

Judgment handed down in SLB and others v PAK and others [2026] EWHC 449 (Comm)

Judgment has been handed down in SLB and others v PAK and others [2026] EWHC 449 (Comm) where the Commercial Court confirmed the decision in the underlying arbitration which found that the obligation to issue refund guarantees within 120 days was not a condition but an innominate term, and as there had been no repudiatory breach of that innominate term or renunciation by the yard, the buyers' remedy was limited to contractual termination and refund, not loss of profit and bargain damages.

This decision is significant for anyone drafting shipbuilding, project finance or other complex commercial contracts, highlighting the importance of clear drafting and well-aligned termination provisions.

Sean O'Sullivan KC (4 Pump Court), Simon Croall KC, Henry Ellis and Jamie Hamblen (Quadrant Chambers) were counsel for the shipyard in the arbitration.

Sean and Alexander Wright KC (both of 4 Pump Court) and Henry Ellis (Quadrant Chambers), acted for the shipyard in the appeal. Sean and Alex were instructed by Paul Ho and Vernon Sewell (Stephenson Harwood LLP).

Read the full judgment [here](#).