

**Judgment 16/2007 Colussi v (i) Investec Trust (Guernsey) Limited, and
(ii) Serravallo – Royal Court (Civil Action File 992) –
25th May 2007**

**Trusts (Guernsey) Law, 1989 – proceedings in Guernsey and in Italy –
exceptions déclinatoires – whether the proceedings should be pursued in
Guernsey or Perugia – held that the trust claims could be tried most suitably in
Guernsey but that the Guernsey court had no jurisdiction over the agreement
which gave rise to the share claims**

**Approved Text
25 May 2007**

IN THE ROYAL COURT OF GUERNSEY

ORDINARY DIVISION

In the matter of

The A & M C Trust dated 14 June 2001

	MARIA CRISTINA COLUSSI	Applicant
	-and-	
Between:	(1) INVESTEC TRUST (GUERNSEY) LIMITED	First Respondent
	(2) ANGELO COLUSSI SERRAVALLO	Second Respondent

Judgment handed down: 25 May 2007

Before: Richard John COLLAS Esq., Deputy-Bailiff

Advocate for Applicant:	Advocate J P Greenfield
Advocate for First Respondent:	Advocate J M Wessels
Advocate for Second Respondent:	Advocate S H Davies

Cases and statutes referred to:-

- 1. Trusts (Guernsey) Law, 1989 (as amended) Sections 4(a) and 73(1).**
- 2. Spiliada Maritime Corp -v- Cansulex Ltd [1987] 1A.C. 460**

The Parties

1. The Applicant, Maria Cristina Colussi (“Maria Cristina”) is the sister of the Second Respondent, Angelo Colussi Serravallo (“Angelo”). The First Respondent, Investec Trust (Guernsey) Limited is the trustee of the A & MC Trust (“A & MC Trust”) settled on 14 June 2001 by Angelo.

Background

2. The Father of Maria Cristina and Angelo was Giacomo Colussi (“the Father”), who died domiciled in Italy on 19 December 1999. He had been a successful businessman producing various bakery, pasta and rice products principally through an Italian company called Colussi S.p.A (“the Company”).
3. The Father was also survived by his second wife Elsa Picchio (“the Stepmother”) and by two grandchildren Andrea Colussi Serravallo and Allegra Colussi Serravallo (“the Nephew and Niece”), the children of the Father’s deceased younger son Maurizio.
4. During his lifetime the Father set up a trust known as the Colussi Trust (constituted on 29 April 1996) to hold the bulk of his assets including the Company. Maria Cristina and the Stepmother were excluded as beneficiaries. In paragraph 7 of her first Affidavit sworn on 15 February 2006, Maria Cristina said she believed she was excluded because her father was a traditionalist who thought the male line should control the Company.
5. Later however, the Father had a change of heart and expressed the wish that after his death Maria Cristina would have an interest in one sixth of the shares of the Company and the Nephew and Niece would each have an interest in one-twelfth of the shares. The Father died before arrangements were made to give effect to those wishes but after he had died Angelo and the other adult heirs agreed to give effect to them. In order to do so, a number of arrangements were put in place.
6. Angelo and Maria Cristina agreed to acquire the Stepmother’s interest in the Father’s estate in exchange for the payment to her of ITL 9,100,000,000. The agreement is recorded in a letter dated 1 July 2000 from the Stepmother (“the Stepmother Agreement”).
7. On 11 June 2001, 17% of the shares of the Company were transferred to Alberto Feliziani to hold under the terms of a trust for the benefit of the Nephew and Niece. The following day, 12 June 2001, by a written agreement (“the 2001 Agreement”), Alberto Feliziani agreed to sell that 17% shareholding to Angelo and Maria Cristina. Article 8 of the 2001 agreement gave Angelo and Maria Cristina the power to nominate alternative buyers for the shares and by two nominations dated 9 July 2001 covering the entirety of the shares agreed to be sold, they transferred the right to buy the shares to the Company and to another company Siref S.p.a. The companies have paid for,

and have received, the shares and so Advocate Davies argues the obligations arising under the 2001 Agreement have been fully performed.

8. On 14 June 2001, Angelo established the A & MC Trust with Professor Avv Maurizio Lupoi as the first trustee. The Deed of Trust was executed in Genoa, Italy and is in the English language but may have been drafted by an Italian. Art. 6 declares the governing law to be the law of Guernsey. The Royal Court has exclusive jurisdiction under Art. 10A save that certain matters are to be submitted to the Italian Magistracy, Court of Genoa, under Art. 10B to which I refer later in this judgment.
9. On 11 March 2002, Professor Lupoi was replaced as a trustee by Guinness Flight Trustees Limited and the current trustee became the trustee following a merger between Investec and Guinness Flight.
10. The A & MC Trust became the owner, indirectly, of all but two of the shares issued by the Company. (These other two shares are owned by Angelo and Maria Cristina respectively). It is not clear to me when the A & MC Trust became the owner of its shares but the parties are agreed that had happened before 11 April 2003.
11. On 11 April 2003 Angelo executed an Instrument (“the 2003 Instrument”) exercising a power contained in Art.14 of the A & MC Trust deed which provides as follows:-

“art.14. Transfers to the Trustee

- A. *Any person, be the Settlor or third parties, who should transfer assets to the Trustee by virtue of art. 2:*
 - i. *shall have the right to dictate the beneficiary provisions in respect of the property which, under such a transfer, comes to be included in the Assets held in Trust;*
 - ii. *shall be entitled to revoke and modify the Beneficiaries named by him, to add other Beneficiaries, to modify the entitlement of each of them and the rules relating to their transmission, at any time before the termination of the trust.*
- B. *Said provisions and modification shall prevail over the provisions contained herein; the person transferring assets to the Trustee may make them either revocable or irrevocable and, in the former case, they may confer on one or more persons the same rights belonging to the person making the transfer or part of them.*
- C. *Said rights cannot be assigned nor disposed of by will.*
- D. *Short of said beneficiary provisions, article 3 applies.*

12. The 2003 Instrument appoints Maria Cristina to be the beneficiary of “*the income as well as of the final distribution of 17% of*” the shares held in the Company and of a monetary claim against Food Company S.A. (“Food”) and Traditional Company S.A. (“Traditional”), both of which are companies within the Colussi Group.

Guernsey Court Proceedings

13. Sadly, Angelo and Maria Cristina have disagreed over a number of matters and their disagreement has led to litigation in Guernsey and in Italy.
14. In March 2006, Maria Cristina commenced proceedings in the Royal Court of Guernsey against the First Respondent as the sole respondent. On 12 May 2006 on the application of the First Respondent, I ordered that the Second Respondent be joined as a party and granted leave to serve notice of the proceedings on the Second Respondent out of the jurisdiction.
15. In the prayer for relief in the present (amended) form of the proceedings Maria Cristina claims:-

- (1) *Declarations that:*

The A & MC Trust

- (a) *the 2003 Instrument is valid and effective according to its tenor; and*
- (b) *Investec is obliged to use its control of Gruppo to procure that 17% of the dividend income of the Company is made available to Maria Cristina.*

The Stepmother’s interest

- (c) *Maria Cristina is entitled to part of the interest of the Stepmother in the shares of the Company pursuant to the agreement pleaded in paragraph 11 above.*

The 2001 Agreement

- (d) *Maria Cristina is entitled to an 3.5% interest in the shares of the Company further to the 2001 Agreement.*

The real estate companies

- (e) *Maria Cristina is entitled to similar interests in the shares in the real estate companies to her interests in the shares of the Company under:*
 - (i) *the A & MC Trust;*
 - (ii) *the agreement pleaded in paragraph 11 above;*
and

(iii) *further to the 2001 Agreement.*

Accounts and information

(f) *Maria Cristina is entitled to accounts and other information regarding the A & MC Trust, its underlying companies and the real estate companies.*

(2) *Further or other relief.*

(3) *Costs.*

I refer to the claims under the A & MC Trust (paragraphs (a), (b) and (e) (i)) as the “Trust Claims” and to the claims under the 2001 Agreement and the Stepmother Agreement (paragraphs (c), (d) and (e) (ii) and (iii)) as the “Share Claims”.

16. Maria Cristina says (at paragraph 20 of her amended Cause) that the real estate companies were created on 10 September 2004 when a partial de-merger of the Company took place and three new companies were set up to hold some of the Colussi Group’s real estate. Maria Cristina understands the shareholding of each of the three real estate companies is proportionate to the number of the shares held by the shareholders of the Company.

Perugia Proceedings

17. On 15 June 2006, Angelo commenced proceedings in the Court of First Instance of Perugia.

18. Angelo claims that pursuant to the Stepmother Agreement, he and Maria Cristina are **jointly** liable to pay to the Stepmother the sum of 9,100,000,000 ITL (equivalent to €4,699,758.78). The total amount in fact paid to the Stepmother is approximately €2.75 million of which he claims Maria Cristina has paid little more than €200,000 and the balance has been paid by him. So, he claims reimbursement of half the difference that is to say €1,167,872.88.

19. Angelo also claims the recovery from Maria Cristina of half the sum he has paid out to settle a dispute with the Nephew and Niece. That part of the claim is not relevant to the proceedings in Guernsey and I need not be concerned with it.

20. The final part of Angelo’s claim is relevant to the Guernsey proceedings. It relates to the 2003 Instrument. Angelo regards the appointment in the 2003 Instrument as a gift from him to Maria Cristina. He argues that the appointment to her of the income and capital of 17% of the debt due from Food and Traditional is “*a gift of a substantial sum of money*” (paragraphs 14 and 19 of the Writ of Summons in the Perugia proceedings). His case is that such a gift must be made in a form prescribed by Italian law (which I understand requires formal acceptance of a gift to be in a notarised deed) and the 2003 Instrument fails to comply with such requirements. Consequently

Angelo seeks an order from the Perugia Court that the “gift” be declared null and void and that any monies the Trustee may have paid to Maria Cristina be repaid by her to the Trustee. He says he wishes to restore his relations with Maria Cristina “*to their correct legal setting*”.

21. Maria Cristina has filed a defence to Angelo’s claims and a counter-claim seeking compensation and the right to be declared a beneficiary as to capital and income of the shares in the Company and of the rights belonging to the A & M C Trust in the debts due from Food and Traditional. Maria Cristina’s Italian lawyer has submitted a letter, through Advocate Greenfield, clarifying that the counter claim relates to the Share Claims and not to the Trust Claims.

Exceptions déclinatoires

22. On 17 November 2006, Angelo filed in Guernsey defences containing exceptions déclinatoires, exceptions de forme and a prayer for relief, a copy of which are to be found in the defences appended to this Judgment. The hearing before me was in relation to the exceptions déclinatoires.
23. In short, Angelo argues that the Share Claims are not properly justiciable in Guernsey and leave to serve notice of them out of the jurisdiction on Angelo should not have been granted and should now be set aside. The Trust Claims, he argues, should be stayed pending the outcome of the Perugia proceedings.
24. In reply Maria Cristina proposes a stay of the Share Claims until the conclusion of the Perugia proceedings when it will be known whether those proceedings have disposed of some or all the issues raised. Maria Cristina wishes the Trust Claims to proceed in Guernsey without a stay.
25. Advocate Wessels, appearing for the First Respondent (“the Trustee”) was at pains to emphasise its neutrality whilst at the same time stressing the practical difficulties it faces in administering the A & M C Trust and its underlying companies for as long as the issues raised remain unresolved. The Trustee wishes to see the Trust Claims resolved and in particular the dispute as to the meaning and effect of the 2003 Instrument (which it calls “the Construction Dispute”) which it asks the Royal Court to determine forthwith in order that the Trustee may administer the A & M C Trust pending the outcome of the dispute as to the validity of the 2003 Instrument (“the Validity Dispute”) if that is in any way delayed, as may happen particularly if the two disputes are to be heard in different jurisdictions.

The Trust Claims

26. In the Guernsey proceedings Angelo accepts that the Guernsey court has jurisdiction over the Trust Claims. This can be inferred from his exceptions déclinatoires which do not challenge jurisdiction and instead seek a stay. Angelo’s position is made clear in paragraph 3.2 of his Skeleton Argument, filed on 26 January 2007:-

“Angelo does not seek to argue that the Guernsey Court does not have jurisdiction over the Trust Claims, but rather that the Guernsey Court should not exercise that jurisdiction at this point in time”.

27. Angelo is correct in agreeing with the other parties that the Royal Court has jurisdiction over the Trust Claims. The 2003 Instrument was made in exercise of a right conferred on Angelo by Article 14 of the A & M C Trust Deed in respect of assets he had previously settled into the A & M C Trust. The Royal Court has jurisdiction in respect of the A & M C Trust by virtue of sections 4(a) and 73(1) of the Trusts (Guernsey) Law, 1989 as amended because the proper law of the trust is Guernsey law (Art 6 of the Deed of Trust).
28. Also, as I have mentioned, Art. 10A of the A & MC Trust Deed confers exclusive jurisdiction on the courts of the State whose laws govern the trust. That is subject to Art 10B which reserves certain matters to the Italian magistracy, Court of Genoa. The one such matter that might be relevant is *“directions to the Trustee”* upon which Advocate Davies, in his oral submissions on behalf of Angelo, placed some reliance.
29. All Counsel were agreed that the provisions of Article 10B are somewhat unusual and no one sought to give a definitive interpretation of its full meaning and effect. Similarly, I would not wish to give a definitive interpretation except that I agree with Advocate Wessels who says it relates to certain ministerial tasks or certain matters of a routine nature. Whatever it may mean, I am satisfied that, for the purposes of the present application, the matters concerning the A & M C Trust raised in the Guernsey proceedings do not amount to *“directions to the Trustee”*. They are therefore not to be referred to Genoa and so are justiciable in Guernsey.
30. Angelo seeks a stay because in the Perugia proceedings Angelo disputes the validity of the 2003 Instrument under Italian law in so far as it relates to the debt due from Food and Traditional. He has reserved his position in relation to the appointment (or as he would say, gift) of shares in the Company but argues that any invalidity in a part of the 2003 Instrument may affect the Instrument in its entirety.
31. In support of the exceptions Advocate Davies advances a number of arguments. The first is that the rights created under the 2003 Instrument arise from the 2001 Agreement and the Stepmother Agreement, neither of which has any connection with Guernsey. Perugia is the natural forum for resolving these Italian law issues especially as they involve a number of Italian witnesses and the Italian language. These issues have to be decided before Maria Cristina’s claims in the Guernsey action can proceed. Maria Cristina has not challenged the jurisdiction of the Perugia court. There will be substantial savings in time and cost if the proceedings are heard in Perugia rather than in Guernsey. Whatever happens in Guernsey, the Perugia action will continue because not all the issues in that action will be resolved by the Guernsey proceedings. That is especially so following the lodging of Maria Cristina’s counter-claim which, Angelo says, will broaden the scope of issues to be resolved in Perugia. Angelo is also concerned that if both sets of

proceedings continue simultaneously, there may be inconsistent findings from the two courts and he says Maria Cristina has already adopted conflicting positions in the two sets of proceedings.

32. In response, Maria Cristina argues that Guernsey is the natural forum for resolving disputes concerning a Guernsey trust especially where, as here, there is an exclusive jurisdiction clause in the trust deed in favour of the Guernsey courts. Maria Cristina dismisses Angelo's arguments regarding the convenience of witnesses on the basis that Angelo has not identified any factual issues that require determination. In summary, she says: if Italian law is not the governing law of the 2003 Instrument then expert evidence of Italian law will not be required; she disputes that it amounts to an assignment of a monetary claim whose formal validity might be governed by Italian law; Food and Traditional are Luxembourg companies, the Trustee is a Guernsey company and there is therefore no connection with Italy; and generally there will not be any saving of costs and time in staying the Guernsey proceedings.
33. Maria Cristina denies Angelo's assertion that she has approached the two sets of proceedings in an inconsistent manner. The alleged inconsistency is said to be that she relied in the Perugia action on provisions of Italian law whilst arguing in Guernsey that Guernsey law is to be applied to the exclusion of Italian law. She claims that she only relies on Italian law so far as is necessary to deal with procedural matters. I do not propose to examine the allegation and counter allegation in any detail. It is sufficient for my present purposes to acknowledge that there is a risk that if both proceedings continue, the parties may adopt conflicting arguments in each of the two courts and there is also a risk of conflicting decisions. I will bear that in mind without needing to reach a decision as to whether conflicting arguments have already been adopted.
34. Advocate Greenfield, appearing for Maria Cristina, has asked me to take into account the estimated duration of the Perugia action. He produced a letter dated 6 February 2007 from Maria Cristina's Italian lawyer advising his estimate of the duration to be eight to ten years allowing for an appeal from any decision of the tribunal in Perugia to the Court of Appeal in Perugia and a further appeal to the Court of Cassation in Rome. In response, Advocate Davies submitted a letter dated 26 March 2007 from Angelo's Italian lawyer exhibiting a copy of a document from the Ministry of Justice advising that the average duration of civil cases before the tribunal in Perugia is 456 days. Based on that average, Avv Lupoi estimated that a judgment could be obtained from the Perugia court within approximately fifteen months. I consider it is unhelpful that Avv Lupoi referred only to the average duration of cases in the Perugia court and made no reference to the procedural steps required to bring Angelo's action to a conclusion. During the course of the hearing, Advocate Greenfield obtained and submitted a further letter from Avv Prof Domenichini, Maria Cristina's lawyer, who advised that the Ministry of Justice statistics include cases in the Perugia court with only a short duration because they are either settled, abandoned, withdrawn or dismissed and therefore lower the average duration of cases heard before the court. He provided further information as to the procedural steps required to be completed in Angelo's case and estimated that the Perugia court might hand

down a decision, subject to appeal, at the end of 2008 or at the end of 2009 depending upon whether witnesses, including expert witnesses, are to be examined and how their examinations are to be conducted. An appeal to the Perugia appeal court might take two to three years and a further appeal to the Italian Court of Cassation could take another three to four years. At this stage there is of course no way of knowing whether an appeal will be required. I consider that as Avv Domenichini takes account of hearing dates set down in relation to Angelo's action and Maria Cristina's counter claim, his estimate of duration is more reliable than Avv Lupoi's estimate based on official statistics only.

35. Advocate Greenfield also argues that I should take account of the fact that the Trustee is a necessary party to Maria Cristina's action in Guernsey, but is not a party to the proceedings in Perugia. Advocate Davies counters that argument by saying that if it was necessary for the Trustee to be a party to the proceedings in Perugia it, or Maria Cristina, could apply for the Trustee to be joined to those proceedings. That brings me to a consideration of the Trustee's position in this matter.
36. The Trustee has said, correctly in my view, that it adopts a neutral stance in the present dispute and will assist the court by providing information or putting forward any perspective that might have been overlooked by any of the other parties. In so doing, it has been criticised by Angelo for taking sides in the jurisdiction dispute. For my part, I do not see that the Trustee has stepped outside the role that it set for itself. In the Second Respondent's Supplementary Skeleton Argument dated 26 March 2007, Advocate Davies has hinted that he considers the Trustee may have to incur costs consequences. I will deal with the costs of the application at a future date and do not wish to say anything to prejudge that decision, but I do not presently consider that the Trustee risks having to bear any additional costs as a result of the representations it has made.
37. The Trustee has pointed out the real interest it has in seeing the present disputes resolved because it has to decide how to administer the A & M C Trust especially in the distribution of income and in granting access to documents. It also has difficulty in giving effect to the 2003 Instrument when it does not directly control the Company. It points out that issues of Guernsey and Luxembourg law may be involved, but does not see that any Italian law issues arise.
38. In order to resolve its administration difficulties the Trustee argues that, if necessary, the Construction Dispute should be heard before the Validity Dispute is concluded. Advocate Davies argues that is illogical. I can understand why the Trustee has made that proposal but I consider that if at all possible, the Validity Dispute and the Construction Dispute both need to be resolved at the same time (or the Validity Dispute needs to be resolved first).
39. The Trustee has drawn attention to what it calls "*serious difficulties with its Trusteeship*". Advocate Davies asked that I put those matters in perspective by reviewing an affidavit produced by his assistant, Elaine Gray of Ogier and I

confirm that I have done so. I take note of the matters raised, although they are of little assistance other than in reaffirming the desirability of concluding proceedings as soon as possible.

40. The principle I must apply is to be found in the speech of Lord Goff of Chieveley in *Spiliada Maritime Corp -v- Cansulex Ltd* [1987] 1A.C. 460, at page 476C:-

“The basic principle is that a stay will only be granted on the ground of forum non conveniens where the court is satisfied that there is some other available forum, having competent jurisdiction which is the appropriate forum for the trial of the action, i.e. in which the case may be tried more suitably for the interests of all the parties and the ends of justice.”

41. In deciding whether Perugia is the appropriate forum, one of the factors I have to consider is the relevance of Italian law. As I see it, the assets to which the 2003 Appointment relates were already settled into the A & M C Trust before the Instrument was executed and hence the 2003 Instrument is governed by Guernsey Law. I do not accept the argument that the appointment to Maria Cristina of 17% the income and capital of the debt due from Food and Traditional is a gift which must be made in a form prescribed by the law of Italy. If I am wrong, expert evidence can be produced to the Guernsey court as to the relevant provisions of Italian law but Advocate Davies in his very able submission has not persuaded me that I am wrong.
42. I do not consider it is likely that there will have to be many factual issues to be determined and hence there is unlikely to be a large amount of evidence in the Italian language.
43. The timescale within which the proceedings are likely to be concluded is a relevant factor. On the evidence before me, I have concluded that the issue is likely to be resolved more quickly in Guernsey than in Perugia. That is important to all parties, especially the Trustee which has the difficulty of administering the A & M C Trust and would like the disputes concerning the 2003 Instrument, especially the Construction Dispute, to be resolved as soon as possible.
44. I am concerned at the risk of there being conflicting decisions from the two courts but as I consider the 2003 Instrument is governed by Guernsey Law, I do not regard that risk as significant enough to justify a stay of the Guernsey proceedings especially when I take into account the interests of all the parties including the Trustee. The Trustee is a Guernsey company, administering a Guernsey law trust and it is entitled to seek directions from the Guernsey court. It has asked to have the Construction Dispute resolved as soon as possible and that is an important factor in my considerations. I also anticipate that if there is any substantial delay the Trustee may have to seek guidance from the Royal Court as to how to administer the trust in the meantime. The court will be much better placed to deal with such applications if it has retained conduct of all the proceedings regarding the A & M C Trust.

45. Having weighed in the balance all the factors I have been asked to consider, I conclude that the forum in which the Trust Claims can be tried most suitably for the interests of all the parties and the ends of justice is Guernsey. I also consider that the Construction Dispute and the Validity Dispute should be heard together.

The Share Claims

46. I have to decide whether Angelo is correct in asserting that the Share Claims are not properly justiciable in Guernsey. If I am satisfied that the Guernsey Court has jurisdiction, then Maria Cristina agrees that the Share Claims be stayed pending the conclusion of the Perugia action.

47. In the first of the Share Claims, (pleaded in paragraph 1(c) of the prayer for relief) Maria Cristina seeks a declaration that she is entitled to part of the interest of the Stepmother in the shares of the Company pursuant to the Stepmother Agreement. In the second of the Share Claims (paragraph 1(d)) Maria Cristina claims to be entitled to a 3.5% interest in the shares of the Company pursuant to the 2001 Agreement. The third of the Share Claims relating to the real estate companies (paragraph 3(c)(ii) and (iii)) refers to the Stepmother Agreement and the 2001 Agreement.

48. In paragraph 1.6 of the exceptions *déclinatoires*, Angelo pleads that both the Stepmother Agreement and the 2001 Agreement were made (i) under Italian Law, (ii) in Italy and (iii) between Italian citizens and residents. He adds that even on Maria Cristina's case, the Claims concern "*exclusively Italian matters and assets (namely succession rights arising under the Italian estate of an Italian citizen and resident and shares in Italian companies)*".

49. The Trustee was not a party to either of the Agreements. Indeed the 2001 Agreement predates the creation of the A & M C Trust. The Stepmother Agreement may also predate the creation of the Trust and almost certainly predates the settlement of the Company shares in to the A & M C Trust. The Stepmother was never a shareholder in the Company as the shares were owned by the Colussi Trust prior to the creation of the A & M C Trust.

50. Consequently, neither the 2001 Agreement nor the Stepmother Agreement concerned assets of the A & M C Trust at the date of each of the Agreements. Had they done so there might have been a connection between the Agreements and the Trust. As it is, I can find no connection with Guernsey.

51. On the facts alleged by Maria Cristina she claims to be the owner of 3.5% of the shares in the Company. Food, Traditional and Colussi Gruppo Alimentaire Limited now hold the shares. Those companies are not party to the Guernsey proceedings and they are not registered in Guernsey. She has not sought an order that the shares be transferred to her. If she had done, it is not certain that it would be justiciable in Guernsey. The declaration sought (that she is entitled to a 3.5% interest in the shares of the Company) arises from the 2001 Agreement. In my view, the Guernsey court has no jurisdiction over the Agreement.

52. Advocate Greenfield submits that a stay of the Share Claims is the appropriate remedy in case the Perugia action does not resolve all the issues.
53. I do not see how it can be proper for me to stay a claim over which the Royal Court has no jurisdiction. I therefore agree with Angelo in relation to the Share Claims and set aside the order for service out of the jurisdiction to the extent that it relates to the Share Claims which will now have to be severed from the Trust Claims.
54. This judgment has taken me longer to prepare than I indicated to Counsel at the conclusion of the hearing and for that I apologise.
55. I will hear any applications arising from this decision.