gateway. The defendants did not contend otherwise.

75. The claimants also relied on the gateway at PD 6B3.1 paragraph 3:

> "A claim is made against a person ('the defendant') on whom the claim form has been or will be served (otherwise than in reliance on this paragraph) and –
>
> (a) there is between the claimant and the defendant a real issue which it is reasonable for the court to try; and
>
> (b) the claimant wishes to serve the claim form on another person who is a necessary or proper party to that claim."

76. The claimants contended that, even if gateway 4A were only to apply as against some of the defendants, the claimants would be able to bring their claims against all the other defendants as necessary or proper parties, given that the defendants were all integral participants in the restructurings. Again, the defendants did not take issue with that.

77. As a result, the claims all pass through one or more of the gateways. Given that, although the claimants also sought to rely on gateway 9(a) and/or (c), I do not need to deal with the issues between the parties as to the application of those gateways on the facts of this case.

Appropriate forum

78. CPR 6.37(3) provides, in relation to granting permission to serve the claim form out of the jurisdiction: "*The court will not give permission unless satisfied that England and Wales is the proper place in which to bring the claim.*" It was accepted by the claimants that the burden lay on them to show that England is clearly or distinctly the most appropriate forum. The task of the court in considering this issue is to identify "*the forum in which the case can be suitably tried for the interests of all the parties and for the ends of justice*": ***Spiliada Maritime Corporation v Cansulex Ltd*** [1987] AC 460 at 480G; ***Lungowe v Vedanta Resources plc*** [2020] AC 1045 at paragraph 66.

79. The claimants, in summary, emphasised the connections with England, in particular the English arbitration awards (which they said "*lie at the heart of the causes of action*"),

the underlying English law contracts, as well as what they referred to as factors of efficiency, expedition and economy which would come from the fact that knowledge of the case had been built up by lawyers and experts working in this jurisdiction on the case (in a broad sense), including the arbitrations, for many years. They also pointed to the defendants' attempts to contest jurisdiction when the claimants had sought to enforce the awards elsewhere, in Turkey and in Malta. The defendants, by contrast, contended that the claims concern the restructurings, which have no connection to England, which involved the transfer of shares in Turkish and Maltese companies, and which were governed by Turkish and Maltese law, that the defendants have no assets in England, that all the parties are located outside England and that there are on-going enforcement proceedings in Turkey, Malta and Azerbaijan. The defendants also point to practical issues such as the likely witnesses being based outside England, many not speaking English, and that the dispute involved "Turkish-specific" issues in relation to banking and insolvency practices.

80. The above is a short summary of the parties' positions on this issue. Having considered what they said in full, and the evidence that was served, it appears to me that the claimants are right to say that England is clearly the most appropriate forum in which to bring the claim. That is for the following reasons:

i) The claims seek relief in relation to the defendants' alleged attempts to evade and frustrate payment of two English arbitration awards. The arbitrations in which the awards were made were seated in England because the parties had agreed, long before, that disputes arising out of the contracts in question (which were English law contracts) should be resolved in London seated arbitrations.

ii) The English court has now made orders that the arbitration awards be enforced in the form of English judgments. I accept that this has only taken place at the same time as these proceedings were issued, but it is nonetheless a fact that the effect of the defendants' conduct in continuing not to pay the awards is now that they are also in breach of those judgments.

iii) The defendants' commencement of the UML arbitration in England demonstrates further connection. Although it is not itself a pleaded matter, it demonstrates the defendants' willingness to engage in dispute resolution within England when they want to, as well as undermining much of what they say about supposed logistical difficulties in engaging in litigation in this jurisdiction. For example, in the UML arbitration there was disclosure of documents, Mr Mansimov, Ms Gasimova and others gave live evidence, etc. (These are proper points to rely on, even though they took place after the permission order was made, given that they shed light on the position as at the time of that order, in terms of the ease and ability of the parties to resolve their disputes in England generally).

iv) The defendants are right to say that none of the parties are located in this jurisdiction, however that is not unusual in this type of international litigation, and importantly the parties selected English law and England as the place of arbitration to resolve their disputes under the T&SD and the PCG, and it is those contracts and those arbitrations which have given rise to the obligations of the defendants which the claimants' claim seeks to realise.

v) Whilst the defendants relied on individuals not being present in England, it is clear that there is no issue with the relevant people being present in England to give evidence. As I have said, a number of individuals travelled to London to give evidence in the UML arbitration (with others giving evidence remotely via video link), including evidence relating to the corporate structure of the Palmali Group and disposals of assets. Mr Mansimov has other connections to England (his son is studying here). Mr Su, CEO of Palmali, who also gave evidence in person in the UML arbitration, is a British citizen. Similarly, although the defendants seek to rely on the assertion that all but one of their witnesses would require an interpreter in Turkish for their evidence, I was told that a number of their witnesses (including Ms Farajova and Mr Su) gave evidence in English in the UML arbitration.

vi) Whilst it is right for the defendants to say that the restructurings did not take place in England, and that there are connections with both Turkey and Malta in relation to the restructurings, rather than this pointing to another particular jurisdiction, it is more realistic to consider that the restructurings took place over a number of different jurisdictions. Some parts of the restructurings involved transfers of shares in Turkish companies (for example the shares in the third defendant), others transfers of shares in Maltese companies (for example PHCL's shareholding in the approximately 47 fleet-owning subsidiaries incorporated in Malta). Many of the interests ended up in the hands of the sixth defendant, a St Kitts and Nevis company, in which it appears Mr Mansimov then divested himself of his shares to others (albeit whilst retaining ultimate beneficial ownership).

vii) Whilst the Palmali business is now said to be managed from its (current) head office in Turkey (whereas for most of the period in which Palmali and SOCAR did business, Palmali's business relationship was run out of Malta), it is an international shipping business with companies in multiple jurisdictions (including an office in Greece).

viii) It is also the case that, when the claimants have sought to enforce the arbitration awards – in each of Turkey, Malta and Azerbaijan – the defendants have contested jurisdiction. It appears that, even after they had placed evidence before this court contending that Turkey was the most appropriate forum for the resolution of the dispute, they were arguing in Turkey that the Turkish courts lacked jurisdiction with respect of the recognition and enforcement of the awards. Strictly, the present claim and the claim to enforce the awards in Turkey are separate claims (and the enforcement claims do not concern the restructurings), but the defendants' track record in contesting jurisdiction (and asking otherwise to resist paying the sums due under the awards) wherever the claimants have sought to enforce the awards demonstrates an obstructive attitude to fulfilling the obligations that the arbitration tribunals have held that they owe.

ix) It is also right to say that there was a third arbitration (the SOS arbitration) seated in Dubai. However, given that the claimants do not seek any relief in respect of the SOS award in these proceedings, that does not seem to me to be a powerful factor.

x) The section 423 claim is a claim under an English statute and is governed by English law (see ***Commercial Bank of Dubai PSC v Al Sari*** [2023] EWHC 1797 (Comm), Bright J at paragraphs 168-171). The defendants suggested there would be an argument about the law governing the conspiracy claim but, even if not governed by English law, they did not suggest that would present any particular problem for the English court to deal with.

xi) The defendants say that the claimants have failed to show that the legal systems of Turkey, Malta or Azerbaijan would not enable them to pursue equivalent relief were they to bring similar proceedings in those jurisdictions. However, that is beside the point. The claimants do not contend that there is no claim that could be brought elsewhere, but rather that bringing the claims in England is clearly more appropriate.

xii) The defendants suggested in their skeleton argument that the dispute involves Turkish specific issues, for example in relation to Turkish banking and insolvency practice, that would be more familiar to a Turkish judge. However, what these issues might be remained opaque. The only cross-reference in the defendants' skeleton argument that was given to the evidence in relation to this was to a sub-paragraph saying that "*it is common for the Palmali group's discussions with banks to happen orally*" and referring to the sensitive nature of the investigation against Mr Mansimov leading to the banks in 2020 setting out their requirements at meetings but not in writing. As there presented, these were not issues of "Turkish banking and insolvency" practice but issues said to arise specifically in relation to Palmali and Mr Mansimov. In any event, even if there were any such issue, there is no reason it could not be dealt with in litigation here through appropriate evidence.

xiii) Factors relating to documentation and the existence of legal teams, however, seem to me to be balanced and do not point with particular force to any particular jurisdiction.

a) Documentation relating to the arbitrations will likely be in England (where those arbitrations were conducted, and because the parties were represented by English solicitors and barristers). This also includes material relating to the more recent UML arbitration. Those relating to the restructurings may be in Turkey, Malta or elsewhere. However, the physical location of documents does not strike me in any event as a weighty factor, given they are likely to be stored electronically and easily transferable.

b) Documentation relating to the restructurings will no doubt to some extent be in Turkish, although the claimants pointed out that many of the contractual documents (e.g. Bills of Sale, share transfer declarations, etc) have already been translated into English or in some cases were originally in English, that Palmali's loan agreements with its lending banks (including Turkish banks) were in English (or in both English and Turkish), and that a significant volume of the correspondence between Palmali and its lenders appeared to be in English or had already been translated. In any event, there are likely to need to be translation of documents, in one direction or another, whichever forum was to hear the claims.

c) The claimants suggest that the "efficiency, expedition and economy" which comes from knowledge built up by lawyers and experts working in one jurisdiction on a case are relevant considerations in determining the most appropriate forum. They say, for example, that the effect of Clifford Chance acting for SOCAR through the arbitrations until the present day is that it has amassed a document repository of more than 3 million documents, and that the knowledge built up by Clifford Chance is not just limited to work by lawyers, giving the example of Mr Scott, as a chartered accountant, who has been advising SOCAR in relation to accounting issues in its disputes with the defendants since November 2023. The claimants also rely on the fact that SOCAR and Palmali have been represented by English lawyers throughout their dispute. This does not seem to me to be a particularly strong point in favour of the case proceeding in England, and I place little weight on it. If the claim had to go forward abroad, rather than in England, no doubt Clifford Chance and Mr Scott would still be able to apply their built up knowledge to the claimants' advantage, and the fact that a document repository has been built up here is of little weight when documents are generally held electronically and can be sent around the globe at the touch of a button.

81. During the course of the hearing, Mr Sprange volunteered that the defendants would undertake to submit to the jurisdiction of the Turkish courts with respect to any equivalent claims to those made under section 423. This had not previously been foreshadowed. It was followed up after the hearing in a letter from the defendants' solicitors dated 8 June 2026 confirming that the defendants undertook to submit to the jurisdiction of the Turkish courts in respect of any claim brought by the claimants equivalent to a claim under section 423 in relation to the April 2018, the June 2018 and the 2020 restructurings, as well as undertaking on behalf of the second defendant (if the English court declined to exercise jurisdiction in these proceedings) to take all necessary steps within its power to withdraw its jurisdiction challenge in the Turkish courts to the proceedings the claimants have taken there to enforce the PCG award. The parties then each sent further letters to the Court making submissions about this proposal (letters from the claimants' solicitors dated 11 June[7] and 15 June 2026, and a letter from the defendants' solicitors dated 12 June and an email dated 16 June 2026). The proposal made by the defendants does not add materially to the considerations in relation to appropriate forum:

i) This is not a case where there was a contention by the claimants that the defendants were not amenable to the jurisdiction of the Turkish courts or that Turkey was otherwise an unavailable forum. The issue was as to

[7] In which the claimants' solicitors also identified (and attached a copy of) recent proceedings commenced (on 5 May 2026) in Turkey by Mr Mansimov against some of the claimants, purportedly served on 1 June, which the claimants described as a collateral attack on the T&SD award which, at least on the face of things (and recognising I did not receive full submissions from the parties on this point), appears to be an accurate description.

appropriateness of the forum, not availability, such that it is difficult to see what such an undertaking adds in the circumstances of this case.

ii) In any event, the undertaking was narrow, and did not encompass all of the matters the subject of these proceedings. It was confined to a claim equivalent to a claim under section 423, but did not extend to a claim in conspiracy (or, for that matter, the *Marex* tort, although given my conclusions above as to that claim this does not matter to this point). The undertaking was also confined to a claim in relation to the three restructurings already pleaded. Given that the claimants have already advertised the likelihood that they intend to amend to plead other matters, this was obviously calculated to seek to take a point in Turkey that the defendants' undertaking did not extend to cover such matters. The defendants confirmed in their solicitors' letter of 12 June that the undertaking was indeed confined in these two ways.

iii) In respect of the undertaking given, in relation to a claim "*equivalent to a claim under section 423*", there was no attempt to identify what cause of action in the Turkish courts that might encompass, leading to some degree of uncertainty as to what claim it was that the defendants were offering to submit to. The possibilities of satellite litigation on such a point, if the defendants were to contend that a claim brought against them in Turkey was not "equivalent" to section 423 (which given the defendants' history in taking steps to seek not to comply with the awards, is not far-fetched) are obvious.

82. Accordingly, as set out above, I have concluded that England is clearly the most appropriate forum in which to bring the claim, and that it is the forum in which the case can be suitably tried for the interests of all the parties and for the ends of justice.

Conclusion

83. For the reasons set out above, the application to set aside Jacobs J's order is dismissed, save in relation to the claim based on the *Marex* tort.