

*Reasons for piercing Straight's 'corporate veil'*

62. In summary, in my view, the following circumstances justify an order piercing the 'corporate veil' so as to make Straight directly liable on the Judgment against H.
63. First, it is clear that, when M.V. "Luna" was transferred to Straight, both the legal owner (Qubo 2) and the true beneficial owner (H) were under an existing legal liability not to do so pursuant to the Judgment and violated their legal obligations by doing so.
64. Second, it is clear from the evidence that Straight was incorporated deliberately to make enforcement of the Judgment against Qubo 2 (and H) more difficult by the interposition of a 'fresh' corporate entity, against which Judgment had not been entered. Indeed, given the circumstances in which Straight was created and interposed, the only sensible inference is that the sole purpose of the incorporation of Straight and the transfer to it of M.V. "Luna" was to evade enforcement of the Judgment. Straight's entire *raison d'être* was evasion of the subsisting Judgment.
65. Third, I am satisfied that the making of an order piercing the 'corporate veil' is clearly necessary in the interests of justice. This Court's Order and Judgment must be taken to the DIFC to be enforced. It is not possible to determine at this stage whether the more conventional remedies W seeks against Straight will be recognised and given effect in the DIFC. It is quite possible that the only order that the DIFC Courts will recognise and enforce is an order of this Court based on a finding that H has used Straight in a dishonest fashion so as to evade enforcement of the Judgment. There is, conversely, a possibility that if no such Order is made, W's efforts to enforce the Judgment in Dubai could fail altogether.
66. For these reasons, in my judgment, the test for piercing the 'corporate veil' set out in *Prest* is clearly satisfied in the present case and the interests of justice require the making of such an order in this case.

*Submission of Avenger and Straight to the jurisdiction*

67. I am satisfied, as presaged above, that Avenger and Straight can be said, parasitically, to have submitted to the Court's jurisdiction. The reasoning is the same as that in the case of Qubo 1 and Qubo 2, namely H had fully and voluntarily submitted to the jurisdiction and participated in the proceedings until the month of the trial. Avenger and Straight are mere 'ciphers' of H, being at the very least bare trustees for H. An order against a trustee (*a fortiori* a bare trustee) binds the beneficiary and vice versa on grounds of privity (see *Gleeson v J Wippell & Co* [1977] 1 WLR 510 at pp. 514C & ff). H's earlier submission to this court binds Avenger and Straight, even if they have purported not to submit. I make appropriate declarations accordingly to this effect.
68. It should be noted that W (rightly) does not presently seek an order piercing the 'corporate veil' in respect of Avenger because the other, more conventional relief sought against Avenger is likely to be sufficient to secure Third Party Debt Orders in the Isle of Man against it (although W reserves the right to apply in due course to do so should that become necessary).