

IN THE ROYAL COURT OF THE ISLAND OF JERSEY

12th January, 1987.

Before: The Deputy Bailiff assisted by Jurats H. Perrée and J.M. Orchard.

BARFORD LIMITED
BRIAN CHANDLER

PLAINTIFFS

AND

PAUL ALEXANDER CHURCH
CHIMERA SECURITIES INC.

DEFENDANTS

LLOYDS BANK PLC

PARTY CITED

Application by Ian Peter Phillips and David Julian Buchler,
appointed Receivers in an action pending before the Chancery
Division of the High Court in London for leave to intervene and interplead.

Advocate T.J. Herbert for the applicants.
Advocate F.J. Le Cocq for Chimera Securities Inc.
Advocate R.J. Michel for the Plaintiffs

Judgment

The Deputy Bailiff: The Court does grant the application of the Receivers to be formally joined as parties intervening in what have been conveniently described as the "first Jersey proceedings". Accordingly the Receivers are entitled to be heard in the present proceedings and shall be entitled to enter pleadings and be heard on all matters in the future.

We have taken into account the fact that the Receivers are a party already to what has conveniently been called "the second Jersey proceedings" and that, in our view, there is a nexus between the first and second Jersey proceedings.

We have also had regard to the principle of comity between Courts.

We distinguish between the present application and the case of Schemmer v. ors v. Property Resources Ltd & ors (1975) 1 Ch. 273, cited to us. That was an application for recognition directly title to assets or to set up an auxiliary receivership. Our decision today must not be taken as an indication that we would grant a similar application here.

On balance we consider that it will be convenient and helpful for the Court to have the benefit of any arguments that the Receivers may wish to advance and that the Receivers should be in a position to make, at short notice, any application they may consider necessary at any stage.

We are not persuaded that the second defendants will suffer prejudice. If the action is a nullity the Receivers will disappear from the Jersey scene anyway. Similarly, if the appeal in England succeeds, they will have to withdraw, or be dismissed, from the Jersey proceedings. We are not prepared to pre-judge the jurisdictional question. We do not think we should impose a burden on Mr. Herbert to be present throughout the proceedings without his clients being a party. We make no order for costs or for security for costs at this stage.