Candey Ltd (Appellant) v Crumpler and another (as Joint Liquidators of Peak Hotels and Resorts Ltd (In Liquidation)) (Respondents)

Case ID: 2020/0039

Case summary

Issue

In what circumstances will solicitors have waived (or be inferred to have waived) their equitable lien when a solicitor enters into a security arrangement with a client?

Facts

The Appellant acted as solicitor for Peak Hotels &; Resorts Ltd ("PHRL"), a company incorporated in 2014 in the British Virgin Islands ("BVI"). The Appellant represented PHRL in extensive litigation in England and other jurisdictions. PHRL was wound up in insolvency proceedings in the BVI and the Respondents were appointed by the BVI court to act as joint liquidators for PHRL. A dispute ensued between the Appellant and Respondents about a claim by the Appellant for unpaid legal fees owed to it by PHRL. The Respondents were ordered to pay some of the Appellant's legal costs. In proceedings before the High Court, it was determined that a success fee was not recoverable from the Respondents and that the Appellant had waived its equitable lien over settlement monies that had been paid to PHRL during the litigation, when the Appellant entered into a fixed fee agreement and deed of charge with PHRL. The High Court held that the fixed fee agreement and the deed of charge were inconsistent in some respects with the Appellant's rights under the pre-existing equitable lien. The Court of Appeal dismissed the Appellant's appeal on both issues. The Appellant now appeals to the Supreme Court.

Judgment appealed

[2020] EWCA Civ 26

Parties

Appellant(s)

Candey Ltd

Respondent(s)

- (1) Ruseel Crumpler,
- (2) Christopher Framer (as Joint Liquidators of Peak Hotels and Resorts Ltd (In Liquidation))

Appeal

Justices

Lord Reed, Lord Briggs, Lord Kitchin, Lord Hamblen, Lord Stephens

Hearing start date

2 March 2022

Hearing finish date

3 March 2022

Watch hearing

2 March 2022 Morning session Afternoon session

3 March 2022 Morning session Afternoon session