Neutral Citation Number: [2023] EWFC 50

Case No: ZZ20D49528

IN THE FAMILY COURT
SITTING AT THE ROYAL COURTS OF JUSTICE

Royal Courts of Justice
Strand, London, WC2A 2LL

Date: 04/04/2023

Before :

SIR JONATHAN COHEN

Between :

LAZAROS PANAGIOTIS XANTHOPOULOS

Applicant

- and –

ALLA ALEKSANDROVNA RAKSHINA

Respondent

- -

The **Applicant** did not attend. **Miss S HILLAS KC** and **Miss H WOOD** (instructed by Miles Preston) attended on the first day.

Miss L STONE KC and **Miss H WILLIAMS** (instructed by Family Law in Partnership) appeared on behalf of the Respondent.

Hearing dates: 15 – 22 March 2023

- -

Approved Judgment

This judgment was handed down remotely at 10.00am on 4 April 2023 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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SIR JONATHAN COHEN

This judgment was delivered in private. The anonymity of the children and the other members of the family must be strictly preserved. All persons, including representatives of the media, must ensure that this condition is strictly complied with. Failure to do so will be a contempt of court.

Sir Jonathan Cohen:

Introduction

1. I am dealing with the husband's application for financial remedy orders pursuant to leave given under Part III of the Matrimonial Family Proceedings Act 1984. The parties' marriage was brought to an end by a decree of divorce granted in Russia on 11 March 2021 and permission to apply under Part III was given on 15 June 2021.

2. This case has a depressingly lengthy history. It began when H laid a trap for W by issuing but not serving a petition for divorce in England on 21 September 2020, obtaining a without notice freezing order on 2 October 2020, and then serving his divorce petition and order late that night, a few days after W's return to London from Russia.

3. In the 2½ years since then the parties have been engaged in some of the most costly and destructive litigation imaginable. The total costs of their litigation about jurisdiction, children and money are now approaching £9m. Every penny of this has been funded by W. There are a series of cost orders made against H to which I will refer later which present particular difficulties in this case.

4. In the divorce and money proceedings alone, H has been represented by no less than 7 firms of solicitors, one of whom was instructed on two separate occasions, 12 King's Counsel and an array of juniors. Yet, at this hearing his lawyers departed on the first day and he has not attended at any time.

5. The parties have had, so I was told, well in excess of 60 hearings in Russia and England. This case was assigned to me in November 2021. Since then in the money proceedings alone, I have conducted a 7 day preliminary issue hearing as to the ownership of a London flat and this hearing was listed for 13 days, although it took less long. There have been 13 directions hearings before me according to the bundle provided. If I were to add in the children proceedings before me, I must have seen these parties in court on some 40-50 different days.

6. This grossly exorbitant use of the court's time and W's money has been contributed to in significant part by H's failure to comply with court directions and the repeated LSPO applications consequent upon the various changes of solicitors.

This hearing

7. On 9 March 2023 H made an application by leading and junior counsel to adjourn this final hearing which was due to begin on 13 March. I refused the application but put back the start date to 15 March to allow his new(ish) lawyers more time for preparation.

8. I gave a detailed judgment setting out my reasons for refusing the adjournment and I will only summarise them here:

    i) This case had been listed since October 2022 when I took out the final hearing fixed for December 2022 as it was apparent to me that the case was unlikely to be ready by that time;

ii) H had been hospitalised in Greece for one month between mid-October – mid-November suffering from severe depression. A reporting English consultant psychiatrist has described his severe depression as lasting from the date of his admission to the end of 2022. He does not venture an opinion as to whether and for how long H did not have capacity.

iii) After his discharge from hospital I next saw H on 19 January 2023 when he appeared before me in person. He was lucid and coherent and appeared very much to be the same person that I had seen so many times before. The reporting psychiatrist described him as not then having the capacity to appear as a litigant in person on that date. As he did not see H until the last days of February, I am not sure what this conclusion could have been based upon other than H's self-reporting, nor is it clear whether the psychiatrist was drawing a distinction between having capacity to litigate and capacity to be a litigant in person, which of course he then soon ceased to be. In any event, the report concludes that H did have capacity by the start of February when he instructed his last firm of solicitors.

iv) These solicitors were instructed on 2 February 2023. They thus had 6 weeks to prepare for the case which should have been sufficient.

v) I accept that H was and is still suffering from moderate depression for which he is taking medication prescribed by the Greek doctors albeit that the expert thought that it was not the optimal prescription.

vi) Whilst a change of medication might improve H's functioning (in particular his concentration and his mood), there was no guarantee, in particular because the underlying cause for his condition was his distress at his separation from his younger daughter who now lives in Russia where she was taken by her mother in May 2022. That situation will not be likely to change. If adjourned, the court might very well find itself in exactly the same position at any time in the future.

vii) There is no suggestion in the report that H could not properly cope with the court process given appropriate support. I made it clear that I would be amenable to a number of special provisions, including:

a) Sitting short days

b) Taking breaks mid-session

c) Permitting H to talk to his lawyers during the course of his evidence as suggested by the doctor.

viii) I accommodated the pressures on his lawyers by extending their time for the provision of documents and I allowed them and H the opportunity of an extended examination in chief to cover matters not set out in their documents.

9. I was convinced that with these measures in place H would have a fair trial. No other adaptations were sought. The fairness of the proceedings was the touchstone for my determination.

10. The application for an adjournment was strongly resisted by W. It was rightly said that fairness to W needs to be taken into consideration just as much as fairness to H. W is entitled to have these ruinous proceedings brought to an end. The additional costs, both financial and emotional, to her of an adjournment cannot be overlooked.

11. At the hearing on 9 March I made provision for H to file an abbreviated section 25 statement and position statement and at his own request through counsel, orders for:

    i) Questions to go to the single joint expert (SJE) on Russian company law about matters relating to valuation; and

    ii) A production order to Coutts Bank, whilst refusing a similar production order to Graff jewellers.

12. I never received any documents from H's lawyers. Nor did I receive the other documents which I had repeatedly re-timetabled at his request including:

    i) H's evidence by way of s.25 statement and housing particulars suitable to meet his needs

    ii) Reply to the schedule of deficiencies served upon him

    iii) Updating disclosure

    iv) His full medical records

    v) Any open offer.

13. All this might imply that H had disengaged from his lawyers, but that was not the case. They were in contact with him as late as the evening of 13 March. When they appeared before me on 15 March they told me that they were not without instructions. In carefully drafted words leading counsel said:

    It would not be right to tell the court that we are completely without instructions. But such instructions as we have received mean that we – the whole team – are unable to discharge our professional obligations. Sadly, as a consequence and having checked our professional duties very carefully, Miss Wood and I have no choice but to withdraw.

    Miles Preston are also in the same position and they, through me, make an application in the face of the court to come off the court record.

14. I was informed that their client was made fully aware that they were going to ask the court to be discharged. I allowed the application and H's legal team left court.

15. H had attended the hearing on 9 March. It was a remote hearing because I was on circuit at the time. H did not turn on his camera so that it was impossible to know whether he was in England, or Greece or elsewhere. W suspects that he was and is in Greece. Since then there has been neither sight nor sound of H. No message has been sent to say what was going on. He simply vanished.

16. I was asked to consider striking out H's claim under FPR r.4.4 but decided against that course. It would have been likely only to result in further litigation. There needs to be an end to it.

17. Although H's absence was regrettable, it impeded the conduct of the hearing less than might be imagined. I say that for the following reasons:

    i) I had H's Form E from December 2021 and his (incomplete) replies to questionnaire from June 2022.

    ii) W accepted that H had no significant resources of his own. So far as liabilities were concerned, I had an up-to-date schedule of what he owed his lawyer, in so far as known to W's lawyers.

    iii) I had conducted the preliminary issue hearing in July/August 2022 where much of the material relevant to these proceedings had already been given in evidence, both written and oral.

    iv) The issues that arose had been very well ventilated in many other previous court proceedings including the children proceedings and they were known to me.

    v) I did my best to put to the witnesses the questions which I felt H would have wished to have had asked and I imposed a similar obligation on W's lawyers.

Background history

18. The applicant H is aged 43. He was born in Russia and lived there until he was 9 or 10 years old when he moved to Athens. H's father has Greek and Russian citizenship and his mother was Russian by origin acquiring Greek nationality later. H's father is a doctor. After the death of H's mother in 2011 his father remarried a Russian woman and they live in Greece with their children.

19. H remained in Greece until he was of university age when he returned to Moscow to study international law and Russian law.

20. W is aged 42 and was born in the same town in Siberia as where she now lives. She is one of the two children of her parents' marriage, having an elder brother to whom I will refer later.

21. In 1993 her father established a company and purchased his first supermarket. W was then aged 13. After school she too went to university in Moscow where she studied economics and law. It was while studying that she met H.

22. In 2001 W's parents bought her a flat in Moscow which she still owns. Various members of the extended family have lived there from time to time. W lived there until the move to Siberia upon marriage, H having moved in a few months earlier.

23. It is common ground that they started dating in 1999 but it is W's case that they did not live together until a few months before they married in March 2006. I am satisfied from the evidence that I have heard from W that they did not prior to that time cohabit in any meaningful way. Each always kept his or her separate

accommodation. Neither moved their belongings or clothing into the home of the other. In early 2005 they split up and H remained in Moscow while W returned to Siberia for a period.

24. In late 2005 H and W met up again and she became pregnant. It was on the discovery of her pregnancy that they decided to marry and H met W's parents for the first time. Thus it is that I am dealing with a marital relationship of 14-15 years.

Children

25. The parties have 2 children. From everything I have heard they are high achieving young people. The elder girl ("A") is aged 16 and lives in the flat owned by W in London. She is supported there by a housekeeper/nanny. Since the breakdown of the marriage in late 2020 she has completely turned against her father and will have nothing to do with him.

26. The younger child is aged 6. She was the centre of the very protracted and complex children's proceedings between the parties. In those proceedings H and W fought bitterly over which jurisdiction should prevail and almost every substantive decision of the courts in both jurisdictions has been the subject of appeals. Suffice it to say that in May 2022 W took her to Russia where she remains. There have been continuing proceedings in Russia relating to H's contact.

27. I shall divide my analysis of the marriage into three different time windows.

2006 – 2016

28. After the parties married in Moscow in March 2006 they made their home together in Siberia. Their elder daughter was born 4 months later. Initially they lived with W's parents until a flat which W's father had purchased for her was ready for occupation.

29. It is plain from the evidence that the work ethic runs very deeply in W's family. In late 2006 when her daughter was still a baby, W started work part-time in the business in the accounting department. From 2008 she has worked full-time, and soon afterwards she was appointed the CFO. W explained to me, as she had in the preliminary issue proceedings, that the term is used differently in Russia to England. She is in charge of the accounts and banking side of the business. It is an administrative role rather than strategic.

30. H worked in the business for about 18 months, commencing late in 2006. Both W and her brother say that their father was keen to involve him in the business operation. However, H showed little interest and his enthusiasm and application waned. I imagine that H would not accept this as he regards himself as having been dismissed from the business. I cannot make any determination on this issue without having heard from H. I suspect that there is something in each side's account and that it cannot have been easy for H to slot in to what was then a very close family. This was the last employment that H has had.

31. In 2010 the family home in Siberia was bought by W's father and after extensive refurbishment the family moved in in December 2012.

32. The parties were anxious that their daughter should have the experience of an English education. In Summer 2011 they moved to England for 2 years and A attended a London day school. They lived in a rented property alternating their time between London and Siberia. Put broadly, H and A spent the school term times in London whilst W divided her time between Russia and England; holiday times were spent at home in Russia or elsewhere on holiday. W continued to work in the family business as she has done throughout. In 2013 they returned to Russia.

33. In 2011 – 2012 there was major disruption within the families of both H and W. First, in January 2011 H's mother died. It appears that W then discovered what a difficult relationship H's mother had experienced with his father. H's father quickly formed another relationship and remarried a Russian lady with whom he has two young children.

34. A year later W's parents separated and her father soon afterwards married a woman younger than W. Very quickly she gave birth to two boys. The break -up of W's parents' marriage was traumatic for the relationship between W and her father.

35. The marriage between H and W was not running smoothly. W said that there were three particular bones of contention:

    i) H's refusal or inability to give up smoking

    ii) H's refusal to obtain a job and support the family

    iii) H's limited help with the children.

    This led to periodic arguments between them.

36. The relationship difficulties made W wonder whether H had only married her for her money. H denied that this was the case and said that he would prove it by entering into an agreement that he would make no claim against her. She says that he suggested that they should enter into a post-nuptial agreement (PNA).

37. In November 2013 H and W were in Moscow together for a meeting of CFOs. W says that H surprised her by making an appointment for them to go and see a notary to enter into the agreement. The meeting with the notary took place in the afternoon after the group conference had finished. She is absolutely certain that it was H who arranged the meeting not her. She takes issue with the account given by H in his reply to the notice to admit facts. She says that she had never before used a Moscow notary.

38. She pointed out that if she had been given any advance notice that they were going to go to such a meeting she would have armed herself with documents relating to her financial situation and the properties she owned. Instead, she had with her only her passport and marriage certificate, copies of which she keeps with her on her mobile telephone. I found this evidence, unchallenged as it was, to be persuasive.

39. The PNA was, she told me, the subject of discussion between them in front of the notary. H declined to accept her offer of payment of $1m in the event that she instituted divorce proceedings against him and she says that the notary specifically asked her if she was capable of making such a payment in the event that it was

required. W confirmed that she was but H insisted that it was not to be included in the agreement and that he did not want any money.

40. The parties left the notary's office while the agreement was drawn up after its terms had been agreed. They then returned and it was read through to them and they both signed it. Neither had independent legal advice but I am satisfied that they each fully understood what they were doing and each knew the financial position of the other.

41. The terms of the agreement (as translated) included:

2. THE SPOUSES' PROPERTY

2.1. The property of each of the spouses: personal effects (clothing, footwear and so on), except for valuables and other luxury items, even if acquired during the marriage using the spouses' joint funds, is recognised as the property of the spouse who used them. The property that belonged to each of the spouses prior to entering into the marriage and property received as a gift or bequeathment by each of the spouses during the marriage shall be deemed the personal property of the spouse in question.

2.2. Any movable and immovable property, any monetary payments, securities or stakes in capital, deposited with lending and other commercial institutions, apartments, land parcels and automobiles, acquired by any means during the marriage in the name of Lazaros Panayotovich Xanthopoulos, shall be the subject of his separate property. Any movable and immovable property, any monetary payments, securities or stakes in capital, deposited with lending and other commercial institutions, apartments, land parcels and automobiles, acquired by any means during the marriage in the name of Alla Alexandrovna Rakshina, shall be the subject of her separate property.

The income received by each of the spouses by various means shall be their separate property and shall be used independently by each of the spouses, without restriction. The spouses may own, use and dispose of property that is the subject of their separate property, including the performance of transactions, associated with the acquisition and alienation of property, as they see fit and without restriction, without requiring the prior consent of the other spouse. The spouses approve in advance all actions, associated with the exercise of the ownership rights of the other spouse in respect of property that the respective spouse owns as separate property.

2.3. In the event of the dissolution of the marriage, the spouses agree that the property acquired during their marriage and which is the subject of their respective separate property, shall remain the property of the spouse in question without any payment or other compensation, and this property shall not be subject to division. Property that is owned personally by one of the spouses or which is the subject of their separate property under effective legislation or hereunder may not be deemed the joint property of the spouses if, during the marriage, on account of the joint property of the spouses or the personal property of one of the spouses, investments were made that significantly enhanced the value of this property.

42. After signing the agreement they left the notary's office and went out with a group of their old university friends to enjoy a Friday night.

43. The agreement is straightforward in its effect. Each party kept what was his or what was hers both now and in the future. When I put to W that the agreement might appear to be unfair in the sense that because H had little or nothing it left him with little or nothing, W says that this was what he insisted upon and as far as she was concerned it was fair. She was brought up on the philosophy that you only earn or save by working. H was young and able. He was perfectly able to work. If H was determined not to work or contribute to the family finances that was his decision.

44. H takes no issue with the validity of the agreement but challenges the circumstances in the way that he has described as set out in his reply to the notice to admit facts. H says W arranged it and gave the instructions to the notary and that he was offered no opportunity to express a contrary view. My experience of H makes me say that I regard this as an unlikely scenario. Before me over the last couple of years, he has never been short of things to say. Both parties have been throughout the proceedings absolutely clear about their own views and do not take easily to being curtailed. I do not accept that H was under any pressure.

45. H says that he was not permitted to retain a copy of the agreement. W says that that simply was not the case and that she saw it on many occasions in the drawer of the desk in Siberia where family documents were kept until it was removed, presumably by H, in 2020. I accept her evidence.

46. Between 2012 – 2014 W's mother advanced her in tranches the total sum of £12.7m. A significant part of it was from the divorce settlement that she had received from H's father. She made no such gift to W's brother who was doing well in the business. She wanted her daughter to be able to provide for the education and future of her then one granddaughter and for her granddaughter to have financial independence.

2016 - 2020

47. The educational provision in England was deemed to be a success and in 2016 the parties returned to London for their daughter to have one more year at her primary school before entering into secondary education in London.

48. In February 2016 W purchased her home in EG for £6.25m. Approximately £3m was donated to her by her brother as a reward for work that she had done in his personal commercial property investment business and a further £2m was advanced to W by her mother. The balance came from various savings that W had made from dividends that she had received. After building works were completed, the parties moved into the property in time for the start of the new school year.

49. Unexpectedly W had found that she was pregnant again and gave birth to a second daughter in September 2016.

50. W continued with her work for the family company dividing her time between London and Siberia. The pressures on her must have been intense. She was trying to hold down a full-time job with a school-aged child and a baby. The journey from London to Siberia is not easy and required a flight to Moscow and then an even longer flight to her home city. She had to carry out all the domestic planning. H very largely stayed in London during the school terms. He remained without any employment or source of income. He claims to have given valuable intermittent assistance to W's

brother as project manager in his property business, something which the brother denies. W likewise denies that he gave significant help with childcare.

51. In March 2020 the family returned to Siberia foreseeing that lockdown was about to occur. They remained there for the duration of lockdown and the summer holidays before returning to London for the start of the new school year.

52. On 1 September 2020 W completed the purchase of 2 flats in the neighbouring property at EG. The whole of the money for that was provided by W's brother. I heard very extensive evidence on this issue in July 2022 and I concluded that the property which was registered in W's name was held by her on trust for her brother. I rejected H's claim that W was the beneficial owner. That decision has not been appealed.

53. W surmises that H deliberately waited until after this transaction had been completed before issuing divorce proceedings in which he claimed that property to be beneficially as well as legally owned by W. That may be the case, but nothing turns upon it.

54. It was upon W's return to England after a short trip to Russia for business purposes that H out of the blue served proceedings upon her. Once again, the history has shown how the obtaining of without notice orders at the commencement of proceedings can irrevocably sour the atmosphere – see also UL v BK [2013] EWHC 1735.

October 2020 onwards

55. From the start of proceedings W has found her main Coutts bank account frozen. It was that account which held the £12.7m donated to W from her mother, untouched for years.

56. Following an incident in late November 2020 H left the home in EG and pursuant to the order of 22 January 2021 of Mr Cusworth KC (sitting as a Deputy High Court Judge) H has received from W the monthly sum of £20,000, as to half applied to the rental of a London home for him and as to half by way of maintenance.

57. By then the proceedings were underway with ferocious intensity. W found herself largely confined to England because of the court-imposed restriction on taking the children abroad. Eventually, and after much resistance from H, the elder child was permitted by court order to visit Russia on holidays, but her young sister remained in England. The children's case yo-yoed between Russia and England and the High Court and the Court of Appeal. It took until summer 2022 for the issues to be resolved.

58. In the meantime, W found herself in what she described as a Kafkaesque nightmare of having to fund both sides' costs of the litigation – indeed the costs of her older daughter too when she was separately represented in the children proceedings – in order to prove to the court that she was not the wealthy woman that H alleged her to be.

Current location of immediate family members

59. This is a Part III claim and I need to consider the connection of the parties with England and Wales.

60. W lives in Siberia with the younger child of the family. She is in the family home there and she pays visits to England to see her elder daughter and in connection with these proceedings.

61. H is the monthly tenant of his rented property in Battersea, a property chosen by him. How much he is there is extremely unclear. He claims to be fearful of surveillance by W. There is no proper basis for these fears beyond the fact that at a time when H was not responding to the proceedings at all W instructed enquiry agents to keep watch on the property to ascertain where he was. It is W's suspicion that ever since the younger child's departure to Russia in May 2022 H has been living for much of the time in Greece. I shall need to determine where it is that he is likely to spend his future.

62. A remains at school in London. The country in which she will go to university is yet to be determined.

63. I turn now to consider the Section 25 factors.

Real property

64. W owns 4 properties which have been valued by SJEs. I list them in the order in which they were purchased:

    i) A flat in Moscow purchased for her in 2001 by her parents. It is occupied by various members of W's extended family. It is worth net of selling costs (as is the case for all properties set out below) **£1.224m**.

    ii) A small apartment in Siberia given to W by her father in 2006 when aggregated with its parking space it is worth **£181k**.

    iii) The former family home in Siberia. This was a gift to W from her father in 2010. With its adjacent land it is worth **£502k**.

    iv) The London property, bought in 2016, just 4 years before the marriage ended, for £6.25m and now valued net of sale costs and a small charge on the property at **£4.858m**.

65. Thus it is that the value of W's property assets in round figures is £1.9m in Russia and £4.9m in England, giving a total of **£6.765m**.

66. W has bank accounts in her name to the value of **£7.7m**. These comprise almost in their entirety the balance of the £12.7m transferred to W by her mother between 2012-2014. These funds remained untouched from their receipt until late 2021, by which time W had exhausted all her other savings.

67. It is W's case that these monies were donated by W's mother to her for the benefit of the girls. Although at first it appeared to be W's case that these monies were held on

trust by her for the children, she now accepts that there is no formal trust and they should be treated as intended for the ultimate benefit of the children without there being any prescription that they must be so used. I accept this presentation by W, in particular because:

i) These funds remained intact for almost a decade after their advance by W's mother and were not put towards the purchase of the London home when they otherwise might have been;

ii) W exhausted all the other funds that she had available to pay towards the costs of both sides of these proceedings and the living expenses of all four members of the family until ultimately being driven to using this money.

68. It was H's case that W had other undisclosed accounts with Coutts. On 9 March I issued a production order against Coutts at H's instigation. The information that followed did not support H's claim in any way.

69. I shall deal separately with W's shareholding in the supermarket business.

70. W has outstanding debts over and above the charge on the London property of **£1.367m** due to her mother. These funds were advanced by W's mother to her to pay her legal expenses in the early part of these proceedings. The money was advanced in tranches and most are subject to formal loan agreements. There is no reason for me not to accept W's evidence that this money has to be repaid. She also owes her solicitors **£176k.**

71. W has some valuable jewellery. Some of it was gifted to her by her parents or bought by her from monies given to her by her parents; some came from monies she had saved from dividend payments. The jewellery was largely purchased from Graff. W has valued at £500,000 those items where she knows the purchase price. This is about half the sum paid for them. Other items whose purchase price or value she does not know are listed by her without giving a value. I disregard other chattels.

72. It follows that W's assets exclusive of her company interests are **£12.9m** plus her jewellery.

H's assets

73. H has no assets of any significance that I know of. He has filed no evidence as to his means since his Form E in December 2021. I have no reason to think that he has come into money since then. He owes debts to his first 5 firms of solicitors who have each underestimated the amount of costs that they were going to bill H and I shall return to this later.

74. I accept the point made by counsel for W that H may have assets. As the marriage was breaking down he transferred into his own account the sum of £50k which was W's money and in turn transferred the bulk of that to another account of which he has not given disclosure. He has provided no updating disclosure or explained why he opened a safety deposit box. I do not think it would be right for me to conclude that H has assets which can affect the outcome of the case but I accept that he might have some savings of value.

W's company interests

75. W holds approximately 25% of the shares in the family companies. How this came about is explained in much more detail in her Form E than her Section 25 statement. She says that from 2010 her father began to spread out the shareholding between the 4 then family members, namely himself, W's mother and her brother and W. Each became a 25% shareholder. In some companies she held up to 33% and in others only 12% but the overall picture is one of 4 equal shareholders. She said this in her Form E:

My father and my brother believed that breaking his shareholding down into minority 25% holdings would avoid a takeover bid. Minority holdings are not attractive as they lack any meaningful rights and carry significant discounts. My father and my brother did not discuss the transfer of shares into my name with me. It was not done in one transfer but gradually over a number of years. It was done simply to assist them in their business affairs. I did not pay for the shares and do not consider them to be mine. My father and my brother certainly do not consider them to be mine.

It is common in Russian culture, and this is true for my family, for the men to dictate to the women the extent to which they have any financial autonomy. My father and my brother considered that by employing me in their companies, they were giving me a chance to earn a living. They dictate if and when I receive dividends. I have no control over the shareholding. In just the same way the shares are held in my name but they retain full control and I have no power to sell them (the shares).

76. There are two separate aspects that I have to consider, namely the true beneficial ownership of the shares and the extent of any matrimonial element.

77. I did not hear from W's father. It was clear from her evidence that W and her father rub along perfectly well in business matters but that there is no longer any close social or emotional bond. The breakup of her parents' marriage has affected her relationship with her father in a detrimental manner. It is unnecessary in this judgment to go into further detail.

W's brother

78. In my preliminary issue judgment, I set out how W's brother made it very plain that he regarded all business decisions of any importance as being taken solely by him and his father. W's role in the company was purely administrative. She had no strategic role.

79. Consistent with his evidence in the preliminary issue hearing, W's brother was very clear that notwithstanding the interest of his mother and sister as legal owners of the shares, the business was owned in its entirety by him and his father. His father set up the business in 1993 but he was in it from the outset and the two of them always regarded the business as being jointly owned by them. He received his shares at about the same time as his mother and sister but with the crucial difference that they were in reality already his. At all times all managerial and strategic decisions have been taken by him and his father together.

80. Prior to 2010 there may have been the odd occasion when something was put in the name of W or their mother but that would only have been because of the unavailability of him or his father to sign the necessary document. It was when conditions became dangerous in the period leading up to 2010 that they transferred shares into the name of W and her mother so as to reduce the likelihood of a criminal attempt to take control of the business by pressure being put on the brother or father. If the shareholding was distributed more widely such an attempt would be harder to mount.

81. He was very clear that neither his mother or sister had any control over the shares held in their names. When asked what would happen if W wanted to get rid of her shares, he replied simply that they were not hers to get rid of. It would be entirely a matter for their father.

82. I felt that there was little doubt listening to W's brother and having read in detail about him and the father that business management is very much seen as a male occupation. It was that philosophy that led W's father to try to involve H in the business between about 2006 – 2008.

83. I accept the clear picture I have been given of a business which is run entirely by the two male shareholders who make all the strategic decisions without any consultation with the other two shareholders, the long-divorced mother who plays no role in the business, and W.

84. I probed in detail what W's future in the business was likely to be. The continuing theme of her brother's answers was that W would be given the same opportunities as any other senior employee to climb the ladder and increase their financial returns. But on further enquiry he accepted that W was both capable and hard-working and I find that when all this is over and she is able to devote herself to the business in a way that has been impossible over the past 2.5 years, there is a strong probability that her rewards will increase.

85. I accept that W does not enjoy a close relationship with her father or share confidences with him in the same way that her brother does. I accept that in the future she is never going to be the real owner of the shares in the sense that she will ever be able to realise them.

86. In doing so I am not disagreeing with the evidence of the SJE company expert that a shareholder in a company in Russia has broadly the same rights as a shareholder would have in England and Wales. But, notwithstanding the absence of documentation, the evidence compels me to conclude that W does indeed hold her shares as nominee for her father and subject to his direction.

87. The SJE company expert described this arrangement as "quite normal practice" in Russia. In a family situation where there is trust between the parties an oral agreement between family members that one holds shares on behalf of another and will act on instructions received is not unusual. He went on to explain that although nominee shareholders are not a legal concept under Russian law they are part of a widespread practice.

88. W works in the business as the head of accounts and banking. Her salary is and always has been modest with bonuses being paid intermittently and at the direction of her father and brother. Her salary is not consistent with an exercise of control, and is a small fraction of that received by her father and brother.

89. In the light of my finding that she holds the shares on behalf of her father and brother it is not necessary for me to go into whether or not they are matrimonial but it is clear that any matrimonial element is minimal. W did not pay for any of her shares. They were gifted to her by her father during the marriage for no consideration.

90. H sought to challenge this by suggesting at the hearing on 9 March 2023 that 8 new companies were set up during the marriage and that W's interest in them was thus an asset to be shared. The SJE was able to inform the court that in the very limited time available to him since H raised this issue he had examined the accounts of 7 of the companies and that they were all reorganisations of pre-existing companies with no new investment. I am therefore satisfied that any claim by H to a share of these companies as being the product of a marital acquest is misplaced.

91. Although H has never put his case in writing, I know that he would seek to argue that the value of W's shareholding has gone up significantly between the date of its receipt by her and the breakdown of the marriage and that he should share in the increase.

92. H sought to argue before me in June 2022 that I should order a valuation of the business empire. I refused that application for a variety of reasons which I summarise as being as follows:

    i) W has a minority interest. There would be a negligible market for a minority interest in a family company where the other shareholders are all members of the family. During this hearing the SJE confirmed the absence of any market

    ii) A significant amount of any value would inevitably result from passive growth from the original investment

    iii) In any event as a result of current events any value which did attach to W's shares could not be exported out of Russia

    iv) The powers available to a minority shareholder are limited. Other shareholders have a right of pre-emption if she were to try to sell and if W wished to withdraw from the company, the company would be unlikely to pay market value

    v) In the current economic climate, both national and international, no reliable figure is likely to be available

    vi) The existence of the PNA which post-dated the grant of the shares to W.

    H's application for permission to appeal this and other parts of my order was refused by the Court of Appeal.

93. Under a LSPO I provided funds for H to instruct a shadow expert to consider W's financial disclosure. I made it clear that any attempt to rely on the shadow expert by way of report would need to be the subject of a further application. I now know that

H obtained a first draft report from the shadow expert in early November 2022 but only served the report upon W's solicitors after close of business on 8 March 2023. I refused to allow it to be used as evidence in circumstances when W had had no chance to answer or rebut it and when W's lawyers had had no opportunity to read it, its vast appendices largely being in Russian.

94. It follows that I find that there is no financial value to her of W's shareholding. I recognise that on the face of it a 25% interest in a business that is worth even on a net asset basis some £400m (in very rough terms) is a very substantial asset, but, for the reasons that I have given, I do not regard this as an asset that is or will be available for W to realise.

W's earning capacity

95. For someone carrying out an important and managerial job, W's earned income is surprisingly small. Inclusive of bonus her earnings have been as follows, 2018 - £48k, 2019 - £135k, 2020 - £125k, 2021 - £59k, 2022 - £60k.

All these figures are net of tax. The two bigger years (2019 and 2020) are the result of receipt of a bonus.

96. In addition, W receives the use of a car and a driver. This comes at the company's expense. She receives no other benefits. Of course, the cost of living in Siberia is, as W explained, very much less than the cost of living in England. But these figures show that she does not have a great deal of spare income once she has met domestic expenditure. It would not begin to meet the expenses of living in England and paying for private education.

97. I have no doubt that W will remain financially self-sufficient and that from time to time it is likely that a dividend will be paid from which she will benefit. Nevertheless, without the payment of dividends she will not be in a position to build up financial resources. The loss of over £5m from her Coutts savings on legal fees of both sides and the debt of £1.37m to be repaid to her mother are not sums that she will otherwise make up.

Dividends

98. Dividends were not declared during W's involvement in the business until 2012. Thereafter there were dividends paid in 2012, 2014, 2015, 2016 and 2020. In other years dividends were not declared. The decision as to whether a dividend should be paid was made entirely by W's father and brother.

99. The sums that W received were as follows:

2012: £3.1m (in round figures and in sterling at current value)

2014: £5.3m

2015: £46k

2016: £1m

100. In 2020 dividends were next declared and W received over £7m. She returned the entire dividend to her father at his instruction. On the face of it this would be a highly suspicious transaction, coming as it did as the marriage was entering its death throes.

101. However, I am satisfied that suspicion is misplaced. I have no reason not to accept (i) the evidence of W and her brother that their mother did exactly the same and repaid her dividend in full, as instructed, in her case to W's brother; and (ii) that W returned the dividend to her father in July 2020, months before H served his surprise divorce petition in October 2020. She did so because that is what her father demanded.

H's earning capacity

102. What H has done during the marriage remains something of a mystery. Since 2008 he has not earned anything. He claims to have made a significant contribution as a house-husband/father. This is a description which W rejects, saying that virtually the entire running of the house and the children's lives was left to her, notwithstanding her work commitments, and to the employed staff.

103. H has failed to reply to the question asked of him to explain what he intends to do after the proceedings to maximise his earning capacity. There is no doubt that H is intelligent. He has a good academic record. Some sort of career in finance would appear to be within his abilities.

104. In his reply to questionnaire he described the work that he said that he had done on investment properties for W's brother and his efforts in seeking out London properties for him to buy. At the preliminary issue trial I heard evidence from H's best friend, a property consultant practicing in both Greece and London. I agree with W that the most obvious and/or likely course for H to follow is some form of property venture. I could easily see him involved in the sourcing and refurbishment of investment properties in the way that he describes in his reply as having done for W's brother. If he were to argue that he has no earning capacity, I would reject that.

105. However, there is no doubt that these proceedings, particularly the children proceedings, have taken a huge toll on H. I do not suggest that the stress on W has been any less, but it may be that she has shown herself to be the more robust of the two and of course she has retained her close relationship with both children whilst H has not been able so to do. It will take some little time before H is able to properly exercise his earning potential.

Standard of living

106. I accept W's description of the standard of living as being "very comfortable but not profligate". When in England the children have been privately educated, but are not in Russia. The parties went on nice holidays albeit rarely to top class hotels. Holidays were normally taken in the family home in Siberia or in Greece with H's family. They were not in the habit of going to expensive restaurants or spending their money on ephemera. In so far as money has been spent on luxuries, it has been W's spending on jewellery.

The ages of the parties

107. These parties are still in their early 40s. This is not unimportant. They both have long lives to look forward to and they should not remain dependent on one another longer than necessary.

Health

108. So far as I am aware W is in reasonable health. H plainly has had a significant health reverse. I have noted the doctor's report. I must work on the assumption that it may be another 6-12 months before H is able to be back to normal. This may be pessimistic as the prognosis was that he will "on the balance of probabilities be in a fit state to return to work within a matter of months". But I have to take into account that he is recommended to undergo a switch of medication which may take some months to produce benefit. He will also need to engage in psychiatric and psychological treatment which is likely to cost around £6,500 in total, presumably over the next few months, no timeframe having been given.

Contributions

109. I understand the force of W's argument that she alone has made all the financial contributions; she alone has worked to any significant extent; and in so far as she has built up capital that is as a result, not of her work but from family gifts and the legal ownership of shares. H has not made any such contribution. I am prepared to accept for these purposes that I should treat their contribution to the children as equal, albeit hugely assisted by staff.

110. It is perhaps apposite at this stage to say that since December 2020 W has paid just under £300k by way of interim maintenance to H and £320k (inclusive of a deposit of £20k) for the rental of a property in London for H.

H's housing need

111. In his Form E H said that he intended to remain in London and wished to have transferred to him the property which I have determined was held for W's brother. That property had a value similar to the matrimonial home, namely of around £5m. In addition he wanted £3m to purchase a suitable second home in Greece and he defined the area just south of Athens. He sought £500k for the furnishing and redecoration of the London property. In other words, he was seeking a housing fund of some £8.5m.

112. This claim can only be described as ridiculously inflated. True it is that it was made at the time that the future of the children remained undecided and it was his fervent wish that he would be playing a significant part in both children's lives in London. It was also based on the assumption that every asset in W's name was beneficially hers, including the shares in the family business and the second EG flat.

113. H chose to live in a mews house in Battersea with the rent being paid pursuant to the periodical payments order. It is not at all clear how much he has occupied it, certainly since May 2022. My impression is that he has scarcely been there and has spent the bulk of the time in Greece. In part this has been as a result of the decline in his health.

He has convinced himself that the Battersea property is not safe because it is under surveillance by W's agents.

114. I think it highly unlikely that H will make his future in England. He is very close to his own family. Most of them live in Greece; some live in Moscow; his sister lives in Spain. No one in his family lives in England and W told me that his father and uncle only came to London once each during the 6 years that the family were there, and his sister came only occasionally. Most of his family speak Russian and Greek; only a few speak English as a second or third language.

115. There is nothing to keep H in England. He has no relationship with his elder daughter, who will not see him. W knows of no friends that he has in England. It is telling that no part of any school holidays was spent in England.

116. W produced various estate agent particulars for H's chosen Athens suburb. They showed developments in the area, largely of 3-bedroom properties, at a price of between €500-560k. They were all nice, modern up-market apartments. I was anxious that this selection did not give me a broad enough picture of the housing market in the area and I required W to produce further information. This was only necessary because H had not produced a single housing particular himself.

117. The properties found in H's chosen suburb are in an area south of Athens whereas H's family live to the north. It is apparent from the particulars provided of Greek properties covering a wider area, which I asked for, that property to the south is more expensive than that to the north. The other particulars did not suggest that W's bracket for rehousing was inappropriate.

Costs

118. The figures spent on costs are beyond any reasonable comprehension. W has spent £4.266m on her own costs of which approximately 40% was spent on children's proceedings and 60% on finance or jurisdiction. She has also spent some £240k for the elder child to be represented in the children's proceedings. These figures are net of VAT, which she does not pay.

119. H has spent gross of VAT £4.15m. Allowing the same ratio for him between the various categories of work, he has spent £2.49m on the money case which aggregated with what W has spent produces a total £5.06m on finance and jurisdiction.

120. To this enormously high sum needs to be added in excess of £300k incurred by W's brother in successfully defending the preliminary issue proceedings. Thus it is that about £5.4m has been spent in arguing about money.

121. All these costs have been paid by W from her resources, save for the sum which H owes previous solicitors of just under £900k and her brother's costs.

122. It is astonishing that H is indebted to 5 of his previous sets of solicitors in such a sum. After all, each gave a quote for the sum required and it has been provided either in full or to a very large extent by the making of a LSPO. If that proved insufficient, at any time it was open to the solicitors to apply for more.

123. I cannot know exactly how it is that the solicitors got it so wrong, in three instances by very large amounts. I am sure that a significant part of the reasons are:

    i) The way that this litigation has spun further and further out of control with each issue expanding as time went on; and

    ii) The difficulty of taking instructions from H. I have seen much of him and I am very well aware of his inability to answer the questions put to him with appropriate brevity.

124. Prior to the substantive finance proceedings there was little by way of costs orders. However, it is worth noting that DDJ Hodson at the very outset of these proceedings ordered H to pay the costs of the freezing injunction that he obtained without notice on 2 October 2020, when he later set aside the order as a result of H's non-disclosure. That was assessed in the sum of £42.5k. In the children proceedings I made costs orders in respect of H's failed application to instruct an ISW and in respect of time wasted as a result of H's failure to produce any coherent bundle for the children proceedings which total a little over £37k, using an estimated quantum when the costs have not yet been assessed.

125. I conducted a discrete preliminary issue trial as to the ownership of the flat which I found to be owned by W's brother and this is where the really substantial costs order was made against H in respect of both W's costs and those of her brother. Although not yet assessed, the sums sought by W and her brother total £627k and H's own costs amount to £296k which sum has been paid by W to H pursuant to a LSPO and which she is entitled to recover.

126. Thus it is that the total amount of costs orders made against H amount to £86,007 where quantum has been assessed and £954,874 where not assessed. These total £1.040m.

127. In addition there are a significant number of reserved costs, some of which would undoubtedly result in a costs order against H.

Open offers

128. H is the applicant. He has never made a single offer.

129. In May 2021 W offered to transfer the London home in EG to H in full and final satisfaction of his claims and soon after adapted the offer to provide that the transfer to H would be on account of his claims. At that time W thought the value of the property to be around £7m although it is now known to be a little over £5m.

130. In fairness to H it should be pointed out that the offer was made at a time when the jurisdiction dispute remained unresolved and thus it was not known whether H's application would be dealt with pursuant to the Matrimonial Causes Act or under the Part III Jurisdiction. However, in the light of my findings it is obvious that H should have accepted the offer. At the very least he should have responded constructively to it. What could never have been the right course was for him to do nothing. But, no offer in reply was ever made.

Conclusions and reflections

131. W has net assets to the tune of £12.9m, exclusive of her jewellery. The only element of this that can possibly be regarded as matrimonial is the £2m or so put by her into the purchase of the London property, being the balance of the price not gifted to her by her mother or brother. That sum emanated very largely from dividends paid to her which in turn came from the shares gifted to her by her father.

132. W earns by English standards a modest salary of around £60k p.a. net, albeit that it goes a great deal further in Russia. I am confident that she can be self-sufficient even though it is likely that the whole of the financial burden of the children will fall upon her.

133. H should be perfectly capable of earning his own living and meeting his own needs. I accept that he will need some little time to put himself in that position and to reorganise his life. I would hope that this might take place within 12 months but I plainly ought to allow for a longer period.

134. This is a case brought under Part III. I have to consider the parties' connection with England and Wales. It is right to describe this case as one that falls in the middle ground between the very close and the tenuous. I accept that the parties' connection with England and Wales was to provide their children with an English education. It was to that end that they owned their home in London. On the other hand, no time outside the school terms was spent in England and their main home was in Russia.

135. Whilst in some cases the degree of connection can be determinative, in this case the factor is eclipsed by the impact of the PNA, above all, but also by H's litigation conduct and the costs resulting therefrom, and by the very modest matrimonial element of the assets.

136. I have found the PNA to be one freely entered into by H and W. I accept W's evidence that the notary was selected by H and that she had never used a notary in Moscow. I accept her account of the build up to their visiting the notary in terms of their arguments and that the agreement was entered into by both parties entirely voluntarily and with knowledge of the financial situation.

137. I remind myself of the well-known words of Lord Phillips in Radmacher v Granatino [2010] UKSC 42:

> *75. We would advance the following proposition…..The court should give effect to a nuptial agreement that is freely entered into by each party with a full appreciation of its implications unless in the circumstances prevailing it would not be fair to hold the parties to their agreement.*
>
> …
>
> *78. The reason why the court should give weight to a nuptial agreement is that there should be respect for individual autonomy. The court should accord respect to the decision of a married couple as to the manner in which their financial affairs should be regulated. It would be paternalistic and patronising to override their agreement simply on the basis that the court knows best. This is particularly true where the*

parties' agreement addresses existing circumstances and not merely the contingencies of an uncertain future.

81. Of the three strands identified in White v White and Miller v Miller, it is the first two, needs and compensation, which can most readily render it unfair to hold the parties to an ante-nuptial agreement. The parties are unlikely to have intended that their ante-nuptial agreement should result, in the event of the marriage breaking up, in one partner being left in a predicament of real need, while the other enjoys a sufficiency or more, and such a result is likely to render it unfair to hold the parties to their agreement. Equally if the devotion of one partner to looking after the family and the home has left the other free to accumulate wealth, it is likely to be unfair to hold the parties to an agreement that entitles the latter to retain all that he or she has earned.

82. Where, however, these considerations do not apply and each party is in a position to meet his or her needs, fairness may well not require a departure from their agreement as to the regulation of their financial affairs in the circumstances that have come to pass. Thus it is in relation to the third strand, sharing, that the court will be most likely to make an order in the terms of the nuptial agreement in place of the order that it would otherwise have made.

138. I have to consider whether it would be unfair to hold the parties to the agreement. In doing so I bear in mind that at the time H was aged 32 and with every opportunity to build up a career if he so wished. I find that he instigated the agreement and he was the one who declined better terms. It is not for the court lightly to overrule what he chose.

139. The question of fairness has to be considered in the circumstances prevailing at the current time. In Radmacher the Court of Appeal provided a housing fund for the period expected to provide a home for the children and an income fund by way of periodical payments for each child until they ceased full time education.

140. In Pierburg v Pierburg [2022] EWHC 2701 (Fam) Moor J took a similar approach. He upheld an agreement reached by the parties shortly before trial. In that case he provided that W should have the use of a London home for life. That reflected what had been agreed between the parties.

Litigation conduct and costs

141. It is well established by Rothschild v De Souza [2020] EWCA Civ 1215 that litigation conduct (or misconduct) can be taken into account as conduct within the terms of Section 25(2)(g) Matrimonial Causes Act 1973. Conduct can lead to a party receiving less than their needs.

142. If the conduct in relation to costs was bad in Rothschild, that case does not begin to approach what has happened in this case.

143. The extent of the costs in the children litigation is horrifying but I cannot take them further into consideration. Each party litigated furiously in England and Russia. Very limited costs orders were made in those proceedings and in general terms I did not find that either party's stance in them to have been unreasonable.

144. However, the costs incurred in these proceedings by H in prosecuting his application for financial remedies is wholly disproportionate in many different ways and has caused W to incur excessive and unnecessary expense.

145. What has H done with his expenditure of £2.49m? He has filed a Form A; he produced an excessively lengthy questionnaire on the day or day before the first directions appointment so that W had no time to consider it; he produced some but defective answers to a questionnaire and a notice to admit facts served on him. He has taken no other substantive step in these proceedings except to serve a report, for which there was no provision, from a shadow expert on 8 March 2023, two working days before this hearing was due to begin, the first draft of which had been in his possession since November 2022 and a large part of which was in Russian.

146. He has changed solicitors on 7 occasions. Each set of solicitors has had to read in to the case, duplicating enormously the costs.

147. There have been no less than 11 LSPO applications made by H, normally without a budget or one provided very late, and sometimes without a formal application ever having been issued.

148. H has breached nearly every order that has been made. The schedule prepared by counsel for W recites 35 breaches of 15 orders made, all bar one by me, at 12 different hearings.

149. I have not the slightest doubt that this litigation would never have been conducted by H in the way that it has been if he was paying his costs from his own pocket.

150. The peak of H's profligacy can be seen in the grant of £483k provided by way of LSPO to his last set of solicitors in early February 2023. They remained acting for him until their departure on the first effective day of the trial. In that time they did not produce one of the ordered documents. They provided two medical reports and that of the shadow expert to whom I have just referred. In short, they have added next to nothing to this case. I stress that this is not a criticism of those lawyers. They are bound by their instructions (or lack of them). I accept that they have done a lot of work in a short time – but W's funds have been significantly further eroded for no benefit.

151. In an attempt to help H's new solicitors, W's solicitors sent over in early February an electronic bundle for them to help with their reading in. Unfortunately it contained some privileged documents which should not have been disclosed. When W's solicitors realised their error H's solicitors and counsel properly immediately returned the documents and deleted any copies. H refused to take this course and insisted that he intended to use them. This forced W into injunction proceedings, with further costs incurred.

152. Horrifying though these figures are, there is the sum of £900k by which H's solicitors have overshot the sums granted by way of LSPO. One of those firms thought it appropriate to write to the court stating that they intend to make a claim against H.

153. It is not the job of the court to act as the insurers of solicitors who overshoot, let alone dramatically overshoot, the sum provided by way of LSPO. I respectfully agree with

what Cobb J said to the same effect in Re: Z (No. 2) [2021] EWFC 72. If the solicitors run short of funds then it is their duty to apply to the court for a further order. If they choose to carry on with their work and incur further fees then they do so at their own risk. I do not intend to make any provision for this liability of H, if that is what it turns out to be.

154. It is apparent that the financing of this case had become completely out of control. Quite how to stop such a situation occurring again is not straightforward. A court cannot know why solicitors and client part company. Once one firm of solicitors depart, unless a LSPO order is made, no new solicitors will come on board.

155. I respectively suggest two matters. First, judicial continuity would be a huge advantage. Children proceedings and finance proceedings were running at the same time and being dealt with until the end of 2021 by a range of different judges before the matter was allocated to me. Secondly, consideration might be given to being far stricter about how legal services payments are to be utilised in a case of a litigant who repeatedly breaches court orders. I would suggest that the provision of funds should be firmly tied to compliance with court orders.

156. If I was looking at costs in a vacuum, I would conclude that the following matters set out at paragraphs 157 – 160 should be marked by costs orders to be paid by H to W.

157. It is calculated by W's legal team that the cost of each new firm of solicitors reading in to the file would have been about £50k per firm, a total of £350k. Of course the early firms would not incur this amount of cost and the later firms would probably have exceeded it. There could not be a justification for W funding that cost.

158. W made two offers in May 2021. Both of them would have provided H with far more than he will receive under my order. The offers were sensibly judged by W, no doubt anticipating the horrendous haemorrhage of costs that has followed. H has never made a single offer. Both parties filed their Forms E in December 2021. He should then, at the latest, have made an offer in reply.

159. H has in effect taken no constructive step in these proceedings since the FDA on 28 April 2022. He should be solely responsible for the costs incurred by both sides thereafter.

160. Costs orders have been made against H, mostly arising from the preliminary issue proceedings, in favour of W and, to a lesser extent, her brother totalling about £1m.

161. It follows from everything that I have set out that appropriate orders for costs would completely eliminate any sharing claim that H might have and leave a large deficit. This must inevitably impact upon his needs-based claim.

The award

Housing

162. H in his Form E put his housing need as being the provision of homes in London and Athens. This grossly inflated claim could never have been justified. I have found as a fact that he does not have the need for a London home and is very unlikely to make his future here.

163. H has been ordered on several occasions to provide particulars of alternative properties that he says would be suitable for him. He has chosen not to do so. It is not the court's job to act as amateur estate agents and conduct an inquiry into what Greek property prices might be.

164. W offers the sum of €600k to provide for H by way of a housing fund to be held so as to revert to the children when the younger child obtains her majority. W points out that this will have the added advantage of providing a home for H which will not be lost to creditors.

165. This sum in my judgment provides a proper figure. W offers in addition to pay the purchase costs, including the grant of an usufruct and any property purchase tax.

166. H will require funds for furnishing the property. I direct that the sum of €60k be made available to that end.

167. I have pondered over whether the term of the usufruct should be until the children are grown up or whether it should last beyond then. If the former, then H would have 12 years of so of occupation. He would then be 55.

168. There is no rule of law as to whether a housing fund should endure until the children's majority or for longer. The test is fact specific.

169. On a fine balance I have determined that H should be entitled to have the occupation of the property until he no longer needs it. He will not be entitled to let it out, charge it or leave it unoccupied but for so long as he needs it as his own principal home he will be entitled to occupy it. I do not think it likely that either W or the children will need the monies that will be released in due course and I am not confident of H's ability to build up sufficient funds to be able to rehouse himself in 12 years' time.

Maintenance

170. I consider that W's offer of payment of 4 years' worth of maintenance as being generous. I can see no reason why in 4 years H should not be able to fully maintain himself. She offers the sum of £60k pa which she suggests should be secured against her English bank account. It would be paid out on a monthly basis. She points out that such an arrangement preserves it against an attack by H's creditors.

171. The one adjustment that I make is that from the end of May 2023 when the interim order will cease until 1 April 2024 I order the figure of £75k pa which will cover the costs of medical treatment and relocation, reducing to £60k pa thereafter.

172. W accepts that if I make an order in these terms that the costs already ordered in her favour should not be enforced without leave of the court. She also agrees to forgo an application for costs in respect of the many matters she might otherwise be entitled.

173. W's brother is entitled to his costs. But, the construction of this order does not leave H with funds to pay him and if I were to permit him to enforce them now it would inevitably lead to H's bankruptcy. I fully understand the frustration that W's brother will feel and that the fact that he is not in a position of financial need is little compensation to him. However, I am driven to say that his costs shall likewise not be

enforced without permission of the court, but in his case as he is not before me I must grant him liberty to apply.

174. In reaching these conclusions I have adopted what is sometimes called a needs-light approach. It is consistent with the application of the PNA which the parties agreed upon and with the merits of the case.

175. There are a host of consequential matters that arise. These include:

i) The injunction made against H to return the papers accidentally disclosed to him and not to make any use of them. That will continue until further order

ii) The injunction made in respect of W's Coutts account will be lifted save that the sum of £1m must be retained in it so as to provide the funds for H's housing and to be secured for the payment of his maintenance.

iii) The charge which H entered against W's London property shall be lifted forthwith

iv) The periodical payments order providing for H's interim payment and housing shall be discharged with effect from 31 May 2023. I choose that date as being when the payment in respect of H's rented property expires and so as to give H a soft landing in terms of his maintenance. However, the new figures going forward will run by way of monthly payment in advance from 1 June 2023 and with the last payment being made on 1 April 2027.

v) Any deposit repayable on the surrender of the lease on the London rented property shall be paid to H, as W proposes.

Anonymity

176. Following the decision of Mostyn J reported at [2023] 1 FLR 388 this couple have become widely known in legal circles. In the circumstances, there can be no justification for me keeping their identity confidential in this judgment, however unwelcome such publicity might be. I heard Mr Farmer make representations on behalf of the Press Association and I acceded to them.