

Sanctity of shareholder freedom affirmed in BVI Commercial Court ruling

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In dismissing, with costs, an urgent application for a mandatory injunction to require a 50% shareholder to vote for the appointment of an independent director, the BVI Commercial Court has reaffirmed the dicta of Arden LJ in *Pringle v Callard* [2008] 2 BCLC 505 that imposing a director on a company at an interim stage was "contrary to principle".

Whilst the Court held that it had jurisdiction to impose a director (in this case in the context of an unfair prejudice action), it also held that it should exercise extraordinary caution before forcing a shareholder to do something that was within the discretion of that shareholder.

Head of BVI Dispute Resolution Brian Lacy said: "The application, heard and determined within seven days of being issued, demonstrates the responsiveness of the Court as well as the extraordinarily high hurdle to overcome for a mandatory injunction, at an interlocutory stage, to interfere with internal management by imposing a director on a BVI company."

Ogier acted for the successful respondent.

(1) WILTON TRUSTEES (IOM) LIMITED & another v (7) (FiHAG FINANZ-UND HANDELS-AKTIENGESELLSCHAFT, Wallbank J, 19 November 2020 (unrep.)

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