

Chancery Division grants interim injunction to restrain RBS from closing accounts

11/04/2018 (Commercial)

On 27 February 2018 Marcus Smith J granted an interim injunction to the Abbeyvet Group of companies restraining its bankers RBS until trial or further order from invoking a 60 day termination clause in its standard terms of business.

Abbeyvet claimed that the purported notice, which had been given without any prior warning or discussion and came as a complete surprise, was in breach of an implied contractual duty to act in good faith and that RBS had no good or honest reason to end the banking relationship and close the accounts, at least not until replacement banking facilities were in place, otherwise the multi-million pound business would be unable to function and would inevitably collapse.

Peter Irvin acted for Abbeyvet.

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