SQUIRE PATTON BOGGS

Freezing Non-party Assets in London-seated Arbitrations

The Post-reform Landscape

UK – March 2026

The Arbitration Act 2025 (in force since 1 August 2025) introduced a significant expansion of the English court's powers to support arbitration. The English courts may now grant worldwide freezing orders (WFOs) against non-parties to a London-seated arbitration. This change resolves long-standing uncertainty around whether section 44 (s.44) of the Arbitration Act 1996 could be used to reach third-party asset-holders.

This closes a long-standing gap in asset-protection strategies for complex international disputes, particularly where assets sit within offshore structures, or are held by individuals or entities outside the arbitration.

What Has Changed?

S.44 of the Arbitration Act 1996 has long allowed the English court to grant interim measures, including WFOs, in support of arbitration, but this ability was widely understood to apply only to the parties to an arbitration. The Arbitration Act 2025 now expressly extends these powers to cover actions taken: "…in relation to a party or any other person."

The result is that non-party assets can now be frozen within a single s.44 application, without the need for parallel English proceedings or creative jurisdictional workarounds.

Why This Matters

In modern cross border disputes, assets are frequently held by individuals or entities outside the arbitration. Common examples include:

- Parent or subsidiary companies
- Offshore holding structures
- Nominees, trustees or escrow agents
- Controlling individuals behind corporate respondents

Previously, freezing such assets required separate claims, often adding delays and uncertainty. The amendment removes these barriers and aligns the law with commercial reality by giving London-seated arbitrations a new enforcement horizon.

When the Expanded Power Applies

The expanded s.44 jurisdiction applies to arbitrations commenced on, or after 1 August 2025.

Applicants must still satisfy the usual WFO criteria:

- A good arguable case (or serious issue to be tried, per *Dos Santos v Unitel*)
- A real risk of dissipation
- It is just and convenient to grant the requested relief

Three Immediate Use-cases

1. Group-structure Dissipation

Assets moved to a non-party parent/subsidiary can now be frozen by the English Court within the same s.44 application.

2. Non-party Trustees and Escrow Holders

Where assets sit with a non-party fiduciary pending enforcement, a WFO may now reach that party and assets directly.

3. Individuals Behind Offshore Entities

If a controlling individual holds assets in England, a WFO may now reach those assets even if that person is not a party to the arbitration in question.

Practical Steps for Clients and Offshore Counsel

- **Move quickly** – Third-party asset transfers often accelerate once disputes escalate.
- **Map the structure** – Identify connected entities and individuals early.
- **Expect scrutiny** – Courts will examine the link between non-parties and the dissipation risk.
- **Leverage the London seat** – Unlike section 25 of the Civil Jurisdiction and Judgments Act 1982 (CJJA) (foreign proceedings), s.44 does not require any additional English connection beyond the seat.
- **Consider coordination** – English WFOs remain a key component of multijurisdictional freezing strategies.

Takeaway

The amendment to s.44 consolidates London's status as a leading enforcement and asset-protection center. Clients previously advised that only the named respondent could be targeted may now have significantly broader protection available.

Our firm's disputes team advises regularly on WFOs, cross-border enforcement and coordination with offshore counsel. We would be pleased to discuss whether the new s.44 regime can support your matter.

Contacts

Katie Pritchard
Partner
T +44 207 655 1582
katie.pritchard@squirepb.com

Christian Toms
Partner
T 44 207 655 1623
christian.toms@squirepb.com