



Neutral Citation Number: [2026] EWFC 210

IN THE FAMILY COURT
SITTING AT THE ROYAL COURTS OF JUSTICE

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 29/07/2026

Before :

THE HONOURABLE MR JUSTICE GARRIDO

Between :

TP

Applicant

- and -

TF

Respondent

(Matrimonialisation; Family Trusts; Fair Division)

Tim Bishop KC, Emma Chamberlain OBE, Kyra Cornwall and Emma Hargreaves
(instructed by **Stewarts Law LLP**) for the **Applicant**

Michael Horton KC, Dakis Hagen KC, David Ewart KC, Alex Laing and Stephanie Thompson (instructed by **Dawson Cornwell LLP**) for the **Respondent**

Hearing dates: 15-24 April 2026

Approved Judgment

This judgment was handed down remotely at 10.19 am on 29 July 2026 by circulation to the parties or their representatives by e-mail.

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THE HONOURABLE MR JUSTICE GARRIDO

This judgment was delivered in private. The judge has given leave for this version of the judgment to be published. The anonymity of everyone other than the lawyers must be strictly preserved. All persons, including representatives of the media and legal bloggers, must ensure that this condition is strictly complied with. Failure to do so may be a contempt of court.

Mr Justice Garrido :

1. This is my judgment at the conclusion of the final hearing of TP's application for a financial order issued in Form A on 8 July 2024.
2. TF (H) and TP (W), both now 63 years of age, married in 2001. There are two adult children of their relationship. The parties separated in 2024 and following W's application for divorce in this jurisdiction, a conditional order was made on 1 April 2026. Unfortunately, a private FDR hearing was unsuccessful. The parties have now spent a total of £6.5 million in legal fees and disbursements within these proceedings.
3. I have received and had regard to a significant quantity of documentary evidence (the two core bundles and two supplementary bundles running to almost 5000 pages) and the oral evidence of each party. After the hearing concluded, I received some limited further evidence by email. I do not propose to recite the parties' oral evidence at any great length; the parties have a transcript, as do I, to which I have had recourse when coming to my judgment, and I will identify the written and oral evidence that I have found relevant at appropriate points below.
4. I have also received uncommonly extensive written and oral submissions by an array of leading and junior counsel specialising in family, tax and trust law. In particular, it is apparent that H instructed counsel to take every conceivable point in his attempt to protect his wealth beyond his assessment of W's needs – their written closing submissions amounted to some 126 pages augmented by a bundle of 34 authorities. Obviously, I have carefully considered every point raised, which has not been possible in a matter of a moment, but the advantage of taking time for consideration is the opportunity that is presented to distil the evidence and argument to that which is relevant. I will, therefore, only refer below to that which illuminates rather than obscures decision-making; to do otherwise than to apply such a filter to sort the wheat from the chaff would result in an unwieldy judgment of disproportionate length. I have well in mind that my "*function is to reach conclusions and give reasons to support his view, not to spell out every matter as if summing up to a jury.*" (Per Lewison LJ in *FAGE UK Ltd and another v Chobani UK Ltd and another* [2014] EWCA Civ 5 @ [115])
5. In my search for a fair outcome as between the parties, I must and do have regard to section 25 of the Matrimonial Causes Act 1973. My first task is to compute the wealth available to the parties for division between them. The overwhelming focus of dispute has been whether certain trust assets are capital resources available to H and if so, what is their net value and do they constitute in whole or part matrimonial assets to which the equal sharing principle applies. If they do, as W contends, then she concedes that her needs will be met. If they do not, as H asserts, then an assessment of W's needs will be necessary. The handful of other computation issues pale into insignificance beside the trusts issue. The division of real property is agreed save for

the future ownership of the Alpine chalet. What then remains is the structure of payment by H to W of whatever sum I conclude is fair in all the circumstances.

6. Given the central issue in dispute, in my judgment the oral evidence of the parties has been much less important in this case than the contemporaneous documents and the written evidence of the trustees. Nevertheless, where it does prove to be relevant, I generally preferred W's evidence to that of H. W was entirely straightforward, giving direct, patient and consistent answers to the most testing of questions. On the other hand, save for an obviously genuine description of his attachment to the Alpine chalet and the occasional moment of partial self-reflection and insight, H seemingly regarded giving evidence as an opportunity to argue his case rather than answer questions. Patently clear documents (both those produced for these proceedings as well as contemporaneous records) about the trusts that merited plain reading were given unlikely and contradictory interpretations in the course of lengthy and circuitous replies. I have concluded that those interpretations must be treated with considerable caution as a result.

The family trusts

7. H, the parties' children and (in some but not all cases) W are within the beneficial class of trusts settled by P/Q family members since the 1950s. W will cease to be a discretionary beneficiary on divorce but will continue (absent revocation) to hold successive life interests in certain trusts. The family trusts hold (directly or through underlying companies) shares in ABC and/or diversified assets worth many billions of pounds.
8. On 12 June 1995, the then trustees, in recognition of the wishes of H's uncle and mother, agreed to notionally set aside 2.5% of the ABC equity as at 31 December 1993 to be held for H's benefit and allocated to him gradually over the course of an anticipated 30-year career in the company. This allocation became known as "CAP". In fact, H worked in ABC for less than 30 years and the eventual notional allocation was agreed to be 2.1%.
9. Life Interest Trust 1 & Life Interest Trust 2 are two life interest trusts settled by H in 1997 using inherited ABC shares. H is the life tenant and W is the successive life tenant (having been revocably appointed as such by H in 2001, three days after the marriage). The trustees have a discretionary power to appoint income and capital to a wide class of beneficiaries. Subject to this, the income is to be paid to H during his lifetime, and the capital and income is then held on trust for his children. H has received gross annual income from each trust increasing over time from approximately £150,000 to (latterly) £955,000.
10. Life Interest Trust 3 is a life interest trust, which was settled in 1958. H's life interest was appointed on 4 April 1997, and W has had a successive life interest since 4 June 2010. The total income distributions since 2001 (based on the declaration of dividends, since the assets are predominantly held through investment companies) amount to approximately £20.4 million. The annual income distributions since 2001 have been modest, with three exceptions: £6.7 million in 2003/4; £5 million in 2015/16; and £8.5 million in 2016/17. H has not received any capital distributions.

11. In 2001, a memorandum of understanding created a 'silo' or 'notional allocation' for H and his siblings of 2.5% and for H's cousin of 4.5% (plus their respective families), leaving the balance as a 'rump' for the whole family. Although there have been subsequent disputes between family members about the memorandum and the trustees response to that dispute, leading to legal proceedings in a non-UK jurisdiction, what ultimately matters for these proceedings is that CAP and H's 2.5% silo are accepted to reflect his minimum interest.
12. To date, the liquidity position of the trusts has been impacted by the trustees intention to maintain the shareholding in ABC. However, the proposed sale of the company will significantly change the asset profile of the trusts as the net cash proceeds derived from the sale of the shares are expected to be received [REDACTED].

CAP

13. W invites me to conclude that 100% of the value of CAP is (and always has been) H's resource. Her starting point is the *Charman* response of the Trustees in a letter dated 20 March 2026 stating that the Trustees "*would be minded to make available to H, the vast majority, and potentially the entirety, of the value of CAP*". W asserts that the thrust of this letter is clear. She says the imprecise and caveated language is inevitable given that H asked general and open-ended questions in his letter to the trustees and the trustees are not permitted to fetter the exercise of their discretion in respect of a future request.
14. On the issue of what "vast majority" means, H submits that the court ought to adopt a conservative approach for a number of reasons including (i) the Trustees will not commit themselves to the source from which they will satisfy a distribution referable to the value of CAP (or part thereof), (ii) H is a member of a family which has shown itself to be unusually litigious when it comes to trust interests, and (iii) the Trustees will in particular be obliged to consider the interests of the next generation and future issue.
15. W rebuts these submissions. She says that if H had wanted further detail about the source of funding, he could and should have followed up with a specific question of the Trustees, as they invited him so to do. Further, it is wholly unrealistic to invite the court to speculate that the other living beneficiaries may object to a distribution of the value of CAP. Even if the beneficiaries do unexpectedly object, she submits that it is plain on the balance of probabilities that the non-UK Court will recognise that these Trustees can reasonably decide to distribute 100% of CAP to H. Finally, the possible objections of the parties' children are couched in very general terms. In any event, the children's financial interests will not be appreciably damaged by the distribution to H of the entire value of CAP and, in fact, it is in their non-financial interests for their mother to receive a fair award.
16. W additionally relies on key historical documents, set out in an annex attached to her closing submissions, which support her position. What is actually much more relevant, H counters, is the recent trustee evidence before the non-UK courts to the effect that the trustees do not feel completely absolved from considering the interests of other beneficiaries when making distributions from, or referable to, CAP.

17. Furthermore, H asserts that the general culture of the trusts over time is to distribute income but preserve the capital for future generations. W disagrees, arguing that the distinction between “income” and “capital” is meaningless in the case of those trusts that hold the underlying capital value through offshore holding companies for tax reasons, accumulating income at company level until it is required, and then extracting the value by dividend from the underlying company to be paid out as an income distribution. In any event she says that the Trustees, who have made capital distributions in the past, evidently do not consider that any such culture is a bar to capital distributions to H from CAP.

Other trusts

18. In deference to the multiplicity of submissions on this topic, I set out the parties’ submissions rather more fully, if not comprehensively.
19. W does not go so far as to submit that the entire value of H’s silo constitutes his resources, but does invite the court to find that distributions can and should be available to him from Life Interest Trust 1, Life Interest Trust 2 and Life Interest Trust 3. In response, H relies on the trustees’ *Charman* letter where they say that “*they cannot currently envisage a scenario where they would consider it appropriate to make a distribution to H*” in respect of the value of other trusts in his silo in addition to the value of CAP or any significant part of it.
20. W’s position is that it is not credible that the Trustees will limit H to the value of CAP. She highlights that the Trustees were not aware of the quantum of W’s sharing claim when preparing the *Charman* response. More generally, she says that H does not suggest that he has ever been turned down by the Trustees when he has requested funds. In the past, the Trustees have operated a flexible approach in distributing from different trusts within H’s silo depending on liquidity and tax considerations. That approach to the silo accords with the *Charman* response because, although the Trustees indicate that they will make the value of CAP available to H, they are clear that they may take that value not just from the notional CAP portfolio, but from other trusts. Furthermore, there is no impediment to capital distributions, and therefore no issues about the realisability of the trust funds. W contends that the removal of the need to maintain the ABC shareholding following the impending sale ought, if anything, to facilitate the separation of the family interests by reference to their silos and significantly increase the prospect of substantial capital distributions. Thus, the dynastic concerns raised in the *Charman* response are overstated.
21. Referring to paragraph 67(i) of *HO v TL* [2024] 2 FLR 175, W advances the proposition that a notional allocation can still be a resource, notwithstanding that it has not been formalised by exercise of the trustees’ power of appointment. In this case, W asserts that it has long been common ground between the fiduciaries, the beneficiaries participating in the recent litigation and H himself that these notional allocations will be made actual. The whole point of CAP was to give H wealth *over and above* that allocated to his generation, and so it would be unfair to H for the Trustees to conclude that he is to be deprived of any benefit from his silo because he has separately received the value of CAP.

22. As to Life Interest Trust 1 and Life Interest Trust 2, W submits that the trustees were wrong to say that they are “*required to consider the interests of the other beneficiaries of these trusts*”. Regarding their power to advance the capital to H, that power can be exercised having regard “*solely*” to his interests and disregarding the interests of others (clause 6.2 of the settlement deed). For the effectiveness of this type of clause, W relies on *Charman v Charman (No.4)* [2007] 1 FLR 1246 at [31] and [54] and *Whaley v Whaley* [2011] 1 FLR 735 at [51] and [112]. In any event, the Trustees give insufficient weight to the fact that H is the settlor of those trusts. H, in his own words, sees himself as the “*intended sole beneficiary*”.
23. W makes like submissions regarding Life Interest Trust 3, where clause 3.4 of the deed enables all interests save for H’s to be disregarded when it comes to capital distributions. She suggests that it was on this basis that in 2017, the Trustees offered to distribute to H the capital value of Life Interest Trust 3 worth £46 million. While his siblings accepted the whole of their equivalent life interest trusts, H declined because he saw it as a future source of capital or income for him. W submits, therefore, that there is no good reason to think that the Trustees would not distribute the capital now. Indeed, to do so would be to treat H differently to his siblings.
24. W further suggests that the large one-off distributions already received by H referable to Life Interest Trust 3, although income in form, in effect represent extraction of capital from the offshore holding companies. In addition to the three previous occasions in 2003/4, 2015/16, and 2017/17, H’s recent request on 24 March 2026 for £2.5m “*for starters*” from Life Interest Trust 3 and Life Interest Trust 4 demonstrates that he receives the funds for which he asks. On 1 April 2026, the Trustees confirmed a willingness to distribute £600,000 from Life Interest Trust 3 and £400,000 from Life Interest Trust 4 straightaway, with a further £1.5 million to follow in late April following the ABC dividend. Ultimately, H concedes that the future income stream of the life interest trusts are his resources and the reality, W says, is that Life Interest Trust 3 is not only part of his “*income stream*”, but also is in substance a capital interest.
25. H points out the fundamental contradiction of W relying on the *Charman* response as honest and correct in relation to CAP, but disavowing it in relation to the other trusts. He says that the Trustees did not fail to take into account some material factor irrationally; on the contrary, a distribution to H of hundreds of millions attributable to the CAP portfolio would be part of all the relevant circumstances to which the Trustees will have regard, as is required of them. H suggests that the only possibility for rejecting the Trustees’ conclusion is that the Trustees (and the Protectors) are not telling the truth, which is highly unlikely. They are independent, regulated professionals who are advised by solicitors and Leading Counsel. They also have no reason to lie for H, who with his mother and siblings previously sought to remove the trustees from office and with whom they have a fraught relationship. It is telling, H says, that W chose not to cross-examine the Trustees, from which the irresistible inference is that she knew her attempts to impugn their credibility would fail.
26. Beyond the *Charman* response, H makes clear that the nature of the notional allocations to these trusts means that they are not H’s resources. As to the purely discretionary trusts, H has never had any distributions from them and as to his

life interests trusts, H has only once, in 2008, had capital distributions (around £6.5 million). The income distributions from four of the six life interest trusts within H's silo have been unpredictable. Further, H is not the settlor of these trusts save for Life Interest Trusts 1 and 2. He does not have any powers under any of the trusts to appoint and remove Trustees, add or remove beneficiaries or veto distributions.

27. Furthermore, H emphasises (as he did repeatedly during his oral evidence) that a notional allocation, if crystallised into something non-notional, does not mean that the assets in his silo will in due course be paid out to him. Instead, it merely means that there is an expectation that the beneficial class of the trusts within his silo will be narrowed to embrace only him, his descendants and his and their spouses. Many of the trusts in H's silo are destined to last for many more decades, and the trustees have a fiduciary duty to take into accounts the needs and wishes of other beneficiaries when they make a distribution (per *Dawson-Damer v Grampian* [2025] UKPC 32 at [68], [70] and [72]). Further, the Protectors regard their function explicitly as including the protection of future descendants from the predations of the living. It is no answer, he says, to point to the fact that the parties' children have their own silo to protect their interests, which represents only a small fraction of the total value of H's branch's silo. Nor is the fact that there are significant sums within the silos and the rump a valid reason to justify distributing to H the lion's share of his silo personally, when it is meant to last generations.
28. Responding to W's submissions, H suggests that W has overstated the Trustees offer regarding Life Interest Trust 3. It is dangerous to assume that the Trustees would have acceded to such a request from H simply because they did the same for his siblings. The key difference is that H's fund was much larger than that of his siblings. In any event, what they were willing to do in 2017 is no real indication of their current intentions.
29. Further, he says that there is a major difference in circumstances between 2022, when the Trustees indicated that in principle they would distribute Life Interest Trust 1 and Life Interest Trust 2, and the hypothetical situation considered by the Trustees in the *Charman* response. The latter is premised on the basis that the Trustees have distributed a significant part of CAP to H, and so they would be required to take into account that they have done so when deciding on distributions from Life Interest Trust 1 and Life Interest Trust 2. It is obvious, H says, that properly-advised trustees would not further divest the interests of H's living and unborn issue in order to make an even more extravagant distribution than that which is contemplated.
30. H also suggests that W has wrongly conflated the right to receive income from Life Interest Trust 3, Life Interest Trust 1 and Life Interest Trust 2 with the right to receive capital. H is only entitled to the income. That is defeasible (in the case of Life Interest Trusts 1 and 2) if the Trustees exercise their overriding power to appoint income and capital in favour of a very wide class of beneficiaries or (in the case of Life Interest Trust 3) if the Trustees revoke the life interest. He notes that as to Life Interest Trust 1 and Life Interest Trust 2, the power of appointment has not been exercised by the Trustees. As to Life Interest Trust 3, whether H receives income from Life Interest Trust 3 is entirely dependent on whether the directors declare dividends. If instead the underlying company is liquidated, the liquidation proceeds would be a payment of capital to the Trustees, who are not required to pay capital to the life tenant.

Analysis of the trusts as resources

31. The parties are agreed that the question for the court is the *Charman* question: If H were to request it, would the trustees be likely to advance the whole or part of the assets of the trust to him now or in the foreseeable future? I have found the judgment of Peel J in *HO v TL* [2024] 2 FLR 175 to provide a useful summary of the applicable legal principles that I shall adopt:

[51] I approach the legal principles as follows:

i) The test as set out in *Charman v Charman* [2005] EWCA Civ 1606 at para 13 is: “...whether the trustee would be likely to advance the capital immediately or in the foreseeable future”.

ii) The court brings “a judicious mixture of worldly realism and of respect for the legal effects of trusts, the legal duties of trustees and, in the case of off-shore trusts, the jurisdictions of off-shore courts” (per Sir Mark Potter P in *Charman v Charman* (No.4) [2007] 1 FLR 1246, CA at para 57).

iii) “The question is not one of control of resources; it is one of access to them”; per Lewison LJ in *Whaley v Whaley* [2011] EWCA Civ 617 at para 113.

iv) The court must look at the facts realistically; *Whaley* (supra) at para 114.

v) “The court will not put undue pressure on trustees to exercise their discretion in a particular way, but may frame an order which affords “judicious encouragement” to provide one spouse with the means to comply with the court's view of the justice of the case: *Thomas v Thomas* [1995] 2 FLR 668”; *Whaley* (supra) at para 114 *ibid*.

vi) Continuing at para 114, Lewison LJ, referring to what was said in *Thomas*, stated that what would not be undue pressure would be if:

- a) The interests of the other beneficiaries would not be appreciably damaged; and
- b) The court decides that it would be reasonable for the husband to seek to persuade trustees to release more capital to enable him to make proper financial provision for his former wife.

vii) In the same paragraph, Lewison LJ added that “...if the court makes such an order the trustees are not bound to comply with the husband's request; but it is plainly proper for the trustees to take it into account...and commonly it will be decisive”, citing Lewin on Trusts 18th ed.

viii) The court is not bound to accept the say so of trustees; *SR v CR* [2009] 2 FLR 1083 per Singer J at para 60.

ix) Although overseas trustees may reasonably wish not to submit to the jurisdiction of the court, “it is hard to see why participation by the trustees in a helpful or meaningful way in the court's inquiry qua witness could be construed as a submission to the jurisdiction”; *BJ v MJ (Financial Remedy: Overseas Trusts)* [2011 EWHC 2708 (Fam) per Mostyn J at para 21.

x) The ordinary rule of evidence is that the court is entitled to draw adverse inferences from the absence and/or silence of a witness who might be expected to have material evidence to give on an issue on the action; *Wisniewski (a Minor) v Central Manchester Health Authority* [1998] EWCA Civ 596, as applied by Moor J in *R v B* [2017] EWFC 33. In *Manzi v King's College Hospital NHS Foundation Trust* [2018] EWCA Civ 1882 Sir Ernest Ryder

SPT made plain that there is no obligation to draw an adverse inference; instead, the court has the discretion to do so. Whether it should will depend on the facts of the case; at the very least, the judge might be less inclined to attach full weight to what the trustees say if they decline to attend qua witness when they could offer considerable assistance on a particular issue.

xi) Relevant factors when determining whether the *Charman* test is met include:

- a) The nature and purpose of the trusts. Trust documents, including settlement deeds and letters of wishes, will be informative, but so too may be evidence within the family as to the working of the trust, and their expectations therefrom.
- b) Whether the husband or wife is a main or principal beneficiary, or merely one among many minor beneficiaries of similar standing.
- c) Whether distributions to a party would appreciably damage other beneficiaries.
- d) The history of distributions or loans to a party, including how often they have been made, for what purpose, and whether requests for funds have been turned down. Where loans have been made, the terms of repayment and security may require scrutiny.
- e) The value of the overall trust funds, and the quantum of monies sought to be provided from that source.
- f) Whether the trust funds are fully liquid (e.g. in investment portfolios) or tied up in private businesses and potentially difficult to realise.
- g) Whether the beneficiary has a close relationship with the trustees (or, protector, should there be one).
- h) The extent of explanation, information and documentation provided by the trustees, and whether they declined to attend court in a witness capacity.

32. I note at the outset that this issue of whether trust interests are H's resources only reared its head before me in November 2025 after the FDR. His Form E presentation clearly indicates that the trusts are his resources and he did not say otherwise, despite the requirements of para 2.14. His explanation in his oral evidence that "*the question of resources had not been addressed at that time*" is deeply unattractive given his representation by specialist solicitors and counsel. The ES2 provided to me at the first appointment in May 2025 when H was already represented by Mr Horton KC and Mr Laing of counsel includes £378 million of trust assets as H's resources on his own case, including the entirety of CAP and all the life interest trusts.

33. Rather late in the day, he instructed his solicitors to write to the Trustees, albeit in very broad terms, in an attempt to obtain some evidence from them to assist me in answering the *Charman* question. The reply from the trustees, which they took the trouble to seek the Protectors' agreement with in advance, is written in a spirit of cooperation and is as helpful as one could expect in the circumstances. They "*would be minded to make available to H, the vast majority, and potentially the entirety, of the value of CAP*".

34. In my judgment, “*the vast majority*” means ‘almost all’ and ‘an exceptionally high proportion’. ‘Vast’ is more than simply ‘great’ or ‘large’; it is ‘very great’ or ‘extremely large’. In my judgment, this careful use of expansive language pushes the percentage beyond the 75% contended for by H to at least 95%.
35. Should I stop there? The Trustees do not. In my judgment “*potentially the entirety*” means that there are foreseeable circumstances in which the trustees would make the whole value available and that there is a willingness and/or capacity on their part to do so, if requested for good reason. The use of the adverb ‘potentially’ does not by itself undermine the requirement for a finding on the civil standard, as contended for by H. The trustees were responding to a question posed in broad terms, without any indication of the parties’ open offers and without knowledge of my judgment. Nor is it surprising that such letters are carefully caveated so as to avoid the impermissible fettering of the trustees’ future discretion. The trustees would no doubt, in the spirit of cooperation as expressed in their letter, give considerable weight to my judgment and H’s request when considering whether to advance the whole value. This is especially likely if they would not be requested to advance the value of other trusts.
36. In these circumstances, I have come to the conclusion that it is likely that if requested in the context of my judgment, the trustees will make the entire value of CAP available to H.
37. I should add, that in rejecting H’s case, I refuse to join him in speculation about whether the source of the funds to satisfy a distribution from CAP is likely to reduce the amount of the distribution (he could have asked the trustees if this would be the situation but chose not to do so), whether other living beneficiaries of the trusts may object (the trustees say “*CAP is subject to different considerations to the other trusts within H’s silo, something which is understood to be accepted within the wider family*”, a statement for which there is a wealth of evidence) and whether the parties’ children may object (their solicitors’ letter, couched in the most general terms, following receipt of the Trustees’ letter on the eve of the hearing, does not in my judgment indicate any such objection to be likely).
38. Are any other trusts part of H’s resources? The trustees say that they “*cannot currently envisage a scenario in which they would*” distribute funds to H over and above the value of CAP. I accept W’s submission that I am not bound to the trustees’ indication and obviously I reject H’s submission that to depart from this aspect of the trustees’ response is akin to suggesting that they are lying. However, I do not accept W’s suggestion that it is not credible that the trustees would limit H to the value of CAP.
39. I must look at this in the round. I have found that they are likely to make the entire value of CAP available to H. I have found that they are willing to do this in the context that they say they cannot envisage going further. W makes a raft of criticisms of the trustees’ approach in respect of these other trusts but like H, she failed to give the trustees the opportunity to respond and expand on their rationale. Had she done so, they may have said “yes, we agree that we have made a bad point in favour of our position or failed to consider your good point against our position” but equally they may have said that in those circumstances “we need to adjust our position on making the vast majority and potentially the entirety of the value of CAP available so that the overall capital distribution remains broadly the same”. I am not willing to speculate,

but W cannot sustainably cherry pick those parts of the response that suit her case and undermine the parts that she does not.

40. This global approach also takes into account that the most tax efficient way of distributing the value of CAP likely involves a distribution from these other trusts that W seeks to include as H's additional resources.
41. In my judgment, taken as a whole, the Trustees' response is a measured, helpful and ultimately credible global position that I accept accurately represents their answer to the *Charman* question and therefore realistically identifies the resources likely to be made available to H.
42. How should I account for tax on the gross value of CAP? I accept that the tax figures provided on behalf of each party are illustrative and not final. There is little doubt in my mind that the trusts' and H's advisors will be in the best position to devise a scheme post-judgment for reducing the lawful payment of tax. H, W and the Trustees have a joint interest in legitimately minimising the tax payable on distributions for the parties' benefit and the future benefit of their children.
43. It is accepted that the tax position on distribution has to be considered having regard to all the family trusts, not just CAP or even the notional allocations to H's silo. The entire value of CAP need not come only from the notional allocations to CAP, "*rather the trustees would likely take the equivalent value of the notional allocations into account if they were considering whether to make a distribution to H from any of the family trusts (and would likely take tax advice at the relevant time as to the form of any distributions)*" per their *Charman* response.
44. Further, the trustees say they "*would be likely to consider as a starting point with their advisors how best to make any distribution in a reasonable time frame and in a way that is tax efficient, both in respect of the intended distribution but also the family trusts more widely.*" There is little doubt that fiscal considerations are at the forefront of the trustees' mind when devising a mechanism for the distribution, and in doing so they say that they "*would likely request to see copies of any tax advice obtained by or on behalf of H and/or W.*"
45. In these circumstances, I have come to the conclusion that it is unlikely that the trustees will simply distribute the entire value of CAP from the notional allocations to CAP with the result, on H's case, of an effective tax rate of as much as 41.5%. Apart from this maximising rather than minimising the payment of tax, it also leaves the life interest trusts untouched and vulnerable to inheritance tax of 40%, to the potential considerable disadvantage of the parties' children.
46. In my judgment, a much more realistic approach is that suggested on W's behalf where distributions can be made from a variety of trusts at tax rates varying from 12% to be applied to about £100 million (employing the temporary repatriation facility "TRF" that I am satisfied operates in the way submitted on behalf of W, not least given the HMRC response dated 7 May 2026) to a maximum of 45% on a relatively small amount distributed directly from CAP as capital.

47. In this way, a distribution of approximately £291 million gross would be subject to an effective tax rate of about 21%, derived from amending the table in W's closing tax submissions as follows:

	Gross £M	Tax rate %	Tax £M	Net of tax £M
TRF	100.75	12	12.09	88.66
Life Interest Trusts 1 and 2	56.40	17.51	9.88	46.52
CAP (income)	45.00	23	10.35	34.65
Balance of Life Interest Trusts 3, 4, 5 excl. TRF	72.50	30.33	21.99	50.51
CAP balance	16.05	45	7.22	8.83
Totals	290.7	21.17	61.53	229.17
		Effective tax rate		

48. I note that it is said that further savings in taxation may be made were H to engineer a situation whereby he becomes non-resident in the UK for tax purposes. However, this is an entirely speculative submission on W's behalf. H says he has no intention of becoming non-resident. In my judgment it would not be right to assume that he will do so or structure an outcome that would require him to do so, simply to generate a chance of artificially reducing the tax burden, however easy it may be for him to arrange his affairs in this way.
49. I say a 'chance' of reducing the tax burden because it is far from clear what alternative tax regime would apply. The height of W's assertion is that a 'favourable' arrangement may be negotiated in the Alpine country, without identifying what that may mean in practice. There is simply no firm evidential basis for assessing a lower effective tax rate in these circumstances.
50. Further speculation, this time by H, relates to the tax treatment of the value of CAP if I accept W's submission that CAP is matrimonial. In those circumstances, H suggests that HMRC are likely to regard it as remuneration for work done at ABC and tax it heavily as a result. It is a point that finds no support in the evidence from the trustees or their/H's tax advisors. As we shall see, the matrimonial nature of CAP as advanced by W is not put on the basis that it has been remuneration for H from his employer, rather that it is distinct from his general inheritance and that of other beneficiaries as a recognition of his efforts for the family within the business, in large part during the marriage. There is a variety of evidence drawing this distinction, both contemporaneously to the establishment of CAP and since, examples of which I shall give below.
51. Is CAP matrimonial in part or whole? The answer from H is a firm 'no'. He submits that CAP is a form of conditional inheritance. If he agreed to fulfil a role for his

family, his family would ensure that he would have further notional allocations from the inherited trust assets made available to him, in addition to the notional allocations that were to be made available to his family branch in respect of his inheritance from his mother. Inheritances received in recognition of earlier conduct or prospective inheritances dependent on future conduct, are still inheritances, from a source external to the marriage, such that the assets inherited are non-matrimonial property.

52. I am encouraged to look at the letters from H's mother and uncle in 1993 and 1995 setting out the rationale for CAP in the context of H performing an important function for the family, a special contribution to the family, and receiving additional notional allocations of inherited wealth as a result. The reference to building up H's own capital and funds being made available to H are to be read, I am urged, in the context of the practice of notional allocations. Equally, it is submitted that this approach is reflected in the minutes of the June 1995 trustees' meeting addressing the establishment of CAP.
53. H's main submission in relation to CAP is that its source is the shares in the family trusts. This is a source external to the marriage. H obtained this through an arrangement with his mother and uncle, as implemented by the trustees. Non-matrimonial property is pre-acquired property, property acquired by way of inheritance or gift, and post-acquired property. Matrimonial property is what is left. The concept of 'endeavour' simply does not apply or assist in this context.
54. H's alternative case is that the proportion of CAP that can be considered matrimonial or subject to equal sharing must be reduced significantly or extinguished entirely in one or all of the following ways.
55. He submits that 40% of the current value of CAP represents notional allocations for the period prior to the marriage. The remaining 60% should then be further reduced to reflect the external source. Further reduction is appropriate because he says that CAP is the product of his 'special contribution'; no other member of the family possessed his special characteristic or unique skills in being able to perform the function asked of him.
56. Finally, I am encouraged to apply the concept of 'unilateral assets' that is not restricted to the examples given in *Miller*. It is submitted that "*Sharp v Sharp* [2018] Fam 317 *left open the debate as to when the concept might be deployed to another day*", and this is that day. In this context, I note that in *XW v XH* [2020] 1 FLR 1015, the Court of Appeal made it clear that if the concept of unilateral assets were not restricted to short childless marriage cases, it would be "*deeply discriminatory and gravely undermine the sharing principle*".
57. As I made clear in *BC v BC (No2)* [2026] EWFC 37, the issue of what constitutes matrimonial property, the concept of matrimonialisation, and how the sharing principle then applies, were comprehensively considered and put beyond doubt by the Supreme Court in *Standish v Standish* [2025] 2 FLR 489 in the following way that binds me (with my emphasis):

[47] First, it is important to recognise that there is a conceptual distinction between matrimonial and non-matrimonial property. In general terms, this

distinction turns on the source of the assets. **Non-matrimonial property is typically pre-marital property brought into the marriage by one of the parties or property acquired by one of the parties by external inheritance or gift. In contrast, matrimonial property is property that comprises the fruits of the marriage partnership or reflects the marriage partnership or is the product of the parties' common endeavour.** It has long been recognised that what is not determinative in deciding what is and what is not matrimonial property is who has title to the property: see, eg, Lord Nicholls in *White* at p 611 D–G. Moylan LJ correctly pointed out in the Court of Appeal in this case, at para 152, that to base an award on title would run counter to the discrimination and sharing principles.

[48] Secondly, the time has come to make clear that non-matrimonial property should not be subject to the sharing principle (though non-matrimonial property can be subject to the principles of needs and compensation). With some exceptions (see, for example, *XW v XH* (Financial Remedy: Non-matrimonial assets) [2019] EWCA Civ 2262; [2020] 4 WLR 22, paras 136–137) the courts have been reluctant firmly to say that non-matrimonial property is not subject to the sharing principle. Indeed, the Court of Appeal in *Charman v Charman (No 4)* [2007] EWCA Civ 503; [2007] 1 FLR 1246, expressly rejected the proposition that there was such an exclusion (while discussing at some length the merits of the exclusion approach)...

[49] However, no example has been given in which there clearly has been, or hypothetically would be, sharing of non-matrimonial property (under the sharing principle as opposed to the needs or compensation principles). It was said in *JL v SL (No 2)* [2015] EWHC 360 (Fam); [2015] 2 FLR 1202, para 22, by Mostyn J, that “such a case would be as rare as a white leopard”. Although courts have a broad discretion in this area and despite the temptation to “never say never”, it is our view that the distinction between matrimonial and non-matrimonial property becomes largely meaningless if the sharing principle applies to the latter as well as the former. The law is also rendered clearer and more certain if one rejects the proposition that there can be sharing of non-matrimonial property. We therefore accept the submission of Timothy Bishop KC, counsel for the husband in the present case, that the sharing principle only applies to matrimonial property and does not apply to non-matrimonial property.

[50] **Thirdly, the sharing of the matrimonial property should normally be on an equal basis. Although there can be justified departures from that, equal sharing is the appropriate and principled starting position. Indeed, once non-matrimonial property is excluded, much of the justification for not applying equality in sharing fades away.**

[51] Fourthly, what starts as non-matrimonial property may become matrimonial property. Roberts J referred to this as “matrimonialisation” in *WX v HX* [2021] EWHC 241 (Fam); [2021] 3 FCR 249, paras 104, 112 and 121; and the same label was used by Moylan LJ in the Court of Appeal in this case. Although it may be new to the English language, we accept that that is a useful shorthand term to describe the process or mechanism by which non-matrimonial property may become matrimonial property. But whether one is

using that label or not, the important question on any facts is whether that transformation has occurred. The leading examination of matrimonialisation (although that term was not used) was in *K v L* [2011] EWCA Civ 550; [2012] 1 WLR 306. At para 18, Wilson LJ said:

“Thus, with respect to Lady Hale, I believe **that the true proposition is that the importance of the source of the assets may diminish over time. Three situations come to mind: (a) Over time matrimonial property of such value has been acquired as to diminish the significance of the initial contribution by one spouse of non-matrimonial property. (b) Over time the non-matrimonial property initially contributed has been mixed with matrimonial property in circumstances in which the contributor may be said to have accepted that it should be treated as matrimonial property or in which, at any rate, the task of identifying its current value is too difficult. (c) The contributor of non-matrimonial property has chosen to invest it in the purchase of a matrimonial home which, although vested in his or her sole name, has—as in most cases one would expect—come over time to be treated by the parties as a central item of matrimonial property. The situations described in (a) and (b) were both present in *White v White*. By contrast, there is nothing in the facts of the present case which logically justifies a conclusion that, as the long marriage proceeded, there was a diminution in the importance of the source of the parties’ entire wealth, at all times ringfenced by share certificates in the wife’s sole name which to a large extent were just kept safely and left to grow in value.**”

[52] We agree with those obiter dicta of Wilson LJ. But it is important to note that **Wilson LJ’s three situations were plainly not expressed to be exclusive categories. In this case in the Court of Appeal, Moylan LJ said, at para 163, that “the concept of matrimonialisation should be applied narrowly”. We disagree. There is no good reason to treat matrimonialisation as a narrow concept. It is neither narrow nor wide.** Although this has not previously been clearly spelt out, what is important (leaving aside matrimonial property resting on contributions from each party) is to consider how the parties have been dealing with the asset and whether this shows that, over time, they have been treating the asset as shared between them. That is, matrimonialisation rests on the parties, over time, treating the asset as shared. This analysis draws on Lord Nicholls’ reference in *Miller/McFarlane*, at para 25, to the way the parties organised their financial affairs as being relevant and to Wilson LJ’s references in *K v L* to the acceptance by the contributor that the asset should be treated as matrimonial property. See also, for example, Mostyn J in *N v F (Financial Orders: Pre-Acquired Wealth)* [2011] EWHC 586 (Fam); [2011] 2 FLR 533, para 44. “Over time”, which was the phrase used by Wilson LJ in relation to each of his three situations, means that the period of time must be sufficiently long for the parties’ treatment of the asset as shared to be regarded as settled.

[53] It further follows that we agree with the essential thrust of the following passage from Peter Duckworth, *Matrimonial Property and Finance* (2025) at B3[20]:

“a better view may be that matrimonial property is not something that is predetermined at the outset of a marriage, but is governed by the parties’ intentions and how they treat the relevant asset over a period of time. Thus where a party has demonstrated an intention to use an inheritance for the benefit of the family, by translating it into actual use and enjoyment, the parties have elected to treat it as matrimonial property, even if its origin was from outside the marriage.”

[54] It is the parties’ treatment of the asset as shared over time that underpins at least the second and third situations articulated by Wilson LJ, but plainly there can be such treatment in other situations. In this case in the Court of Appeal, at para 165, Moylan LJ asked himself the question, “Does fairness require or justify the asset being included within the sharing principle?” We agree that the sharing principle must be tied back to seeking a fair outcome. But putting to one side contributions made by both parties so that the assets in question are matrimonial for that reason, it is our view that it is the parties’ treatment of what was initially non-matrimonial property, over time, as shared between them, that is central in deciding the fairness of that property being viewed as matrimonialised. At least the second and third of Wilson LJ’s three situations illustrate that. They are both situations where what was non-matrimonial property has become matrimonial property because of the way in which the parties have been dealing with the asset which shows that, over time, they have been treating the asset as shared between them.

[55] In so far as the first of Wilson LJ’s situations is not based on that principle, it rests on a pragmatic assessment that the matrimonial property is so much greater than the non-matrimonial property that it is “not worth the candle”– and, for that reason, it is unfair to the parties– to try to work out what percentage was non-matrimonial. Fairness (in saving needless expense) demands that one should instead simply treat it all as matrimonial property. This was, implicitly, Moylan LJ’s preferred explanation of Wilson LJ’s first situation because Moylan LJ reformulated that first situation as follows, at para 163:

“The percentage of the parties’ assets (or of an asset), which were or which might be said to comprise or reflect the product of non-marital endeavour, is not sufficiently significant to justify an evidential investigation and/or an other than equal division of the wealth.”

We agree that, as a matter of pragmatic fairness, that is a helpful additional reason for applying matrimonialisation.

58. I acknowledge the submission on behalf of H that *Standish* is not “year zero”, sweeping away all authority that went before. In particular, it is submitted that *K v L* and *AF v SF* [2020] 1 FLR 121 remain good law. Further, I am reminded that the paragraphs that I have quoted are not to be “*construed as if the judgment were a statute*”. Nevertheless, in my judgment *Standish* undoubtedly ushers in a new and authoritative perspective on the consideration of matrimonial property.
59. In my judgment, when properly analysed, CAP is not merely another element of H’s inheritance, as essentially contended for by him. Of course, the notional allocation of funds to CAP have their source in the accumulated wealth of generations of family

held in a number of trusts. But it is clear that CAP's purpose is and always has been to reward H for his endeavours on behalf of the family within the business, thereby enabling him to build up capital in excess of that which was otherwise notionally allocated to him solely by virtue of being the issue of his parents. There is a wealth of evidence supporting this, including:

- H's witness statement in February 2026 at para 49 notes that *"I was satisfied that I would be recognized in terms of extra notionally allocated trust assets if I acted as the glue between the family and ABC. My uncle and my mother actually signed the letter dated 3 December 1993 in November 1994 and sent me a further letter on 13 June 1995. This recorded that they hoped it would be possible for me to form a constructive bridge between the family and ABC and that the trustees would recognise this contribution."*
- 3 December 1993 letter from his uncle and mother – *"we also appreciate your desire to build up your own capital through your own efforts and not connected with your inheritance – this should be achieved through reward from the firm for your efforts in the firm and also by a recognition by the family of your contribution to the family."*
- 13 June 1995 letter from his uncle and mother notes *"we wish CAP to be distinct from any funds which may become available by reason of your inheritance ... it is our wish that you will be provided with an appropriate benefit on your making a major contribution to the family by enhancing the ongoing relationship between the family and the firm"*.
- The trustees letter of 22 August 2025 notes CAP's *"purpose was to recognise H's contribution to the family wealth through the senior management role with the company which he undertook"*.

60. During the course of the marriage, he was supported in those endeavours and enabled to perform that function (for which CAP was his reward) by his wife. By now, it should be uncontroversial that during the course of the marital partnership, there is no room for discrimination between husband and wife as to the different but complimentary roles that each perform, thereby equally contributing to the notional allocation of ABC shares to CAP.

61. It follows that at least the value of CAP that accumulated during the marriage, i.e. from 2001 to 2020 (H gave up his executive role at ABC in 2017, eventually retiring from a non-executive position in 2020), and the passive growth of that accumulation since, is matrimonial property because the notional allocation results from *"the fruits of the marriage partnership or reflects the marriage partnership or is the product of the parties' common endeavour."* (Standish para 47)

62. What of the value of CAP that accumulated prior to the marriage, i.e. from taking up his role at ABC in April 1994 to February 2001; has that been matrimonialised?

63. A straight line attribution pre and post 2001 would not, in my judgment, fairly separate out matrimonial and non-matrimonial property for two inter-related reasons: the dramatic increase in the value of ABC stock took place during the course of the marriage rather than before, *and* this increase took place at a time when H was employed in roles much more central to the growth of the business than he was pre-2001; for example, it was not until [REDACTED] that he joined the main board and it was in [REDACTED] that he led the purchase of DEF Company.

64. In this way, the first of Wilson LJ's examples of matrimonialisation applies here in that over time matrimonial property of such value has been acquired (i.e. CAP post 2001) as to diminish the significance of the initial contribution by H of non-matrimonial property (i.e. CAP pre 2001). In coming to this conclusion, I have made the "*pragmatic assessment*" endorsed by the Supreme Court in *Standish* (para 55) when agreeing with Moylan LJ that "*The percentage of the parties' assets (or of an asset), which were or which might be said to comprise or reflect the product of non-marital endeavour, is not sufficiently significant to justify an evidential investigation and/or an other than equal division of the wealth.*"
65. Further or alternatively, in my judgment the second of Wilson LJ's examples also applies here in that over time, the non-matrimonial property initially contributed (i.e. CAP pre 2001) has been mixed with matrimonial property (i.e. CAP post 2001) in circumstances in which the task of identifying the current value of the non-matrimonial property is too difficult or not possible to do with any degree of accuracy or reliability.
66. It is on this basis that I have concluded that W is entitled to share equally in the entire net value of CAP. *Standish* (para 50) makes clear that once the property is determined to be matrimonial, "*much of the justification for not applying equality in sharing fades away*". If a departure from equality is to be justified, it follows in my judgment that it must only be for a principled reason, i.e. to meet needs or compensation, neither of which is relevant here once equal sharing is implemented.

Relatively minor computation issues

67. Should H's debt to HMRC be ignored? It has arisen as a result of two penalties imposed by HMRC in [REDACTED] for H's failure to file his [REDACTED] tax return on time, comprising £659,389 under the Finance Act 2009 Sch 55 para 6(2) and £5,979,441 under the Finance Act 2016 Schedule 22 para 2(4).
68. The key condition for each of these penalties is the requirement for deliberate non-compliance. HMRC have so far largely rejected the explanations provided on H's behalf. In these circumstances, W contends that she should not have to "*share in the burden of H's deliberate non compliance*". In closing, it is submitted on her behalf that without being pleaded as conduct resulting in an add-back, "*the court can simply disallow debts which are uncertain or illegitimate or both. This is routine.*"
69. In my judgment, the debt is neither uncertain nor illegitimate. Certainty arises from the demand by HMRC and the repeated rejection by them of his innocent explanations. Illegitimacy in this context can only arise, in my judgment, from an assertion that deliberate non-compliance is conduct on the part of H that would be inequitable to disregard. Leaving aside that conduct was not pleaded, in my judgment the merit of such an assertion cannot survive the line of authority commencing with *MAP v MFP (Financial Remedies: Add-back)* [2016] 1 FLR 70 that W has to take H as she finds him, warts and all. The debt arises from his ordinary character flaws unconnected with this application and, with other debts, must be taken account of in the sharing of matrimonial resources.

70. Of course, if H's appeal against the penalties is ultimately successful in reducing this amount entirely or in part, H must account in due course to W for 50% of the reduction.
71. In opening, H accepted that "*W's debts will need to be cleared*". On the ES2, her debts are a litigation loan from Julius Baer and the balance of her unpaid legal fees. In closing, H cast doubt on the debt to Julius Baer, saying baldly that it is unclear and unevicenced. I have no such doubt. I note that the extent of cross-examination of W on the point is as follows:
- Q. You have had a loan from Julius Baer, which you have used for legal fees, but also spent money from as well?*
- A. Very little. I had to use it for the legal fees.*
- Q. Very little. How much?*
- A. I don't know exactly. I think there is some sitting at the moment in the bank account, but that's all.*

The sharing of non-trust assets

72. It is agreed that H shall receive the London home subject to mortgage and W shall receive the Country home, free of mortgage that H shall discharge. In addition, H shall retain the two London flats and his 25% interest in the Pre-Alps home. The parties shall retain their own accounts, investments and liabilities.
73. In a letter from his solicitors dated 10 February 2026, it is said on H's behalf that "*although the personal assets contain a significant non-matrimonial element, H recognises W's contribution and support during their marriage, with a combined personal net worth of £40 to 45 million [excluding the trusts]. He proposes an equal division of this.*" I take that to mean that, with the benefit of specialist representation and advice, H accepts that those of his personal assets as had originated outside the marriage had nevertheless been matrimonialised as a result of the marital partnership and W's contribution to it, and therefore his entire personal net worth (excluding any trust resources) would be subject to equal sharing.
74. In his section 25 statement, H repeated his position that the non-trust property should be divided equally: "*Given I have offered W a 50/50 division of our combined personal net assets (whether acquired before the marriage, during the marriage, or recently by way of inheritance), the following is for information only.*"
75. H specifically restated his commitment to this approach from the witness box. He was asked whether he resiled from his position of sharing non-trust assets as set out in the letter and his statement, and replied: "*No, I regard the personal assets as first charge, in that sense, of any settlement. I never really calculated my pre-matrimonial assets in truth because we made lots of choices over time, and so I had been minded to exclude the pre-matrimonial, and indeed the post-matrimonial given my recent inheritance, from the calculation, but I thought given the absolute numbers involved, starting with 50/50 of the personal assets was appropriate.*" Unsurprisingly, H was not cross-examined further on this issue.

76. Some of the non-trust assets may have a non-matrimonial source, but in light of the length of the marriage, the respective contributions to it, and the scale of H's earnings, his approach to this issue is well-judged.
77. I do not regard H's position that both parties shall share equally in the non-trust assets regardless of their source to be indivisible from his proposal for W to receive a needs based award. It is a clearly reasoned and unconditional concession that in my judgment has been well made. His reasoned position on this issue was not expressed to be conditional in any way on other aspects of his position. In essence, his offer is that the application of the sharing principle results in £x million, but that is insufficient to meet his assessment of W's needs, so he will then top up the sharing award from what he considers to be non-matrimonial wealth.
78. In closing, it is said on H's behalf that his offer for W to share equally in what he could have argued were non-matrimonial assets should protect his pensions from being shared at all. This does not seem to me to be a principled solution to the issue.
79. In H's closing submissions, a calculation is made that only £893,000 out of his total CE of £2,939,872 should be regarded as matrimonial. In W's closing, there is no comment on the calculations of what proportion of H's pensions is matrimonial and H's equal sharing approach to his personal net worth is assumed to be applied to all his pensions.
80. Neither party has paid particular attention in their written or oral evidence to their pension situation. It is not at all clear to me that H's approach to equal sharing is intended to be applied to his pensions. There is, of course, ordinarily good cause to differentiate between non-matrimonial and matrimonial assets, and in the absence of clarity, I shall do so in respect of the pensions.
81. The only calculation I have of what constitutes the matrimonial part of the H's pensions is provided by him, and I accept it as being reasonable in the circumstances. I shall therefore include the sum of £893,000 as part of the matrimonial assets subject to equal sharing, along with W's pensions. In the particular circumstances of this case, having regard to the overall resources that will be available to each party, I prefer this approach to a separate pension sharing order.

The Alpine chalet

82. W is strongly attached to the Alpine chalet, which she tells me has been the centre of her special time with their children for much of the marriage. She has developed many close and important friendships with people who either live or spend significant time in the neighbourhood. She rejects the suggestion that she should be confined to hotels when visiting the Alpine town, saying that it would change her life there fundamentally, losing all flexibility and access to her many local friendships. She fears that she would no longer be part of the community but rather a mere tourist. She points out that H has the means to buy himself "*a far grander*" Alpine chalet if he so desires, although I note that his evidence may demonstrate that this somewhat misses the point. Finally, even if she were to have the means, which she will, she may well not be able to obtain a permit to purchase an alternative property in the Alpine town, unlike H who was previously able to do so.

83. H is equally strongly attached to the Alpine chalet, best summed up by his own evidence:

"The differences between W and me on this subject are marginal. So I don't want to overplay or underplay them. It's a very fine judgment. ... I led on the Alpine town. And it was close to my experience of childhood summer holidays in the Pre-Alps. I always said I was a hilly billy, not a beach boy. So that was the huge process, and I craved a little place where we as a family didn't live at opposite ends of a large house not talking to each other, but in a space of 180 square metres, you know, we'd live together. And so we -- we were able to buy it. My VIP permit was undoubtedly a facilitation, a big and important one. ... And then when I discovered that I was retired, and it had been part of my intention, I said I would really like to spend two months each winter there. And that became a source of tension for us, because W's appetite was ten days/three weeks at a time. But she quite understandably wanted to be back and forth, felt that this was just an overseas holiday home, and for me it was my anchor on the continent, the European side of my upbringing, pedigree and personality. ... On that hillside -- I could show you the photograph from the window. You don't see another building. You only see woods, sky, mountains, lakes. You'd have many, many resorts all over the world and not find the view and the situation. It's the only house on that hillside that hasn't been extended since 1951. Never had a garage. When fashionable architects are asked to look at it, they say: "Don't you dare touch it, this is a gem, a gingerbread house in the woods". It's quirky, it's charming, it's just beautiful. It's a place of peace and rest."

84. In my judgment, both parties can justify having access to a chalet or apartment in the Alpine town to continue their social life and friendships there, and both parties in future will have the financial resources to make this possible, whether by purchase or rental. They both have fond memories of family occasions there with their children, and are both likely to preserve the chalet for family use in the future. Having listened carefully to their oral evidence, I have come to the conclusion that the sole point of differentiation between them is their attitude to this particular chalet and the use to which it is likely to be put.

85. In contrast to the generality of his evidence, H spoke genuinely about the attraction for him of the Alpine chalet's unique, isolated aspect and rustic nature, of its similarity to his childhood holidays in the Pre-Alps and of his wish to spend many uninterrupted weeks there as his "*anchor on the continent*". My impression is that for W, the Alpine chalet is seen as more of a family holiday home, that its value is not so much in the intrinsic nature of this particular chalet but in providing a permanent, convenient and familiar base for short social visits to the Alpine town. It is, as H perceived, a very fine judgment, but this latter purpose for the chalet is more easily satisfied by alternative accommodation for W than are H's attachments to, and declared intentions for, the chalet.

86. In my judgment, therefore, the Alpine chalet shall be retained by H.

The Wimbledon debentures

87. I have received virtually no assistance with determining their future ownership. W would like them. In his open offer, H says that he would like to retain them but would

also be willing to transfer them to W “*if she feels strongly about owning [them]*”. In these circumstances, they shall be transferred to W.

Conclusion

88. Taking the figures as I find them to be from the ES2 produced by W in closing, the net effect of the agreement of the parties and my various decisions about matters in dispute is as follows:

		H (£)	W (£)
1	London home	12,037,500	
2	Country home	(7,500,000)	14,625,000
3	London flat 1	660,400	
4	London flat 2	2,785,145	
5	Pre-Alps home	529,891	
6	Alpine chalet	5,428,533	
7	Cash	398,207	186,601
8	Investments & recent distribution	17,144,259	314
9	Liabilities	(8,773,945)	(2,942,191)
10	Pensions	893,000	58,972
11	Totals	23,602,990	11,928,696
12	50/50	17,765,843	17,765,843
13	Balancing sum	(5,837,147)	5,837,147
14	CAP (net) 50/50	114,584,342	114,584,342
15	Payment by H to W		120,421,489

89. Following receipt of my judgment in draft, H asked for “*clarification and/or correction*” of two figures in this table designed to marginally reduce H’s payment to W. I heard oral submissions on behalf of both parties at a hearing [REDACTED] when I was also asked to determine a number of disputes about the drafting of my order.
90. First, I have included at line 8 in the above table £2.5 million that the Trustees have agreed to distribute to H as income from Life Interest Trust 3 and Life Interest Trust 4 (see para 25 above). I have done so because it is a resource which is available to him, within the meaning of s25(2)(a) Matrimonial Causes Act 1973. In his evidence-in-chief, when asked by Mr Horton KC whether he had contacted the trustees to elect whether to receive the whole £2.5 million in one payment after 23 April 2026 or whether to accept the offered immediate interim payment of £1 million followed by the balance after 23 April 2026, H said “*not yet*”. He did not say that he had chosen not to receive the requested distribution.
91. I am told that neither Mr Horton nor Mr Hagen KC returned to the issue in closing, but it is now said that to include the £2.5 million “*double counts*” the distribution of the entire value of CAP that I have found to be likely and is contrary to my decision that additional distributions by the trustees are unlikely. I disagree. H’s request for this distribution was made after the trustees’ *Charman* response but is entirely independent of it. The request was stated in H’s email of 24 March 2026 to be “*further to my visit*

in September 2025” and makes no reference to the *Charman* response a few days earlier. Equally, the Trustees’ email of 1 April 2026 in response to the request makes no reference to their *Charman* response or that this income distribution forms part of any future agreement by them to a request for the distribution of the value of CAP.

92. Second, at line 14, I have calculated the net value of CAP on the basis that the gross value is as stated by W in the ES2 for the final hearing, which is the same value in the ES2 produced by W in closing. That gross value is approximately £291 million (see paragraph 47 above). It is calculated on the basis of the updating disclosure for the final hearing as at 24 February 2026 that was ordered by me at a hearing on that date. It consists of the value of shares in ABC, the value of diversified assets, and other provisions at the February date. The value placed by H on CAP in the ES2 is zero.
93. In the opening and closing written submissions on behalf of H, passing reference is made to the gross value of CAP being approximately £278 million on 31 March 2026. An even more oblique reference was made by Mr Hagen in closing when he referred to 75% of CAP being £209 million. I have not been taken to any part of the transcript where either party is said to have explained this apparent discrepancy. H’s figure, I am now told by Mr Horton, is to be discerned from a schedule appended to his opening submissions giving values for the various allocations of assets to various trusts within the portfolio as at 31 March 2026. I was neither asked for, nor did I give, permission to file evidence of updating valuations after 24 February 2026. A line has to be drawn somewhere.
94. I am now invited on behalf of H to reduce the gross value of CAP in my calculations. However, I am not asked to apply the reduction of £13 million previously asserted, rather a reduction of c. £1.8 million. This latter figure, I am told, represents the difference in value between 24 February 2026 and 31 March 2026 only of the diversified assets allocated to CAP. Why it is said that I should only adjust the value to reflect one class of assets remains unclear to me, even after hearing argument [REDACTED]. Nevertheless, I refuse this invitation because I consider that the value of CAP should be calculated in accordance with the values of the underlying assets as at 24 February 2026 as previously ordered by me. Further, the point was wholly inadequately argued at trial and is based on evidence for which there is no permission to file.

Chattels etc.

95. I have not dealt with the chattels, including the motor cars. If they cannot be divided by agreement, non-court dispute resolution should be the first port of call.

How is the c. £120.4 million to be paid?

96. W requests £5 million within 14 days of my order. She requests a further £12 million within 90 days of my order. Both are reasonable in the circumstances. If necessary, H can satisfy the first £5 million from his own investments. In any event, H says that he would be minded to request the trustees to distribute £20 million net cash within 14 days of the final decree. This is broadly in line with the trustees’ indication in their

Charman response that an immediate request for a distribution is likely to be restricted to £30 million gross and paid within 90 days.

97. The balance will be dependent on a further distribution from the trustees, which they say will necessarily await the completion of the sale of ABC [REDACTED]. In their *Charman* response, the trustees say: “*If the sale of ABC completes as anticipated, then the Trustees would likely make the remainder of the intended distribution relatively soon after completion.*” (My emphasis) In those circumstances, W’s proposal for payment within 30 days of completion of the sale or [REDACTED], whichever be the sooner, is reasonable in my judgment.
98. In closing, it was submitted on behalf of W that:
“*[She] is concerned that an award based on the sharing principle at a level which is unpalatable to H will result in non-compliance.... In the circumstances, we submit that security is justified. We seek no more than a general indication from the court at this point.*”
99. I am not willing to give a general indication at this stage. If there are specific proposals on either side in the light of my judgment, I will of course consider them when they are choate.
100. I shall address any other consequential matters at the hearing that has been fixed [REDACTED] when I shall consider the draft of my order that gives effect to this judgment.

ENDS