

Dispute Resolution
Case Law Update
Rosling King LLP



Case Summary

THG Plc (Respondent) v Zedra Trust Company (Jersey) Ltd (Appellant) [2026] UKSC 6

The Supreme Court has held that a claim under section 994 of the Companies Act 2006 is neither an ‘action upon a specialty’ under section 8 of the Limitation Act 1980 (the “**1980 Act**”) nor an ‘action to recover any sum recoverable by virtue of any enactment’ in regard to monetary relief under section 9. Therefore, no limitation period applies to claims under section 994.

Background

Zedra Trust Company (Jersey) Ltd (“**Zedra**”) acquired a 13.2% stake in THG Plc (“**THG**”) in 2013. In 2019, Zedra issued a petition under section 994 alleging that the conduct of THG’s affairs was unfairly prejudicial to them.

In 2022, Zedra sought to amend its petition to include an additional allegation of unfair prejudice in relation to acts which had occurred in July 2016, and to claim compensation for the associated loss

The High Court held that no limitation period applied and that the amendment should be allowed.

However, the Court of Appeal, in a surprise to many practitioners, allowed an appeal by THG in 2024, holding that petitions under section 994 are subject to a 12-year limitation period under section 8 of the 1980 Act as they satisfy the definition of an ‘action upon a specialty’. The Court of Appeal further recognised that section 8(2) disapplied the 12-year limitation period under section 8(1) if another provision of the 1980 Act prescribed a shorter limitation period. Section 9 of the 1980 Act prescribes a limitation period of six years for ‘an action to recover any sum recoverable by virtue of any enactment’. The Court of Appeal considered Zedra’s proposed amendment to be made on the basis of a right that was purely statutory and that it sought a payment of money by way of relief; the amendments were therefore time barred, being subject to the six year limitation period under section 9 of the 1980 Act.

Section 8 - An Action Upon a Specialty

Section 8 of the 1980 Act provides that:

- (1) An action upon a specialty shall not be brought after the expiration of twelve years from the date on which the cause of action accrued.

The vital point for the Supreme Court was to consider whether a claim under section 994 could be considered ‘an action upon a specialty’ and therefore subject to a 12-year limitation period.

The Supreme Court considered the historical intentions of the definition and concluded that:

1. 'An action upon a specialty' is specifically considered to be an action to enforce an *obligation created by a deed or statute*;
2. This was the historical understanding and had not been altered by the 1939 Limitation Act or any other historical interpretations or statute.

Therefore, the Court had to consider whether a petition under section 994 enforces an obligation. If the answer was no, it could not fall within the interpretation of the 1980 Act. The Court then held that:

1. Sections 994-996 do not create or enforce any substantive obligations but rather their intention is to provide remedies.
2. This is demonstrated by the fact that section 995 allows the Secretary of State to bring a petition, showing that section 994 is not enforcing a statutory obligation owed to a particular member, but confers a remedial jurisdiction on the Court to address unfair prejudice.

As it does not enforce an obligation, a claim under section 994 is therefore crucially not 'an action upon a specialty' under the 1980 Act.

Section 9 – Action to Recover Any Sum Recoverable by Virtue of Any Enactment

Section 9 of the 1980 Act provides that:

- (1) An action to recover any sum recoverable by virtue of any enactment shall not be brought after the expiration of six years from the date on which the cause of action accrued.

After reliance on section 8 was rejected, section 9 was then considered.

The Supreme Court held that:

1. A claim under section 994 is not such a claim because it invokes the Court's broad discretionary power under section 996 to grant relief as it thinks fit and any monetary award is discretionary.

Therefore, no Section 9 limitation period applies to claims under section 994.

Practical Considerations

Practitioners will welcome the Supreme Court's decision given the difficulties that can arise in assessing when the damage caused by unfairly prejudicial conduct has crystallised.

For further information, please contact [Camilla Pratt](#).