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Case No: BL-2026-000257

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
BUSINESS LIST (ChD)

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

Date:26/8/2026

Before:

MASTER CLARK

- -

Between:

(1) THOMAS JAMES FRANCIS
(2) OAKLEIGH VENTURES LTD
(3) PATRICK HIGHAM
(4) ADEGBOYEGA BELLO
(5) HENCHOZ FAMILY INVESTMENT LTD **Applicants**

- and -

SILVER LAW LLP
(previously known as SILVER SHEMMINGS ASH LLP) **Respondent**

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Ruhi Sethi-Smith (instructed by **Penningtons Manches Cooper LLP**) for the **Applicants**
Elaine Palser (instructed by **Reynolds Porter Chamberlain LLP**) for the **Respondent**

Hearing date: 13 July 2026

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Approved Judgment

This judgment was handed down remotely at 10.30am on 26 August 2026 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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Master Clark:

Application

1. This is my judgment on an application dated 26 February 2026 for a direction pursuant to section 1032(3) of the Companies Act 2006 ("the Act") that the period between 27 August 2024 and 5 July 2025 is not to count for the purposes of any enactment, including the Limitation Act 1980, as to the time within which proceedings against the respondent, Silver Law LLP ("the LLP") must be brought by the applicants.

Parties and the factual background

2. The applicants are former clients of the LLP, which in 2019 acted as their solicitors in the purchase of long leasehold interests in units in a property development at The Block, Kings Dock, Kings Waterfront, Monarchs Quay, Liverpool L3 4FN ("the Development") from Artisan H (Kings Waterfront) Ltd ("the Developer").

3. The applicants paid deposits for their purchases, but the Developer entered into insolvent administration before the purchases completed. The administrators have sold the Development, and there is no prospect of the applicants recovering their deposits. The applicants claim that the LLP was professionally negligent both by their failures to advise and failures to take steps which would have prevented the loss of the deposits.

4. The details of the purchases are set out below:

Applicant	Exchange date	Conveyancing deposit (£)	6 years from exchange date
A1	16 July 2019	37,980	15 July 2025
A1 (additional unit)	15 August 2019	43,100	14 August 2025
A2	22 July 2019	37,920	21 July 2025
A3	7 August 2019	37,930	6 August 2025
A4	30 August 2019	26,352 plus 17,568	29 August 2025
A4 (additional unit)	30 August 2019	26,352 plus 17,568	29 August 2025
A5	17 September 2019	46,540	16 September 2025

5. In July 2021, the LLP ceased trading. Its business was transferred under an asset purchase agreement to Fletcher Day Limited ("Fletcher Day"). On 22 February 2023, Fletcher Day was closed down following an SRA intervention; and later wound up by a court order dated 22 March 2023.

6. On 27 August 2024, the LLP was struck off the register, and on 3 September 2024 it was dissolved. From the date of dissolution, there was therefore no entity against which the applicants could make a claim. They were entitled however to bring a claim directly against the LLP's professional indemnity insurers pursuant to the Third Parties (Rights against Insurers) Act 2010 ("the 2010 Act").

7. In April 2025 the applicants first instructed their solicitors, Penningtons Manches Cooper ("PMC") in relation to their claim.

8. On 4 June 2025, the County Court at Central London made an order restoring the LLP to the register ("the restoration order") - the applicants were unaware of this. The period of dissolution was therefore 9 months and 1 day, or 274 days.

9. Once the LLP was restored, then arguably the claim against the insurers fell away, and the LLP's position is that it did.

10. On 25 June 2025, PMC wrote a letter of claim addressed to the LLP invoking their rights against its insurers under the 2010 Act. The letter expressly sought a copy of the LLP's insurance policy (said to be with Travelers Insurance ("Travelers")) and information about its insurance arrangements, to which the applicants were entitled under the 2010 Act.

11. The background to this request was that the applicants had entered into a conditional fee agreement with PMC. In order to issue proceedings, they needed after the event ("ATE") insurance to be in place, to protect them from any adverse costs order; and to obtain that, they needed to identify the proposed defendant and relevant insurer sufficiently certainly to satisfy an ATE insurer. This information was therefore a practical prerequisite of bringing their claim.

12. The following day, 26 June, PMC wrote letters of claim to Travelers (which the applicants believed to be Fletcher Day's insurers) and the company which the applicants understood to be the LLP's insurers, Endurance Worldwide Insurance Limited t/a Sompo International ("Sompo"). (I refer to Travelers and Sompo collectively as "the insurers".) Those letters invited the insurers to enter into a standstill agreement by 30 June 2025; and stated that if they did not do so, protective proceedings would be issued.

13. On 30 June 2025, the restoration order was sealed by the court. On 5 July 2025, the order was received at Companies House; and on 11 July 2025, it was added to the documents available in respect of the LLP on the Companies House website. In the

meantime, the insurers had entered into standstill agreements with the applicants, on the assumption that the LLP remained dissolved.

14. On 17 July 2025, PMC first became aware of the restoration order, by chance.

15. On 28 July 2025, PMC wrote directly to the LLP asking it to agree to a consent order for directions that:

> "1. … the period between 27 August 2024 (being the date of the striking off of the Respondent) and 5 July 2025 (being the date that the Restoration Order was received by Companies House) is not to count for the purposes of any enactment, including the Limitation Act 1980, as to the time within which proceedings against the Respondent must be brought by the Applicants.
>
> 2. If the Applicants shall issue a Claim Form against the Respondent within 3 months from the date that this paragraph comes into effect, the proceedings shall be deemed to have been issued on 27 August 2024."

16. No response was received, and PMC chased by email on 26 August 2025. Reynolds Porter Chamberlain ("RPC") responded on the LLP's behalf on 29 August 2025, questioning why paragraph 2 of the draft order was required, and stating that they were investigating whether Sompo was the correct insurer for the LLP. PMC replied on 18 September, asking about progress. On 25 September, RPC confirmed by telephone that they did not have instructions to agree the draft consent order. PMC's response on 29 September was that they would advise their client to issue the application. There were then a number of messages from RPC asking for more time to clarify the position. On 15 October, PMC again indicated that an application would be issued, and on 17 October RPC replied to say that they hoped to receive instructions shortly. On 21 November, PMC wrote a letter giving RPC "a final opportunity" to consent to the draft order enclosed for a limitation direction.

17. RPC finally confirmed by a letter dated 21 November that Sompo was the correct insurer to respond to the applicants' claim. The letter set out that they did not yet have any relevant documents, and would need 3 months to respond to the letter of claim. They again questioned the basis of paragraph 2 of the draft order. On 26 November, PMC replied agreeing to dispense with paragraph 2. On 2 December, RPC replied that they required an explanation of the legal and factual basis on which the limitation direction was sought; and ultimately the LLP was unwilling to consent to it.

18. The application notice was issued on 26 February 2026, and listed for hearing on 13 July 2026.

Legal principles

19. Section 1032 of the Act provides:

> "**Effect of court order for restoration to the register**
> (1) The general effect of an order by the court for restoration to the register is that the company is deemed to have continued in existence as if it had not been dissolved or struck off the register
> . …
> (3) The court may give such directions and make such provision as seems just for placing the company and all other persons in the same position (as nearly as may be) as if the company had not been dissolved or struck off the register."

20. The principles governing the exercise of the court's discretion were reviewed in *Tradition Financial Services Ltd v Bilta (UK) Ltd* [2023] EWCA Civ 112 (CA), [2023] Ch. 343 (a claim in which the company was the proposed claimant) and summarised at [151]. Those principles, transposed to the current claim, in which the company (in this case, the LLP) is the proposed defendant are:
    (1) The court's power is exercisable only where the dissolution of the company was the real cause of the applicants being unable to bring their claim: *County Leasing Asset Management v Hawkes* [2015] EWCA Civ 1251, [2016] BCC 102 (2015);
    (2) A limitation direction under section 1032(3) should not place the applicants in a better position than if there had been no dissolution: *Davy v Pickering* [2017] EWCA Civ 30, [2017] Bus LR 1239 at [40];
    (3) What would have happened if the company had remained in existence is a question of fact to be decided on the balance of probabilities: *Davy v Pickering* at [60] and [71].

21. In addition, the following principles are to be derived from in the case law:
    (1) Even where the court is satisfied that had the company not been dissolved the claim would have been brought in time, the court must consider whether it would be just to provide that opportunity, after the event, by a limitation direction: *County Leasing* at [31];
    (2) A limitation direction will not be given to allow the pursuit of an "obviously unmeritorious" claim: *County Leasing* at [38];
    (3) The requirement of an exceptional case for a limitation direction in favour of a company does not apply to a direction in favour of a third party claimant against the company: *Davy v Pickering* at [65];
    (4) There is no requirement for a claimant to issue an (invalid) claim or to present a petition seeking orders to restore the company to the register and wind it up: *Davy v Pickering* at [65].

22. Finally, although I was not referred to any authority directly on this issue or addressed in any detail on it, in my judgment, the court's power to make a limitation direction must be limited to the period during which the company was dissolved. That is a consequence of the section requiring that the directions made under it place the company and all other persons "in the same position" as if the company had not been dissolved. If any longer period were ordered, that would place those persons in a better position, and go beyond the power conferred by the section.

Basis of the application

23. The basis of the application is that the applicants were unable following the dissolution of the LLP on 3 September 2024 to take steps to protect their position on limitation in their claims i.e. by issuing a claim within 6 years from the date on which their causes of action accrued.

24. As to whether the dissolution was the real cause of the applicants not bringing a claim against the LLP, they rely upon their letters before claim to the LLP and its insurers on 25 and 26 June 2025; and the standstill agreements with the insurers on 7 and 8 July 2025. This shows, they submitted, that their claim could and would have been brought against the LLP if it hadn't been dissolved.

25. As to the position on 17 July 2025 (when they learnt of the restoration order), they submitted that it was at least arguable that their cause of action accrued when the reports on title were provided, so that the limitation period in respect of all but one claim had expired by that date.

26. However, they submitted that even if the relevant limitation period expired 6 years after the exchange of contracts (as set out above) it was unrealistic for claims to be issued that quickly, and that they took appropriate steps to preserve their claims by entering into the standstill agreements.

Discussion and conclusions

27. I turn to consider, taking into account the LLP's submissions, whether
    (1) dissolution was the real cause which disabled the applicants from bringing their claim against the LLP in time;
    (2) it would be in any event "just" to override the limitation period.

Whether dissolution was the real cause which disabled the applicants from bringing their claim

28. There is no evidence that the applicants intended or took any steps in respect of their claim until April 2025, when they approached PMC. At that point, the LLP's

dissolution was preventing them from bringing their claim, because the effect of the dissolution was that the LLP ceased to exist; and a claim cannot be brought against a non-existent entity. If the LLP had existed on 25 June 2025, then the evidence, in my judgment, shows that as a matter of fact, the applicants would have either entered into a standstill agreement with it, or issued protective proceedings.

29. The LLP's position was that, since the limitation period had not expired when it was restored, it cannot be said that the dissolution was the real or effective cause of the applicants' not issuing within the limitation period. The applicants had, it said, sufficient time to issue their claims or enter into a standstill agreement.

30. As to the relevant date for considering the two issues identified in paragraph 27 above, this must in my judgment be the date when the applicants first knew of the restoration i.e. 17 July 2025. In my judgment, if limitation had expired by that date, then the dissolution was the real cause which disabled the applicants from bringing their claim during the period April 2025 to 17 July 2025.

31. As to whether the limitation period had expired by that date, the parties' positions differed, though neither side made submissions of any detail on this point. The applicants' position, as noted above, was that it was at least arguable that the limitation period had expired in respect of all but one of their claims. If so, then the dissolution would be the real cause of those claims not having been brought in time.

32. In argument, the LLP's position was the applicants' cause of action accrued when contracts were exchanged (and the deposits paid). However, in its evidence, the LLP's position was not that the limitation period in fact expired 6 years from the exchange dates, when the deposits were paid, only that these were the latest possible dates when it expired.

33. If the limitation period expired 6 years from the exchange dates, then by 17 July 2025 the first applicant's main claim was already statute-barred (having become so on 15 July 2025), and there was not enough time to issue a protective claim in respect of the second applicant (the limitation period being due to expire on 21 July 2025). However, in my judgment, in circumstances where PMC had written detailed letters of claim, the applicants could have entered into standstill agreements, or, if not forthcoming, issued a protective claim in respect of all the other claims before the limitation period expired. Thus, the dissolution would not be the real cause of those claims not having been brought.

34. I reject, however, the LLP's submission that the applicants could have or should have restored it to the register themselves, as inconsistent with *Davy v Pickering* – see paragraph 21(4) above.

Whether it would be just to make the limitation direction

35. I turn to consider whether it would be just to make the direction sought, if:
    (1) on the limitation position contended for by the applicants, in respect of those claims in which limitation had already expired by 17 July 2025; or
    (2) on the limitation position contended for by the LLP, in respect of those claims in which the dissolution would be the real cause of the claims not being brought.

    In both cases, the applicants would be entitled to be put in the position they would have been if the LLP had not been dissolved.

36. However, whichever position is correct, the critical difficulty for the applicants is that, even at the date of the hearing, they had not entered into a standstill agreement, or issued their claims. The table below shows the date on which the latest limitation period would expire if extended by the full period of the dissolution, which is, as I have held, the maximum that could be directed under section 1032(3).

37.

Applicant	Exchange date	6 years from exchange date	6 years and 274 days from exchange date
A1	16 July 2019	15 July 2025	15 April 2026
A1 (additional unit)	15 August 2019	14 August 2025	15 May 2026
A2	22 July 2019	21 July 2025	21 April 2026
A3	7 August 2019	6 August 2025	7 May 2026
A4	30 August 2019	29 August 2025	30 May 2026
A4 (additional unit)	30 August 2019	29 August 2025	30 May 2026
A5	17 September 2019	16 September 2025	17 June 2026

38. In any event, it would not be appropriate to order the full period of dissolution. In my judgment, the appropriate period would, at its maximum, be from April 2025 (when the applicants first instructed PMC) to the date of restoration i.e. a maximum of 64 days.

39. The applicants did not submit that the limitation direction could somehow "relate back" to the date of their application, and in my judgment, to do so would be wrong in principle. However, even if it did, the limitation periods of all the claims, extended by 64 days, would have expired before the application was issued.

40. This is, in my judgment, an insuperable obstacle to the application. It is not therefore necessary to consider whether the claims are “unmeritorious” except to record that, in my judgment, the 9 page letter of claim dated 25 June 2025 articulates the claims in sufficient detail to show more than a real prospect of success, despite the more general points submitted by the LLP.

41. For the reasons above, I therefore dismiss the application.