

80. Fourth, as presaged above, on 17th March 2015, H assigned the entire issued share capital in A Ltd, M Ltd and L Ltd to the Trust. However, P Ltd was not included in this assignment.
81. Fifth, H's treatment of P Ltd mirrors his treatment of P Investment Ltd, a BVI company which existed before the sale of the Russian company shares and the formation of the C Ltd Trust in 2013. In his answers to the Questionnaire, when describing his wealth in 2004, H said he had cash and securities at a Swiss bank of \$78m. However, the UBS account which H was referring to as "his" account was, in fact, an account in the name of P Investment Ltd. There is no evidence that P Investment Ltd ever traded or generated any wealth of its own. It is to be inferred that that H considered P Investment Ltd to be a mere personal depository for his cash and securities. The same inference can be drawn in respect of P Ltd, which H used in effect as his 'piggy-bank'.
82. Sixth, it is perhaps telling that in a signed written statement dated 21st March 2015, H spoke of the Trust as being "*beneficially interested in*" art, cash and securities, *i.e.* thereby suggesting that P Ltd was a mere nominee (albeit for the Trust, not H).
83. Seventh, on 14th November 2016, W's solicitors, PHB wrote to H's then solicitors, Sears Tooth, asking them to provide independent documentary evidence which confirmed that P Ltd is within the Trust structure, and to explain, with documentary evidence, who has held the legal and beneficial interest in P Ltd's shares from 1st January 2013 to date. The letter concluded: "*If your client does not provide this documentation we will be asking the court to draw the inference that P Ltd is your client's nominee*". No reply has been received. In view of this silence, a reasonable adverse inference can be drawn against this "*uncommunicative husband*" (*per* Lord Sumption in *Prest, supra*, at [45]).
84. For the above reasons, I find that P Ltd is H's nominee and that P Ltd holds all its assets absolutely for H on a 'bare' trust.

Bare trust

85. The *Law Commission Report on Trusts of Land (No. 181) (1989)* defined a bare trust as follows (in paragraph 3.27):

"A bare trust exists where the entire beneficial interest is vested in one person and the legal estate in another. The trustee in such a case has no duties other than to obey the beneficial owner, who is, to all intent, the real owner."

(see also *Lewin on Trusts*, Chapter 1-028)

86. The terms 'bare trustee' and 'nominee' are often used interchangeably. In essence, a bare trustee and a nominee are 'nominal' title holders, holding an asset for another person who is the true beneficial owner for all purposes. A bare trustee is a trustee who is a mere repository of the trust property with no active duties to perform, and with no responsibilities in relation to trust property other than to preserve the property for the beneficiary (and the transferor of the assets). The bare trustee's duties are purely passive, and 'bare' or naked of active duties decreed by the settlor. In *IRC v Silverst*