

Byers and others (Appellants) v Saudi National Bank (Respondent)

Case ID: 2022/0048

Case summary

Issue

Whether a claim in knowing receipt requires a claimant to prove a continuing equitable interest in the property transferred to the defendant in breach of trust, in addition to knowledge on the part of the defendant so as to render his receipt unconscionable.

Facts

The appellants, SICL and its joint liquidators, issued proceedings alleging knowing receipt of trust property against SNB, the respondent, contending that a transfer of shares to Samba, a Saudi Arabian bank whose assets and liabilities were subsequently transferred to SNB, had been made in breach of trust and that Samba had known at the time of the transfer of the appellants' interest in the disputed securities and had incurred liability as a knowing recipient.

The judge found, inter alia, that the liability of a knowing recipient rested on his knowledge that the property he received was trust property and where a recipient was, from the outset, entitled to treat the property as his own, no liability arose. A claim in knowing receipt would, therefore, fail if, on receipt, the beneficiary's equitable interest was extinguished under the law applicable to the transfer and that since, as a matter of Saudi Arabian law, SICL had no continuing equitable interest in the shares after the transfer, the claim in knowing receipt failed.

The appellants' appeal to the Court of Appeal, contending that they were not required to demonstrate a continuing equitable interest in the shares to succeed in their claim, was dismissed. The appellants now appeal to the Supreme Court.

Judgment appealed

[\[2022\] EWCA Civ 43](#)

Parties

Appellant(s)

- (1) Mark Byers
- (2) Hugh Dickinson (as Joint Official Liquidators of Saad Investments Company Ltd)
- (3) Saad Investments Company (in liquidation)

Respondent(s)

Saudi National Bank

Appeal

Justices

Lord Hodge, Lord Briggs, Lord Leggatt, Lord Burrows, Lord Stephens

Hearing start date

12 July 2023

Hearing finish date

13 July 2023

Watch hearing

12 July 2023 [Morning session](#) [Afternoon session](#)

13 July 2023 [Morning session](#) [Afternoon session](#)