



Neutral Citation Number: [2020] EWCA Civ 1182

Case Nos: A3/2019/2341 and A3/2020/0515

**IN THE COURT OF APPEAL (CIVIL DIVISION)**  
**ON APPEAL FROM THE HIGH COURT OF JUSTICE, BUSINESS AND PROPERTY**  
**COURTS, CARDIFF DISTRICT REGISTRY, INTELLECTUAL PROPERTY LIST**

**HHJ Keyser QC and Marcus Smith J**

**[2019] EWHC 2390 (Ch) and [2020] EWHC 30 (Ch)**

Royal Courts of Justice  
Strand, London, WC2A 2LL

Date: 8 September 2020

Before :

**LORD JUSTICE DAVID RICHARDS**

**LORD JUSTICE NEWY**

and

**LORD JUSTICE ARNOLD**

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Between :

**TBD (OWEN HOLLAND) LIMITED**

- and -

**(1) ANDREW SIMONS**

**(2) G2A LIMITED**

**(3) OBCON SOLUTIONS LIMITED**

**(4) OSL RAIL LIMITED**

**(5) JOHN O'BOYLE**

**(6) KELF ENGINEERING SASA**

**(7) MATHIEU POMMELLET**

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**Claimant**

**Defendants**

**Andrew Butler QC and Edward Blakeney** (instructed by **Geldards LLP**) for the **Claimant**

The **First Defendant** appeared in person

**Nicholas Caddick QC, Jonathan Moss and Edward Cronan** (instructed by **Simon Burn Solicitors**) for the **Third, Fourth and Fifth Defendants**

Hearing dates : 22-24 July 2020

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**Approved Judgment**

Covid-19 Protocol: This judgment was handed down remotely by circulation to the parties' representatives by email, release to BAILII and publication on the Courts and Tribunals Judiciary website. The date and time for hand-down is deemed to be at 10:30am on 8 September 2020

## **Lord Justice Arnold:**

### Introduction

1. These appeals raise important issues as to (i) the interpretation of search orders, (ii) the granting of permission to bring committal proceedings and (iii) litigation privilege. The first appeal in time is by the Fifth Defendant (“Mr O’Boyle”) against an order of His Honour Judge Keyser QC sitting as a High Court Judge dated 13 September 2019 and primarily concerns the granting of permission to bring committal proceedings and litigation privilege. The second appeal is by the Claimant (“TBD”) against an order of Marcus Smith J dated 17 January 2020 and primarily concerns the interpretation of a search order and the granting of permission to bring committal proceedings. For reasons that will appear, it will be convenient to deal with the interpretation of the search order before turning to consider the other issues on the appeals.

### The procedural history

2. In order to put the issues in their proper context, it is regrettably necessary to explain the history of the proceedings in which they arise in considerable detail. My account is fuller than that given by either Judge Keyser in his judgment dated 13 September 2019 [2019] EWHC 2390 (Ch) or Marcus Smith J in his judgment dated 17 January 2020 [2020] EWHC 30 (Ch), since it appears that the procedural history was investigated in more detail in this Court than it was in either court below.

### *The principal parties*

3. TBD is engaged in the design and manufacture of products used in the aviation industry, such as baggage trolleys, steps and similar equipment. From 20 August 2007 until 9 June 2016 the First Defendant (“Mr Simons”) was employed by TBD. Mr Simons brought a claim for unfair dismissal against TBD that was settled by a conciliation agreement on 16 September 2016. After leaving TBD, Mr Simons went to work for, and became a director of, the Second Defendant (“G2A”), a competitor to TBD. Mr O’Boyle was also a director of G2A until it entered liquidation.
4. TBD contends that the Third Defendant (“Obcon”) owns all of the shares in G2A. Mr O’Boyle contends that G2A is owned by Joma Holdings Ltd (“Joma”). Mr O’Boyle owns a 27% shareholding, and his wife owns 24%, in each of Obcon and Joma. Mr O’Boyle is a director of both Obcon and Joma. He is also a director of the Fourth Defendant (“OSL”), which is a wholly-owned subsidiary of Obcon.

### *Pre-action correspondence*

5. In the summer of 2018 it came to the attention of TBD that G2A was approaching TBD’s customers using promotional materials which included copies of TBD’s photographs and technical material. On 22 May 2018 TBD’s then solicitors Acuity Legal Ltd (“Acuity”) sent letters before action by email and post to Mr Simons, G2A and Obcon (“the Original Defendants”).
6. The letters to G2A and Obcon claimed copyright in “design specifications, data sheets, quotations, pricing structures, manufacturing designs/models and digital

content contained on [TBD's] website and database" created "from incorporation in 1965 to date" despite the fact that TBD was only incorporated in 2003. No attempt was made to particularise the copyright works. The letters alleged infringement by G2A and Obcon, again without giving particulars. The letters stated that, unless within seven days G2A and Obcon gave undertakings in terms enclosed with the letters and gave extensive disclosure, TBD would pursue the matter without further notice, including by applying for an urgent injunction. The enclosed undertakings required wide-ranging undertakings to be given in respect of the unspecified copyright works, which were not limited to acts which amounted to infringements, but extended to acts which would not have amounted to infringements by virtue of section 51 of the Copyright, Designs and Patents Act 1988. Both letters stated that infringement of copyright was both a civil and a criminal offence.

7. The letter to Mr Simons traversed the same ground as the letters to G2A and Obcon, but added four points. First, it stated that TBD had reported Mr Simons' infringements of copyright to the police. This was an early indication of the aggressive approach to the litigation adopted by Acuity on the instructions of TBD. Secondly, the letter alleged that Mr Simons was not only personally liable for copyright infringement, but also in breach of a confidentiality clause in his contract of employment (although again no particulars were given) and had tried to solicit employees of TBD on condition that they bring confidential information with them (again without particulars). Thirdly, the letter stated that Mr Simons' actions were "a belligerent attempt to cause harm" to TBD. Fourthly, it reminded Mr Simons of his obligation under the conciliation agreement not to make any critical statements concerning TBD and threatened to obtain an injunction if he made any such statements.
8. On 29 May 2018 Acuity sent emails to the Original Defendants reminding them that the seven-day period for responding to the letters dated 22 May 2018 expired that day. On 31 May 2018, 13 June 2018, 15 June 2018 and 20 June 2018 Acuity sent letters by email and post to the Original Defendants noting that there had been no reply to their previous communications. There was no response at any stage.

#### *Commencement of proceedings*

9. On 27 June 2018 TBD commenced proceedings against the Original Defendants, alleging that Mr Simons had breached the terms of his contract of employment with TBD by disclosing trade secrets or analogous information confidential to TBD to G2A and allowing G2A to use it, by failing to return to TBD documents containing such confidential information and by failing to return to TBD other property, including drawings and photographs, and allowing G2A to use that property. TBD alleged that G2A and Obcon had procured those breaches of contract. There were also claims for infringement of copyright against Mr Simons and G2A, although the works in which copyright was claimed were almost wholly unparticularised in the Particulars of Claim. Given the claims for misuse of trade secrets and copyright infringement, the claim form should have been issued in the Chancery Division (see CPR rule 63.13 and Practice Direction 63 paragraph 16.1), but instead it was issued in the Queen's Bench Division. Under "value" the claim form stated that TBD did "not expect to recover more than £100,000".

*4 July 2018 Order*

10. Having issued proceedings, TBD applied on notice for an injunction. This application came before His Honour Judge Jarman QC sitting as a High Court Judge on 4 July 2018. None of the Original Defendants attended before the court. At the hearing Judge Jarman made an order (“the 4 July 2018 Order”) which in summary:
  - i) enjoined the Original Defendants from infringing TBD’s copyright in the copyright works defined in the Schedule to the Order (“the Copyright Works”);
  - ii) enjoined the Original Defendants from manufacturing, importing, selling, offering for sale, exhibiting, advertising or otherwise dealing in any engineering works which reproduced (in whole or in part) the Copyright Works;
  - iii) required the Original Defendants to deliver up all of TBD’s property in their control, as well as all products resulting from infringement of TBD’s copyright in the Copyright Works;
  - iv) required the Original Defendants to provide a schedule of any sales and supplies made by the Original Defendants of products reproducing (in whole or in part) the Copyright Works; and
  - v) required the Original Defendants to provide a schedule of all third parties to whom quotations had been provided for the supply of products reproducing (in whole or in part) the Copyright Works.
11. The Schedule defined the Copyright Works as “certain literary and artistic works developed by employees of the Claimant and extend without limitation to engineering designs, technical publications, photographs, design specifications, technical drawings, data sheets, quotations, pricing structures, detailed manufacturing designs and models, manuals and digital content contained on its website”. There was no attempt at particularisation. As with the undertakings enclosed with the letters before action, the second injunction made no allowance for section 51 of the 1988 Act.
12. Thereafter the Original Defendants instructed Simon Burn Solicitors (“Simon Burn”) to act for them. Pursuant to the 4 July 2018 Order Mr Simons and G2A delivered up certain materials and served a schedule setting out brief particulars of 16 communications with third parties between December 2017 and February 2018, all of which were already known to TBD.

*1 August 2018 Order*

13. On 19 July 2018 the Original Defendants applied to stay parts of the 4 July 2018 Order and for an extension of time to comply with other parts. This application was settled on the terms of a consent order made on 1 August 2018 (“the 1 August 2018 Order”) under which the Original Defendants agreed to swear affidavits verifying compliance with the 4 July 2018 Order. Pursuant to the 1 August 2018 Order Mr Simons swore an affidavit on behalf of G2A and himself on 9 August 2018 confirming that to the best of his knowledge and belief neither he nor G2A retained

anything falling within the 4 July 2018 Order and that the schedule served pursuant to it was accurate and complete. Mr O’Boyle swore an affidavit on behalf of Obcon on 9 August 2018 giving a similar confirmation. Paragraph 5.6 of Mr Simons’ affidavit stated that he had received the Copyright Works from Matthieu Pommellet of Kelf Engineering SASA (“Kelf”). Mr Pommellet is another ex-employee of TBD. Paragraph 5.6 of Mr O’Boyle’s affidavit stated that he had received the Copyright Works from Mr Simons after the 4 July 2018 Order had been made and only for the purposes of taking legal advice on behalf of Obcon.

### *Defences*

14. On 23 August 2018 the Original Defendants filed Defences in the proceedings. By this point, Mr Simons was acting in person. His Defence in large part adopted the Defence of G2A and Obcon. Their Defence, which was verified by a statement of truth signed by Mr O’Boyle, contended that they had been provided with the allegedly infringing material by Mr Pommellet of Kelf. Kelf, it was said, had obtained the material from an Indian entity called Transtec, which acted under licence from TBD. Thus, it was claimed, the material had come into the possession of G2A legitimately.

### *The application for the Search Order*

15. On 5 October 2018 TBD learned that another customer, who had not been identified by the Original Defendants in the affidavits sworn by them, had been approached by G2A and had received promotional material reproducing TBD’s materials, the existence of which had not previously been disclosed by the Original Defendants. Inevitably this raised questions regarding the Original Defendants’ compliance with the 4 July 2018 Order and the 1 August 2018 Order.
16. On 31 October 2018 TBD applied without notice for a search order against Mr Simons and G2A. No order was sought against Obcon. TBD’s application notice stated that the order it was asking the court to make was:

“A search order under CPR Part 25.1(h) and section 7 of the Civil Procedure Act 1997 in support of the substantive claim arising from a breach of the Claimant’s copyright and a breach of the Court’s order dated 4 July 2018 by the Defendants.

The Claimant wishes to preserve evidence which may be relevant and/or property which is the subject-matter of the proceedings or as to which questions may arise in the proceedings.”

17. The application came before Judge Keyser on 7 November 2018. Counsel for TBD filed a skeleton argument in support of the application, which addressed in paragraph 14 each of the criteria for the grant of a search order identified by Warren J in *Indicii Salus Ltd v Chandresekaran* [2006] EWHC 521 (Ch) at [85] and [2007] EWHC 406 (Ch) at [10]-[11]. The fourth criterion was expressed by counsel as “risk of destruction/removal of evidence”. Counsel submitted that there were at least two reasons to suppose that, absent an order, “evidence may be destroyed or removed”. During the course of his oral submissions to the judge, counsel for TBD mentioned no less than four times the need to preserve evidence for the trial of the action. He did not

submit either in his skeleton argument or in his oral submissions that TBD needed to obtain information for other purposes, such as contacting third parties.

18. Paragraphs 19-23 of the skeleton argument drew the court's attention to the fact that the order sought by TBD departed from the standard form of search order contained in the Civil Procedure Rules in certain respects, in particular in providing for the imaging of the respondents' devices by computer experts "for subsequent analysis". Neither in the skeleton argument nor in counsel's oral submissions, however, was it explained what "analysis" was proposed or how the computer experts were expected to be able to carry out such "analysis".
19. At the conclusion of the hearing Judge Keyser gave an extempore judgment giving his reasons for acceding to the application, save that he declined to include one paragraph of the draft order proposed by TBD. Accordingly, he made an order which omitted that paragraph ("the Search Order"). Thus the terms of the Search Order were as drafted by counsel for TBD (apart from a couple of small amendments discussed during the course of argument).

### *The Search Order*

20. The Search Order is central to these appeals, and it is necessary to set out its terms in some detail. The Search Order bore on its face a prominent penal notice addressed to Mr Simons and G2A. Paragraph 3 of the Search Order specified a return date for a with notice hearing of 16 November 2018. Paragraph 4 of the Search Order contained the usual provision that reference to "the Defendant" meant both Defendants.
21. Paragraph 6 of the Search Order provided:

"The Defendant must permit the following persons:

- (a) One of Ben Daniels, Simon Thomas and Lindsay Elliott of DAC Beachcroft LLP ('the Supervising Solicitors');
- (b) Two of Hugh Hitchcock, Aisha Wardell, Natasha Nicholas, Jonathan Stroud, Steven Koukos and Charlotte Waite solicitors and/or trainee solicitors in the firm of Acuity Legal Limited, the Claimant's solicitors; and
- (c) One of Dean Southworth, Jamie Sharpe, Patrick Nickleson, Alex Eames and Christopher Jackson of CY4OR, forensic computer specialists ('the computer experts')

(together 'the search party'), to enter each premises mentioned in Schedule A to this order and any other premises of the Defendant disclosed under paragraph 19 below and any vehicles under the Defendant's control on or around the premises ('the premises') so that they can search for, inspect, photograph, copy, print, save, or dictate, and deliver into the safekeeping of the Claimant's solicitors all the documents and articles which are listed in Schedule B to this order ('the listed items')."

22. Schedule A identified the premises as follows:

- i) the residential address of Mr Simons;
- ii) the premises used by G2A; and
- iii) the residential address of Mr O'Boyle.

23. Schedule B defined the listed items as follows:

**“THE LISTED ITEMS**

All documents in the Defendants' possession which fall within one or more of the following three categories: –

- (1) They contain material, the copyright of which belongs to the Claimant and shall include but not limited to:
  - a. Engineering designs;
  - b. Manufacturing designs and models;
  - c. Design specifications;
  - d. Technical publications;
  - e. Technical drawings;
  - f. Data sheets;
  - g. Operation manuals;
  - h. Images;
  - i. Photographs;
  - j. Quotations;
  - k. Pricing structures;
- (2) They are the property of the Claimant;
- (3) They consist of, or evidence, communication between the Defendant and any person and/or entity who is, or has been, a client of the Claimant, from 10 June 2016 until the present day, and contain or comprise or refer to items falling within categories (1) and/or (2) above.

For the purposes of the order 'document' or 'documents' mean anything in which information of any description is recorded and includes information held in hard copy or electronically.

If the Defendant thinks that a document might fall within the categories above, but is not sure whether it does or not, he is to

provide it to the Supervising Solicitor who is to retain it pending the return date or further order of the Court.

...”

24. Paragraphs 9-15 contained the following standard terms restricting the search:

“9. Before the Defendant allows anybody onto the premises to carry out this order, he is entitled to have the Supervising Solicitor explain what it means in everyday language.

10. The Defendant is entitled to seek legal advice and to ask the court to vary or discharge this order. Whilst doing so, he may ask the Supervising Solicitor to delay starting the search for up to 2 hours or such other longer period as the Supervising Solicitor may permit. However, the Defendant must:

- (a) comply with the terms of paragraph 23 below;
- (b) not disturb or remove any listed items; and
- (c) permit the Supervising Solicitor to enter, but not start to search.

11.(1) Before permitting entry to the premises by any person other than the Supervising Solicitor, the Defendant may, for a short time (not to exceed two hours, unless the Supervising Solicitor agrees to a longer period):

- (a) gather together any documents he believes may be incriminating or privileged; and
- (b) hand them to the Supervising Solicitor for him/her to assess whether they are incriminating or privileged as claimed.

(2) If the Supervising Solicitor decides that the Defendant is entitled to withhold production of any of the documents on the ground that they are privileged or incriminating, (s)he will exclude them from the search, record them in a list for inclusion in his/her report and return them to the Defendant.

(3) If the Supervising Solicitor believes that the Defendant may be entitled to withhold production of the whole or any part of a document on the ground that it or part of it may be privileged or incriminating, or if the Defendant claims to be entitled to withhold production on those grounds, the Supervising Solicitor will exclude it from the search and retain it in his/her possession pending further order of the court.

12. If the Defendant wishes to take legal advice and gather documents as permitted, he must first inform the Supervising Solicitor and keep him/her informed of the steps being taken.



13. No item may be removed from the premises until a list of the items to be removed has been prepared, and a copy of the list has been supplied to the Defendant, and he has been given a reasonable opportunity to check the list.
  14. The Premises must not be searched, and items must not be removed from them, except in the presence of the Defendant.
  15. If the Supervising Solicitor is satisfied that full compliance with paragraphs 13 or 14 is not practicable, (s)he may permit the search to proceed and items to be removed without fully complying with them.”
25. The Search Order made the following provision for the delivery up of articles and documents. Paragraph 16 was in standard form, while paragraph 17 was materially amended:
- “16. The Defendant must immediately hand over to the Claimant's solicitors any of the listed items, which are in his possession or under his control, save for any computer or hard disk integral to any computer. Any items the subject of a dispute as to whether they are listed items must immediately be handed over to the Supervising Solicitor for safe keeping pending resolution of the dispute or further order of the court.
  17. The Defendant must immediately give the search party effective access to the computers on the premises to include any online data storage, with all necessary passwords, to enable the computers to be searched, forensic images of the data to be taken, and access to all of the Defendant's e-mail accounts (including web-based e-mail accounts) on which any of the listed items may be stored. If they contain any listed items, the Defendant must cause the listed items to be displayed so that they can be read and copied. The Defendant must provide the Claimant's solicitors with copies of all listed items contained in the computers. All reasonable steps shall be taken by the Claimant, the Claimant's solicitors and the computer experts to ensure that no damage is done to any computer or data. The Claimant and its representatives may not themselves search the Defendant's computers unless they have sufficient expertise to do so without damaging the Defendant's system.”
26. One of the amendments to the standard form in paragraph 17 required the Defendants to permit the search party to take “forensic images of the data”. This needs to be read together with the following non-standard provisions in the Search Order which, although they do not use the expression “forensic images of the data”, are evidently intended to apply to such images:
- “18. The computer experts may take a copy of the files on any computers found on the premises for analysis by them following the completion of the search. Following this analysis, they may deliver into the safekeeping of the Claimant's solicitors any further listed items which they recover.

19. For the purposes of this order, the term ‘computers’ is not confined to conventional desk top or lap top computers but includes tablets, mobile telephones and any other form of storage or storage device for user generated computer readable information (including disks, USB sticks and external devices).”
27. Paragraph 20 of the Search Order required the Defendant immediately to provide to TBD’s solicitors in the presence of the Supervising Solicitor information as to the location of listed items and certain other information concerning listed items. Paragraph 21 of the Search Order required the Defendant to swear a confirmatory affidavit within three working days.
28. Schedules C to F to the Search Order contained various undertakings, notably:
  - (a) The following undertaking by TBD (Schedule C paragraph (2)):

“The Claimant will not, without the permission of the court, use any information or documents obtained as a result of carrying out this order except for the purposes of these proceedings (and for this purpose, ‘these proceedings’ includes any subsequent application to join further Defendants).”
  - (b) The following undertakings by Acuity:
    - “(3) Subject as otherwise provided in this order, the Claimant’s solicitors will retain in their own safe-keeping all items obtained as a result of this order until the court directs otherwise.
    - (4) Subject as otherwise provided in this order, the Claimant’s solicitors will return the originals of all documents obtained as a result of this order (except original documents which belong to the Claimant) as soon as possible and in any event within two working days of their removal.”
  - (c) The following undertakings by the Supervising Solicitor:
    - “(3) The Supervising Solicitor will retain in the safe keeping of his/her firm all items retained by him/her as a result of this order until the court directs otherwise.
    - (4) Unless and until the court otherwise orders, or unless otherwise necessary to comply with any duty to the court pursuant to this order, the Supervising Solicitor shall not disclose to any person any information relating to those items, and shall keep the existence of such items confidential.
    - (5) Within 3 working days of completion of the search the Supervising Solicitor will make and provide to the Claimant's solicitors, the Defendant or his solicitors and to the judge who made this order (for the purposes of the court file) a written report on the carrying out of the order.”

- (d) The following undertakings by the computer experts:
- “(1) The computer experts present during the search will not, without the permission of the court, use or disclose to anyone other than the Claimant's Solicitors or the Supervising Solicitor any information obtained as a result of carrying out this order.
- (2) Following the completion of the analysis referred to in paragraph 18 hereof, the computer experts shall return to the Defendant any copy of the Defendant's files which they have taken.
- (3) In the event that it becomes necessary to remove computer equipment from the premises, the computer experts shall complete the copying process, and shall return the computer equipment to the Defendants, as quickly as possible.”

*Execution of the Search Order*

29. The Search Order was executed on Friday 9 November 2018. G2A's premises and Mr O'Boyle's home were searched, but TBD decided that it was unnecessary to search Mr Simons' home.
30. Simon Thomas, the Supervising Solicitor for the search of G2A's premises, provided a report dated 13 November 2018 pursuant to the Search Order (“the Report”) which described the search. The Search Order was served on Mr Simons (both for himself and G2A). The Report notes that, whilst “understandably shocked at the events taking place, Mr Simons was co-operative, helpful and accommodating throughout the execution of the Order”. The search was delayed until representatives of Mr Simons' solicitors (Hugh James) and G2A's solicitors (Simon Burn) had arrived.
31. The Report records that Acuity, on behalf of TBD, conducted a review of hard-copy documents looking for listed items:
- “11. **The Listed Items:** During the search, Charlotte Waite of the Claimant's Solicitors made a list of the items thought to fall within the ambit of Schedule B of the Order, a copy of which appears at Appendix 1 to this report. The Claimant's solicitors took into their possession the originals of those documents, in accordance with paragraphs 6 and 16 of the Order, following discussions between all of the parties – including Mr Simons, Mr Simons' solicitors and G2A's solicitors – as to whether the documents fell within the ambit of the listed items in Schedule B of the Order.
12. There was some debate during the search as to whether some documents which were found at the Premises properly fell within the ambit of Schedule B of the Order. Mr Simons, Mr Simons' solicitors and G2A's solicitors took an accommodating approach. It was decided that where documents were not disputed items, but it remained unclear as to whether they properly fell within the ambit of Listed Items, the documents were given to the Claimant's solicitors and were recorded as listed items, but that the three sets of solicitors at the Premises

acting for the parties would seek to determine between them after the search whether they were all indeed documents which properly fall within Schedule B of the Order, with any unresolved points to be determined at the hearing on the return date...

13. Use was made of a scanner at the Premises. All of all of [*sic*] the listed documents were scanned and emails of them sent to each of the solicitors at the Premises. Copies of those documents appear at Appendix 2 of this report, comprising the listed items.”
32. There were two disputed hard-copy documents. The way in which these were dealt with is described in paragraph 15 of the Report:

“... I provided a separate list of those items to Mr Simons, which he checked, in accordance with paragraph 13 of the Order. A copy of that list was also provided to Mr Simons’ solicitors and to G2A’s solicitors. I await the further instructions of the Court in respect of those two original documents in my possession...”

33. The Report records that there was discussion concerning the taking of forensic images of data pursuant to the Search Order:

“16. **Access to the images taken of the electronic devices:** There was some discussion between the parties during the search as to how best to implement some provisions in paragraphs 17 and 18 of the Order, given that:

- a. Mr Simons confirmed that the images of the electronic devices preserved by the Computer Experts will contain listed items as well as other documents which are outside the scope of the listed items in Schedule B of the Order, access to which the Claimant is not entitled;
- b. Mr Simons indicated that the imaged documents might also include privileged documentation, again to which the Claimant is not entitled; and
- c. The imaging itself took place during the Search Period (and in some instances after the search had completed, over the course of the weekend), such that it was impractical to examine the content of the electronic devices whilst they were being imaged.

...

18. The parties took a sensible and pragmatic approach. It was agreed that the focus during the Search Period should be on the preservation of the contents of the computers and electronic devices by them being imaged. It was further agreed that there would follow discussion between the solicitors acting for the parties, after the search, as to how practically the Computer Experts would extract the listed items from

the electronic devices, with any outstanding points between them to be held over for determination at the return date hearing.”

34. Thus it was agreed that (i) the computer experts would take forensic images of the data stored on computers found at the premises (“the Images”), (ii) the Images would not be searched for listed items at that stage, (iii) there would be discussion between the parties as to how listed items would be extracted from the Images by the computer experts given Mr Simons’ concerns that the Images would include documents which were not listed items and might include privileged documents and (iv) any disagreement would be resolved by the court at the hearing on the return date.
35. The following devices were imaged: (i) a mobile phone used by Mr Simons for both work and personal purposes; (ii) a portable hard-drive used by Mr Simons for both work and personal purposes; (iii) a laptop computer; (iv) two desktop computers; and (v) a server. The Report records that it was agreed that the imaging of the desktop computers and the server would run over the weekend and that Mr Simons would permit the Supervising Solicitor and one of the computer experts to re-enter the premises on Monday 12 November 2018 to retrieve the imaging equipment.
36. In addition, G2A’s Gmail and Microsoft Office 365 accounts were imaged by the computer experts, the latter overnight. So too were two email accounts used by Mr Simons: a personal email account and a business email account used by Mr Simons’ company AGS Consulting Services Ltd.
37. Turning to the search of Mr O’Boyle’s home, the only point that it is necessary to note is that a desktop computer and a tablet computer were both imaged.

*Affidavits made pursuant to the Search Order*

38. Mr Simons filed an affidavit sworn on 16 November 2018. At paragraph 4 of that affidavit, he disavowed his first affidavit (referred to in paragraph 13 above) in the following terms:

“The entire content of paragraph 5 of my first affidavit is false and untrue. I have deliberately misled the Claimant and the court and made gross errors of judgement. I accept that I must deal with the consequences of my actions. I make this affidavit openly and in an attempt to remedy my wrongdoings and wish to wholeheartedly convey my sincere apologies to the court and the parties to this litigation.”
39. Mr Simons accepted that he had taken material away from TBD when his employment ended. His affidavit was accompanied by some nine lever arch files of documents, some of which comprised the material that Mr Simons had improperly taken from TBD. Mr Simons did not implicate anyone else in this wrongdoing.
40. G2A’s affidavit was sworn by Mr O’Boyle on 16 November 2018. His position was that, whilst in no way seeking to contest Mr Simons’ personal culpability, Mr O’Boyle had himself been taken in by the version of events which Mr Simons now said was false. Mr Simons was dismissed from G2A and his directorship was terminated.

*Correspondence prior to the return date*

41. It will be recalled that the Search Order specified a return date of 16 November 2018. In correspondence shortly before that date, the parties agreed to adjourn the hearing to an unspecified later date. In addition, the question of searching the Images was discussed as follows.

42. In a letter to Simon Burn dated 13 November 2018 Acuity stated:

“If the return hearing is to be adjourned then we would suggest that the parties use the intervening period to discuss and attempt to agree the parameters for our client’s search of the electronic data copied during the search order. To this end, we propose to provide you with a key word list to be used by the computer experts in filtering the relevant documentation.”

Although this letter referred to Simon Burn as acting for Mr Simons, G2A and Obcon, that was inaccurate. There was no response to this letter.

43. On 15 November 2018 Acuity again wrote to Simon Burn, this time noting that Simon Burn were acting for G2A and Obcon. Acuity also wrote to Hugh James on behalf of Mr Simons. Both letters stated:

“Whilst the physical search has already uncovered a large amount of ‘listed items’ considered relevant to the substantive proceedings, the scope of the search also extended to imaged data contained on electronic devices at the premises and we enclose a copy of the exhibit listing table provided by the instructed IT experts in respect of the same.

As you are aware, we are hoping to commence the electronic search of the imaged data as soon as possible as the information may assist the Court in dealing with matters raising [*sic*] at the return hearing. However, we appreciate that the parties must try to agree the parameters of the search and to this end our proposals are as follows:

1. We intend to ask the experts to collate photographs, images and drawings so that all files can be reviewed. We are confident that this will not be subject to contention, as you and your client will appreciate that keywords are unlikely to register any positive responses against these file types.
2. In respect of all other file types, we intend to apply a keyword search as per the attached draft. Please note that we have made further inquiries with the IT experts as to how the derivations of words are searched and await their response. Provided that the experts confirm that, for example, searching ‘trolley’ will register positive responses for ‘bottle trolley’, ‘oxygen trolley’, etc, it is possible for the keyword list to be reduced accordingly.

We look forward to hearing from you as a matter of urgency and for the avoidance of doubt by no later than **4pm on Friday 16 November 2018.**”

44. The list of keywords enclosed with the letters is, on any view, extraordinary. It is divided into eight categories. The first three categories of keywords are not in fact disclosed. They consist of the names of (i) TBD’s customers, (ii) TBD’s past and present employees and (iii) TBD’s past and present suppliers, all of which are said to be confidential. The fourth category consists of no less than 50 keywords purportedly designed to identify TBD equipment, but most of which consist of generic terms such as “baggage carts” and “maintenance lifts”. The fifth category consists of 19 partial drawing reference numbers. The sixth category consists of eight names or email addresses of companies associated with TBD. The seventh category is headed “General” and consists of 13 keywords, most of which are entirely generic terms such as “quote”, “brochure”, “order” and “manual”. The eighth category consists of names of persons and entities related to G2A, including Mathew Conway, the third director of G2A. The list runs to no less than 96 keywords, not including the unspecified number included in the first three categories.
45. On 16 November 2018 Acuity sent chasing letters to Simon Burn and Hugh James. No response was received from either firm.

*Applications to set aside the Search Order and to strike out the claim against Obcon*

46. Before the Images had been analysed, G2A applied to have the Search Order set aside, and Obcon applied to have the proceedings against it struck out, by application notice dated 20 November 2018. The application notice was supported by witness statements made by Mr O’Boyle on 22 November 2018, Eifion Roberts of G2A’s accountants Langtons on 19 November 2018 and Mark Ingram of Simon Burn on 20 November 2018. A separate application to have the Search Order set aside was subsequently also made by Mr Simons by application notice dated 22 November 2018, no doubt as a result of being served with the application notice of G2A and Obcon.
47. These applications came before Judge Keyser on 10 December 2018. On 4 January 2019 the judge handed down his judgment, deciding that the claim against Obcon would be struck out and the 4 July 2018 Order discharged insofar as it related to Obcon. The Search Order was set aside insofar as it related to Mr O’Boyle’s home, but otherwise the applications to have the Search Order set aside were dismissed. The hearing was adjourned to 18 February 2019 in order to enable the parties to make submissions as to consequential orders.
48. Although the hearing on 10 December 2018 was the first *inter partes* hearing following the Search Order, there was no discussion of the Images or of TBD’s proposed keyword searches.

*Correspondence between 4 January 2019 and 18 February 2019*

49. On 14 January 2019 Acuity again wrote to Simon Burn. The letter was addressed to Simon Burn as acting for all three Defendants, although Mr Simons was acting in person. The letter stated:

“As you are aware, we are awaiting confirmation from the Court for the listing of the handing down of HHJ Keyser QC's draft judgment [*sic* – it appears that they meant the consequential hearing] and which will be combined with a CMCC.

On that basis, it is necessary for us to advance as far as possible all outstanding issues and in particular now undertake a proper analysis of the information that was seized as part of the search order undertaken on 9 November 2018. We would therefore be grateful if you could please now revisit the keyword schedule that was provided to you under cover of our letter of 16 November... We fully expect the Court will expect the parties to advance this issue as far as possible prior to the CMCC as inevitably this will have a bearing on the timetable and the appropriate directions.

As you are aware the search has already produced substantial information and which was exhibited by way of 9 lever arch files to the affidavit of Mr Simons...”

50. There was no reply to this letter from Simon Burn. Acuity wrote in similar terms to Mr Simons on 18 January 2019.

51. On 22 January 2019 Acuity wrote to Simon Burn noting that a hearing had been listed before Judge Keyser on 18 February 2019 “to deal with outstanding issues of costs together with other matters associated with the search order including the proposed keyword search”. The letter was again erroneously addressed to Simon Burn as the solicitors for all three Defendants. The letter went on to note that Acuity had received no response to their letters dated 13 November 2018, 15 November 2018, 16 November 2018 and 14 January 2019 and stated “if further directions are to be considered the court will expect the parties to have attempted to narrow the issues where possible”. Again, there was no reply.

52. On 25 January 2019 Mr Simons sent an email to Acuity in which he said:

“In relation to the keyword search I have never been party to agreeing the keyword search that you attached and I do believe that there are keywords present that are not part of the items that you was ever searching for when the search warranted issue was granted so I would like to know why this has been put on the list? To me this list has been created out of your clients paranoia rather than sticking to what the search order was granted for so I could not possibly agree with the keyword search list of words at the time.”

53. On 1 February 2019 Acuity wrote to Simon Burn expressing astonishment at the absence of a substantive response to their letters and stating:

“With your application on behalf of G2A to set aside the search having been dismissed it is sensible for the hearing listed for 10:30am on 18 February 2019 to deal with the outstanding issues from the part-heard handing down, the proposed keywords list being one of increasing importance. We have provided you with sufficient



opportunity to review, consider and provide further comment in respect of our client's proposed keywords, however, it appears that neither you nor your client are prepared to sensibly engage on this issue. In fact, our requests and genuine attempts to agree this have simply been ignored.

We and our client cannot tolerate any further delays in the analysis of the data recovered from your client's premises as evidently this will ultimately have a knock-on effect on the substantive proceedings and the issues for the Court to consider. We firmly believe it will considerably assist the Court at the hearing on 18 February if the analysis is already underway. We would remind you that it is now almost 3 months since the search order was executed and you have had the proposed word search in your possession as long. Accordingly, should we not hear from you in relation to any specific objections to any of the keywords by 2pm on **Tuesday 5 February 2019**, we will presume that they are agreed in their draft form and will proceed with our client's IT experts on this basis. Counsel has actually pointed out there is in fact no obligation on us to agree this with you."

A letter in similar terms was written to Mr Simons on the same date.

54. On 5 February 2019 Mr Simons sent Acuity an email in which he said.

"In relation to the keyword search your client have used a too broad of [*sic*] keywords which is wrong, your client wants to source their information so I would believe sticking to their specific drawing numbers would be best suited. They are asking for words which are generic through the industry and in my eyes are purely looking on what a competitor is up to which I don't believe is correct."

Mr Simons went on to comment in detail on each of the categories of keywords proposed by Acuity. By way of example, he commented on the seventh category as follows:

"Item 7, 'General', this again is very broad. Most business [*sic*] around the world would use these 'General phrases/words', so can you please identify your clients customer specific details as you could be viewing trade secrets of other companies who are not your clients."

His comments on the eighth category included the following:

"... You mention Andrew Simons, please can you keep to your clients specific details [*in*] what capacity is Andrew Simons owned by your clients and explain as to why such a broad search of my name is placed upon me as I have private information relating to my life/family etc which is not your clients information on my hard drive ..."

55. On 6 February 2019 Acuity wrote to Simon Burn repeating their astonishment at the absence of any response to their earlier letters and saying:

“We remind you that your lack of engagement is not only disappointing but also counterproductive in terms of the parties and the court dealing with what should be a relatively straightforward matter at the forthcoming hearing of 18 February 2019.”

56. On 7 February 2019 Acuity replied to Mr Simons’ email dated 5 February 2019. Although Acuity responded to Mr Simons’ comments, the tenor of their responses was simply to dismiss his objections out of hand. Thus in relation the seventh category Acuity said:

“Your objection to item 7 is misguided. These are perfectly normal words which appear on our client’s literature and which you have conceded appear on the literature which you provided to third parties.”

In relation to the eighth category, Acuity asserted that a search against all the names listed was “most certainly appropriate” and ignored the point made by Mr Simons about his personal information.

57. The letter went on:

“On a general note, we highlight that the word search is not conclusive either way of the outcome of this claim or the pleaded issues but relates to potentially relevant information that has been gathered as a result of the search. We cannot see any of your objections to be remotely reasonable in the circumstances to prevent this information being looked at and, if having considered our explanation, it remains your case that all of these words are objected to then the only alternative would be to incur further costs in disputing this with you at the hearing on 18 February. We sincerely hope that can be avoided and would ask you to reflect immediately on the objections and/or properly particularise these in light of the above facts.”

58. Acuity’s statement that none of Mr Simons’ objections was “remotely reasonable” is extraordinary, particularly in a letter addressed to a litigant in person. In my view Mr Simons’ objections were not merely reasonable, they were well founded. In particular, Acuity ignored the basic point being made by Mr Simons that the keyword searches would inevitably result in documents being identified which extended well beyond “listed items” as defined in the Search Order and included his personal and private information. The consequences of Acuity’s approach will be seen below.

59. On 12 February 2019 Simon Burn wrote to Acuity to give notice that they were ceasing to act for G2A. They explained that G2A was no longer trading and thus was unable to fund legal representation. They added that G2A was obtaining advice from an insolvency practitioner about entering into a creditors’ voluntary liquidation.

60. Mr Simons replied to Acuity on 15 February 2019, repeating his objections to the keywords.

61. Despite what Acuity had threatened in their letters to Simon Burn and Mr Simons, TBD did not issue an application returnable at the hearing scheduled on 18 February 2019 seeking the court’s determination of the issue as to the keywords.

*TBD's application for permission to bring committal proceedings against Mr Simons*

62. On 12 February 2019 TBD applied pursuant to CPR rule 81.17 for permission to begin committal proceedings against Mr Simons. In breach of rule 81.14(1)(a), neither the application notice nor the draft order set out the grounds for committal alleged against Mr Simons (so far as required, as to which see below).
63. The application was supported by an affidavit sworn by Aisha Wardell, a partner in Acuity. In paragraph 23 Ms Wardell said that, by his own admission in his second affidavit, Mr Simons had committed "at least" three acts of contempt: (i) he had failed to comply with the 4 July 2018 Order, (ii) he had sworn a false affidavit and (iii) he had made a false statement of truth in G2A's Defence. She went on in paragraph 26 to say that, should the court consider it necessary, TBD expected that it would "in due course" be able to give "specific details of the respects in which Mr Simons had breached the 4 July 2018 Order", but hoped that the court would be prepared to deal with application "without the need for that step to be undertaken". Thus TBD was asking to be relieved of the requirement properly to particularise this aspect of its application, and moreover against a litigant in person.

*Hearing on 18 February 2019*

64. A further hearing took place before Judge Keyser on 18 February 2019. Mr Simons appeared in person, G2A appeared in person represented by Mr O'Boyle and Obcon was represented by counsel instructed by Simon Burn.
65. It will be appreciated from what I have said above that the two principal matters that fell to be considered by Judge Keyser were the orders consequential on his judgment of 4 January 2019 and TBD's application for permission to bring committal proceedings against Mr Simons. It is not necessary to say anything about the first matter. So far as the second matter is concerned, the skeleton argument filed by counsel for TBD dealt with the application briefly. It mentioned some of the relevant provisions of Part 81, but not rule 81.14(1)(a). Nor did it draw the judge's attention to paragraph 26 of Ms Wardell's affidavit and the implications of that paragraph. Although we have not seen a transcript of hearing, it is evident that these omissions were not rectified in counsel's oral submissions. It appears that Mr Simons did not oppose the application.
66. In the order which the judge made at the conclusion of the hearing ("the 18 February 2019 Order") TBD was granted permission "to make an application for the committal of Mr Simons" i.e. without limit as to the grounds relied upon. We were not shown any reasoned judgment of Judge Keyser giving his reasons for granting permission, and counsel for TBD informed us that it was his recollection that no reasoned judgment was given.
67. In my judgment, particularly bearing in mind that Mr Simons was acting in person, the manner in which TBD's application for permission to bring committal proceedings was dealt with was seriously procedurally defective so far as compliance with rule 81.14(1)(a) is concerned.

68. I turn next to consider a matter which was not discussed during the hearing before Judge Keyser. In the introductory section of his skeleton argument for the hearing identifying the matters for consideration at the hearing, counsel for TBD stated:
- “There is a further possible matter which is the question of what search terms can be deployed in relation to the electronic documents obtained on the search. Attempts have been to agree this with Ds 1/2, but those Ds have not engaged with this, either constructively (in the case of D1) or at all (in the case of D2). There is in fact nothing in the Search Order to prevent C from using whatever terms it wishes and, while C has no objection to genuine disputes being resolved at this hearing, that is what C proposes to do.”
69. This statement failed to draw the court’s attention to the relevant terms of the Search Order, it failed to mention the agreement between the parties recorded in the Supervising Solicitor’s Report and it failed to alert the court to the extraordinary breadth of the keywords being proposed by TBD. The assertion that Mr Simons had not engaged “constructively” was misleading and unfair to Mr Simons. The statement that G2A had not engaged at all failed to mention that it had ceased trading and was heading for liquidation. I will address the merits of the assertion that there was “nothing in the Search Order to prevent C from using whatever terms it wishes” below.
70. Consistently with what was stated in the skeleton argument, counsel for TBD did not raise this matter at the hearing before the judge. Counsel for TBD relied in his submissions to this Court upon the fact none of the Original Defendants raised the matter at the hearing either. I am unimpressed by this. For reasons that will appear, I consider that TBD should have made an application for the court to determine the scope of the analysis of the Images at the hearing. In any event, the Original Defendants’ failure to raise the matter cannot be construed as amounting to consent to TBD’s course of action given that TBD was asserting that it had the right to proceed unilaterally. That is particularly so given that both Mr Simons and G2A were unrepresented. (Although Obcon was represented by counsel, Obcon had no interest in this aspect of the matter given that, not only had the claim against Obcon been struck out, but also the Search Order had not extended to Obcon anyway.)
71. Counsel for TBD also relied upon the fact that Judge Keyser had not raised the matter of his own motion as somehow amounting to judicial endorsement of TBD’s interpretation of the Search Order. In my judgment this is an impossible submission for the reasons given in paragraph 69 above. Still less can Judge Keyser have endorsed what Acuity went on to do, which as will appear exceeded even what TBD had proposed.
72. Counsel for TBD’s skeleton argument went on to mention that it was envisaged that, “following a review of the material obtained in the search”, TBD would wish to amend its Particulars of Claim. For this reason, the 18 February 2019 Order recorded TBD’s stated intention to amend its Particulars of Claim and made directions in respect thereof.

*The search of the Images*

73. Consistently with what had been threatened in TBD's skeleton argument for the hearing on 18 February 2019, Acuity proceeded to instruct CY4OR to carry out keyword searches of the Images despite the absence of any agreement with Mr Simons or G2A, or any court order. Copies of documents identified by these searches ("the Searched Documents") were provided to Acuity. In addition, Acuity were provided with access to complete copies of the Images. Acuity used some of the Searched Documents in a variety of ways, including advising TBD, making applications to the court on behalf of TBD and communicating with third parties. I shall consider what CY4OR and Acuity did in more detail below.
74. At this stage I should point out that I have defined "the Images" as meaning the images of the devices imaged at G2A's premises, that is to say, devices belonging to Mr Simons and G2A. As noted above, two devices belonging to Mr O'Boyle were also imaged, but the Search Order in respect of Mr O'Boyle's home was set aside. It follows that the images of Mr O'Boyle's devices should have been either deleted or returned to Mr O'Boyle prior to the commencement of the analysis of the Images. It is not entirely clear that that was in fact done, but I shall assume that it was.

*TBD's application for an extension of time*

75. On 27 March 2019 TBD applied for an extension of time for service of its proposed Amended Particulars of Claim in compliance with the 18 February 2019 Order. The application notice stated that the reason the extension was sought was that "the search and review of the documents obtained in the search order ... is taking longer than expected". It went on to say that TBD had obtained "in excess of 400,000 items" and that:

"... the search and review of the ... documents had taken longer than expected in light of the fact that over 100,000 documents were responsive to the Claimant's key words. Due to the sheer volume of documents, as at the date of this application, the search and review of the documents is still being carried out, with in excess of some 50,000 documents having been processed. The Claimant is unable to amend its Particulars of Claim until the search and review of the documents is complete ..."

76. Judge Keyser made the order requested the same day on paper. The Original Defendants neither opposed the making of the order nor applied to set aside it.
77. Counsel for TBD again relied upon this order as amounting to judicial endorsement of TBD's interpretation of the Search Order. I again reject this for the same reasons as I have given in paragraphs 69 and 71 above.

*1 April 2019 Letter*

78. On 1 April 2019 Acuity on behalf of TBD wrote to Mr O'Boyle threatening to apply for permission to bring committal proceedings against him unless a "sensible and realistic" settlement proposal was received by 9 April 2019 ("the 1 April 2019 Letter"). The letter enclosed a draft affidavit of Hugh Hitchcock, a partner in Acuity,

and exhibits. Both the letter and the draft affidavit made considerable reference to Searched Documents. As explained in more detail below, Acuity subsequently sent copies of this letter and its enclosures to a number of third parties.

*TBD's communications with third parties.*

79. Acuity on behalf of TBD wrote a number of letters to third parties using Searched Documents. These included the following examples.

80. First, on 8 April 2019 Acuity wrote to Langtons regarding the ownership of G2A. It will be recalled that the basis for TBD's claim against Obcon is that it is the owner of the shares in G2A. This is denied by the Original Defendants, who contend that the owner is Joma. In Mr Roberts' witness statement dated 19 November 2018 Mr Roberts had given evidence about filings at Companies House to record a change in ownership of G2A from Obcon to Joma. Acuity's letter to Langtons enclosed a copy of the 1 April 2019 Letter and its enclosures (referred to as "the Letter"), asserted that it was "not possible to reconcile" the evidence in the Letter with Mr Roberts' witness statement and listed some "serious questions which need addressing". It concluded:

"As should be demonstrably clear from the Letter, our client is taking rigorous action to root out any inconsistencies in the evidence relied upon by the Defendants in the proceedings thus far and take appropriate action to bring those who have provided false or misleading evidence to account.

To this end, prior to the Letter being sent, permission was sought and granted by the court to bring committal proceedings against Mr Andrew Simons (a director of G2A) for contempt of court. As will be evident in the Letter, the next stage is to seek permission from the court to bring committal proceedings against Mr John O'Boyle for contempt of court. We therefore require you to respond to the above points substantively by 12 noon on 16 April 2019 ...

We remind you that the Witness Statement is now the subject to ongoing High Court proceedings, and Mr Eifion Roberts maybe [*sic*] required to attend the proceedings and be cross-examined on it.

Please respond immediately to confirm receipt of this letter and enclosures and provide full details of your regulatory body on return."

81. Secondly, on 28 March 2019 and 11 April 2019 Acuity wrote to Ryanair DAC. The letter dated 28 March 2019 referred to the Search Order and explained that an order which Ryanair had placed with G2A had been identified from the Searched Documents. Various questions were raised about the contract. (Counsel for Obcon, OSL and Mr O'Boyle told us that the order from Ryanair was the only actual order which G2A had obtained using infringing promotional materials, which if correct will have an obvious bearing on the proportionality of these proceedings.) The letter dated 11 April 2019 noted that no response had been received to the earlier letter. It enclosed a copy of the 1 April 2019 Letter, stating that committal proceedings were being sought against both Mr O'Boyle and Mr Simons, and threatened an application to court for third party disclosure if Ryanair did not respond by 16 April 2019.

82. Thirdly, on 24 April 2019 Acuity wrote to G2A’s liquidator enclosing a copy of the 1 April 2019 Letter, saying that it expanded on issues raised in a previous letter of 23 April 2019 concerning a debt claimed by Obcon “and provides greater insight into the conduct of the directors privy to the substantive proceedings and the insolvency proceedings”. Remarkably, Acuity demanded a response by the following day. On 26 April 2019 Acuity wrote again complaining of the absence of a response to their letters of 23 and 24 April 2019 and enclosing copies of “numerous” G2A documents which it appears that Acuity obtained from the Searched Documents.
83. Fourthly, on 24 April 2019 Acuity wrote to David Gray, another ex-employee of TBD, enclosing a copy of the 1 April 2019 Letter and its enclosures and threatening to apply to join him as a defendant to the proceedings unless he voluntarily provided disclosure and undertakings.
84. Fifthly, on 15 June 2019 Steve Meredith, TBD’s Managing Director, filed a complaint against Simon Burn with the Solicitors’ Regulation Authority (“the SRA”) contending that Simon Burn should no longer be acting for Mr O’Boyle. The complaint, which looks as if it was drafted by Acuity, enclosed a copy of the 1 April 2019 Letter and its enclosures and stated that TBD had applied for permission to bring committal proceedings against Mr O’Boyle.

#### *Liquidation of G2A*

85. On 12 April 2019 G2A went into liquidation. The liquidator was appointed on 23 April 2019.

#### *TBD’s draft amended Particulars of Claim*

86. On 18 April 2019 TBD served draft Amended Particulars of Claim. The proposed amendments included the introduction of various claims against OSL, Mr O’Boyle, Kelf and Mr Pommellet (“the Additional Defendants”). The details do not matter for present purposes. It is sufficient to say that the amendments were based, at least in part, on Searched Documents.

#### *TBD’s application for committal of Mr Simons*

87. On 25 April 2019 TBD issued its application for committal of Mr Simons. The application was supported by an affidavit sworn by Mr Hitchcock on the same date. In paragraph 24 of that affidavit Mr Hitchcock repeated verbatim what Ms Wardell had said in paragraph 23 of her affidavit. He went on, however, in paragraph 32 as follows:

“While it would appear that Mr Simons freely admits his contempt of court in the respects I have set out above, I consider it appropriate to make the Court aware of the extent of the deception and the manner and timing of its development. As a result of the search C has found a transcript of text messages between Mr O’Boyle and Mr Simons. I exhibit this ...”

88. The document in question (“the Transcript”) is not a transcript in the usual sense of that word: it is a direct copy of the sequence of texts which evidently derives from the

image of Mr Simons' mobile phone. It contains texts dating from 4 December 2017 to 9 November 2018.

89. In his affidavit Mr Hitchcock proceeded to quote extensively from, and to comment on, texts dating from 16 July to 8 August 2018. In paragraph 38 he said that, in TBD's view, these exchanges demonstrated "beyond any doubt" that Mr Simons and Mr O'Boyle had been engaged in "a dishonest scheme to create a false and supposedly legitimate provenance for the documents" relied upon in the Original Defendants' Defences. He repeated that the texts demonstrated this "beyond any doubt" in paragraph 45 and stated that this was "on any view, a carefully planned deception which was sustained over many months". In paragraph 46 Mr Hitchcock stated:

"It might be thought from Mr Simons' confessional affidavit and extensive yielding up of material that he has come completely clean and no longer represents a threat to C. Unfortunately, C feels considerable doubt as to whether that is the position. ..."

He went on to refer to a number of other documents found amongst the Searched Documents.

90. The grounds for TBD's application were set out in an annex to the application notice dated 3 April 2019. Ground 1 was that Mr Simons had breached the 4 July 2018 Order in five respects. Ground 2 was that the first affidavit sworn by Mr Simons was false in six respects.

91. Ground 3 was as follows:

"On 23 August 2018, Mr Simons signed a Statement of Truth on a Defence which contained a number of statements which were to Mr Simons' knowledge false, including the following:

3.1 at paragraph 9:

3.1.1 a statement that Mr Simons adopted paragraphs 8 to 12 of the defence of G2A and the Third Defendant ('Obcon') (this carrying with it the implication that those paragraphs were true);

3.1.2 a denial that Mr Simons had used the Claimant's trade secrets or analogous confidential information as alleged or at all;

3.2 at paragraph 10, a denial that Mr Simons (inaccurately there referred to as 'the claimant') had breached clause 24.1 of his contract of employment with the Claimant;

3.3 at paragraph 11, a statement that 'in all respects' Mr Simons 'accepts and endorses the defence of G2A and Obcon'.

In point of fact, the Defence of G2A and Obcon was false in a number of respects including in particular the averment at paragraph 9 that the documents of which complaint was made by the Claimant were



supplied to G2A by Kelf Engineering who in turn obtained them from Transtec Overseas, acting under licence from the Claimant. This averment was developed in paragraphs 20-31 of that document by reference to a number of documents which, Mr Simons knew, had been falsely created.”

92. It can be seen that this ground alleges that “a number of statements” are false “including” those listed. Thus the allegation is not limited to the specified statements. In my judgment this does not properly comply with rule 81.14(1)(a).
93. Marcus Smith J found at [31(3)(c)] that it was likely that, were Mr Simons to contest Ground 3, evidence obtained from searches of the Images would be deployed by TBD in order to make good this ground. Although counsel for TBD challenged this finding, it is supported by the extensive references to Searched Documents in Mr Hitchcock’s affidavit. I will return to this point below.

#### *Correspondence in May 2019*

94. In May 2019 there was correspondence between Acuity and Simon Burn, now instructed by Obcon, OSL and Mr O’Boyle (collectively, “the O’Boyle Defendants”), concerning TBD’s proposal to amend the Particulars of Claim and its application for permission to bring committal proceedings against Mr O’Boyle. In a letter dated 8 May 2019 Simon Burn said:

“ ... you are seeking a response to the allegations made against John O’Boyle personally in the context of your client’s threat of committal proceedings. We are however deeply concerned by your firm’s failure to properly implement the Search Order and in particular your client’s reliance upon text messages to support its allegations against Mr O’Boyle.

Paragraph 18 of the Search Order states ...

Schedule B of the Search Order sets out the definition of Listed Items ...

Paragraph 18 of the Supervising Solicitor’s Report noted that there was a debate as to how to implement Paragraph 18 of the Search Order in circumstances where the IT experts would have no knowledge of which documents would fall into the definition of Listed Items. It noted that: *‘It was further agreed that there would follow discussion between the solicitors acting for the parties, after the search, as to how practically the Computer Experts would extract the listed items from the electronic devices, with any outstanding points between them to be held over for determination at the return date hearing.’*

... there was no consideration at the hearing [on 18 February 2019] of the procedural issue which had arisen – namely how your firm ... implement the Search Order in circumstances where the two Defendants were unrepresented and, as such, no discussion could be

held about which documents were Listed Items (to which your client is entitled to [*sic*] under the Search Order) and which documents were not Listed Items.

We have not seen any evidence of any attempt made by your firm to apply to Court to resolve this implementation issue. Rather, it appears that you have carried out a search using the key words set out in your client's draft key words list and have used the documentation obtained from that search to threaten committal proceedings against Mr O'Boyle and to build a claim against Mr O'Boyle.

Enclosed with your letter to Mr O'Boyle ... is a draft Affidavit ... in support of a threatened committal application. Exhibit HH13 includes a number of text messages purportedly exchanged between Mr O'Boyle and Mr Simons from 4 December 2017 to 11 September 2018.

However, these text messages do not fall within the definition of Listed Items at Schedule B of the Search Order and as such your client was not entitled to a) use them or b) rely on them.

...

Of even greater concern, on 8 April 2019 you wrote to [Langtons enclosing] a copy of [the 1 April 2019 Letter], the draft Affidavit of Hugh Hitchcock ... and the draft exhibits. Your firm and your client has not only relied on documents which your client was not entitled to recover from the search but [also] shared these documents with third parties, in further breach of the Search Order.

..."

95. Acuity replied on 17 May 2019 arguing that the Transcript was a listed item within the Search Order and that they had only used Searched Documents "for matters relating to the proceedings". Acuity's reply ignored the point made by Simon Burn concerning the agreement recorded in paragraph 18 of the Supervising Solicitor's Report. Indeed, Acuity asserted:

"The parties to the search knew exactly what had been imaged on the day of the search and did not express any objection during the implementation of the search. Furthermore, the Defendants did not adequately (or at all) engage in the subsequent attempts to agree on the search parameters and key words. Indeed none of the current parties have raised any objections whatsoever."

It is not entirely clear what Acuity meant by "the current parties", but since Mr Simons remained a party, on its face that expression included him. As I have explained, Mr Simons had in fact repeatedly raised reasoned, and indeed well founded, objections.

*TBD's application to join the Additional Defendants*

96. On 20 May 2019 TBD issued an application for permission to amend its claim form and Particulars of Claim, to join the Additional Defendants and to set aside the 18 February 2019 Order in so far as it struck out the claim against Obcon.

*TBD's application for permission to commence committal proceedings against Mr O'Boyle*

97. On 22 May 2019 TBD issued an application for permission to bring committal proceedings against Mr O'Boyle. The application was supported by an affidavit sworn by Mr Hitchcock on the same date. In his affidavit, Mr Hitchcock said:

**“Matters uncovered by the Claimant's search**

13. Meanwhile, and following a delay during which the Claimant tried, but failed, to obtain the Defendants' co-operation regarding search terms, the Claimant has progressed its search of the material obtained on 9 November 2018. This, so far, has revealed a very different picture to the one put forward by Mr O'Boyle and one which, in the Claimant's respectful opinion, demonstrates beyond any doubt that he knew what Mr Simons was doing and indeed to some extent controlled it. It also reveals that he knew that some of the statements contained in the Defence, and in his Affidavits and witness statements, have been untrue.
14. First and foremost, as a result of the search, the Claimant has found a transcript of text messages exchanged between Mr O'Boyle and Mr Simons...”
98. Further statements that the Transcript demonstrated Mr O'Boyle's guilt “beyond any doubt” were made by Mr Hitchcock in paragraphs 19 and 25. In paragraph 29 Mr Hitchcock said that “[w]hat makes Mr O'Boyle's contempt and deceit much worse than that of Mr Simons is that Mr O'Boyle first of all led and directed it, and second that he has not come clean about it in the way that Mr Simons has done”.
99. Mr O'Boyle disputes these allegations: he contends that the texts recorded in the Transcript are consistent with his case that he had been duped by Mr Simons.
100. Like its application against Mr Simons, TBD's application for permission to bring committal proceedings against Mr O'Boyle was not accompanied by draft grounds for committal. Simon Burn wrote to Acuity complaining about this on 28 and 29 May 2019.

*31 May 2019 Order*

101. On 31 May 2019 there was a hearing of TBD's applications dated 20 May 2019 and 22 May 2019 before Judge Keyser. Mr Simons appeared in person. There was no appearance by any of the other Original or Additional Defendants. Judge Keyser granted TBD permission to join the Additional Defendants and to amend the claim form and Particulars of Claim, and gave consequential directions. The amended claim form, which was issued on 5 June 2019, again stated that TBD did “not expect to recover more than £100,000”, but this time it also contained an undertaking to pay

any necessary additional court fee if disclosure by the Defendants indicated that TBD was entitled to recover more than £100,000.

102. Judge Keyser also made directions in respect of the application for permission to bring committal proceedings against Mr O'Boyle, which included a direction that TBD file and serve detailed grounds for committal by 5 June 2019. At that stage, the hearing of TBD's application for committal of Mr Simons was scheduled for 5 June 2019, and both TBD and Mr Simons were keen to proceed on that date. Judge Keyser took the view, however, that the overlap between the two applications meant that the hearing of the application against Mr Simons should be adjourned. (I consider that he was correct to take that view for reasons that will appear.)
103. On 5 June 2019 TBD served a witness statement of Mr Hitchcock of the same date which exhibited grounds for committal of Mr O'Boyle dated 3 June 2019 (and copies of a great deal of documentation from the proceedings). There were five grounds. Ground 1 was that G2A and Obcon had breached the 4 July 2019 Order, and Mr O'Boyle was liable as a director of those companies. Ground 2 was that Mr O'Boyle's affidavit sworn on 9 August 2018 was false. Ground 3 was that Mr O'Boyle had signed a false statement of truth in the Defence of G2A and Obcon. Ground 4 was that the affidavit sworn by Mr O'Boyle on 16 November 2018 was false. Ground 5 was that Mr O'Boyle had caused Mr Ingram and Mr Roberts to make false statements in their witness statements dated 20 November 2018 and 19 November 2018.
104. The O'Boyle Defendants served their Defence on 15 July 2019. No point was taken in the Defence about the search of the Images.

*The hearing of TBD's application for permission to bring committal proceedings against Mr O'Boyle*

105. TBD's application for permission to bring committal proceedings against Mr O'Boyle came before Judge Keyser for an effective hearing on 27 August 2019. On 13 September 2019 Judge Keyser ordered that the application be adjourned for further consideration after the trial of the proceedings, with liberty to apply should there be no trial, for the reasons given in his judgment of that date. During the course of his judgment, Judge Keyser ruled that the Transcript was not subject to litigation privilege claimed by Mr O'Boyle. This ruling is recited in the order. The first appeal before this Court is Mr O'Boyle's appeal against this order and ruling. Although one of Mr O'Boyle's grounds of appeal challenges part of Judge Keyser's judgment concerning the search of the Images, the relevant part of the judgment has been overtaken by the judgment of Marcus Smith J.

*Application by the O'Boyle Defendants to strike out the claim*

106. On 9 August 2019 the O'Boyle Defendants launched an application to strike out TBD's claim against them, alternatively for lesser relief, on the ground that TBD had acted in breach of the Search Order by searching the Images without the consent of the Original Defendants or an order of the court and by using Searched Documents in the ways described above. It appears that this application was inspired by the judgment of Mann J in *A v B* [2019] EWHC 2089 (Ch), [2019] 1 WLR 5832, which was handed down on 26 July 2019.

107. The application came before Marcus Smith J on 28 and 29 November 2019. In his judgment dated 17 January 2020 he concluded, in brief summary, that TBD had breached the Search Order, but that striking out the claim would be a disproportionate sanction at that stage. Instead, he decided to make orders (i) requiring TBD to provide a comprehensive list of Searched Documents and certain other information, (ii) requiring TBD to hand over the Images to an independent firm of solicitors to (a) weed out privileged and self-incriminatory material and (b) identify documents that would fall within the scope of standard disclosure, (iii) requiring TBD to identify communications with third parties using material derived from the Images, (iv) requiring TBD to pay the costs of these exercises and (v) giving the parties permission to apply to the court for further directions (including, if so advised, a further application to strike out the claim) once steps (i) to (iii) had been completed. In the meantime, the proceedings were stayed. Marcus Smith J also dismissed TBD's application to bring committal proceedings against Mr O'Boyle and revoked the permission to bring committal proceedings against Mr Simons. Finally, he decided to order TBD to pay various sums by way of security for the O'Boyle Defendants' costs.
108. Marcus Smith J made an order giving effect to these decisions on 27 February 2019. In addition to the matters recited above, he also required TBD to destroy any materials deriving from the Images except for data in the hands of Acuity and restrained it from using such materials to communicate with third parties. The second appeal before this Court is TBD's appeal against this order.

#### The use made of the Images

109. This Court has a fuller picture of the use that was made of the Images after 18 February 2019 than was available to Marcus Smith J, let alone to Judge Keyser at the hearing on 27 August 2019. The reasons for this are as follows. First, after Marcus Smith J had circulated his judgment in draft, but before he made his order, Acuity filed a note summarising what had been done and explaining that, in the circumstances, Acuity had decided to withdraw from acting for TBD ("the Acuity Note"). Secondly, on 10 March 2020 Acuity wrote to Simon Burn in compliance with Marcus Smith J's order ("the Acuity Letter") enclosing a colour-coded spreadsheet listing the Searched Documents and copies of various other documents. Thirdly, the O'Boyle Defendants subsequently applied to this Court for permission to adduce further evidence consisting of a sixth witness statement of Mr Ingram. Mr Ingram exhibited a copy of the Acuity Letter and some of its enclosures together with excerpts from a few of the documents in question. He also set out the results of a search he had carried out of the Searched Documents looking for privileged documents. Although TBD initially opposed the application to adduce further evidence, it sensibly withdrew its opposition during the course of the hearing. Some of what Mr Ingram says is argument, or at least comment, and I shall disregard that. The factual content is not, however, disputed by TBD. On the other hand, I bear in mind that, in so far as what Mr Ingram says goes beyond the Acuity Note and the Acuity Letter, Acuity have not had the chance to respond to it.
110. The picture that emerges from these materials is somewhat complicated, but may be summarised as follows.
111. On 19 February 2019 Acuity instructed CY4OR to undertake keyword searches of the approximately 400,000 documents contained in the Images. For this purpose Acuity

provided CY4OR with a long list of keywords which was based on the list of 96 keywords previously supplied to the Original Defendants, but which also included additional keywords as follows: (i) names of TBD's customers, (ii) names of past and present employees of TBD, (iii) names of past and present suppliers of TBD and (iv) Obcon Solutions Limited, OSL Rail Limited and Joma Holdings Limited. On 20 February 2019 Acuity instructed CY4OR to add the keyword ENERJ8. On 25 February 2019 Acuity instructed CY4OR to add the keywords TW\*, Taff, OSL, OSL Global and O-S-L. The breadth of the keywords which Acuity instructed CY4OR to use made it inevitable that the documents retrieved would extend beyond listed items as defined in Schedule B to the Search Order.

112. On 26 February 2019 Acuity instructed CY4OR to filter out documents which might be legally privileged by removing documents containing nine keywords, including "Hugh James" and "Simon Burn". For reasons that are unclear, it appears that whatever CY4OR did in response to this instruction did not in fact achieve the objective of filtering out potentially privileged documents.
113. CY4OR made copies of Searched Documents which were responsive to the keywords available to Acuity on an electronic platform. In addition, CY4OR made copies of all the files on the Images available to Acuity. This enabled Acuity to make their own keyword searches as well as filtering documents by date order.
114. In order to reduce the number of documents to be reviewed, Acuity instructed CY4OR to make smaller subsets of documents available identified by a small number of keywords. These subsets were reviewed by both Acuity and TBD. In order to share these documents with TBD, the following methods were employed:
  - i) copies of documents of particular interest were sent by email on an ad-hoc basis;
  - ii) a data room was created and hosted by Acuity;
  - iii) sharefile downloads were organised by CY4OR; and
  - iv) a hard drive was organised by CY4OR.
115. The total number of Searched Documents identified by the keyword searches is either 146,108 or 146,208 (Mr Ingram gives both numbers, no doubt as a result of a typographical error; I will assume for convenience that the correct number of 146,108). Acuity have accepted that these extended beyond listed items as defined in the Search Order.
116. In addition to the keyword searches, Acuity instructed CY4OR to extract all drawings and images from the Images. About 30,000 .dwg and .iam files were extracted and made available to TBD for review. Given the sheer quantity of these documents, I consider it probable that these extended beyond listed items as defined in the Search Order and included G2A drawings and images created independently from TBD's copyright works.

117. When the electronic platform was due to expire, CY4OR copied all of the Images onto a hard drive. The hard drive was sent to Acuity in a sealed evidence bag, where it remains.
118. Acuity have accepted that, due to the broad nature of the keywords employed, documents which were privileged or potentially privileged were reviewed by Acuity. Acuity have stated that they made efforts to segregate such items and not pass them to TBD, but they have accepted that TBD was provided by Acuity with a “Documents and Actions” document which included extracts from privileged or potentially privileged documents.
119. The colour-coded spreadsheet shows that:
  - i) 243 documents were attached to the Documents and Actions document;
  - ii) five “potentially privileged” documents were referred to in the Documents and Actions document;
  - iii) 2,794 documents were downloaded by Acuity from the electronic platform and retained;
  - iv) 37 documents were sent by Acuity to TBD by email.
120. In considering these numbers, it should be explained that email chains are treated for this purpose as being one document. If each email was treated as a separate document, the numbers would be significantly higher.
121. The five “potentially privileged” documents referred to in the Documents and Actions document each consist of an email chain. Acuity enclosed with the Acuity Letter a number of extracts of text from the Documents and Actions document. These extracts consist of a number of direct quotations from the email chains (owing to the way they are formatted, it is not clear precisely how many quotations there are) and two summaries. The extracts are mainly concerned with two topics: (i) the legal representation of the Original Defendants and OSL, and payment for this; and (ii) the relationship between G2A, Obcon, OSL and Mr O’Boyle. The summaries refer to communications with both Hugh James and Simon Burn.
122. Mr Ingram’s evidence is that the full email chains from which these extracts derive include a number of emails which are “clearly” privileged. It suffices to give a single example, namely an email from Simon Burn to Hugh James sent at 14.21 on 16 August 2018 containing a discussion of how G2A and Obcon perceived the merits of the claims against them and Mr Simons and of the legal relationship between the Original Defendants.
123. In addition, Mr Ingram says a search of the Searched Documents he carried out using the keywords “simonburn” and “hughjames” identified 165 documents (again, an email chain counts as one document for this purpose) which are “clearly” privileged. These included the five documents referred to in the Documents and Actions document discussed above, and an additional 82 which had been retained by Acuity. Mr Ingram sets out a number of examples of documents amongst the 82 and explains his reasons for contending that they are clearly privileged. I bear in mind that TBD

has not had the opportunity to contest the claim to privilege, and therefore this Court is no position to reach any conclusion on the matter. On the face of it, however, the claim to privilege appears well founded. Thus the documents include, for example, a detailed letter of advice sent by Simon Burn to the Original Defendants on 30 July 2018 and a draft witness statement of Mr Ingram in support of an application that in the event was not made dated 21 August 2018. Counsel for TBD submitted that TBD would, or at least might, be able to rely upon the iniquity exception to privilege (as to which, see below). I am sceptical that the iniquity exception would defeat the claim to privilege in respect of all of the documents in question, even if it applied to some of them.

124. Mr Ingram also makes the point that the fact that Acuity retained 82 of these documents, but did not retain 78 of them, suggests that Acuity engaged in a selection process to decide which ones to retain.
125. Mr Ingram also gives evidence that the Searched Documents include 209 text messages exchanged between Mr Simons and Mr O'Boyle between 4 December 2017 and 9 November 2018, of which 205 were retained by Acuity and four were not. Again, this implies a selection process.
126. I should explain that Mr Simons has not had the opportunity to conduct his own examination of the Searched Documents to see how many of them, if any, are personal and private documents of his and/or his family that are not relevant to the issues in the proceedings. It is clear that the Images did include a large number of such documents which were copied from Mr Simons' mobile phone and portable hard drive. Given the breadth of the keyword searches employed, I consider it probable that at least some of the Searched Documents fall into this category. It follows that the privacy interests not only of Mr Simons, but also of other members of his family are engaged.

#### Search orders: the law

127. Court orders requiring defendants to permit claimants and their solicitors to enter the defendants' premises to search for documents and articles were first made in 1974. They were made pursuant to without notice applications to judges of the Chancery Division in cases of alleged infringement of intellectual property rights. The applicants were mostly represented by the late Hugh Laddie, then a barrister of some five years' call, and later a QC and then Laddie J. The first few cases are not reported, and it does not appear that reasoned judgments were given by the judges who made the orders. The first reported reasoned decision is that of Templeman J dated 5 December 1974 in *EMI Ltd v Pandit* [1975] 1 WLR 302. The second is that of the Court of Appeal dated 8 December 1975 in *Anton Piller KG v Manufacturing Processes Ltd* [1976] Ch 55.
128. In *EMI v Pandit* the claimants owned the copyrights in sound recordings of Indian music. An order had been made restraining the defendant from selling or otherwise parting with infringing copies of the recordings and requiring him to make and serve an affidavit setting out the names and addresses of all persons who had supplied him or to whom he had supplied infringing copies and exhibiting copies of all documents relating to such supplies. The defendant swore an affidavit in purported compliance with the order saying that he had obtained infringing copies from a single person with



a post office box address in Dubai and had only supplied them to two others, who were both already known to the claimants. He said he had no relevant documents in his possession apart from a single letter a copy of which he exhibited. The claimants obtained evidence that the affidavit was a pack of lies, that the letter was a forgery and that the defendant had been engaged in extensive infringements of their copyrights. The claimants' evidence indicated that the defendant must have many more infringing articles and documents at his premises. The claimants therefore applied without notice for an order permitting them to enter the premises for the purposes of (i) inspecting and photographing pre-recorded tapes and other infringing material, invoices, bills and other documents relevant to the claim, (ii) removing infringing items and (iii) inspecting, photographing and testing typewriters (with a view to identifying the typewriter used to produce the forged letter).

129. Templeman J indicated at an early stage in his judgment that he was not prepared to make an order in that form, but was prepared to make an order requiring the defendant to consent to the claimants entering the premises for those purposes if satisfied that it was in accordance with the rules and authority and subject to safeguards.
130. Mr Laddie relied upon RSC Order 29 rule 2, which provided that the court might make an order for the "detention, custody or preservation of any property which is the subject of the cause or matter, or as to which any question may arise herein, or for the inspection of any such property in the possession of a party to the cause or matter" and that, for this purpose, the court might authorise any person to enter upon any land or building in the possession of any party. Templeman J noted this rule required an application to be made on notice, but then reasoned as follows at 305G-306A:

"In the normal course of events, a defendant will have notice of the relief which is sought against him in the exercise of the powers given by this rule and will be able to come along to the court and to give reasons why the order should not be made or why, if it is made, particular safeguards should be included. Nevertheless, in my judgment, if it appears that the object of the plaintiffs' litigation will be unfairly and improperly frustrated by the very giving of the notice which is normally required to protect the defendant, there must be exceptional and emergency cases in which the court can dispense with the notice and, either under power in the rules to dispense with notice or by the exercise of its inherent jurisdiction, make such a limited order, albeit ex parte, as will give the plaintiffs the relief which they would otherwise be unable to obtain. In the present case I am satisfied that, if notice were given to the defendant, that would almost certainly result in the immediate destruction of the articles and information to which the plaintiffs are entitled and which they now seek."

131. Having referred to some nineteenth century authorities, including one in which an order for inspection of a warehouse had been made without notice under the predecessor to Order 29 rule 2, Templeman J continued at 307C-D:

"From the terms of R.S.C., Ord. 29 and from the authorities which I have quoted, it seems to me that I have jurisdiction to make an order which will give these plaintiffs substantially the relief which they seek. Of course in the present case I must bear in mind that the order is

ex parte, that the premises are unknown to this extent that I cannot know at the moment whether they are office premises or a private dwelling house, or whether they belong to the defendant, or what the position is and I must bear in mind that an order is sought not only which will enable the plaintiffs to send their representatives to ask to be allowed entry, but also to enable them to go through documents and correspondence to see if they can find infringing articles or evidence.”

132. Having referred to three earlier cases in 1974 in which similar orders had been made without reasoned judgments, Templeman J continued at 307G-308A:

“I think it right to stress that, in my judgment, the kind of order which is sought now can only be justified by a very strong case on the evidence and can only be justified where the circumstances are exceptional to this extent, that it plainly appears that justice requires the intervention of the court in the manner which is sought and without notice, otherwise the plaintiffs may be substantially deprived of a remedy. The order will only be granted on terms which safeguard the defendant, as far as possible, and which narrow the relief so far as it might otherwise cause harm to the defendant.

In essence, the plaintiffs are seeking discovery, but this form of discovery will only be granted where it is vital either to the success of the plaintiffs in the action or vital to the plaintiffs in proving damages; in other words, it must be shown that irreparable harm will accrue, or there is a high probability that irreparable harm may accrue to the plaintiffs, unless the particular form [of] relief now sought is granted to them.”

133. Templeman J went on to consider the terms of the order, which required the defendant to permit a specified number of representatives of the claimants and their solicitors to enter the premises for the purposes I have listed in paragraph 128 above. In relation to the second purpose, Templeman J said at 308H:

“The removal [of infringing copies of the claimants’ sound recordings] is restricted to property which belongs to the plaintiffs under copyright law, by virtue of being infringements of their copyrights.”

This is a statement which needs explaining to contemporary readers. What Templeman J was referring to was section 18 of the Copyright Act 1956, which vested the property in infringing copies of copyright works in the copyright owner (which had serious consequences when it came to the assessment of damages). That provision was repealed by the 1988 Act.

134. In addition, Templeman J granted an injunction restraining the defendant from altering, defacing, destroying or removing from the premises any of the specified articles and documents without the consent of the claimants or the leave of the court.
135. It can be seen from Templeman J’s judgment that his order was made in order to achieve two purposes. The first, and most important, purpose was to preserve

evidence and property, so that it could not be altered, destroyed or hidden by the defendant. The second purpose was to enable the claimants to obtain discovery (now disclosure) of documents. Although Templeman J referred to “discovery”, and not inspection, of documents in the passage at 307G-308A, his order permitted inspection of documents, and it seems tolerably clear that it was intended to enable the claimants to use the information gained from the inspection for the purposes of the proceedings.

136. In the *Anton Piller* case, the claimant was a manufacturer of electrical equipment for computers. The first defendant was the claimant’s UK distributor and the other defendants the first defendant’s directors. The claimant was tipped off by two employees of the first defendant that the defendants were secretly negotiating with two of the claimant’s competitors to supply them with drawings and confidential information to enable the competitors to manufacture power units copied from the claimant’s. The claimant applied without notice for an interim injunction to restrain the defendants from infringing its copyrights and misusing its confidential information and for a search order following the precedent of the order in *EMI v Pandit*. Brightman J granted the injunction, but refused the search order. The claimant, represented by Mr Laddie, successfully appealed to the Court of Appeal.
137. The leading judgment was given by Lord Denning MR. He was at pains to distinguish the order sought by the claimant from a search warrant. Having referred to RSC Order 29 rule 2 and the nineteenth century authorities discussed by Templeman J, Lord Denning continued at 61B-F:

“It seems to me that such an order can be made by a judge *ex parte*, but it should only be made where it is essential that the plaintiff should have inspection so that justice can be done between the parties: and when, if the defendant were forewarned, there is a grave danger that vital evidence will be destroyed, that papers will be burnt or lost or hidden, or taken beyond the jurisdiction, and so the ends of justice be defeated: and when the inspection would do no real harm to the defendant or his case.

Nevertheless, in the enforcement of this order, the plaintiffs must act with due circumspection. On the service of it, the plaintiffs should be attended by their solicitor, who is an officer of the court. They should give the defendants an opportunity of considering it and of consulting their own solicitor. If the defendants wish to apply to discharge the order as having been improperly obtained, they must be allow[ed] to do so. If the defendants refuse permission to enter or to inspect, the plaintiffs must not force their way in. They must accept the refusal, and bring it to the notice of the court afterwards, if need be on an application to commit.

You might think that with all these safeguards against abuse, it would be of little use to make such an order. But it can be effective in this way: It serves to tell the defendants that, on the evidence put before it, the court is of opinion that they ought to permit inspection - nay, it orders them to permit - and that they refuse at their peril. It puts them in peril not only of proceedings for contempt, but also of adverse inferences being drawn against them; so much so that their own

solicitor may often advise them to comply. We are told that in two at least of the cases such an order has been effective. We are prepared, therefore, to sanction its continuance, but only in an extreme case where there is grave danger of property being smuggled away or of vital evidence being destroyed.

On the evidence in this case, we decided ... that there was sufficient justification to make an order. We did it on the precedent framed by Templeman J.”

138. Ormrod LJ gave a concurring judgment in which he stated at 62A-B:

“There are three essential pre-conditions for the making of such an order, in my judgment. First, there must be an extremely strong prima facie case. Secondly, the damage, potential or actual, must be very serious for the applicant. Thirdly, there must be clear evidence that the defendants have in their possession incriminating documents or things, and that there is a real possibility that they may destroy such material before any application inter partes can be made.”

139. Shaw LJ agreed with both Lord Denning and Ormrod LJ, and added a few words of his own. The emphasis in all three judgments is on the preservation of evidence. Although there is reference to the order requiring the defendant to permit the claimant and its solicitors to enter the defendants’ premises “for purpose of inspecting documents, files or things”, there is no mention of “discovery”. In context, the references to inspection are to inspection for the purposes of identifying the documents and things which are to be preserved. Thus I do not take the Court of Appeal to have endorsed what Templeman J had said about the claimant obtaining discovery.

140. Although both Templeman J and the Court of Appeal referred repeatedly to the need for safeguards for defendants, it can be seen with the benefit of hindsight that their orders provided little in the way of real safeguards.

141. Orders of this kind became known as “*Anton Piller* orders” after the second case. Following the Court of Appeal’s approval of the practice, applications for such orders became quite frequent, not only in intellectual property cases, but also other types of case.

142. In *EMI Ltd v Sarwar* [1977] FSR 146 the claimants owned the copyright in sound recordings of pop music. They obtained evidence that a retailer was selling infringing copies cheaply, and were concerned to find out as quickly as possible who was manufacturing the infringing copies since they believed that the same manufacturer was supplying a large number of other outlets. The claimants applied without notice for an *Anton Piller* order and for an order requiring the defendants forthwith to disclose the names and addresses of their suppliers and to place into the custody of the person serving the order all relevant invoices and other documents. Pain J granted the *Anton Piller* order, but declined to make the order for disclosure. The claimants, represented by Mr Laddie, appealed to the Court of Appeal, which allowed the appeal. The only judgment was given by Lord Denning MR, who said that this was “a legitimate extension” to the order.

143. Notwithstanding the sparseness of the court's reasoning, what this case illustrates is the need to distinguish between the evidence-preservation functions of *Anton Piller* orders and orders for the disclosure of information by defendants e.g. to enable sources of infringing articles or assets to be traced. Orders of the latter type are governed by distinct principles (see in particular *Norwich Pharmacal Co v Customs and Excise Commissioners* [1974] AC 133 and *Bankers Trust Co v Shapira* [1980] 1 WLR 1274). A claimant may be able to justify obtaining both types of order, and the court may be willing to make both types of order, but they are both conceptually and practically distinct.
144. Issues as to the use of information obtained during the execution of *Anton Piller* orders subsequently arose in a number of cases. Two main issues were raised. The first was whether defendants could invoke the privilege against self-incrimination. The second was whether, in the absence of an express undertaking, information obtained as a result of the execution of *Anton Piller* orders was subject to an implied undertaking only to use it for the purposes of the proceedings except with the permission of the court, akin to the implied undertaking applying to information obtained as a result of the discovery and inspection of documents. Although these are distinct issues, they are related for reasons that will appear.
145. The first issue was resolved by the decision of the House of Lords in *Rank Film Distributors Ltd v Video Information Centre* [1982] AC 380. That was an early case about infringement of copyright in films through the large-scale production of illicit video cassettes. The claimants obtained an *Anton Piller* order which not only required the defendants to permit the claimants to enter the defendants' premises and seize infringing copies of the films, but also required the defendants immediately to produce relevant documents and to provide information relating to the supply and sale of infringing copies which had to be verified on affidavit subsequently. The defendants applied to have the orders discharged or varied on two main grounds. The first was that the court had no jurisdiction to make such orders, but this ground was rejected by the Court of Appeal (which included Lord Denning MR and Templeman LJ) and was not seriously pursued in the House of Lords. The second was that, by disclosing the documents and answering the interrogatories, the defendants might expose themselves to criminal proceedings, and therefore were entitled to invoke the privilege against self-incrimination.
146. The House of Lords held that the privilege against self-incrimination had no application to the parts of the order which required the defendants to allow access to premises for the purposes of looking for illicit copies of films and to allow their removal to safe custody, but that the defendants were entitled to rely on the privilege against self-incrimination by giving discovery and inspection of documents or by answering interrogatories, since if they complied with orders of that nature there was in the circumstances a real and appreciable risk of criminal proceedings for conspiracy to defraud being taken against them.
147. In the House of Lords counsel for the claimants (Donald Nicholls QC leading Mr Laddie) argued that an alternative solution to the problem of the risk of self-incrimination would be to hold that evidence obtained by these means was inadmissible in criminal proceedings. In this context, they sought to draw an analogy with the implied undertaking on discovery, citing a line of authority culminating in *Riddick v Thames Board Mills Ltd* [1977] QB 881 and *Halcon International Inc v*

*Shell Transport and Trading Co* [1979] RPC 97, and suggested that in future applicants for *Anton Piller* orders could be required to give a suitable form of undertaking. The House of Lords rejected this argument, holding that a civil court could not bind a criminal court in the manner suggested and that it was a matter for legislation, as demonstrated by section 31 of the Theft Act 1968. Lord Russell of Killowen said that he would welcome further legislation along the lines of section 31.

148. Parliament reacted promptly by enacting section 72 of the Senior Courts Act 1981, which removes the privilege against self-incrimination in intellectual property cases, but renders information obtained as a result inadmissible in criminal proceedings. The privilege against self-incrimination remained an obstacle to search orders in other types of case in so far as the orders required the provision of documents and information rather than simply the preservation of articles: see in particular *Tate Access Floors Inc v Boswell* [1991] Ch 512 and *Cobra Golf Inc v Rata* [1998] Ch 108. Since 1981, there has been further legislative intervention to restrict the privilege in section 98 of the Children Act 1989 and section 13 of the Fraud Act 2006.
149. Turning to the second issue identified in paragraph 144 above, this arose in four cases to which I shall refer. The first is *LT Piver Sarl v S & J Perfume Co Ltd* [1987] FSR 159. In that case, while executing an *Anton Piller* order made in favour of the claimant against the defendant, a private investigator, Mr Lake, saw a number of empty boxes bearing a trade mark used by another client, Revlon, which had instructed him to keep an eye open for counterfeiting of its products. Mr Lake picked up one of the empty boxes and removed it. Subsequently another box of the same kind was obtained from a different source. Revlon then applied for an *Anton Piller* order against the defendants, relying upon the evidence of Mr Lake and the two boxes. On the application Revlon explained the circumstances in which Mr Lake had obtained the first box and sought the court's permission to use it. Walton J granted the order sought, and a large quantity of allegedly counterfeit perfume was seized when it was executed. The defendants then applied for an injunction against the claimants in the first action, their solicitors, the investigation agency and Mr Lake requiring them to deliver up to the defendants' solicitors any documents and materials which did not fall within the scope of the first *Anton Piller* order. They also sought a similar order against the investigation agency and Mr Lake in relation to the second *Anton Piller* order. Walton J dismissed these applications on the grounds that (i) even if he had not picked up the first box, Mr Lake could have given evidence as to what he had seen during the execution of the first order and supported it with the second box; (ii) although, strictly speaking, Mr Lake had converted the first box, the court had given its permission to use that evidence; and (iii) there was no evidence that anything else had been improperly removed during the execution of either order. It should be noted that, so far as point (i) is concerned, there is no mention in Walton J's judgment of the implied undertaking on discovery or of the relevant authorities.
150. During the course of his judgment Walton J made two observations which are pertinent for present purposes. The first is at 160:

“I entirely accept ... that it is most necessary that *Anton Piller* orders are not allowed to become oppressive. In the hands of some solicitors one knows that in the past they have become oppressive to the point of shutting down genuine businesses because they have in fact erred and strayed in minor ways. It is therefore most important that the material

which is obtained upon the execution of an *Anton Piller* order should only be the material to which the order relates and that all documents which are removed should be immediately photocopied and returned. In that way the disturbance to the business should be minimal.”

This passage emphasises the need for claimants not to exceed the ambit of the order, and it also makes it clear that the objective should be the preservation of documentary evidence with minimal disruption to the defendant’s business.

151. The second is a qualification to the proposition that Mr Lake would have been able to give evidence of what he had seen during the execution of the first order which Walton J made at 161:

“If ... a person serving an *Anton Piller* order by inadvertence saw particulars of some trade secret, then I think it must be taken that that has been received by them in confidence and must not be dealt with any more than any other matter received in confidence.”

152. What this passage recognises is that execution of an *Anton Piller* order does not entitle the claimant to make use of confidential information of the defendant. Although Walton J did not say so in terms, it appears that he did not consider the information regarding the empty box to possess the necessary quality of confidence (perhaps because it was evidence of counterfeiting and thus covered by the principle that there is no confidence in an iniquity – compare the iniquity exception to legal professional privilege discussed below).

153. The second case is *VDU Installations Ltd v Integrated Computer Systems and Cybernetics Ltd* [1989] FSR 378. The claimant obtained an *Anton Piller* order against some ex-employees and a company they had set up in competition with it. The order required the respondents to disclose certain information forthwith to the person serving the order and to disclose further information by affidavit subsequently. The respondents brought an application for contempt of court against the claimant and its solicitors in respect of various complaints arising out of the execution of the order. One of the complaints was that the claimant had used information obtained as a result of the search otherwise than for the purposes of the proceedings in communications with a customer of the defendants concerning an item of property belonging to the claimant. The respondents argued that the information was subject to the implied undertaking. Knox J held that, if the claimant’s only purpose in communicating with the third party was to recover its property, then that would not have been subject to the implied undertaking; but that the information disclosed to the third party had extended beyond that, and was subject to the implied undertaking. On the latter point he said at 395:

“It seems to me that the guiding principle should be that the use to which information is put should be a use which is within the ambit of the purpose of the court in making the relevant order for discovery, be it an order for *Anton Piller* type discovery in anticipation or an order for discovery in the ordinary course of an action.”

It will be appreciated from what I have said that the context of this statement was a case in which the order not merely provided for the search for and preservation of evidence, but also the provision of information.

154. The third case is *Tate v Boswell*. The facts of the case, which were somewhat complicated, do not matter for present purposes, save to note that it was not an intellectual property case. As in the *Rank Film* and *VDU* cases, an *Anton Piller* order was granted which not merely required the defendants to permit the claimants to enter premises in order to search for and preserve documents and property, but also to disclose and verify upon affidavit documents and information. The *VDU* case was not cited, but Sir Nicolas Browne-Wilkinson V-C came to essentially the same conclusion as Knox J, holding at 526 that there was an implied undertaking by the claimants “not to use the documents obtained under the *Anton Piller* order improperly and for separate legal proceedings”, and that it was desirable for an express undertaking to that effect to be included in future orders. He went on to hold that the defendants could rely upon the privilege against self-incrimination to resist the seizure of documents (as opposed to articles), discovery and the provision of information.
155. The fourth case is *Twentieth Century Fox Film Corp v Tryrare Ltd* [1991] FSR 58. In that case the claimants had obtained an *Anton Piller* order in a copyright infringement action. The terms of the order included a provision requiring the defendants to permit the claimants’ solicitors to list any articles in the defendants’ possession which the claimants’ solicitors reasonably believed to infringe the rights of third parties. The order contained an undertaking by the claimants’ solicitors not to disclose any information obtained as result of the search except to such third parties or their solicitors. After the execution of the order the first defendant applied to vary the order so as in effect to delete these provisions on the ground that they infringed the defendants’ privilege against self-incrimination. Harman J dismissed the application on the ground that the provisions had nothing to do with the privilege against self-incrimination, despite having been referred to a *Times* report of *Tate v Boswell*.
156. During the course of his judgment, Harman J also discussed the implied undertaking only to use information obtained as a result of the discovery and inspection of documents for the purposes of the action, except with the permission of the court, and said that *Piver v S & J* had decided that the implied undertaking did not apply to *Anton Piller* orders (although, as noted above, there was in fact no reference to the implied undertaking in Walton J’s judgment and Browne-Wilkinson V-C had held to the contrary in *Tate v Boswell* – the *VDU* case not cited). Harman J went on to observe at 60:

“Frequently [an *Anton Piller* order] is first obtained against some intermediate person dealing with goods which infringe a patent, a trade mark, a copyright, or some other right in the nature of intellectual property, that person having obtained the goods from a manufacturer who was probably the actual infringer of the right which was infringed and at the top of the chain. Information is regularly obtained on such orders and one of the main purposes of them is to permit it to be obtained in order that the originator of the infringing article may be sued himself and prevented from continuing with his infringements. Thus such orders have always been intended to enable proceedings to be taken against third parties and it is plain that



information obtained on them is never restricted to use only for the purpose of the proceedings in which it is obtained.”

This passage confuses the evidence-preservation function of *Anton Piller* orders with the rationale of *Norwich Pharmacal* orders, and the last sentence was not a correct statement of the law even then.

157. Serious problems with the *Anton Piller* jurisdiction emerged in three notorious cases in the late 1980s and early 1990s: *Columbia Picture Industries Inc v Robinson* [1987] Ch 38, *Lock International plc v Beswick* [1989] 1 WLR 1268 and *Universal Thermosensors Ltd v Hibben* [1992] 1 WLR 840.
158. In *Columbia v Robinson* the claimants were owners of film copyrights and Mr Robinson was a video pirate who had both a substantial illegal business and a lawful business. The claimants applied for a *Mareva* injunction and an *Anton Piller* order without making proper disclosure. During the execution of the *Anton Piller* order, materials were removed which were not covered by the order, moreover some of these were subsequently wrongly retained and some were lost. The effect of the orders was to shut down Mr Robinson’s business, as had been the claimants’ intention. The defendants applied to set aside the *Anton Piller* order and claimed damages under the claimant’s cross-undertaking. That application was heard together with the trial of the claim. Scott J found that the claimants’ solicitors had failed to make proper disclosure in their affidavit in support of the application and had behaved oppressively and in abuse of their powers in executing the order. He also found that the claimants and their solicitors had behaved improperly in applying for the orders in order to close Mr Robinson’s business. He held that there was no purpose in setting aside the order, but awarded the defendants £10,000 in compensatory and aggravated damages.
159. In his judgment Scott J was highly critical of the way in which *Anton Piller* orders had come to be applied for and executed, and the denial of justice that this represented. There are two passages in Scott J’s judgment which are particularly pertinent for present purposes. The first is at 70-71:

“... the legitimate purposes of *Anton Piller* orders are clearly identified by the leading cases which have established the legitimacy of their use. One, and perhaps the most usual purpose, is to preserve evidence necessary for the plaintiff’s case. *Anton Piller* orders are used to prevent a defendant, when warned of impending litigation, from destroying all documentary evidence in his possession which might, were it available, support the plaintiff’s cause of action. Secondly, *Anton Piller* orders are often used in order to track to its source and obtain the possession of the master tape or master plate or blueprint by means of which reproductions in breach of copyright are being made. This purpose is, perhaps, no more than a sub-division of the first.”

160. The second is at 76-77:

“What I have heard in the present case has disposed me to think that the practice of the court has allowed the balance to swing much too far

in favour of plaintiffs and that *Anton Piller* orders have been too readily granted and with insufficient safeguards for respondents.

The Draconian and essentially unfair nature of *Anton Piller* orders from the point of view of respondents against whom they are made requires, in my view, that they be so drawn as to extend no further than the minimum extent necessary to achieve the purpose for which they are granted, namely, the preservation of documents or articles which might otherwise be destroyed or concealed. Anything beyond that is, in my judgment, impossible to justify. For example, I do not understand how an order can be justified that allows the plaintiffs' solicitors to take and retain all relevant documentary material and correspondence. Once the plaintiffs' solicitors have satisfied themselves what material exists and have had an opportunity to take copies thereof, the material ought, in my opinion, to be returned to its owner. The material need be retained [for] no more than a relatively short period of time for that purpose.

Secondly, I would think it essential that a detailed record of the material taken should always be required to be made by the solicitors who execute the order before the material is removed from the respondent's premises. ...

Thirdly, no material should, in my judgment, be taken from the respondent's premises by the executing solicitors unless it is clearly covered by the terms of the order. In particular, I find it wholly unacceptable that a practice should have grown up whereby the respondent to the order is procured by the executing solicitors to give consent to additional material being removed. In view of the circumstances in which *Anton Piller* orders are customarily executed (the execution is often aptly called 'a raid'), I would not, for my part, be prepared to accept that an apparent consent by a respondent had been freely and effectively given unless the respondent's solicitor had been present to confirm and ensure that the consent was a free and informed one.

Fourthly, I find it inappropriate that seized material the ownership of which is in dispute, such as allegedly pirate tapes, should be retained by the plaintiffs' solicitors pending the trial. Although officers of the court, the main role of solicitors for plaintiffs is to act for the plaintiffs. If the proper administration of justice requires that material taken under an *Anton Piller* order from defendants should, pending trial, be kept from the defendants, then those responsible for the administration of justice might reasonably be expected to provide a neutral officer of the court charged with the custody of the material. In lieu of any such officer, and there is none at present, the plaintiffs' solicitors ought, in my view, as soon as solicitors for the defendants are on the record, to be required to deliver the material to the defendants' solicitors on their undertaking for its safe custody and production, if required, in court."

161. Once again, it can be seen that the emphasis is upon the true purpose of *Anton Piller* orders as being the preservation of evidence and property and upon the importance of minimising the disruption to the respondent's business.
162. In *Lock v Beswick* the claimant, a manufacturer of metal detectors, obtained an *Anton Piller* order against eight of its former employees and a competing company with whom they had since commenced employment. Under the order, the claimant was allowed to search not only the competing company's premises, but also the homes of three of the other defendants; and to remove not only documents containing specified confidential information, but also the competing company's drawings, commercial documents, computer records and prototypes. Hoffmann J set aside the order for material non-disclosure, but also said that it should never have been granted in the first place. Having endorsed the observation of Scott J quoted above about *Anton Piller* orders being granted too readily and with insufficient safeguards for respondents, Hoffmann J went on at 1281D-G:

“Even in cases in which the plaintiff has strong evidence that an employee has taken what is undoubtedly specific confidential information, such as a list of customers, the court must employ a graduated response. To borrow a useful concept from the jurisprudence of the European Community, there must be *proportionality* between the perceived threat to the plaintiff's rights and the remedy granted. The fact that there is overwhelming evidence that the defendant has behaved wrongfully in his commercial relationships does not necessarily justify an *Anton Piller* order. People whose commercial morality allows them to take a list of the customers with whom they were in contact while employed will not necessarily disobey an order of the court requiring them to deliver it up. Not everyone who is misusing confidential information will destroy documents in the face of a court order requiring him to preserve them.

In many cases it will therefore be sufficient to make an order for delivery up of the plaintiff's documents to his solicitor or, in cases in which the documents belong to the defendant but may provide evidence against him, an order that he preserve the documents pending further order, or allow the plaintiff's solicitor to make copies. The more intrusive orders allowing searches of premises or vehicles require a careful balancing of, on the one hand, the plaintiff's right to recover his property or to preserve important evidence against, on the other hand, violation of the privacy of a defendant who has had no opportunity to put his side of the case. It is not merely that the defendant may be innocent. The making of an intrusive order *ex parte* even against a guilty defendant is contrary to normal principles of justice and can only be done when there is a paramount need to prevent a denial of justice to the plaintiff. The absolute extremity of the court's powers is to permit a search of a defendant's dwelling house, with the humiliation and family distress which that frequently involves.”

163. Among Hoffmann J's criticisms of the order was the following at 1283G-H:

“Nor do I understand why it was necessary to make an order *ex parte* which had the effect of allowing the plaintiff’s employees to have immediate access to all of Safeline’s confidential documents and prototypes. In the *Anton Piller* case, one of the conditions mentioned by Lord Denning M.R. for the grant of an order was that ‘inspection would do no real harm to the defendant or his case.’ [1976] Ch. 55, 61. Even if it was thought that the defendants were the kind of dishonest people who would conceal or destroy incriminating documents, it would surely have been sufficient at the *ex parte* stage to allow the plaintiff’s solicitors to remove the documents and make copies for their own retention pending an application by the plaintiff *inter partes* for leave to inspect them. The defendants would then have had the opportunity to object or to ask for a restricted form of inspection, such as by independent expert only. I do not regard the right to apply to discharge the order as a sufficient protection for the defendants. The trauma of the execution of the *Anton Piller* order means that in practice it is often difficult to exercise until after substantial damage has been done.”

The point made by Hoffmann J about the distinction between preserving incriminating documents and what to do subsequently in terms of inspection is an important one to which too little attention has been paid until recently.

164. In *Universal v Hibben* the individual defendants, former employees of the claimant, left their employment, dishonestly taking with them customer lists and pricing matrices belonging to the plaintiff, and set up a rival business. They approached, and obtained orders from, several customers whose names were contained in the claimant’s lists, although they also compiled their own customer lists partly by legitimate means. The claimant started proceedings against them seeking an injunction and damages. An *Anton Piller* order was obtained, and during its execution the claimant found and removed components and documents including the customer lists. There were several serious irregularities in the execution of the order. At trial the defendants claimed damages under the claimant’s cross-undertaking in the *Anton Piller* order and also brought a claim against the claimant’s solicitors. During the course of the trial the defendants settled their claim against the solicitors for £10,000 to each of three individual defendants, £2,000 to two corporate defendants and indemnity costs.
165. In his judgment Sir Donald Nicholls V-C observed that the case illustrated both the virtues and vices of *Anton Piller* orders. The virtue was that the claimant had recovered documents which he suspected would never have seen the light of day if less draconian steps had been taken, but that result was achieved at a very high price. He went on to say that the *Anton Piller* procedure lent itself all too readily to abuse, as had been highlighted in the “powerful” judgments in *Columbia v Robinson* and *Lock v Beswick*. He then described a number of features of the order in question which concerned him, one of which was that it enabled the claimant’s managing director to carry out a thorough search of all the documents of a competitor company. Nicholls V-C said that this was “most unsatisfactory” and that consideration should be given to devising some means, appropriate to the facts of the case, by which this could be avoided. He concluded by endorsing, and elaborating upon, the suggestion which had

been made by Professor Martin Dockray and Hugh Laddie QC in their article *Piller Problems* (1990) 106 LQR 601 that an experienced independent solicitor should be appointed, at the claimant's cost, to serve, and supervise the execution of, an *Anton Piller* order and to prepare a report for the court on the execution of the order.

166. Two further points are worth noting about Dockray and Laddie's article. The first is that they stated at 601 that the original orders made in 1974 "purported to cover 'inspection' and removal of documents and other property: it was clearly understood at the time that 'consent to inspection' meant that defendants must permit search and seizure". The second is that they called for *Anton Piller* orders to be put on a proper statutory footing.
167. On 28 July 1994 Lord Taylor of Gosforth CJ with the concurrence of Sir Stephen Brown P and Sir Donald Nicholls V-C issued a Practice Direction (Mareva Injunctions and Anton Piller Orders) [1994] 1 WLR 1233 setting out guidelines for such applications. Annexed to the Practice Direction were two standard forms of order, and paragraph 2 of the Practice Direction provided that "these forms of order should be used save to the extent that the judge hearing a particular application considers there is a good reason for adopting a different form". The Practice Direction went on to explain that the standard form of *Anton Piller* order required it to be served, and its execution supervised, by an experienced independent solicitor as recommended in *Universal v Hibben*. The standard form of order included an undertaking by the claimant only to use information obtained as a result of the execution of the order for the purposes of the proceedings, thus making express what Knox J in the *VDU* case and Browne-Wilkinson V-C in *Tate v Boswell* had held was implied.
168. On 28 October 1996 Lord Bingham of Cornhill CJ with the concurrence of Sir Stephen Brown P and Sir Richard Scott V-C issued a replacement Practice Direction (Mareva Injunctions and Anton Piller Orders) [1996] 1 WLR 1552 which annexed revised standard forms of order. It is not necessary to consider the changes. The only point that matters is that this demonstrates a continuing perception that the wording of such orders was a matter of concern, and a continuing effort to improve the standard form of order.
169. In 1997 Parliament enacted the Civil Procedure Act 1997, section 7 of which put *Anton Piller* orders on a statutory footing as Dockray and Laddie had urged. As amended, section 7 provides as follows:

**"Power of courts to make orders for preserving evidence, etc.**

- (1) The court may make an order under this section for the purpose of securing, in the case of any existing or proposed proceedings in the court—
  - (a) the preservation of evidence which is or may be relevant, or
  - (b) the preservation of property which is or may be the subject-matter of the proceedings or as to which any question arises or may arise in the proceedings.

- (2) A person who is, or appears to the court likely to be, a party to proceedings in the court may make an application for such an order.
- (3) Such an order may direct any person to permit any person described in the order, or secure that any person so described is permitted—
  - (a) to enter premises in England and Wales, and
  - (b) while on the premises, to take in accordance with the terms of the order any of the following steps.
- (4) Those steps are—
  - (a) to carry out a search for or inspection of anything described in the order, and
  - (b) to make or obtain a copy, photograph, sample or other record of anything so described.
- (5) The order may also direct the person concerned—
  - (a) to provide any person described in the order, or secure that any person so described is provided, with any information or article described in the order, and
  - (b) to allow any person described in the order, or secure that any person so described is allowed, to retain for safe keeping anything described in the order, and
- (6) An order under this section is to have effect subject to such conditions as are specified in the order.
- (7) This section does not affect any right of a person to refuse to do anything on the ground that to do so might tend to expose him or his spouse or civil partner to proceedings for an offence or for the recovery of a penalty.
- (8) In this section—

‘*court*’ means the High Court, and

‘*premises*’ includes any vehicle;

and an order under this section may describe anything generally, whether by reference to a class or otherwise.”

170. It is clear from subsection (1) that the purposes for which orders may be granted are to preserve evidence and property. Subsection (4)(a) empowers the court to permit persons carrying out a search to inspect anything, but it is plain that this in order to achieve one of the purposes specified in subsection (1). The same goes for the power to require the provision of information and articles in subsection (5)(a).

171. The 1997 Act also provided the statutory foundation for the introduction of the Civil Procedure Rules in place of the Rules of the Supreme Court and the County Court Rules. It was at this point that *Anton Piller* orders were renamed search orders. It is not necessary to trace the subsequent evolution of the relevant provisions of the CPR, but it is necessary to set out how they stood in November 2018, when the Search Order was applied for. There has been no material change since then, and so I can refer to the current provisions.
172. CPR rule 25.1(1) provides that the court “may grant the following interim remedies”, which include:
- “(h) an order (referred to as a ‘search order’) under section 7 of the Civil Procedure Act 1997 (order requiring a party to admit another party to premises for the purpose of preserving evidence, etc.)”
173. Practice Direction 25A paragraphs 7.1 to 7.11 contain various provisions relating to search orders, most of which concern the supervising solicitor. Paragraph 7.11 refers to an “example” of a search order annexed to the Practice Direction, which “may be modified as appropriate in any particular case”.
174. I have to say that I regard the current wording of PD25A para 7.11 as unfortunate. Paragraph 2 of the 1994 Practice Direction was preferable. The standard form of search order, which has been developed over more than 25 years, should be used unless there is good reason to depart from it. The problems that can be caused by a too-ready departure from the standard form are well illustrated by the present case.
175. There are three fundamental points which emerge from this survey of the law with respect to search orders. First, the purpose of a search order is to preserve evidence, whether documentary or real, and/or property in order to prevent the defendant from altering, destroying or hiding such evidence or property if given notice. The purpose of inspecting documents during the course of the search, to the extent permitted by the order, is to identify documents which should be preserved. Secondly, the facts that justify a search order being made may also in appropriate cases justify the making of without notice orders for the disclosure and inspection of documents and/or the provision of information pursuant to either CPR Part 18 or the court’s inherent jurisdiction, but nevertheless the two types of orders are distinct, require separate justification, have different effects and must not be conflated. Thirdly, both search orders and without notice orders for the disclosure and inspection of documents and/or the provision of information must contain proper safeguards for the respondent, and those safeguards must be respected during the execution of the order. It follows from the second point that the safeguards required for without notice orders for the disclosure and inspection of documents and/or the provision of information are different to those required for search orders.

#### Imaging orders: the law

176. It will be appreciated that search orders originated in the analogue era when most documents existed solely in paper form. Since then, of course, technology and business have been transformed by digitisation, widespread availability of significant portable computing power and the explosion in both wired and wireless connectivity. The result is that most documentary evidence nowadays exists in digital form stored

either in digital devices or in cloud storage. The relevance of this transformation to search orders has been insufficiently appreciated.

177. For over a decade, it has been technically possible for forensic computer experts to take complete copies, referred to as “images”, of the contents of storage media incorporated in or associated with computers, without affecting the data stored there. Over time, this capability has been extended to smart phones and cloud storage.
178. In the present context, imaging has both advantages and disadvantages. The key advantages are that (i) it is a relatively non-intrusive process which does not involve any removal of documents and (ii) it enables all digital evidence to be preserved for subsequent analysis. The key disadvantage is that imaging is, by its very nature, incapable of discrimination between information that is relevant to the issues in the proceedings and information that is irrelevant, or between business information and personal information, or between information that is subject to legal professional privilege and information that is not. Thus imaging can only ever be a preservation step, and it must be followed by proper consideration of the issues of disclosure and inspection of the documents preserved by the imaging process.
179. The availability of imaging has important consequences for search orders which in my experience have frequently been disregarded. The first is that, if what is needed is a remedy to preserve evidence in order to ensure that it cannot be altered, destroyed or hidden, then in many cases an order requiring the respondent to permit imaging of its digital devices and cloud storage (“an imaging order”) will be the most effective means of achieving that objective. The second, which follows from the first, is that, if an imaging order is made, then that may well make a traditional search order unnecessary, or at least may enable the scope of the search order to be significantly restricted e.g. to articles as opposed to documents.
180. It has become increasingly common for claimants in cases like the present one to make without notice applications seeking both a traditional search order and an imaging order. In my view, any court confronted with such an application should first consider whether to grant an imaging order. If the court is prepared to grant an imaging order, then it should be presumed unless the contrary is shown that a traditional search order is unnecessary. Even if the court is prepared to grant a search order at all, careful consideration should be given as to the scope of the order having regard to the imaging order.
181. Where an imaging order is made, it should be obvious that appropriate safeguards are required for the protection of respondents. Experience shows, however, that applicants and courts do not always give proper consideration to the safeguards that should be provided. By contrast with search orders, no standard form of imaging order has been developed. In my view this case demonstrates there is an urgent need for the Civil Procedure Rules Committee to promulgate a standard form of imaging order. Until such time as a standard form is available, however, it is incumbent upon solicitors and counsel representing applicants, and judges hearing applications, to give careful consideration to the provision of appropriate safeguards. I will return to this point below.
182. By comparison with the extensive case law concerning search orders, there has been relatively little authoritative consideration of imaging orders and the subject has not



previously been addressed by this Court. Although there have been a number of first instance decisions relating to imaging orders and/or searches of images, the two principal authorities are *CBS Butler Ltd v Brown* [2013] EWHC 3944 (QB) and *A v B* (cited above).

183. In *CBS v Brown* the claimant carried on business as a recruitment agent. The first two defendants were ex-employees of the claimant and the third defendant was a company they had set up in competition with the claimant. The claimant commenced proceedings for breach of restrictive covenants and misuse of confidential information. On a without notice application by the claimant, the judge granted (i) an interim injunction, (ii) a search order and (iii) an imaging order. The imaging order made no provision for inspection of the imaged documents. The order was executed and images made (including, disturbingly, of two computers owned by Mr Brown's wife and used by her for her own business). On the (adjourned) return date, the court refused the claimant permission to examine the images save that the claimant's forensic computer expert was permitted to search the images by keyword and report the number of hits produced by the search. The claimant subsequently applied for permission to carry out a keyword search of the images for the purpose of identifying documents relevant to the claim. The effect of the order proposed by the claimant was that the claimant would be able to search using its own choice of keywords, but that the defendants would be able to propose a "blacklist" of keywords which would result in documents being produced to the Defendants' solicitors for review as to relevance and privilege prior to disclosure. By the time this application came to be heard, the defendants had served defences denying any wrongdoing and disclosure was due. Tugendhat J refused to grant the order sought by the claimant, and instead ordered that the defendants should give standard disclosure in relation to the images (excluding those of Mrs Brown's computers) by means of a keyword search using some, but not all, of the keywords proposed by the claimant and limited to documents dated on or after 1 January 2013.
184. In his judgment Tugendhat J made the following statement of principle at [38]:

"In my judgment, an order which would deprive the Defendants of the opportunity of considering whether or not they shall make any disclosure is (in the words of Hoffmann J [in *Lock v Beswick*]) an intrusive order, even if it is made on notice to the defendant. It is contrary to normal principles of justice, and can only be done when there is a paramount need to prevent a denial of justice to the claimant. The need to avoid such a denial of justice may be shown after the defendant has failed to comply with his disclosure obligations, having been given the opportunity to do so (as in [*Mueller Europe Ltd v Central Roofing (South Wales) Ltd* [2012] EWHC 3417 (TCC)]). Or it may be shown before the defendant has had an opportunity to comply with his disclosure obligations. But in the latter case it is not sufficient for a claimant such as the employer in *Lock v Beswick*, or the Claimant, to show no more than that the defendant has misused confidential information or otherwise broken his employment contract. The position is *a fortiori* where the claimant has not even shown that much. What a claimant must show is substantial reasons for believing

that a defendant is intending to conceal or destroy documents in breach of his obligations of disclosure under the CPR.”

185. He went on to say:

“46. ... in my judgment ... the Claimant has not come near to surmounting the threshold that it has to surmount if it is to persuade the court to make so intrusive an order as one for disclosure to be carried out without the intervention of the Defendants.

47. I would in any event have serious reservations about the procedure proposed by the Claimant.

48. In their skeleton argument the Defendants submit that it would be impossible to conceive a suitable blacklist that could exclude the sheer range of personal documents that might contain one of the keywords. As a result, under the order it proposes, the Claimant would be given a significant amount of the Defendants’ private information and communications with people who are entirely unrelated to the present proceedings, and much that would be documents and information in respect of which persons not parties to these proceedings had rights in confidentiality or privacy.

49. It appears to me that the form of procedure for disclosure (by Keywords and Blacklist) proposed by the Claimant would involve disproportionate risks of the interference with the privacy rights not only of the Defendants, but also of third parties.”

186. In *A v B* there were two separate cases before the court in which without notice orders had been made which combined search orders with imaging orders. The question arose on the return dates in both cases as to the procedure that should be adopted with respect to searching the images which had been taken. In both cases the argument took place before any searches had been commenced, and in both cases the principal question which arose was who should go first in carrying out such searches. Both cases were heard by Mann J, and he gave a joint judgment dealing with them both.

187. It is worth noting that, in *A v B* itself, paragraph 26 of the without notice order provided:

“Any copy or image taken of an electronic data storage device will be handed over by the independent computer specialist to the supervising solicitor who will keep it safely in his custody to the order of the court. After the search of the premises is completed, at the instruction, and according to the directions of the supervising solicitor, the independent computer specialist will organise the material on the copies as appropriate in order to expedite the search of their contents. The applicants’ solicitors ... and the independent computer specialist shall then be entitled to search for listed items upon such electronic copies on condition that: (a) the respondent be given 24 hours’ written notice of such search by the applicants’ solicitors; (b) the search take place under the supervising solicitor’s supervision; (c) the respondent

and its legal advisers shall be entitled to be present at such search; (d) a representative of the applicants shall be entitled to be present at such search for the purpose of assisting in identifying the listed items ... and (e) the applicants' solicitors shall be entitled to take copies of any listed items found, subject to the respondent's right to prevent the applicants' solicitors from taking a copy of any part of a document which the supervising solicitor believes to be privileged ...”

188. Similarly, in the second case, *Hewlett Packard v Manchester*, paragraph 26 of the without notice order provided for an independent computer specialist to index the electronic copies according to the directions of the supervising solicitor and then:

“The applicants’ solicitors and the independent computer specialist shall then be entitled to search for listed items in such electronic copies on the following conditions: [conditions requiring 48 hours’ notice to the respondents, and for the entitlement of the respondents and their legal advisers to be present at the search and for the search to take place under the supervising solicitor's supervision.] ...

(d) The applicants’ solicitors shall be entitled to take copies of any listed items found (any dispute as to whether an item is a listed item to be resolved by the supervising solicitor), subject to the respondents’ right to prevent the applicants’ solicitors from taking a copy of any part of a document which the supervising solicitor believes to be privileged.”

189. In his judgment Mann J considered *EMI v Pandit*, the *Anton Piller* case, section 7 of the 1997 Act and PD25A, and concluded, as I have, that the primary purpose of a search order was the preservation of evidence. As he observed at [23], it was not “to give the claimants a form of disclosure exercise which is (a) early and (b) a do-it-yourself form of exercise which would not normally be done as part of standard disclosure”. He went on:

“24. The reason that, to a degree, the old form of [search order] in relation to documents seems to involve a disclosure exercise is because the exercise of preservation in relation to physical documents necessarily involves a search and assessment by the claimant. If one is preserving physical documents from a potentially predatory party then there is no other way of going about it. The same is true of digital documents which are not imaged (see the standard form of order). But that should not disguise the fact that the exercise is usually intended to be a preservation one, not (at that stage) a disclosure one.

25. In my view that informs an assessment of what should normally be done with an image of digital data once it is secured. Once the image is taken the documents on it are preserved and safe from the risk of destruction, and it is that wish which the order was primarily intended to meet. It is not necessary to carry out any searching or identification for that purpose; the image is safe. Any searches carried out in relation to those documents cannot be justified on the footing that it is necessary for the preservation of those documents. I can see no

justification for a search of those documents being, as a general rule, carried out by the claimant and/or at that stage.

26. I therefore agree with the submissions of the defendants in both cases that if there is to be an inspection of documents on the images at this stage and by the claimants then it needs to be justified as a separate exercise, and analysed in terms of the disclosure jurisdiction. ...”

190. Mann J then proceeded to consider *CBS v Brown* and concluded at [30]:

“The decision whether to allow it, like any other dispute about disclosure, has to be dealt with on the basis of the particular facts of a particular case. There will be many factors potentially in play, and they will include the following:

- (i) The order will have been obtained in the first place on the basis of a strong prima facie case of not only the dishonesty of the defendant but also the propensity of the defendant to cover his or her tracks by destroying evidence. That may mean that the defendant should not necessarily be trusted to carry out the disclosure (inspection) exercise properly, though this factor may be seriously ameliorated by the defendant's solicitors being involved in the process.
- (ii) It may be the case that, as a matter of practicality, the relevance of some important documents may be honestly missed by the defendant's solicitors. This is something particularly relied on by the claimant in *A v B*.
- (iii) It may be the case that urgency justifies the claimant's carrying out the search. For example, it might be necessary, as a matter of urgency, to follow property, or to identify other wrongdoers in a supply chain, and it may be the case that having the defendant's solicitor carry out the search will not fulfil that need.
- (iv) It may be that the application of search terms can narrow the field to such an extent that the exercise becomes akin to the more familiar one of compelling disclosure of a class of documents, not all of which may be relevant, but which can be searched by the receiving party for relevance.
- (v) It may be that the resources available to the claimant are greater than those available to the defendant (particularly in a lot of intellectual property cases where the claimant is likely to be a well-heeled organisation) so that it makes practical sense, in order to further the overriding objective, to allow the claimant to go first, though this must not be allowed to become a charter for the well-heeled to get an advantage over others merely by virtue of being better-heeled.

- (vi) On the other side of the argument is the very important factor, which must not be lost sight of, that the whole exercise (including the order itself) is a highly intrusive one, and any digital image of the kind in issue in these cases is likely to contain irrelevant material which is private and confidential (if not privileged) and which should not, if it can be avoided, be seen by the claimant at all. *A v B* is potentially a very good example of this. The business that the defendants carry on or would like to carry on is in competition with the claimant. Even if they have confidential information of the claimant on their digital devices, or evidence that they have purloined it, there is also likely to be their own confidential information about their own business which they would normally be entitled to keep from the claimants. To allow the claimants to see that at all involves a high degree of intrusion which must be acknowledged in the process.”

191. On the facts of both of the cases before him, Mann J decided to allow the claimants to undertake searches of the images for relevant documents subject to safeguards. What he said with respect to the second case at [48] is important in this regard:

“... The first is that it is right that the defendants should first be able to review the documents in order to remove documents which they claim are privileged. That reflects the normal procedure. That review, if it happens, must be carried out by solicitors and not by the defendants personally. Second, I am uncomfortable about the claimants simply imposing their will in relation to keywords on the defendants. They should at least inform the defendants of the keywords that they are proposing to use, so that if the defendants have some form of objection they have an opportunity to have their concern ventilated at a hearing. Keywords are, of course, important. They are the way in which the large amounts of data relied on by the defendants in opposition to the order are reduced to manageable proportions. Anyone reviewing this data would have to do so via keyword searches. A review of the proposed keywords by the defendants is also a mechanism pursuant to which they can form a view as to whether or not the searches might go too far, though I accept that it is a pretty blunt instrument in that respect.”

192. I would endorse Mann J’s analysis in the passages I have quoted subject only to one small qualification. The keywords to be used in keyword searching must be agreed between the parties or determined by the court. It is unacceptable for claimants to be able unilaterally to decide what keywords to employ, since experience shows that, as in this case, parties all too often propose keywords that are far too all-embracing. Considerable care is required when selecting keywords, and often it will be necessary for an intelligent combination of keywords to be employed. Furthermore, even careful keyword selection may not necessarily be an answer to the problem posed by privileged documents.
193. Returning to the point I raised in paragraph 181 above, the basic safeguard required in imaging orders is that, save in exceptional cases, the images should be kept in the

safekeeping of the forensic computer expert, and not searched or inspected by anyone, until the return date. If there is to be any departure from this, it will require a very high degree of justification, and must be specifically and explicitly approved by the court. On the return date, consideration must be given to the timing and methodology of disclosure and inspection of documents captured in the images. The presumption should be that it will be for the defendant to give disclosure of such documents in the normal way, but this presumption may be departed from where there is sufficient justification. Even if the presumption is departed from, there should be no unilateral searching of the images by or on behalf of the claimant: the methodology of the search must be either agreed between the parties or approved by the court.

### The Search Order

194. Although it is not in issue before us, I wish to record that I have considerable concerns as to the appropriateness of the Search Order. This is for two reasons. The first is that the Search Order combined a traditional search order with an imaging order. Neither TBD's representatives nor the court appear to have considered whether the search order was necessary if an imaging order was made. Secondly, the imaging order did not merely provide for images to be made, but also for those images to be analysed by TBD's computer experts without imposing any safeguards to protect Mr Simons, G2A and Mr O'Boyle: compare the orders made in *A v B* and *Hewlett Packard v Manchester* discussed above.

### Interpretation of the Search Order

195. Marcus Smith J held that the Search Order did not permit TBD to inspect the Searched Documents or to use information obtained from the Searched Documents in the proceedings, and therefore TBD had breached the Search Order. TBD's first ground of appeal against his order is that he was wrong in his interpretation of the Search Order.

196. It is common ground that, in interpreting the Search Order, it is necessary to have regard to the purpose of the order, but the parties are divided as to its purpose. In my judgment it is clear from (i) the legal analysis I have set out above, (ii) the nature and tenor of TBD's application and (iii) the terms of the Search Order that its purpose was the preservation of evidence.

197. Although the key provision of the Search Order for the purposes of the appeal is paragraph 18, counsel for TBD relied upon paragraph 6 and undertaking C(2) of the Search Order and so it is first necessary to consider those.

198. Paragraph 6 of the Search Order is in standard form. It requires the Defendant to permit the search party to enter the premises "so that they can search for, *inspect*, photograph, copy, print, save, or dictate, and deliver into the safekeeping of the Claimant's solicitors all the documents and articles which are listed in Schedule B to this order ('the listed items') [emphasis added]". Counsel for TBD submitted that this authorised TBD to inspect any and all listed items.

199. I accept this submission, but only subject to the following important qualifications. First, it only authorises inspection during the course of the search, and not subsequently. Secondly, it only authorises inspection for the purposes of the search,

that is to say, identifying listed items, copying them where necessary and delivering them into the safekeeping of TBD's solicitors. "Safekeeping" means, in my judgment, just that: keeping the listed items safe. Safekeeping does not require or permit inspection of documents.

200. Undertaking C(2) is also in standard form. By it, TBD undertakes "not, without the permission of the court, [to] use any information or documents obtained as a result of carrying out this order except for the purposes of these proceedings (and for this purpose, 'these proceedings' includes any subsequent application to join further Defendants)". Counsel for TBD submitted that this impliedly authorised TBD to inspect documents and use information obtained as a result of executing the Search Order even if that was not authorised by any other provision of the Search Order, because otherwise the undertaking would serve no purpose.
201. I do not accept this submission. As discussed above, paragraph 6 of the Search Order expressly envisages that TBD and its representatives may inspect and copy documents during the course of the search. It is inevitable that, while inspecting documents to see if they are listed items, the search party may learn information which is of interest to TBD. Furthermore, paragraph 20 of the Search Order required Mr Simons and G2A immediately to disclose four categories of information to TBD. Yet further, the *Piver* case illustrates that claimants may obtain information during the course of executing a search simply as a result of seeing things. Undertaking C(2) bites upon information and documents obtained in these ways. As discussed above, it makes express what Knox J in the *VDU* case and Browne-Wilkinson V-C in *Tate v Boswell* held would otherwise be implied, except that it makes it clear that such information and documents may be used for the limited purpose of joining additional defendants. It does not impliedly authorise any inspection of documents which is not otherwise permitted by the Search Order, nor the use of information obtained as a result of such inspection.
202. I now turn to paragraph 18 of the Search Order (set out in paragraph 26 above). The following points should be noted about this paragraph. First, it authorises the computer experts to do three things: (i) "take a copy of the files on any computers found on the premises", (ii) carry out "analysis ... following completion of the search" in order to "recover" listed items and (iii) "deliver" listed items "into the safekeeping of the Claimant's solicitors". It does not authorise the computer experts to do anything else.
203. Secondly, paragraph 18 does not authorise anyone other than the computer experts to carry out the "analysis". This implies that the "analysis" is an exercise that requires the computer experts' expertise, which in turn implies that it will involve the use of technical tools.
204. Thirdly, paragraph 18 does not specify how the computer experts are supposed to identify listed items in order to "recover" them. Taken together with the preceding point, however, the implication is that the computer experts should use technical tools which enable them to identify listed items. The most obvious tool for this purpose is keyword searching using carefully selected keywords. Although paragraph 18 does not explicitly say so, this implies that TBD's solicitors may provide the computer experts with a list of keywords to use, provided that the keywords are capable of discriminating between listed items and other items.

205. Fourthly, the permission granted to the computer experts to “deliver” listed items “into the safekeeping of the Claimant’s solicitors” is in conflict with the computer experts’ undertaking (set out in paragraph 28 above) to return any copy of the files to the Defendant following completion of the analysis. In my view paragraph 18 must be understood as overriding that undertaking, but only in respect of listed items.
206. Fifthly, paragraph 18 authorises TBD’s solicitors to keep listed items recovered and delivered to them by the computer experts in their safekeeping. It does not authorise TBD’s solicitors to do anything else. As I have already explained in the context of paragraph 6 of the Search Order, in my judgment “safekeeping” means no more and no less than keeping safe.
207. Sixthly, paragraph 18 is not subject to any safeguards to protect the Defendant. Counsel for TBD submitted that it was subject to the safeguards contained in paragraphs 9-15 of the Search Order. In my judgment this is obviously wrong: paragraphs 9-15 impose, as the heading both in the standard form and in the Search Order correctly states, “restrictions on [the] search”. They do not, and cannot, apply to the subsequent “analysis” carried out pursuant to paragraph 18.
208. A particularly serious omission is the failure to make any allowance for the likelihood that analysis of the Images would recover documents which were, or at least might be, subject to legal professional privilege. In this regard, it should not be overlooked that (i) Mr Simons and G2A were already defending TBD’s claim and (ii) Mr Simons had previously brought a claim for unfair dismissal against TBD, and so it was inherently likely that they would have privileged documents.
209. In addition to the points noted above, I consider that the following general considerations are pertinent to the interpretation of paragraph 18. First, the Search Order was granted on an application made without notice to Mr Simons, G2A or Mr O’Boyle. Secondly, the Search Order is by its nature highly intrusive. Thirdly, paragraph 18 permits the computer experts to take a copy of all files found on any computer (an expression which is widely defined) found on the premises, no matter how confidential and/or private and/or privileged and/or irrelevant to the proceedings they may be. In my judgment each of these considerations militates in favour of a narrow interpretation of paragraph 18.
210. Taking all of these points into account, I conclude that paragraph 18 did not authorise Acuity to inspect listed items recovered by the computer experts. Still less did it authorise them to inspect documents which did not qualify as listed items or documents which did qualify as listed items but were privileged. Nor did paragraph 18 authorise Acuity or TBD to use information obtained as a result of such inspection for the purposes of the proceedings. Still less did it authorise Acuity or TBD to use such information for extraneous purposes, such as making a complaint to the SRA or challenging Obcon’s claim to be a creditor of G2A in the liquidation.
211. Counsel for TBD rightly accepted that, if and to the extent that Acuity as TBD’s agents had exceeded what was permitted by the Search Order, then TBD was in breach of the Search Order. I conclude that TBD breached the Search Order by (i) inspecting listed items in the Searched Documents, (ii) inspecting documents which did not qualify as listed items and (iii) using information obtained as a result of (i), and perhaps (ii), for the purposes of (a) amending the claim form and Particulars of



Claim, (b) supporting the application for committal of Mr Simons, (c) seeking permission to bring committal proceedings against Mr O'Boyle and (d) writing to third parties, including Langtons, Ryanair and the SRA.

212. The matter does not end there, however. It can be seen from the Supervising Solicitor's Report that some of the problems with paragraph 18 became apparent during the execution of the Search Order. As related above, an agreement was reached to the effect that the parties would endeavour to agree the parameters for a keyword search, failing which the dispute would be resolved by the court at the return date. As I have explained, no agreement was subsequently reached as to the keyword search. Although G2A did not respond to Acuity's attempts to agree a list of keywords, Mr Simons raised reasoned and well-founded objections to Acuity's proposals, which Acuity simply brushed aside. TBD did not apply to the court for an order, as in my judgment it should have, but asserted that it was entitled to proceed unilaterally without putting the court fully into the picture. For the reasons I have given, TBD was not entitled to proceed unilaterally. Moreover, if the full picture had been disclosed, I cannot believe that any judge would have made an order approving the keyword search which Acuity instructed CY4OR to carry out. Moreover, in the event, CY4OR and Acuity went beyond even what Acuity had proposed.
213. It follows in my judgment that Marcus Smith J was correct to conclude that, contrary to the submission of counsel for TBD that the correspondence over the keywords in some way excuses the behaviour of Acuity and TBD, it compounds it.
214. Marcus Smith J used a number of epithets to describe the breaches of the Search Order: "significant and unjustifiable" ([68]), "flagrant and very serious" ([77]) and "most serious" ([95(1)]). I would not myself use the adjective "flagrant", since that might be thought to suggest that the breaches were intentional. I agree with Marcus Smith J, however, that the breaches were significant and very serious ones.
215. It follows that I would reject TBD's first ground of appeal against the order of Marcus Smith J.

Should there be an independent review?

216. In paragraphs 1 to 7 of his order dated 27 February 2020 Marcus Smith J granted the O'Boyle Defendants various forms of relief (summarised in paragraphs 107 and 108 above) consequential upon his finding that TBD had breached the Search Order. TBD's second ground of appeal is that Marcus Smith J was wrong to order a review of the Searched Documents by independent solicitors at TBD's expense. His reasons for making this order were, in summary, that he considered that, if the question had been properly canvassed before the court on 18 February 2019, the court would probably have ordered independent solicitors to undertake a privilege, self-incrimination and relevance review because it would not have been appropriate to entrust that task to Acuity as TBD's solicitors and neither Mr Simons nor G2A had solicitors on the record.
217. Since this was an exercise of the judge's discretion, this Court can only interfere if the judge erred in law or principle or took into account irrelevant considerations or failed to take into account relevant ones.

218. Counsel for TBD submitted that the judge had failed to take into account no less than nine allegedly relevant considerations. I will consider these in turn.
219. First, counsel for TBD submitted that the judge had failed to take into account the fault of G2A for the departures from the Search Order which had occurred. For the reasons explained above, however, I do not accept that G2A was at fault. Moreover, the submission ignores the position of Mr Simons.
220. Secondly, counsel for TBD submitted that the judge had ignored the fact that TBD held documents “obtained from a variety of different sources, beyond merely the search”. It turned out that what counsel meant by this were (i) documents which TBD itself had obtained by its own investigations, (ii) documents contained in the nine lever arch files of exhibits to Mr Simons’ second affidavit, (iii) documents which were inspected by Acuity during the course of the execution of the Search Order and (iv) a statement of affairs for G2A obtained by TBD from the liquidator as a creditor. As counsel was forced to accept, however, there is no evidence that copies of any of these documents were included in the Searched Documents. Even if they were, it is plain from the sheer number of Searched Documents that they vastly exceeded the number available to TBD from other sources. Moreover, the Search Order contained some restrictions upon what could be done with documents in category (iii).
221. Thirdly, counsel for TBD placed reliance upon two consents for the use of documents given by G2A’s liquidator on 24 May 2019 and 16 August 2019. I shall have to consider the terms, and effect, of those consents when I come to the question of litigation privilege. Let it be assumed for the moment, however, that the liquidator has given a blanket consent to the use of G2A’s documents for the purposes of these proceedings, and has waived any privilege of G2A. Marcus Smith J held that the consents could not justify prior breaches of the Search Order. Counsel for TBD submitted that the question was not whether the consents justified the breaches, but what relief should be granted as a result of the breaches. I accept that the consents were relevant to the latter question, but I do not accept that they were a “significant, if not decisive, factor” as counsel for TBD submitted, for two reasons. First, the liquidator could not consent to the use of Mr Simons’ documents or waive any privilege of Mr Simons (leaving aside the position of Mr O’Boyle discussed below). Thus it would remain necessary for someone to review the Searched Documents for documents which are either (a) Mr Simons’ personal documents and irrelevant to the issues in the proceedings or (b) documents which are relevant but subject to privilege which can be asserted by Mr Simons. Secondly, although the liquidator could consent to the use of G2A’s documents, the mere fact of such consent would not mean that all the Searched Documents were relevant to TBD’s claims. Thus, even in the case of G2A’s documents, it would remain necessary for someone at some stage to review the Searched Documents to ascertain which are relevant. It will save costs if this review is undertaken by the same solicitors who undertake the review of Mr Simons’ documents.
222. Fourthly, counsel for TBD submitted that the judge had failed to take into account the principle that, in general, the English civil courts do not exclude evidence which has been improperly obtained. I do not accept that this is a relevant factor for two reasons. The first is that the Searched Documents were obtained as a result of a court order. If, as I have held, the Searched Documents were obtained through serious breaches of the Search Order, then the court has an interest in rectifying that breach in order to ensure

that its orders are respected. Secondly, and in any event, the potential admissibility of improperly obtained evidence does not mean that the court will refuse to grant relief which precludes the evidence being tendered. Thus, as the Court of Appeal emphatically held in *Imerman v Tchenguiz* [2010] EWCA Civ 908, [2011] 2 WLR 592, the desire of one party to tender documents in evidence does not justify that party in misusing another party's confidential documents by secretly copying them, and if the first party does so it will be restrained from using the documents and required to return them.

223. Fifthly, counsel for TBD submitted that the remedy of an independent review was disproportionate. But this submission depends upon a more proportionate alternative being identified, and none was suggested to the judge. Moreover, the review cannot be conducted by Acuity in any event since they have withdrawn. In this Court, TBD offered for the first time an alternative which I will consider below.
224. Sixthly, counsel for TBD submitted that the judge had failed to take into account the delay by the O'Boyle Defendants in asserting their objections to inspection and use of the Searched Documents. I do not accept this submission for two reasons. First, the parties who were primarily affected by the breaches of the Search Order were Mr Simons and G2A. As I have explained, Mr Simons objected promptly, but Acuity simply brushed his objections aside and proceeded unilaterally. Secondly, Simon Burn acting on behalf of the O'Boyle Defendants complained promptly in their letter dated 8 May 2019 (quoted in paragraph 94 above) once they became (partially) aware of what Acuity had done, but by then it was too late and in any event Acuity again brushed the complaint aside.
225. Seventhly, counsel for TBD relied upon a statement by Judge Keyser in his judgment of 13 September 2019 that there was no reason to suppose that TBD and Acuity had acted in anything other than good faith. This does not help for TBD for two reasons. First, the question of whether TBD had breached the Search Order was not fully considered by Judge Keyser, and he made no finding on the issue, whereas it was fully considered by Marcus Smith J, who did make a finding. Secondly, Marcus Smith J did not suggest that either TBD or Acuity had acted in bad faith. It is plain from his judgment that he considered that TBD and Acuity had conducted the litigation over-aggressively, a sentiment with which I whole-heartedly agree; but that is not the same thing.
226. Eighthly, counsel for TBD relied on the fact that the decision in *A v B* post-dated the conduct complained of by several months. In my judgment this is completely irrelevant. No doubt *A v B* has focussed practitioners' attention on these issues, but nothing that Mann J said in his judgment should have come as any surprise. In any event, the issue turns primarily upon the interpretation of paragraph 18 of the Search Order and secondarily on what was agreed between the parties during the search. I acknowledge that Marcus Smith J referred in his judgment to *A v B*, but it is clear from his reasoning that he would have reached the same decision without it.
227. Ninthly, counsel for TBD submitted the judge's desire to "turn the clock back" did not justify ordering TBD to bear the expense of the independent review. This submission invites the question of who else should bear the cost, and why. Thus it depends, at least in part, on the question raised above about what alternative there is.

228. The conclusion I reach is that the judge's exercise of his discretion cannot be faulted upon the basis of the materials which were before the judge. Ordinarily, that would be the end of the matter. During the course of the appeal, however, TBD offered for the first time to agree to Simon Burn being permitted to conduct the review on behalf of all the Defendants, rather than an independent firm of solicitors. The O'Boyle Defendants consented to this course, Mr Simons raised no objection to it and it appears unlikely that the liquidator of G2A would have any objection. While this course of action has certain hazards associated with it, due to the conflict of interest between Mr Simons and the O'Boyle Defendants, I consider that those hazards are manageable, and it will have the considerable merit of saving costs in circumstances where it seems clear that the costs incurred are already disproportionate to what is at stake. Accordingly, I would vary the judge's order to the extent of substituting Simon Burn for an independent firm of solicitors.
229. That just leaves the question of who should pay for the costs of the exercise. Marcus Smith J held that TBD should pay for it. Counsel for TBD submitted that this was unjustified, since in the absence of any breach of the Search Order, the Defendants would have had to give disclosure and inspection of relevant documents anyway, and in the first instance they would have had to pay for the necessary review of documents in their possession, custody or power. I do not accept this submission. The problem which confronts the court has been caused by TBD's breaches of the Search Order. In those circumstances I consider that the judge was entitled to conclude that TBD should bear the cost of cleaning up the mess. I would add that G2A, being insolvent, obviously cannot pay anyway, and Mr Simons says he has limited means, which is why he is acting in person.

Applications for permission to bring committal proceedings: the law

230. I turn now to the second principal issue raised by these appeals, which is the granting of permission to bring applications for committal, in particular applications for committal for making false statements pursuant to CPR rule 81.17. (At the time of writing this judgment, Part 81 has just been substantially revised, but I am of course referring to the provisions as they stood at the material times.)
231. A procedural question which was not canvassed during the course of argument, and only occurred to me when writing this judgment, is whether the court's permission is also required to bring applications for committal for swearing a false affidavit. In the case of applications for committal for breaching a court order, permission is not required: see rule 81.12(1), (3). In *Hydropool Hot Tubs Ltd v Roberjot* [2011] EWHC 121 (Ch) I held at [58]-[60] that what was then rule 32.14 did not apply to affidavits, and this was followed in relation to rules 81.17(4)(a) and 81.18(1)(a), (3)(a) by Green J in *International Sports Tours Ltd v Shorey* [2015] EWHC 2040 (QB) at [39]-[42]. It is arguable, however, that the effect of rule 81.12(1), (3) is nevertheless to require permission. Fortunately, it is not necessary to reach a conclusion on this point. Either way, TBD could have brought an application for the committal of Mr Simons without the court's permission on at least ground 1 (breaching the 4 July 2018 Order) even if it required permission to do so on ground 2 (swearing a false affidavit) as well as on ground 3 (making a false statement of truth in his Defence). Similarly, TBD did not need the permission of the court to apply for Mr O'Boyle's committal on ground 1 alleged against him even if required permission to do so on grounds 2 and 4 as well as on grounds 3 and 5.

232. Turning to the approach which the court should adopt to an application for permission under rule 81.17, the leading authority is the judgment of Moore-Bick LJ in *KJM Superbikes Ltd v Hinton* [2008] EWCA Civ 1280, [2009] 1 WLR 2406. The guidance in that judgment was helpfully distilled by Hooper LJ in *Barnes v Seabrook* [2010] EWHC 1849 (Admin), [2010] CP Rep 42 in a passage at [41] which was cited by Christopher Clarke LJ in *Cavendish Square Holdings BV v Makdessi* [2013] EWCA Civ 1540 at [28]:

- “i) A person who makes a statement verified with a statement of truth or a false disclosure statement is only guilty of contempt if the statement is false and the person knew it to be so when he made it.
- ii) It must be in the public interest for proceedings to be brought. In deciding whether it is in the public interest, the following factors are relevant:
  - (a) The case against the alleged contemnor must be a strong case (there is an obvious need to guard carefully against the risk of allowing vindictive litigants to use such proceedings to harass persons against whom they have a grievance);
  - (b) The false statements must have been significant in the proceedings;
  - (c) The court should ask itself whether the alleged contemnor understood the likely effect of the statement and the use to which it would be put in the proceedings;
  - (d) ‘[T]he pursuit of contempt proceedings in ordinary cases may have a significant effect by drawing the attention of the legal profession, and through it that of potential witnesses, to the dangers of making false statements. If the courts are seen to treat serious examples of false evidence as of little importance, they run the risk of encouraging witnesses to regard the statement of truth as a mere formality.’
- (iii) The court must give reasons but be careful to avoid prejudicing the outcome of the substantive proceedings.
- (iv) Only limited weight should be attached to the likely penalty.
- (v) A failure to warn the alleged contemnor at the earliest opportunity of the fact that he may have committed a contempt is a matter that the court *may* take into account.”

233. I would add two points to this summary. The first is the point made by David Richards J (as he then was) in *Daltel Europe Ltd v Makki* [2005] EWHC 749 (Ch) at [80] and cited with approval by Moore-Bick LJ in *KJM* at [18]:

“Allegations that statements of case and witness statements contain deliberately false statements are by no means uncommon and, in a fair number of cases, the allegations are well-founded. If parties thought

that they could gain an advantage by singling out these statements and making them the subject of a committal application, the usual process of litigation would be seriously disrupted. In general the proper time for determining the truth or falsity of these statements is at trial, when all the relevant issues of fact are before the court and the statements can be considered against the totality of the evidence. Further, the court will then decide all the issues according to the civil standard of proof and will not be applying the criminal standard to isolated issues, as must happen on an application under CPR Part 32.14.”

234. The second is the point made by Christopher Clarke LJ in *Cavendish Square* at [79]:

“The critical question, in this and every case, is whether or not it is in the public interest that an application to commit should be made. That is not an issue of fact but a question of judgment. The discretion to permit an application to commit should be approached with considerable caution. It is not in the public interest that applications to commit should become a regular feature in cases where at or shortly before trial it appears that statements of fact in pleadings supported by statements of truth may have been untrue. ...”

#### The application for permission to bring committal proceedings against Mr O’Boyle

235. As I have explained, there are two appeals which concern TBD’s application to bring committal proceedings against Mr O’Boyle. The first is Mr O’Boyle’s appeal against Judge Keyser’s decision to adjourn the application until after trial. This is challenged by Mr O’Boyle on three grounds, the first of which is that the judge should in any event have dismissed the application. The second is TBD’s appeal against Marcus Smith J’s decision to dismiss the application.

#### *Judge Keyser’s decision to adjourn the application*

236. In his judgment dated 13 September 2019 Judge Keyser held that Mr O’Boyle could not invoke either litigation privilege or the privilege against self-incrimination in respect of the Transcript, and thus rejected Mr O’Boyle’s contention that permission should be refused on those grounds. He also held that, even if there had been a breach of the Search Order by TBD (as to which he reached no conclusion), that did not amount to a reason why permission should be refused either. He nevertheless decided to adjourn the application until after trial, for reasons he expressed as follows:

“4. The overriding test to be applied to an application for permission to bring committal proceedings is whether such proceedings are in the public interest. A necessary but not sufficient condition for the applicant to satisfy is to show that there is a strong prima facie case that the respondent is in contempt of court. In deciding whether that condition is satisfied, the court must give reasons for its decision while being careful not to prejudice either the substantive litigation or any future committal proceedings. The matters on which TBD relies in making its present application are all concerned, of course, with Mr O’Boyle’s conduct in the litigation; they are not themselves matters directly concerning his involvement in the events constituting the

subject matter of the substantive claim. However, in this particular case that is a very nice distinction, because the falsehoods for which Mr O'Boyle is said to have been responsible are concerned with the state of his (or, in one case, OSL's) involvement in the events constituting that subject matter. Despite the best efforts of Mr Butler QC for TBD to persuade me to the contrary, it seems to me that a trial of the alleged acts of contempt would impinge very greatly on the issues in the substantive litigation. In those circumstances, I do not consider it to be in the interests of the efficient proceedings while the substantive litigation is ongoing. I am also mindful of the risk that, in what without fear of contradiction I may describe as vigorously pursued litigation, committal proceedings might become an inter partes tool of litigation advantage and cease to be a vehicle of the public interest.

5. I have considered and rejected two possible courses of action. One is to determine the permission application now and, if permission were granted, to give direction that the committal proceedings be dealt with at the end of the case. The disadvantage of that course, as it seems to me, is that I should have to form a judgment now on the existence or non-existence of a strong prima facie case against Mr O'Boyle. Because of the close connection between that issue and the issues in the substantive claim against Mr O'Boyle, that seems to me to be an unattractive course. It would also have limited utility, as any view that could now be expressed would have a less secure basis than would the view formed by the trial judge.
6. The other possible course that I have considered but rejected is simply to strike out or dismiss the present application. It seems to me that nothing material would be gained by that. It would, of course, mean that an application for permission were not pending during the further continuance of the proceedings. However, TBD would be entitled to bring a further application for permission at a later stage and, if it intended to do so, it would be proper for it to give notice of that intention to Mr O'Boyle at this stage. The matters relied on by TBD are such that the possibility of committal proceedings cannot be ruled out, at least until after trial. To leave the application in abeyance would be materially similar to granting permission now but directing that committal proceedings would not take place before the conclusion of this case; in submissions, counsel were agreed that the latter course would be permissible, though for difference reasons they urged me against taking it.
7. Instead, I have decided to determine some main issues between the parties in connection with TBD's application (namely, whether the application ought to be refused on grounds of litigation privilege, the privilege against self-incrimination, or misconduct in connection with the execution of a search order); and, having determined those issues in TBD's favour for reasons set out below to adjourn the present application for further consideration after the trial or further order in

the meantime. All I think it necessary to say at this stage is that, in view of the conclusions I have reached as to admissibility of evidence, it cannot be said to be unarguable that there is a strong prima facie case. However, in my judgment, for reasons I have indicated, it is preferable that the question whether there is indeed such a case be not considered in advance of the trial.”

237. Counsel for Mr O’Boyle submitted that the judge’s reasoning at [6] was flawed. As the judge’s reasoning at [4]-[5] and [7] recognised, the application for permission to bring committal proceedings against Mr O’Boyle was premature, because the issues raised by TBD’s grounds would be investigated at trial. It followed that, as the judge himself said, it was not in the public interest for an application for committal to be brought at that stage. That should have led the judge to conclude that the application should be dismissed. Upon analysis, the only reason given by the judge for not taking that course in [6] was that it would be open to TBD to bring a further application later, and in particular after trial. Counsel submitted that that did not justify the judge’s decision to adjourn the current application, which was for permission to bring committal proceedings before trial. Apart from anything else, the evidence would be bound to change at trial.
238. I accept these submissions. I would add that, after trial, the parties will have the benefit of the judge’s findings. These are likely to be the court’s first port of call when deciding whether or not committal proceedings should be brought against Mr O’Boyle. Accordingly, I would allow Mr O’Boyle’s appeal against Judge Keyser’s decision to adjourn the application.
239. For the reasons explained in paragraph 231 above, that would not debar TBD from pursuing ground 1, and possibly grounds 2 and 4, of its application at this stage. As Judge Keyser wisely observed at [26], however, any attempt by TBD to pursue committal proceedings on grounds that do not require permission would inevitably require the court to consider whether to stay the proceedings, which he hoped would not be necessary. I express the same hope.
240. The conclusion I have reached on Mr O’Boyle’s first ground of appeal against Judge Keyser’s order makes it unnecessary to consider his second ground of appeal, which is that Judge Keyser ought to have dismissed TBD’s application because of TBD’s breaches of the Search Order. As I have explained, this ground of appeal has in any event been superseded by Marcus Smith J’s decision.

*Marcus Smith J’s decision to dismiss the application*

241. Given my conclusion in paragraph 238 above, TBD’s appeal against Marcus Smith J’s decision to dismiss the application is academic. I nevertheless propose to deal with this issue, because it bears upon the application to commit Mr Simons.
242. Marcus Smith J gave three reasons for deciding to dismiss TBD’s application. The first was that TBD was relying in support of the application upon material which had been obtained in breach of the Search Order. The second was that, in so far as TBD relied upon material obtained in accordance with the Search Order, the application was a breach of undertaking C(2), because committal proceedings against Mr



O'Boyle were separate proceedings. The third was expressed by Marcus Smith J at [84(4)] as follows:

“I discern a regrettable over-enthusiasm in the Company’s pursuit of committal proceedings against Mr O’Boyle, which is evidenced both by the aggressive nature in which such proceedings have been threatened, the fact that the ‘letter before action’ has been sent, not merely to Mr Boyle, but to third-parties, and the fact that it was attempted to gain permission to bring committal proceedings whilst the Proceedings (which involve Mr O’Boyle and traverse the same subject- matter) were on-going.”

243. Counsel for TBD submitted that Marcus Smith J’s decision to dismiss the application was unjustified, even on the assumption that TBD had breached the Search Order, because (i) the application was not before him, (ii) Mr O’Boyle had not applied for the application to be dismissed, (iii) TBD was given an insufficient opportunity to dissuade him and (iv) Marcus Smith J gave no sufficient reason for departing from Judge Keyser’s decision to adjourn the application.
244. So far as points (i) and (ii) are concerned, I consider that Marcus Smith J had the power to raise the matter of his own motion pursuant to CPR rule 3.1 and by analogy with Practice Direction 81 paragraph 16.1 (which provides that the court may strike out a committal application on its own initiative in certain circumstances), provided he did so without evincing an appearance of bias and without procedural unfairness to TBD. Given the rather unusual circumstances of this case, I consider that Marcus Smith J was entitled to raise the matter of his own motion as consequential to his decision that TBD had breached the Search Order. Point (iii) is a complaint of procedural unfairness, but I do not accept that it is made out. Marcus Smith J raised the matter with counsel for TBD during the course of argument, and counsel had the opportunity to argue against the course which the judge was contemplating.
245. The key question, therefore, is whether Marcus Smith J was justified in departing from Judge Keyser’s decision. In my judgment, Marcus Smith J was justified in doing so for the reasons he gave. The question of whether TBD had breached the Search Order was investigated more thoroughly before him than it had been before Judge Keyser, and unlike Judge Keyser, Marcus Smith J reached a conclusion on that issue. Moreover, the effect of the undertaking does not appear to have been canvassed before Judge Keyser.
246. As for Marcus Smith J’s third reason, this is supported by the recent observations of Andrew Baker J in *Navigator Equities Ltd v Deripaska* [2020] EWHC 1798 (Comm), which I would endorse:
- “141. Contempt proceedings have a particular and distinctive character. They are civil proceedings but bear several important hallmarks of criminal proceedings. They have been described, I think aptly, as quasi-criminal in character: *Jelson Estates v Harvey* [1983] 1 WLR 1401 at 1408C-G; *Masri v Consolidated Contractors International Co Sal et al.* [2010] EWHC 2640 (Comm) at [22]. The hearing is not to be equated with a criminal trial and the process is not to be equated with a private prosecution (*Masri* at [21]). But the quasi-criminal character of

this particular species of civil litigation process has important consequences.

142. One consequence I have already identified, namely that the court recognises the particular capacity of contempt applications or the threat of contempt applications to be used vexatiously by litigants to further interests that it is not the function of the contempt jurisdiction to serve. That leads to the obvious materiality, at all events if there is some reason to question it on the facts of a given case, of the ‘prosecutorial motive’ of a claimant / applicant pursuing a contempt charge. ...
143. A further consequence is that the claimant / applicant pursues a contempt charge as much as quasi-prosecutor serving the public interest as it does as private litigant pursuing its own interests in the underlying dispute. The claimant / applicant needs to understand that; and if it is legally represented, as here, the legal representatives need to understand that their role as officers of the court is acutely pertinent, even if (to repeat) the process is not to be equated with a private prosecution in a criminal court. Thus, it appears to have struck Teare J as obvious in the long-running *Ablyazov* litigation that the quasi-prosecutorial role of the claimant / applicant in pursuing a contempt charge means its proper function is to act generally dispassionately, to present the facts fairly and with balance, and then let those facts speak for themselves, assisting the court to make a fair quasi-criminal judgment: *JSC BTA Bank v Ablyazov* [2012] EWHC 237 (Comm) at [15].”
247. In my view Marcus Smith J was entirely correct to conclude that the conduct of TBD and Acuity in writing the 1 April 2019 Letter, sending copies of that letter to third parties and pursuing the application against Mr O’Boyle in the manner in which they did demonstrated a fundamental misunderstanding of their role with respect to committal proceedings, and in particular committal proceedings prior to trial.

#### The committal proceedings against Mr Simons

248. Marcus Smith J gave two reasons for deciding to revoke the permission granted by Judge Keyser to bring committal proceedings against Mr Simons. The first was that, although grounds 1 and 2 did not depend on Searched Documents, ground 3 “almost certainly” did. The second was that he had already decided that it was against the public interest to proceed against Mr O’Boyle, and the same was true of Mr Simons, particularly given that it was TBD’s case that it was Mr O’Boyle who was the mastermind behind the infringements of TBD’s rights and that Mr Simons was merely his pawn.
249. Counsel for TBD did not dispute that Marcus Smith J had the power to revoke the permission granted by Judge Keyser to bring committal proceedings against Mr Simons pursuant to CPR rule 3.1(7) (see *Zurich Insurance plc v Romaine* [2018] EWHC 3383 (Ch) at [17] (Goose J), unaffected by the decision on appeal [2019] EWCA Civ 851, [2019] 1 WLR 5224). He submitted, however, that Marcus Smith J’s decision to do so was unjustified because (i) Mr Simons had admitted breaching the 4

July 2018 Order and swearing a false affidavit, which entailed that his Defence was also false, (ii) Mr Simons had not appealed against Judge Keyser's decision to grant permission, (iii) there had been no material change of circumstances, (iv) Mr Simons had not applied for the permission to be revoked and (v) nor had the O'Boyle Defendants.

250. I acknowledge that, at first blush, these are powerful submissions. Nevertheless, in the end I am not persuaded by them. So far as point (iv) is concerned, Mr Simons was a litigant in person and no doubt did not appreciate that it was open to him to make such an application. In any event Practice Direction 81 paragraph 16.1 gave the judge power to make such an order of his own motion, again provided that he did so without evincing an appearance of bias and without procedural unfairness to TBD. I am not persuaded that any procedural unfairness to TBD has been demonstrated. In those circumstances, point (v) falls away.
251. Turning to point (iii), in my judgment there had been four material changes of circumstances since 18 February 2019. First, TBD had partially rectified its breach of rule 81.14(1)(a) by serving its grounds for committal of Mr Simons, ground 3 of which enabled TBD to rely upon evidence obtained from Searched Documents. Secondly, TBD had served the affidavit of Mr Hitchcock relying upon evidence obtained from Searched Documents. Thirdly, Marcus Smith J had found that TBD had breached the Search Order in the ways discussed above. Fourthly, evidence had emerged of TBD's "regrettable over-enthusiasm" in its pursuit of committal proceedings against Mr O'Boyle.
252. It follows, in my view, that the key question is whether those changes of circumstances justified Marcus Smith J in revoking the permission having regard to points (i) and (ii). If TBD had confined its application for committal of Mr Simons to ground 1, and had only relied in support of that ground upon Mr Simons' admissions in his second affidavit, then no permission would have been required and it may be doubted whether a stay would have been justified. If permission was not required for ground 2, then the same might have gone for that ground. TBD has never sought to confine its application in that manner, however, but on the contrary seeks even now to maintain the full width of the application, including its reliance upon evidence obtained from Searched Documents. In those circumstances, I consider that Marcus Smith J was entitled to take the course that he did for the reasons he gave. A further consideration that supports his decision is that the allegations made against Mr Simons overlap with those made against Mr O'Boyle and raise matters which will have to be investigated at trial. As with the application against Mr O'Boyle, this means that an application against Mr Simons at this stage is premature.
253. My observations in paragraph 239 above are equally applicable here.

#### Litigation privilege

254. A key part of the evidence relied upon by TBD against Mr O'Boyle, both for the purposes of its substantive claim and for the purposes of its application for permission to bring committal proceedings, is the Transcript. As noted above, Mr O'Boyle claimed litigation privilege in (the relevant part of) the Transcript and relied upon it as a reason why the court should not grant permission. Judge Keyser decided that Mr O'Boyle could not claim litigation privilege. Mr O'Boyle's third ground of appeal

against his order is that he was wrong to do so. It might be thought that this is academic if permission is refused, but it is not, because Judge Keyser's ruling binds Mr O'Boyle (although not, as the judge was careful to say at [54], other parties such as Obcon) unless and until it is reversed by this Court. Counsel for Mr O'Boyle complained that Judge Keyser ought not finally to have determined this issue, but I do not understand this complaint. Mr O'Boyle raised the claim to privilege, and the judge ruled on it. That ruling was necessarily a final ruling which precluded the issue being argued again at the same level. This is not affected by the fact that Mr O'Boyle had reserved the right to file further evidence if permission to proceed with the committal application was granted.

255. Mr O'Boyle claims litigation privilege both in his own right (his primary case) and by virtue of a common interest with Mr Simons, G2A and/or Obcon (his alternative case). TBD disputes that Mr O'Boyle has a valid claim on either basis, but in the alternative contends that any privilege of G2A has been waived by the liquidator (a point which affects Mr O'Boyle's alternative case) and that any claim to privilege is defeated by the iniquity exception (a point which is relied on against both cases).

### *The Transcript*

256. As discussed above, the Transcript comprises a series of text messages exchanged between Mr Simons and Mr O'Boyle between 4 December 2017 to 9 November 2018. Mr O'Boyle's claim to privilege only relates to the texts dating from 16 July to 8 August 2018 which are relied upon by TBD. (For the avoidance of doubt, if Mr O'Boyle were subsequently to claim privilege in any other parts of the Transcript, that claim would require a separate determination.) For brevity, however, I shall simply refer to the Transcript without differentiation.
257. During the period in question, the proceedings were on foot: it was during this period that the Original Defendants applied for a stay of the 4 July 2018 Order and consented to the 1 August 2018 order. It is neither necessary nor appropriate for me to set out the contents of the Transcript. It is sufficient to note that (i) the first text, which is from Mr Simons to Mr O'Boyle, contains a reference to TBD, (ii) a text from Mr Simons to Mr O'Boyle on 17 July 2018 contains a reference to something being "important to the case", (iii) in a text to Mr Simons on 21 July 2018 Mr O'Boyle says "I've spoken to the solicitor and am going to London on Monday to meet the QC. It would be good to take the info with me printed and available" and (iv) in a text to Mr O'Boyle on 8 August 2018 Mr Simons asks Mr O'Boyle to ring him to discuss an affidavit Mr Simons is to sign and "advice I have just received" about signing it.
258. It should be noted that both sides argued this issue on an "all-or-nothing" basis: either all of the Transcript was privileged, or none of it was. In principle, each text requires separate consideration and some might be privileged and others not. I will follow the parties' pragmatic example, however.
259. A minor factual matter which it is necessary to clear out of the way before addressing the issues is that Judge Keyser stated at [34] that the Transcript was "produced" by Mr Simons. It is not clear to me what the judge meant by "produced" in this context; but if he meant that Mr Simons had given disclosure and inspection of the Transcript, that is incorrect. As I have explained, the text messages contained in the Transcript were found by Acuity amongst the Searched Documents as a result of the keyword

searches carried out by CY4OR or Acuity acting on behalf of TBD, and subsequent reviews of Searched Documents by Acuity, over Mr Simons' objections. It follows that there can be no question of Mr Simons having waived any privilege he may have in the Transcript. (The judge went on in [34] to say that Mr Simons could not claim privilege due to the iniquity exception, but as he recognised at [54] the view he expressed is not binding on Mr Simons.)

*Mr O'Boyle's primary case*

260. The test for litigation privilege was stated by Lord Carswell in *Three Rivers District Council v Governor and Company of the Bank of England (No. 6)* [2004] UKHL 48, [2005] 1 AC 610 at [102] in the following terms:

“...communications between parties or their solicitors and third parties for the purpose of obtaining information or advice in connection with existing or contemplated litigation are privileged, but only when the following conditions are satisfied:

- (a) litigation must be in progress or in contemplation;
- (b) the communications must have been made for the sole or dominant purpose of conducting that litigation;
- (c) the litigation must be adversarial, not investigative or inquisitorial.”

261. With respect to condition (a), the law was summarised by Hamblen J in *Starbev GP Ltd v Interbrew Central European Holding BV* [2013] EWHC 4038 (Comm) at [11(3)] in the following terms:

“The party claiming privilege must establish that litigation was reasonably contemplated or anticipated. It is not sufficient to show that there is a mere possibility of litigation, or that there was a distinct possibility that someone might at some stage bring proceedings, or a general apprehension of future litigation... As Eder J stated in *Tchengui* at [48(iii)]: ‘Where litigation has not been commenced at the time of the communication, it has to be “reasonably in prospect”; this does not require the prospect of litigation to be greater than 50% but it must be more than a mere possibility’.”

262. Although counsel for TBD argued to the contrary, it seems to me that, subject to waiver and the iniquity exception, Mr Simons and G2A both have a good claim to litigation privilege in the Transcript. Both Mr Simons and G2A were defendants to the litigation, and both Mr Simons and Mr O'Boyle were directors of G2A. The discussions in the Transcript are about obtaining evidence for the defence of the claim, obtaining advice from Mr Simons' and G2A's lawyers and the advice the lawyers have given. Counsel for TBD submitted that litigation privilege was restricted to (i) evidence (as opposed to communications about obtaining such evidence) and (ii) communications which revealed either what advice had been requested or what advice had been given. I do not accept that it is so narrowly confined, however. In any event, some of the texts fall into one or other of these categories.

263. The real question in relation to Mr O'Boyle's primary case was whether litigation was "reasonably contemplated" against Mr O'Boyle personally. Judge Keyser held that it was not, noting that there had been no intimation of any claim against Mr O'Boyle personally nor any correspondence directed to him personally. It seems to me that that was an evaluative conclusion with which this Court should be slow to interfere. Counsel for Mr O'Boyle argued that the judge was wrong because, given that G2A was a small company with only three directors, two of whom were Mr Simons and Mr O'Boyle, there was a reasonable prospect that TBD would bring a claim against Mr O'Boyle on the basis that he was a joint tortfeasor, particularly in relation to TBD's strict liability claim for copyright infringement. He also relied upon the fact that, as he put it, G2A did not have any money whereas Mr O'Boyle did. Finally, he relied on the fact that TBD had subsequently included Mr O'Boyle's home among the premises to be searched under the Search Order. I am not persuaded that any of these points demonstrates that the judge was wrong. I would add that, so far as the second point is concerned, there is no evidence that G2A was in financial difficulty at the time, nor were we shown any evidence of Mr O'Boyle's means. As for the last point, matters had moved on by then.

*Mr O'Boyle's alternative case*

264. Common interest privilege was explained by Lord Denning MR in *Buttes Gas and Oil Co v Hammer (No 3)* [1981] QB 223 at 242B-F as follows:

"There is a privilege which may be called a 'common interest' privilege. That is a privilege in aid of anticipated litigation in which several persons have a common interest. It often happens in litigation that a plaintiff or defendant has other persons standing alongside him - who have the self-same interest as he - and who have consulted lawyers on the self-same points as he - but these others have not been made parties to the action. Maybe for economy or for simplicity or what you will. All exchange counsel's opinions. All collect information for the purpose of litigation. All make copies. All await the outcome with the same anxious anticipation - because it affects each as much as it does the others. Instances come readily to mind. Owners of adjoining houses complain of a nuisance which affects them both equally. Both take legal advice. Both exchange relevant documents. But only one is a plaintiff. An author writes a book and gets it published. It is said to contain a libel or to be an infringement of copyright. Both author and publisher take legal advice. Both exchange documents. But only one is made a defendant.

In all such cases I think the courts should - for the purposes of discovery - treat all the persons interested as if they were partners in a single firm or departments in a single company. Each can avail himself of the privilege in aid of litigation. Each can collect information for the use of his or the other's legal adviser. Each can hold originals and each make copies. and so forth. All are the subject of the privilege in aid of anticipated litigation, even though it should transpire that, when the litigation is afterwards commenced, only one of them is made a party to it. No matter that one has the originals and the other has the copies. All are privileged."

265. In *The Good Luck* [1982] 2 LI Rep 540 Saville J suggested at 542 that what was required for this purpose was “an identity of interest so close that the parties concerned could (had they chosen to do so) used the same solicitor”.

266. In *Formica Ltd v Secretary of State* [1994] CLC 1078 Colman J said at 1087-1088:

“The protection by common interest privilege of documents in the hands of someone other than the client must presuppose that such third party has a relationship with the client and the transaction in question which, in relation to the advice or other communications, brings that third party within that ambit of confidence which would prevail between the legal adviser and his immediate client. Where in circumstances of a mutual interest in a particular transaction or transactions the recipient of legal advice relating to such transactions passes documents or information containing that advice to someone who shares that interest, the essential question in each case is whether the nature of their mutual interest in the context of their relationship is such that the party to whom the documents are passed receives them subject to a duty of confidence which the law will protect in the interests of justice..

In cases where the respondent to the application for discovery relies on common interest privilege, he will in many cases be able to establish that the provision to him of the documents occurred because his relationship with the recipient of legal advice was, in all the circumstances, such as to give rise to a mutual interest in the subject-matter of the advice. In such cases the very provision of the documents may be some evidence of the existence of the common interest, although that was held not to be the case in *The Good Luck*.”

267. Judge Keyser did not address Mr O’Boyle’s alternative case in his judgment, it appears because it was only raised in counsel’s submissions in reply. Counsel for TBD submitted that it was therefore not open to Mr O’Boyle to raise the issue in this Court. I disagree. It is a legal argument advanced as an alternative to Mr O’Boyle’s primary case and arising out of the same facts. Moreover, it is not a wholly new argument even if it was raised late below. It follows, however, that this Court does not have the benefit of the judge’s analysis and must consider the point for the first time.

268. In my opinion Mr O’Boyle cannot claim common interest privilege in the Transcript. I must confess, however, that I have not found it easy coherently to state my reasons for reaching this conclusion. I have found it helpful, as both counsel did in argument, to go back to the examples given by Lord Denning, and in particular the example of the author and the publisher who exchange legal advice which they have separately obtained, but only one is sued – let us say, the publisher. It must, of course, be assumed for this purpose that litigation was not reasonably contemplated against the author at the relevant time (and that the author cannot claim legal advice privilege in respect of all of the relevant documents e.g. because some of documents merely record evidence that has been obtained). When the publisher is sued, the publisher can claim privilege in the documents relating to the advice it obtained in the ordinary way. And the author can claim common interest privilege to protect the copies of his or her documents that are in the hands of the publisher from being inspected by the claimant.

As Saville J pointed out in *The Good Luck*, the author and the publisher could have jointly instructed the same lawyers, and it should make no difference that in fact they instructed different lawyers and exchanged advice.

269. It seems to me that the present case is to be distinguished from that kind of situation. Given that litigation was not reasonably in contemplation against Mr O'Boyle personally at the relevant time, he can only have been acting in his capacity as a director of G2A and Obcon. He therefore did not have his own interest in obtaining legal advice about TBD's claims, nor was he exchanging advice with G2A and Obcon. Contrary to the submission of counsel for Mr O'Boyle, the fact that Mr O'Boyle was (indirectly in the case of G2A) a major shareholder in both G2A and Obcon does not affect this. Even assuming that there may be a common interest between a company and a significant shareholder in the company for the purposes of litigation privilege, there is no evidence to suggest that Mr O'Boyle was involved in his capacity as a shareholder rather than in his capacity as a director. G2A and Obcon may have had a common interest with Mr Simons, who did have his own interest as a defendant to TBD's claim, but that does not assist Mr O'Boyle. I would therefore reject Mr O'Boyle's alternative case.
270. Given my conclusion that Mr O'Boyle has no valid claim to privilege anyway, the issues of waiver and the iniquity exception do not arise. I will therefore confine myself to some brief observations.

#### *Waiver*

271. Judge Keyser held at [34] that G2A had waived privilege, but he gave no reasons for that conclusion, and did not refer to the relevant letters. TBD relies on two letters from G2A's liquidator as amounting to waivers of privilege by G2A. The first is a letter to Acuity dated 24 May 2019 which states:

“Claim No: F30CF015

G2A ...

Further to my appointment a[s] liquidator ... I confirm that I have no objection to the use of the documents exhibited at pages 1-10 of Mr Hitchcock's affidavit of 22<sup>nd</sup> May 2019 [i.e. the Transcript].”

272. It is obvious that this letter must have been prompted by some communication from Acuity, but that communication is not in evidence. One does not know from this letter what “use” the liquidator was not objecting to. One does not even know for certain whether he had been supplied with a copy of the Transcript or of Mr Hitchcock's affidavit. Still less does one know whether the liquidator appreciated that the Transcript contained communications which are subject to G2A's privilege. Given the absence of explanatory context and the limited statement in the letter, I would be reluctant to hold that this letter amounted to a waiver of G2A's privilege.
273. The second letter is another letter to Acuity dated 16 August 2019. It is expressed to be “further to” earlier correspondence, but again the letter which prompted it is not in evidence. Most of the letter is about Obcon's claim as a creditor of G2A, but the last paragraph states:



“As liquidator of G2A ... I have no objection to the information or documentation obtained during and after the search being used in the proceedings.”

274. Again, the difficulty I perceive in holding that this letter amounted to a waiver of G2A’s privilege is that there is no sufficient evidence to demonstrate that the liquidator appreciated, or even should have appreciated, that the documents included communications which are subject to G2A’s privilege. Counsel for TBD argued that it was sufficient that the liquidator did not care whether the documents were privileged or not. I am not convinced that the authorities on waiver of privilege go that far, nor am I convinced that this letter does demonstrate that the liquidator does not care whether the documents are privileged or not. These are difficult questions, however, and they are better left for decision on an occasion when their resolution matters.
275. A further area of difficulty is the effect of any waiver by G2A upon Mr O’Boyle’s common interest privilege, if he has it. This depends partly on whether the rule is the same for common interest privilege as for joint privilege, namely that the consent of all parties entitled to the privilege is required (as suggested by Sir Andrew Smith in *Accident Exchange Ltd v McLean* [2018] EWHC 23 (Comm), [2018] 4 WLR 26 at [94]). It also depends on the effect of the absence of any waiver by Obcon.

#### *Iniquity exception*

276. A communication does not attract litigation privilege if the purpose of the litigant or prospective litigant in making the communication was to further or facilitate crime or fraud: see *Kuwait Airways Corp v Iraqi Airways Co (No. 6)* [2005] EWCA Civ 286, [2005] 1 WLR 2734 at [21], [31] and [42] (Longmore LJ). The iniquity exception exists as a matter of public interest. It prevents fraudsters hiding behind privilege by depriving them of it. It allows the extent of the fraud to be uncovered and sanctioned. It is not the law, however, that all claims to litigation privilege are defeated whenever there is a fraud.
277. Judge Keyser held at [35] that the iniquity exception would preclude Mr O’Boyle from claiming privilege in the Transcript. The limit of the judge’s reasoning for this conclusion was to quote the following passage from the judgment of Norris J in *Group Seven Ltd v Allied Investments Corp Ltd* [2013] EWHC 1423 (Ch) at [25]:
- “[T]he intention to further fraud need not be the intention of the client. It may be that a third party intends that the relevant legal communications should be made with a purpose of using the client as an innocent tool to further the fraud.”
278. I have some difficulty in understanding how this passage is supposed to apply to the present case. It seems that the judge was assuming for this purpose that Mr O’Boyle was the innocent tool of Mr Simons, who was procuring a false document for the defence of the claim. There are a number of problems with this, however. First, Mr Simons and Mr O’Boyle (in his capacity as a director of G2A and Obcon) were both clients of the lawyers, while Mr O’Boyle in his personal capacity was not a client at all. Secondly, it is not entirely clear to me how, on that assumption, the communications were supposed to be furthering the fraud. Thirdly, TBD’s case is not that Mr O’Boyle was an innocent tool of Mr Simons, but the prime mover in a

dishonest conspiracy to concoct a false defence. That would seem to require a determination as to whether there was a strong prima facie case that Mr O'Boyle was engaged in iniquity, but for the reasons touched on above Judge Keyser studiously (and understandably) avoided making any such determination. Again, these are difficult questions which should await another day.

### Security for costs

279. Marcus Smith J ordered TBD to provide security for the O'Boyle Defendants' costs pursuant to CPR rule 25.12. TBD conceded that there was reason to believe that it would be unable to pay the O'Boyle Defendants' costs if ordered to do so. It resisted the order on two grounds. First, it contended that the conduct of Mr O'Boyle and his companies militated against security being required. Secondly, it contended that an order for security would stifle TBD's claim. Marcus Smith J rejected both contentions. TBD's third ground of appeal is that Marcus Smith J was wrong to order it to provide security.
280. Since this is another exercise of discretion by Marcus Smith J, TBD again faces an uphill task in demonstrating that he exceeded the bounds of his discretion. Counsel for TBD argued that the judge had erred in two respects.
281. First, counsel for TBD submitted that the judge had wrongly failed to take into account the failure of the Original Defendants to respond to the pre-action correspondence. In my view this is a hopeless submission. Counsel argued that, if the Original Defendants had given the undertakings demanded, there would have been no proceedings and therefore no costs would now be being incurred by the O'Boyle Defendants. But this would have required the Original Defendants to capitulate, not merely to respond, and moreover to capitulate to demands that no properly advised defendant could have agreed to. Furthermore, there is no reason to believe that TBD would not have brought proceedings when it got the further evidence about G2A's alleged infringements and every reason to think that it would have done. Yet further, the costs in question are costs being incurred by the O'Boyle Defendants, not the Original Defendants, and the O'Boyle Defendants deny liability. (In saying this, I have not overlooked the fact that Obcon is a member of both groups of Defendants.) Unsurprisingly, when asked whether TBD would waive its claim to damages against the O'Boyle Defendants, counsel's reply was no.
282. Secondly, counsel for TBD submitted that the judge had wrongly failed to take into account TBD's strong prospects of success. It is evident, however, that Marcus Smith J did not accept this argument even though he did not expressly deal with it. Counsel for TBD accepted in his skeleton argument before the judge that "parties should not attempt to go into the merits of the case unless it can be clearly demonstrated one way or another that there is a high degree of probability of success or failure – *Porzelsack KG v Porzelsack (UK) Ltd* [1987] 1 All ER 1074" (approved by this Court in *Keary Developments Ltd v Tarmac Construction Ltd* [1995] 3 All ER 534). Although he went on to submit that TBD's case against Mr O'Boyle was sufficiently strong for this purpose, the submission was expressed to be contingent on the correctness of TBD's reading of the Transcript (which is relied upon by TBD in support both of its application for permission to bring committal proceedings against Mr O'Boyle and of its underlying claims). Marcus Smith J did not accept that submission. Counsel for TBD endeavoured to argue before this Court that the Transcript realistically admitted

of only one interpretation, but I do not accept this. The meanings of the text messages depend heavily on the context, and will require cross-examination of Mr Simons and Mr O'Boyle to determine.

283. Accordingly, I would dismiss TBD's appeal against the order for security for costs.

### Result

284. For the reasons given above, I would allow Mr O'Boyle's appeal against the order of Judge Keyser adjourning TBD's application for permission to bring committal proceedings against him until after trial, but dismiss his appeal against Judge Keyser's ruling that he has no claim to litigation privilege in respect of the Transcript. I would dismiss TBD's appeal against the order of Marcus Smith J, except that I would vary paragraph 2 of the order to provide for a review by Simon Burn instead of by an independent firm of solicitors.

### **Lord Justice Newey:**

285. I agree.

### **Lord Justice David Richards:**

286. I also agree. I would in particular like to endorse Arnold LJ's view that a standard form of imaging order should be prepared as a matter of urgency. The present case underlines the need for imaging orders to strike a proper balance between the rights and interests of the parties. It is not satisfactory for this to be attempted on an *ad hoc* basis whenever an application for an imaging order is made. These applications are often made in a hurry and invariably on an *ex parte* basis. Essential safeguards may be omitted, as in this case, and inevitably there will be a lack of consistency in the safeguards that are included. As experience with the standard forms of freezing and search orders has shown, a particular advantage of a standard form of order is that the applicant must show the judge any proposed variation and justify it.