[2024] EWHC 2774 (Comm)

Case No: **CL-2023-000778**

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMMERCIAL COURT (KBD)

IN AN ARBITRATION CLAIM

Royal Courts of Justice, Rolls Building
Fetter Lane, London, EC4A 1NL

Date: 31 October 2024

Before :
The Hon. Mr Justice Bryan
- -
Between :

SIA INVESTMENT INDUSTRY	**Applicant/ Claimant in Arbitration**
- and –	
(1) PARDUS WEALTH LIMITED **(2) GREGORY ROBERT BRYCE**	**Respondents/ Defendants in Arbitration**

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- -
Samuel Cuthbert (instructed by **Eldwick Law**) for the **Applicant**
Alex Haines (instructed by **Janes Solicitors)** for **Mr Bryce**

Hearing dates: **30-31 October 2024**
- -

APPROVED JUDGMENT

MR JUSTICE BRYAN:

A. INTRODUCTION

1. The parties appear before the Court on the contempt application of the Applicant, SIA Investment Industry ("SIA") dated 23 December 2023 (as amended on 8 April 2024) under CPR rule 81 ("the Contempt Application"), seeking the committal of the Second Respondent, Gregory Robert Bryce ("Mr Bryce"), in relation to alleged breaches of a freezing injunction and associated policing disclosure orders against Mr Bryce, made by Bright J on 17 November 2024 (the "Freezing Order"). The Contempt Application is supported by the Fourth, Fifth and Sixth Affidavits of Jenna Kruger respectively dated 20 December 2023, 31 January 2024 and 8 April 2024 ("Kruger 4", "Kruger 5" and "Kruger 6").

2. SIA previously issued a disclosure application dated 31 January 2024 (the "Disclosure Application") which was initially made with the intention of further policing the Freezing Order. However, on 25 April 2024, Mr Bryce was made bankrupt following a hearing in the High Court. Mr Bryce's assets are now within the control of the trustees-in-bankruptcy and, in that context, the Disclosure Application falls away.

3. The Contempt Application has now been adjourned twice. It was first due to be heard on 30 April 2024 and was then adjourned, by consent, on the day of the hearing so that Mr Bryce could seek legal representation. Mr Bryce had previously been made aware of his entitlement to legal aid in contempt proceedings in correspondence from SIA's solicitors Eldwick Law ("Eldwick") dated 22 March 2024 and 8 April 2024. The matter was relisted on 7 June 2024 and an adjournment was sought by solicitors retained on 3 June 2024 on behalf of Mr Bryce, namely Janes Solicitors ("Janes"). The purpose of the second adjournment was to enable a medico-legal report to be obtained to assess Mr Bryce's mental capacity. The Applicant consented to that application. A medico-legal report was subsequently obtained (in relation to which Mr Bryce has not waived privilege). No issue of capacity is pursued on behalf of Mr Bryce.

4. Mr Bryce had, before retaining Janes, indicated that he would not be attending the hearing of the Contempt Application and would not be giving evidence. No responsive evidence

had at any time been served in response to the Contempt Application. Eldwick wrote to Janes on 22 October 2024 seeking confirmation that Mr Bryce would not be attending and would not be giving evidence. Janes indicated that they were not in a position to confirm the extent of Mr Bryce's involvement in the hearing, and that Mr Bryce would not be making a decision yet (despite the hearing being only 7 days away at that point). By an email dated 24 October 2024 Janes sought the Court's permission for Mr Bryce to attend the hearing remotely from Dubai.

5. Then at 4.08pm on 28 October 2024 (i.e., only one clear working day before the hearing of the Contempt Application) Janes emailed my clerk a skeleton argument on behalf of Mr Bryce (the "Bryce Skeleton Argument") together with a draft affidavit of Mr Bryce (the "Bryce Affidavit"), which was signed but not then sworn, in which (per paragraph 24 of the Bryce Skeleton Argument), Mr Bryce purports to "set out his assets thus complying with the [Freezing Order] **albeit almost one year late**" (emphasis added). SIA does not accept that, even now, there has been full and proper compliance, as addressed in due course below, but in any event submits that there were clear contemporaneous breaches of the Freezing Order.

6. The Bryce Skeleton Argument (itself dated 28 October 2024) refers to the Bryce Affidavit in prospective terms (i.e., on the basis that it had not yet been served) and as such did not address it in detail. For example, it does not mention that in the Bryce Affidavit Mr Bryce admits that he omitted from his list of assets a property in Tenerife purchased by him in the summer of 2022 (so little over a year earlier) for Euro 500,000 which he asserts he "forgot about" (about which more, below). In the Bryce Affidavit he also admits that he did not swear an affidavit (as required by paragraph 10 of the Freezing Order) apologising for what he now describes as an "oversight" and he states that he has now made the Bryce Affidavit as a "correction of that error" (in contrast to his previous explanation that he had not sworn an affidavit because he was abroad – which would not have prevented him swearing an affidavit).

7. Even when the Bryce Affidavit was served, it was served unsworn notwithstanding the requirement in paragraph 9.2 of CPR PD 32 which provides, "An affidavit must be sworn before a person independent of the parties or their representatives". Accordingly, even the very document which Mr Bryce describes as a "correction of [the] error" was not in fact an affidavit at the time it was provided, and (whatever its contents) Mr Bryce remained in

continuing breach of paragraph 10 of the Freezing Order (one of the very contempts alleged against him). As will appear below, the Bryce Affidavit was (finally) sworn only during the lunch adjournment part way through the hearing (remotely, using a solicitor in St. James, London).

8. No explanation is given in the Bryce Affidavit as to why Mr Bryce did not file such an affidavit much earlier (given that the hearing was previously adjourned for a medico-legal report as long ago as 7 June 2024, and Mr Bryce has known for some time that he was not going to take any capacity issue). The timing of the Bryce Affidavit, accompanied by no explanation as to its late service, has all the hallmarks of a deliberate attempt to file evidence at the very last moment, and for tactical reasons. Otherwise, why was it not served much earlier? It does not appear to contain the product of any very recent investigations linked to any delay in the provision of information that should have been provided nearly a year ago.

9. With a view to ensuring that the Contempt Application hearing remain effective notwithstanding the late service of the Bryce Affidavit, I directed that the Claimant serve a Reply Skeleton Argument, addressing the Bryce Affidavit and any submissions thereon, by 1pm on 29 October 2024. The Claimant was able to do so, which allowed the Contempt Application to proceed. I have no doubt that the late service of the Bryce Affidavit has caused the Claimant considerable additional work, and inconvenience, as it prepared for the Contempt Application.

10. Mr Bryce's solicitors requested that the Contempt Application proceed on a hybrid basis with a video link as Mr Bryce wished to follow proceedings in Court from Dubai where he is. The suggestion on behalf of Mr Bryce appears to be that he cannot afford the cost of a flight back to attend in person. Whether that is so or not, I agreed that the hearing could proceed on a hybrid basis, with a Teams link to the UAE. Mr Bryce observed the hearing on the video link, and has been ably represented by counsel before me, namely Alex Haines. Mr Haines confirmed that he had explained to Mr Bryce the potential consequences (in terms of adverse inferences) that could potentially be drawn if Mr Bryce chose not to give evidence, after which he confirmed that Mr Bryce would not be giving evidence.

11. Set against such procedural backdrop it perhaps goes without saying, but I was, and remain, satisfied that Mr Bryce had every opportunity to serve any evidence he wished in response

to the Contempt Application, and to seek to purge any contempt that may be proved, and all that has been served is the Bryce Affidavit, itself served at the very last hour, and (until part way through the hearing) unsworn. In circumstances in which Mr Bryce had retained solicitors and instructed counsel to appear on his behalf I was satisfied that it was appropriate to proceed to hear and determine the Contempt Application.

B. FACTUAL BACKGROUND

12. On 9 January 2021, Traglo Systems GmbH ("Traglo") a company incorporated in Germany entered into a Purchase and Transfer of Ownership Agreement with Mr Bryce and Pardus (together with a Mr Martin) (the "Agreement").

13. Under the Agreement, the First Respondent Pardus Wealth Limited ("Pardus Wealth") and the Second Respondent (Mr Bryce) (collectively the "Respondents") agreed to purchase from Traglo nickel wire stored in Germany for €3,000,000 (the "Purchase Price") to be paid by no later than 28 February 2021 on terms that, if the Respondents failed to pay the Purchase Price by 28 February 2021, monthly interest of €5,000 plus VAT (applicable in Germany at 19%) would be payable on any arrears.

14. Under the Agreement, any disputes arising out of or in connection with it were to be submitted to arbitration under the Arbitration Rules and the Supplementary Rules for Expedited Proceedings of the German Institution of Arbitration e. V. ("DIS"), to be determined in German under German law.

15. The Respondents failed to pay the Purchase Price, but did make nine payments totalling €97,850 towards the contractual interest due on the arrears.

16. On 10 February 2022, Traglo assigned its claim arising out of the Respondents' default in payment to SIA, a company incorporated in Latvia. Traglo then effected a further assignment of its claims against the Respondents to SIA by means of a further agreement dated 7 November 2022.

17. On 23 March 2022, SIA commenced an arbitration seeking partial payment of €250,000 (and not its full entitlement of €3,000,000 plus interest). I understand that seeking partial

payment is common practice in DIS arbitrations, as a means of avoiding expenditure on high arbitral fees until such time as the substantive dispute has been determined, whereafter claimants (if successful) commence a second arbitration seeking the balance of their entitlement (see paragraph 6 of the witness statement of Mr Axel Dumann ("Dumann")).

18. After a fully contested hearing, on 24 August 2023 the arbitral tribunal ordered the Respondents (and Mr Martin) to pay €250,000 by way of a debt and €54,271.51 in costs.

19. On 2 October 2023, SIA made an application in the Commercial Court to have the arbitral Award recognised pursuant to section 101 of the Arbitration Act 1996 and for judgment to be entered accordingly. That application was granted by Cockerill J on 5 October 2023.

20. On 26 October 2023, SIA commenced a second DIS arbitration, seeking payment of the remaining €2.75 million owing under the Agreement. As explained in Dumann at paragraphs 10 to 14, it was likely to take up to three months for an Arbitral Tribunal to be constituted for the second arbitration.

21. The Freezing Order was sought against the Respondents once SIA discovered that at least 5 claims had been brought against Mr Bryce in the London Commercial Court, the Chancery Division of the High Court, and the Kings Bench Division. Additionally, two prior freezing orders (the "PFOs") made on 11 August 2023 and continued by way of HHJ Kramer on 25 August 2023 in claims issued in the London Circuit Commercial Court, in the value of £600,000 and £3.8m, were made against Pardus Wealth. SIA submitted that there was a real risk of (unjustified) dissipation of assets in circumstances where the Respondents had made clear in correspondence that they had no intention of satisfying the Arbitration Order by stating that SIA should apply for an interim charging order over Saffron House, Redgates Lane, Sewards End, Saffron Walden CB10 2LP ("Saffron House"). The Freezing Order was granted with a cross undertaking in damages of €300,000, and permitted Mr Bryce to spend £2,000 per week towards his ordinary living expenses plus legal costs provided the provenance of such funds is made plain.

C. THE FREEZING ORDER AND ITS TERMS

22. The Freezing Order contained a penal notice, in standard terms, and in bold on its face, which stated amongst other matters:-

(1) **<u>If you, Mr Gregory Robert Bryce, disobey this order you may be held in contempt of court and may be imprisoned, fined or have your assets seized</u>**.

(2) If you, Pardus Wealth, disobey this order you may be fined or have your assets seized and any of your directors (which for the avoidance of doubt includes any de facto director) may also be liable to imprisonment or to be fined or to have their assets seized.

(3) Any other person who knows of this order and does anything which helps or permits the Respondents to breach the terms of this order may also be held to be in contempt of court and may be imprisoned, fined or have their assets seized." (emphasis added)

23. Additionally, paragraph 9 of the Freezing Order provides that "**<u>wrongful refusal to provide [the information specified at paragraph 8, to which I refer below] is contempt of court and may render the Second Respondent liable to be imprisoned, fined or have his assets seized</u>**." (emphasis added)

24. In summary, the Freezing Order restrained the Respondents from:

(a) In any way disposing of, or diminishing the value of the available equity in the Second Respondent's property at Saffron House, up to the value of €3,054,271.51, in particular by causing the registration of any further charges and/or by selling Saffron House (paragraph 4(1));

(b) In any way disposing of, or diminishing the value of the Second Respondent's personal assets in England and Wales up to the value of €3,054,271.51 (paragraph 4(2));

(c) For as long as Pardus Wealth remains subject to one or both of the PFOs, in any way disposing of, or diminishing the value of the assets of Pardus Wealth exceeding the assets subject to the PFOs in England and Wales up to the value of €3,054,271.51 (paragraph 4(3));

(d) If Pardus Wealth ceases to be subject to the PFOs, in any disposing of, or diminishing the value of the assets of Pardus Wealth in England and Wales up to the value of €3,054,271.51 (paragraph 4(4)).

25. Specifically, the Freezing Order also provided that:

(a) Under paragraph 4(1) Mr Bryce must not in any way dispose of, or diminish the value of the available equity in the property Saffron House, up to the value of €3,054,271.51, in particular by causing the registration of any further charges and/or by selling Saffron House; and

(b) Under paragraph 4(2) Mr Bryce must not in any way dispose of, or diminish the value of his personal assets in England and Wales up to the value of €3,054,271.51.

26. There were also disclosure orders designed to further, and police, the freezing injunctions in terms of identifying assets of the Respondents (paragraph 8), and an obligation to swear and serve an affidavit setting out the information required by paragraphs 8 and 9 (paragraph 10), in standard terms, and which SIA says on the Contempt Application Mr Bryce has breached, and as a result is in contempt of court.

27. The Freezing Order provided in this regard, at paragraphs 8 to 10 as follows:-

> "PROVISION OF INFORMATION
>
> 8. Unless paragraph 9 applies, each of the Respondents must within five calendar days and to the best of his/its ability inform the Applicant's solicitors in writing of **all his/its assets exceeding £10,000 in value** whether in his or its own name or not and whether solely or jointly owned, **giving the value, location and details of all such assets and details of any charges, security or other encumbrances over those assets**.
>
> 9. If the provision of any of this information is likely to incriminate either of the Respondents, he or it may be entitled to refuse to provide it, but is recommended to take legal advice before refusing to provide the information. **Wrongful refusal to provide the information is contempt of court and may render the Second Respondent liable to be imprisoned, fined or have his assets seized**.
>
> 10. Within seven calendar days after being served with this order, each of the Respondents must swear and serve on the Applicant's solicitors an affidavit setting out the above information." (emphasis added)

28. Under paragraph 11, Mr Bryce was not restricted from spending £2,000 a week towards his ordinary living expenses and also a reasonable sum on legal advice and representation, but

before spending any money Mr Bryce must tell the Applicant's legal representatives where the money is to come from.

29. Under paragraph 12, Pardus Wealth could deal with or dispose of its assets in the ordinary and proper course of business.

30. By its application dated 23 December 2023, SIA applied for, and was granted retrospective permission (the "Retrospective Service Order") amongst other matters permitting service of the Freezing Order on the Respondents by alternative methods, specifically by:

    (a) Email to the Pardus Wealth's sole director and shareholder, Mr Bryce, by his email address.

    (b) Email to Mr Bryce, by his email address.

    (c) First class post to Pardus Wealth's registered address at Pardus Wealth Limited, Salisbury House, London Wall, London, EC2M 5PS.

31. The Retrospective Service Order further permitted service of SIA's Contempt Application both out of the jurisdiction and by the same alternative methods of service.

32. I address service further below, but no issue is taken by Mr Bryce as to the proper service upon him of the Freezing Order and the Contempt Application, and it is not suggested, and cannot be suggested, that he was unaware of the terms of the Freezing Order, and the obligations imposed thereunder.

D. RESPONSE TO THE FREEZING ORDER

33. As noted above, paragraph 8 of the Freezing Order required both Respondents to disclose to Eldwick Law all assets held exceeding £10,000 in value by 22 November 2023 including bank accounts. Mr Bryce did not do so by the expiry of that deadline (and so was, on any view, in breach of paragraph 8 of the Freezing Order). He was made aware of his failing via email on 23 November 2023, in which email Ms Kruger asked for the disclosure by 12.00pm the same day.

34. Mr Bryce sent an email in response on the next day (24 November 2024) (the "List Of Assets Email"). I set it out in full below. SIA submits that it self-evidently, and even on its face, did not amount to compliance with what was required under paragraph 8 of the Freezing Order (and so Mr Bryce was then, and remains, in breach of the same). I address the matters said (and not said) in due course below, and my associated findings in relation thereto.

35. The List of Assets Email provided as follows:

> "Dear Jenna,
>
> Im [sic] overseas and so a sworn affidavit isn't possible, but this is basically a full list of my assets, which I swear to here as being true reflection of the current position.
>
> I am neither a solicitor nor an accountant so you will have to excuse my naivety in the presentation.
>
> Saffron House, Redgates Lane, Saffron Walden, CB10 2LP value £7,300,000 owed £5,0 00,000
>
> Pardus Wealth Ltd -100% ownership – 3 parcels of Nickelwire – 2672g, 99.88% purity value €204 per meter , 1269g, 99.90% purity value €204 per meter, 881g, 99.87% purity value €198 per meter – The Nickelwire is 0.025mm in diameter. One gram of nickel contains 227meter according to GOST 2179-75. Debts of £50m owed to PCH plc, as per below.
>
> Pardus Property Ltd – 100% ownership – not trading, no assets
>
> Pardus (Colney Hatch) – 100% ownership - £2,100,000 building development – owe loan £1,300,000
>
> Pardus (Saffron View) – 100% ownership - £700,000 house – owe bridge loan £500,000
>
> Pardus FX Ltd – 100% ownership – not trading, no assets
> Pardus Capital Holdings Plc – 60% ownership – no value, this is simply a bond issuing company, all the assets are held in PW as per above. There is obviously an intercompany loan from plc to pw ltd of circa £50million which is the investors' money in trade. And will be returned via the same route to them on expiry of the bond.
>
> Pardus wealth stud ltd – 100% ownership – 3 horses value £171,000 - owe £180.000

All other companies in my name are dormant and never been used [sic].

Best regards

Greg Bryce"

36. It suffices to note at this point that SIA submits that the level of detail provided in this response was so general as to be useless for the purposes of policing the Freezing Order. It failed to specify the value of the assets listed or any encumbrances thereon. Additionally, the response disclosed no bank accounts. SIA submits it is untenable for Mr Bryce to assert that he did not have bank accounts with balances exceeding £10,000. As will appear (and as only emerged in the Bryce Affidavit on 28 October 2024), it also omitted a Euro 500,000 property in Tenerife purchased by Mr Bryce in the summer of 2022 (little over a year earlier).

37. It will be recalled that pursuant to paragraph 10 of the Freezing Order, Mr Bryce was obliged, within seven calendar days after being served with the Freezing Order, to swear and serve on the Applicant's solicitors an affidavit setting out the information provided in compliance with paragraph 8 – i.e., he was required to confirm on oath the truth of what he had said as to his assets. He never provided that affidavit within the time frame imposed in paragraph 10 of the Freezing Order. As such he was in breach of the Freezing Order at that time and indeed has remained in continuing breach thereof ever since (even when providing the (unsworn) Bryce Affidavit on 28 October 2024).

E. OTHER PROCEEDINGS

38. As already noted, Mr Bryce is a defendant in a number of other High Court proceedings. One of those involves a claim brought against him, and others, by a Mr Gary Hoole for unlawfully causing a defendant company to breach its contract with him which was heard between 23 January 2024 and 26 January 2024.

39. Judgment was handed down on 8 March 2024 (*Christopher Gary Hoole v Christopher Gary Hoole & Others* [2024] EWHC 525 (Comm) ("*Hoole*")). In his judgment, Simon Tinkler (sitting as a Deputy Judge of the High Court) made a number of adverse findings in relation to Mr Bryce (who gave evidence before him) and which included the following:-

(1) At [19]: Mr Bryce spoke quickly. When he was in full flow he was hard to stop, whether that was to clarify what he was saying or to bring him back to the relevant question. […] He did not react well when he was challenged and became quite confrontational. **I found his evidence problematic. It often directly contradicted evidence he had given in his witness statement, or the position in his pleaded defence, or what he had said just moments before in his evidence. Ultimately, he seemed to me to be quite happy to say whatever suited him at a particular time. He did not seem concerned if he said something completely different later**. (emphasis added)

a) At [26 - 27] [B292]: *"*By the time of the trial Mr Bold, Mr Gabriel and **Mr Bryce each admitted that they had created false documentary evidence. These admissions were extracted from them slowly and painfully. It did not seem to me that even by the trial they understood, let alone accepted, the seriousness of what they had done.** […] I view the creation and presentation to the court of these fake documents by these defendants as extremely serious. Modern technology perhaps makes it easier to create false documents and a false evidential trail than it has been before. It is absolutely vital, however, to the functioning of the judicial system that parties (a) fully understand that they must present truthful evidence to the court and (b) actually present truthful evidence to the court." (emphasis added)

b) At [34 – 35] *"*Mr Bryce initially continued to maintain at trial that the Fake Termination Letter was written to "save face". He said that it was necessary to avoid further threats from Mr Hoole. The fundamental flaw in Mr Bryce's explanation was exposed in cross examination. Mr Bryce admitted he had written the Fake Termination Letter before he had allegedly received the threats from Mr Hoole. He clearly, therefore, did not write it to "save face" in relation to those threats. Despite this, and the text evidence above, the most Mr Bryce would accept in cross examination was "Maybe I have got the timeline wrong. I don't know. For that I am sorry. So if it's wrong, it's wrong". Any contrition Mr Bryce was feeling does not seem to have lasted long, however, because Mr Bryce then almost immediately said "But that's how I saw it and that's how I played it ". Eventually in cross examination Mr Bryce accepted "well, alright so I backdated it to 1 March.". He still failed to accept the importance of this, asserting that "It's still well after the event. It doesn't make any difference".

c) At [39]: *"*Mr Bryce denied being involved in the creation of the fake invoices. There were, however, two key pieces of evidence that undermined Mr Bryce's denial."

40. Set against the backdrop of such judicial findings in relation to Mr Bryce I am urged to be circumspect about the extent to which I accept evidence originating from Mr Bryce, which was unsworn at the time it was given, and remained unsworn even the day before the hearing, and is untested in cross-examination. In this regard where there are inconsistencies in Mr Bryce's account, Mr Cuthbert for SIA refers, in particular to paragraph [19] of the above judgment in which the judge stated, "Ultimately, [Mr Bryce] seemed to me to be quite happy to say whatever suited him at a particular time".

41. I bear in mind such matters, but ultimately I have found no need to be circumspect in relation to Mr Bryce's evidence, as the objective facts as to whether Mr Bryce has or has not complied with the Freezing Orders speak for themselves, and where I have been unable to accept Mr Bryce's evidence it is because it is either not credible in all the circumstances, or does not in any event amount to compliance with the terms of the Freezing Order.

F. APPLICABLE LEGAL PRINCIPLES ON CONTEMPT APPLICATIONS

42. The elements of contempt were set out in the decision of Miles J in *Business Mortgage Finance 4 plc and others v Rizwan Hussain* [2024] 4 All E.R. 170 ("*Business Mortgage"*) at [39], (as derived from *Masri v Consolidated Contractors International Co SAL* [2011] EWHC 1024 (Comm) at [150]) namely, that:

(1) The defendant knew of the terms of the Freezing Order;

(2) The defendant acted (or failed to act) in a manner which involved breach of the Freezing Order; and

(3) The defendant knew the facts which made their conduct a breach.

43. See also *Navigator Equities Limited v Deripaska* [2024] EWCA (Civ) 268 at [47] and *FW Farnsworth Limited v Lacy* ("*Farnsworth"*) [2013] EWHC 3487 (Ch) per Proudman J at [20]:

> "(a) having received notice of the order the contemnor did an act prohibited by the order or failed to do an act required by the order within the time set by the order; (b) he intended to do the act or failed to do the act as the case may be; (c) he had knowledge of all the facts which would make the carrying out of the prohibited act or the omission to do the required act a breach of the order."

44. I remind myself that the applicable standard of proof is the criminal standard: SIA must establish breach beyond reasonable doubt (see *Arlidge, Eady & Smith on Contempt* at paragraph 3-267). Whilst each of the above elements has to be proved to the criminal standard, this "does not mean that every fact or piece of evidence relating to each element must itself be proved beyond reasonable doubt" (see *Business Mortgage*, supra at [40]).

45. All the findings I make as to the aforesaid elements in what follows are made to the criminal standard, that is I am satisfied beyond reasonable doubt (so that I am sure, as juries are directed).

46. In relation to the first element, "had notice of the terms of the order breached"/"knew of the [Freezing Order]", in practical terms it is necessary for SIA to show to the criminal standard that the Freezing Order was served upon Mr Bryce. For example, in *Cuciurean v Secretary of State for Transport* [2021] EWCA Civ 357 at [58] Marcus Smith J stated as follows:

> "(1) "notice" is equivalent to "service" and vice versa ; (2) **the Court's civil contempt jurisdiction is engaged if the claimant proves to the criminal standard that the order in question was served**, and that the defendant performed at least one deliberate act that, as a matter of fact, was non- compliant with the order; (3) there is no further requirement of mens rea , though the respondent's state of knowledge may be important in deciding what if any action to take in respect of the contempt." (emphasis added)

47. The second element is that Mr Bryce acted (or failed to act) in a manner which involved breach of the Freezing Order (see *Perkier Foods Ltd v Halo Foods Ltd* [2019] EWHC 3462 (QB))

48. The third element is that Mr Bryce knew of the facts that made their conduct a breach (*Kea Investments Limited v Watson* [2020] EWHC 2599 ("*Kea Investments"*). See also *Varma v Atkinson* [2020] EWCA Civ 1602 in which it was held by Rose LJ at [29] that:

> "[…] once knowledge of the order is proved, and once it is proved that the contemnor knew that he was doing or omitting to do certain things, then it is not necessary for the contemnor to know that his actions put him in breach of the order; it is enough that as a matter of fact and law, they do so put him in breach."

49. A lack of understanding of what an order requires, and by extension a lack of intention to breach it, does not prevent an individual from being in breach of a given order, and in contempt of court, but could nonetheless be relevant to sentence (*Isbilen v Turk and others* [2024] EWHC 505 (Ch)).

50. It is well-established that any omission (which here includes a failure to give disclosure), must be deliberate, but an intention to commit a breach is not necessary (see, for example, *Kea Investments Ltd* at [26] and *Farnsworth* at [20]).

51. As such, and as is stated in *Civil Fraud* at paragraphs 35-025 and 25-029 (footnotes omitted):

> "The fact that the respondent may have (however reasonably) believed that he was not acting in breach of the court order, or that he was acting on legal advice, is therefore no defence to a charge of contempt, but bears on sentence.
>
> …
>
> There is no principle of "reasonable excuse" available to a respondent. Hence, for example, if the respondent is ordered by the English court to do a particular thing in unconditional terms and fails to do so, his failure to comply with the order is not excused if compliance with it would (or might) constitute a breach of the order of a foreign court."

52. See also *Halsbury's Laws of England, Contempt of Court* (vol 24, (2019)) at [66]:

> "Contempt may be committed in the absence of wilful disobedience on the part of the contemnor". As Lewison LJ said

> in *Atkinson v Varma* [2021] Ch 180 at [54]: "once it is proved that the contemnor knew that he was doing or omitting to do certain things, then it is not necessary for the contemnor to know that his actions put him in breach of the order; it is enough that as a matter of fact and law, they do so put him in breach".

53. Further, as was said in *Cuciurean v Secretary of State for Transport; High Speed Two (HS2) Limited* [2021] EWCA (Civ) 357 at [9(5)]:

> "a person accused of contempt by disobedience to an order may not seek to revisit the merits of the original [order] as a means of securing an acquittal, although these matters may in some cases be relevant to sanction."

54. However, whilst irrelevant to the question of whether or not there has been a contempt, the contumaciousness of D's conduct, if proven, is highly relevant to sanction (see *Business Mortgage,* supra at [39]; *Kea Investments*, supra at [27]; and see also *Gee on Commercial Injunctions* (7th ed) at paragraph 19-005).

55. An order, such as an injunction or an undertaking, must be expressed in terms that are sufficiently clear and certain to make plain what is permitted and what is prohibited (*AG v Punch Limited* [2003] 1 AC 46). Lack of clarity may arise in circumstances where the language is so technical or opaque as not to be readily understandable by the person to whom the injunction is addressed or by whom the undertaking is given (*Cuadrilla Bowland Ltd v Persons Unknown* [2020] EWCA Civ 9 per Leggatt LJ as he then was)

56. It is not necessary that every fact relied on by the Applicant in support of the charge must itself be proved to the criminal standard. The court can draw the necessary inference having regard to the whole of the evidence, provided it reaches its conclusion upon the criminal standard of proof (*JSC BTA Bank v Ablyazov* [2012] EWCA Civ 1411).

57. A number of cases have considered that breaches of court orders and disclosure orders in particular are serious *per se* (see, for example, *Robert John McKendrick v FCA* [2019] 4 WLR 65 (CA) ("*McKendrick*") at [40]: "Breach of a court order is always serious, because it undermines the administration of justice", *The Law House Limited (in Administration) v Adams* [2020] EWHC 2344 (Ch) ("*The Law House*") at [66], *JSC BTA Bank v Solodchenko*

[2012] 1 WLR 350 ("*Solodchenko")* at [51]) and *Madison Pacific Trust Limited v Groza and Naumenko* [2024] EWHC 2588 (Comm) at [123].

58. In this regard in *Absolute Living Developments Ltd (In Liquidation) v DS7 Ltd* [2018] EWHC 1717 (Ch), Marcus Smith J stated at [36] that:-

> "Some orders are more important than others. Although, of course, all orders of the court must and should be obeyed, breach of some orders can have more serious consequences than breaches of other orders. In *JSC BTA Bank v. Solodchenko (No. 2)* [2011] EWCA Civ 1241 at [55], Jackson L.J. emphasised the fact that any substantial breach of a freezing order was a serious matter."

59. There are a range of procedural safeguards and requirements for contempt applications set out in CPR 81.4 to which I have had regard. I bear in mind there must, in general, be a heightened standard of procedural fairness throughout (as to which see *Navigator Equities Limited v Deripaska* [2024] EWCA (Civ) 268 at [47]). There is no suggestion in the present case of any failure to honour such heightened standard of procedural fairness.

60. I also bear in mind that freezing orders should be clear and unequivocal and that they should be strictly construed (see *JSC BTA Bank v Ablyazov (No 10)* [2015] UKSC 64; [2015] 1 WLR 4754 at [19]. Again, there is no suggestion in the present case that the Freezing Order was not clear and unequivocal in relevant respects, or that any issue as to its construction arises.

61. As to evidence, I bear in mind that Mr Bryce is entitled, but not obliged, to give written and oral evidence in his defence, and that he has the right to remain silent, and it is the duty of the Court to ensure defendants are aware of that right and of the consequences that adverse inferences may be drawn from the exercise of it. Mr Bryce has legal representation and I am satisfied that Mr Bryce is aware of such matters in this case, Mr Haines having confirmed the same to me. As required by CPR 81.4(2)) the defendant's rights are also expressly set out on the face of the Contempt Application. As already noted, Mr Bryce did not give evidence, and that was his choice.

62. In terms of the potential to draw adverse inferences from silence Clarke J in *Masri v Consolidated Contractors International Company SAL* [2011] EWHC 1024 stated at [147] that:

"… it may be legitimate to take into account against the judgement debtors the fact (if it be such) that, when charged with contempt, as they have been in these proceedings, they have given no evidence or explanation of something of which they would have had knowledge and of which they could be expected to give evidence if it was true."

G. THE CONTEMPT APPLICATION AND DISCUSSION THEREOF

63. The Contempt Application was originally made on 23 December 2023 and subsequently amended. The Contempt Application alleged the following breaches of the Freezing Injunction:-

(1) A breach of paragraph 8 of the Freezing Order in that Mr Bryce:-

> "failed to sufficiently detail [his] assets exceeding £10,000 in value and […] failed to provide the location of those assets, accurate valuations of those assets and details of any charges, security and other encumbrances over those assets in breach of paragraph 8 of the Order".

(2) A breach of paragraph 10 of the Freezing Order in that Mr Bryce:-

> "failed to swear and serve an affidavit setting out the information required in paragraph 10 of the [Freezing Order]"

(3) Three breaches of the asset freezing obligation in paragraph 4 of the Freezing Order:-

(i) "On 11 January 2024, […] Mr Bryce as the sole shareholder and director of Pardus (Colney Hatch) Limited ("PCHL") granted a charge over Colney Hatch on 22 December 2023 to West One Loan Limited ("West One"), thereby diminishing the value of his shareholding in PCHL, in breach of paragraph 4(2) of the [Freezing Order]".

(ii) "Mr Bryce made payments to West One Limited of £66,245.34 on 17 November 2023; 17 December 2023; and 17 January 2024 respectively, in breach of paragraph 4(2) of the [Freezing Order]".

(iii) "Mr Bryce entered into a loan extension with West One Limited on 30 November 2023, which incurred additional fees and decreased the available equity in Saffron House in breach of paragraph 4(1) of the [Freezing Order]"

(4) A breach of paragraph 11 of the Freezing Order (legal fees);

> "On 19 March 2023 the Applicants' solicitors […] received correspondence from Druces LLP on behalf of […] Mr Bryce. It is therefore inferred that Mr Bryce is paying legal fees to Druces LLP. The Second Defendant has not informed Eldwick Law where any money spent on legal advice/representation by Druces is to come from in breach of paragraph 11 of the [Freezing Order]"

64. The breach alleged in (4) above was not pursued at the hearing. During the course of oral submission Mr Cuthbert, on behalf of SIA, acknowledged that he could not prove the breach alleged in (3)(i) above to the requisite standard (and for reasons I address in due course below). He also indicated that he did not pursue the allegation in (3)(ii) as a breach of paragraph 4(2), but only as a further example of breach of paragraph 8 of the Freezing Order.

65. During the course of Mr Haines oral submissions, Mr Bryce (through Mr Haines), realistically accepted, on the facts, and in the context of the Bryce Affidavit, and the timing of events:-

(1) In relation to breach (1), that Mr Bryce was in breach of paragraph 8 of the Freezing Order as a result of not providing the required information within the time required and in circumstances where the information provided (late) did not provide all information required by paragraph 8.

(2) In relation to breach (2), that Mr Bryce was in breach of paragraph 10 of the Freezing Injunction as a result of Mr Bryce's failure to swear an affidavit within the time required or at all thereafter.

(3) In relation to breach (3)\(iii), that Mr Bryce was in breach of paragraph 4(1) of the Freezing Order in the respect alleged.

66. Mr Haines also made the point (rightly) that much of what he would wish to say in relation to all three now admitted breaches went to mitigation and sanction and were, therefore, for another day (i.e., at the sanction hearing). It remains in issue whether Mr Bryce has now complied with his obligations under paragraph 8 of the Freezing Order.

67. Notwithstanding such admissions I nevertheless address such breaches herein, and make my findings in relation thereto (which are consistent with the admissions).

G.2 <u>WHETHER THE DEFENDANT KNEW OF THE TERMS OF THE FREEZING ORDER AND SERVICE OF THE ORDER</u>

68. I am satisfied, so that I am sure (and the contrary has not been submitted to me on Mr Bryce's behalf) that Mr Bryce has had knowledge of the Freezing Order, and its terms, since at least 17 November 2023 for the following reasons:

    (1) Mr Bryce attended the hearing before Bright J on 17 November 2023 at which the Freezing Order was made.

    (2) Mr Bryce was copied into the email from the clerk to Bright J on 17 November 2023 at 17:07 in which the Court provided the parties with a copy of the sealed Freezing Order.

    (3) Mr Bryce was served with a copy of the Freezing Order on 20 November 2023 at his registered address and correspondence address of Pardus Wealth at Salisbury House, London Wall, London, EC2M 5PS.

    (4) Ms Kruger emailed Mr Bryce a copy of the Freezing Order on 20 November 2023 at 11:28 to which Mr Bryce replied "acknowledged".

69. Mr Bryce therefore knew what his obligations were there under, which were clear on the face of the Order. He has never suggested that he was not properly served with the Freezing Order or that he was unaware of its terms or his obligations thereunder at the time, and I am satisfied he knew the terms of the Freezing Order and that the same was validly served. Equally, I am satisfied, as is clear from the Penal Notice (in bold) on the first page of the Freezing Order and the terms of paragraph 9 of the Freezing Order, that Mr Bryce knew that if he disobeyed the Order he might be held in contempt of court and might be imprisoned, fined or have his assets seized. Mr Bryce has not suggested otherwise, and Mr Haines confirmed in his oral submissions that no such points were advanced.

G.2 THE DEFENDANT ACTED (OR FAILED TO ACT) IN A MANNER WHICH INVOLVED BREACH OF THE FREEZING ORDER

70. Paragraph 8 of the Freezing Order required both Respondents to disclose to Eldwick Law all assets held exceeding £10,000 in value by 22 November 2023 including bank accounts. Mr Bryce failed to do so. As such, in failing to comply with paragraph 8 of the Freezing Order, he acted in a manner which was in breach of the Freezing Order (as he now admits).

He was made aware of such failure via email on 23 November 2023, in which email Ms Kruger asked for the disclosure by 12.00pm the same day. In consequence even had he not known his obligations in that regard before that time (contrary to my findings above) he clearly knew of them from this time.

71. The List of Issue Email on its face self-evidently did not comply with paragraph 8 of the Freezing Injunction (as Mr Bryce now admits), and I am satisfied so that I am sure that Mr Bryce was in breach of the same in numerous particular respects:-

(1) It was not a "full list of [Mr Bryce's] assets". In that regard (and by way of example only) it did not list that Mr Bryce had bought a property in Tenerife in the summer of 2022 for Euro 500,000 which was, on any view, a very substantial asset well in excess of £10,000 that one would have thought would be very hard to forget about. Mr Bryce asserts that, "My daughter lives there with her family and I have not visited this property before, **so I forgot about it** and apologise and now include it as one of my assets to declare" (emphasis added). I cannot accept Mr Bryce's evidence that he forgot about it, which is not credible. It beggars belief that Mr Bryce would not know and remember that he had only recently (little more than a year ago) acquired a (seemingly unencumbered) Euro 500,000 asset in Tenerife, even if, as he now says, the money came from one of his companies (of which he is sole director and shareholder), and he acknowledges that it is one of his assets. In this regard, I also do not see how Mr Bryce's recollection is impacted by who lives there, the fact that he has not visited it, or when he last saw the daughter in question. Even having regard to that asset alone, Mr Bryce is wrong when he says at paragraph 4 of the Bryce Affidavit, that "the contents of my first email were, and are, true". They were not. Apart from anything else Mr Bryce should have disclosed the Tenerife property.

(2) I am satisfied that the level of detail provided in the List of Assets Email was so general as to be useless for the purposes of policing the Freezing Order and as such did not amount to compliance with paragraph 8 of the Freezing Order. In addition, it did not comply with the express requirements of paragraph 8 to specify the "value, location and details of all such assets and details of any charges, security or other encumbrances over those assets". Mr Bryce has admitted that the List of Asset Email did not amount to compliance with paragraph 8 of the Freezing Injunction.

(3) The List Of Assets disclosed no bank accounts at all, and it is not credible (absence explanation) that Mr Bryce did not have any bank accounts containing in excess of £10,000 given various assets that would require servicing. By way of example only, Mr Bryce owned Saffron House, a large eight-bedroomed house with associated estate which would no doubt have required payment of numerous maintenance and utility bills through associated bank account(s) that would have needed very healthy balances to service the same. Whilst Mr Bryce now alleges that in Spring 2023 he could not afford the upkeep of Saffron House, a valuation report from Strutt and Parker dated 17 August 2023 (addressed to West One Loan Ltd) states that the house was undergoing a full refurbishment (nearing completion), all of which would have had to be paid for through accounts, which lies uneasily with the assertion that he could not even afford to pay electricity bills in Spring 2023 (itself unevidenced).

(4) The detail of the assets he did disclose (as addressed below) were not satisfactory either in terms of the detail provided, or as to completeness. By way of example only, he failed to list all the horses he owned, or even provide adequate details of those he did own and their value. The latest assertions as to such horses he was intending to refer to (and such additional horses as he in fact owned) are unsatisfactory and lacking in proof.

72. Whilst I address the detail of particular properties and companies further below for completeness, the simple fact is that Mr Bryce knowingly breached paragraph 8 of the Freezing Order, by not supplying any information at all by the deadline, after which he has been in continuing breach, as the information he provided in the List of Assets Email was neither complete nor sufficiently particularised. This much he now admits. It is not necessary for every aspect of a criminal case to be proved to the criminal standard, as opposed to the elements of the offence (see, in this regard, *JSC BTA Bank v Ablyazov* [2012] EWCA Civ 1411 at [51]), as is common ground.

73. The breach of paragraph 8 of the Freezing Order is, in of itself, a serious breach of the Freezing Order (as the authorities reflect), as the very purpose of such disclosure orders is to police the freezing injunction and facilitate the tracing (and securing) of assets. The seriousness of such breach arises without the necessity of examining the minutiae of what Mr Bryce did disclose though, as appears below, I am satisfied so that I am sure that such

disclosure was itself neither complete nor satisfactory. A consideration of the particular instances relied upon does, however, give an impression of the scale of inadequacy of the failure to comply with paragraph 8 (and will be relevant at the time of the sanction hearing).

74. The failure to swear an affidavit in compliance with paragraph 10 of the Freezing Order (which is again an admitted breach) was itself a serious, separate and independent breach of the Freezing Order, the very purpose of which was to swear to the veracity of the disclosure of assets that had been given, on oath. That such breach occurred (and indeed continued up to, and at the time of, the (unsworn) Bryce Affidavit) is indisputable (and is now not disputed).

75. Yet further the contemporaneous purported explanation for not swearing an affidavit did not bear examination, and has in any event changed since. At the time it was asserted, "Im [sic] overseas and so a sworn affidavit isn't possible". The first point to note therefore is that this was, therefore, a conscious decision not to comply with paragraph 10 of the Freezing Order – i.e., the breach was deliberate, and Mr Bryce deliberately disobeyed an Order of the Court. Secondly, the explanation/excuse given does not bear examination, and Mr Bryce failed to provide any rationale as to how or why his being abroad precluded the possibility of a sworn affidavit. Affidavits sworn abroad are commonplace. Indeed this was made plain to Mr Bryce in correspondence on 24 November 2023:-

> "We do not accept that you are unable to swear to and serve an affidavit given that you are overseas. There are circumstances in which an affidavit can be signed abroad and you have been aware that you were required to submit an affidavit today for 7 days. Further, you will be well aware of the level of detail and the form in which this information should be provided given that you submitted an affidavit providing similar information in at least two other claims."

76. Indeed, there is even an example within the bundles before me of an affidavit being sworn by Mr Axel Dumann in Berlin, Germany before an English solicitor and Commissioner for Oaths. There is nothing to suggest that this could not have been done by Mr Bryce in the UAE. Indeed, over the lunch adjournment today Mr Bryce finally swore the Bryce Affidavit remotely from the UAE before a solicitor located in St. James, London.

77. Thirdly, and troublingly, the reason given by Mr Bryce for not swearing an affidavit has now changed in the Bryce Affidavit (nearly a year after the event). He now says by

reference to the List of Assets Email that he "accept[s] that this was not an Affidavit. I wish to apologise for this oversight, and explain that I tried my best in the circumstances" (emphasis added). The explanation he is now giving (that he did not provide an affidavit due to "oversight") is not something that he had suggested previously, and, I am satisfied, is no more credible, or justifiable as a reason not to comply with paragraph 10 of the Freezing Injunction.

78. Returning to paragraph 8 of the Freezing Order, there are further specific instances as to why Mr Bryce failed to comply with his disclosure obligation under paragraph 8. These were pointed out in contemporaneous correspondence from SIA's solicitors but such correspondence went unanswered. I address them, as they were addressed before me, but as already noted, there is no necessity for all such matters to be proved. The breach of paragraph 8 of the Freezing Order is admitted.

79. Such further inadequacies (also amounting to a breach of paragraph 8 of the Freezing Injunction) included in relation to Pardus (Saffron View) Limited ("PSVL") an assertion that PSVL is a "£700,000 house – owe a bridge loan £500,000", which did not amount to compliance with the need to specify charges, securities or other encumbrances over the asset. PSVL purchased a property at 43 Leverett Way, CB10 2NG ("Leverett Way") on 12 December 2022 for £739,995 which is not specified in the List of Assets Email. These are clear breaches of paragraph 8 of the Freezing Order. The question arises as to how Mr Bryce was servicing the £500,000 bridging loan given that he had not disclosed other assets (or any bank accounts).

80. Moreover, on 30 June 2023 PSVL entered into a mortgage with Titan Finance Limited with the effect of diminishing the value of Mr Bryce's shareholding in PSVL. No evidence exists to suggest that this was within the ordinary course of business.

Saffron House

81. It will be recalled that paragraph 4(1) of the Freezing Injunction provided that Mr Bryce must not, "In any way dispose of, or diminish the value of the available equity in the property Saffron House… up to the value of €3,054,271.51, **in particular by causing the registration of any further charges** and/or the sale of Saffron House" (emphasis added). Yet on 21 December 2023 Mr Bryce and West One Loan Limited entered into an agreement

extending the term of the loan (applied for on 17 November 2023), which led to additional fees totalling £110,194.96 being added to the loan (extension fee: £98.141.24, product fee: £900.92, legal fees: £11,152.90). This indisputably amounted to a breach of paragraph 4(1) of the Freezing Injunction and diminished the available equity in Saffron House (as Mr Bryce has now admitted, through Mr Haines, during the course of Mr Haines' oral submissions).

82. I reject the suggestion that was previously advanced in paragraph 28 of the Defendant's Skeleton Argument, based on the fact that loan discussions had been initiated before November 2023, that Mr Bryce did not envisage this to be a breach of the Freezing Injunction and did not intend to breach the Freezing Injunction. That suggestion is simply not credible, and is not now pursued in terms of the accepted breach of paragraph 4(1). The terms of the Freezing Order are quite clear that Mr Bryce must not, "In any way dispose of, or diminish the value of the available equity in the property Saffron House… in particular by causing the registration of any further charges". I accept, however, that Mr Bryce's evidence on his intention may be relevant at the sanction hearing.

83. I am satisfied so that I am sure that Mr Bryce knew of the facts that made this further charge (and associated loan) a breach of the Freezing Order and he then went on to sign the agreement on 21 December 2023, after the date of the Freezing Injunction. It was, as he would have known, irrelevant that it was applied for earlier, and it is equally irrelevant that Mr Bryce agreed to such charge to stave off the obtaining of a warrant of possession. What Mr Bryce should have done was to seek the agreement of SIA (or return to Court) if he wished to enter into a further charge – he did neither, and granted a further charge which was a breach of the paragraph 4(1) of the Freezing Order (as is now admitted).

84. A further issue arises in relation to the apparent payments made to West One Limited of £66,245.34 on 17 November 2023, 17 December 2023; and 17 January 2024 respectively as shown on a West One Statement of Account dated 25 January 2024 attached to a letter from ULS Solicitors dated 29 January 2024. The Statement of Account includes both "Amounts Due" columns and "Amounts Paid" columns which, prima facie, suggests that these were actual payments and as such they should have been addressed in response to paragraph 8 of the Freezing Order (including in relation to associated bank account(s) out of which such monies were paid). However, during the course of his oral submissions, Mr

Haines has suggested on behalf of Mr Bryce that in the context of the loan being a bridging loan, it may be that these are not actual payments but payments accruing which are then due on the end date (as extended). On the basis of the evidence before me, and absent further investigation on the part of the parties, I am not in a position to make any findings in relation to such payments. However, given that such payments have been raised in correspondence (and indeed were the subject matter of a further alleged breach of paragraph 4 of the Freezing Order, that was not pursued), I would have expected Mr Bryce to have given chapter and verse in relation to the same in the Bryce Affidavit. That did not occur. This is a matter which SIA may wish to follow up in any correspondence consequent upon this Judgment.

Pardus (Colney Hatch) Limited ("PCHL")

85. In his List of Assets Email, Mr Bryce asserted that PCHL is a £2,100,000 building development on which there is a "1,300,000 loan". The OCE for this property is in fact £938,000 with a charge registered in favour of Commercial Acceptances Limited. This appears to be another instance of Mr Bryce providing inadequate and/or inaccurate information amounting to a further breach of paragraph 8 of the Freezing Order as a result of which it is not possible to properly assess the reason for the variance in value.

86. However more fundamentally, on 11 January 2024 (i.e., once the contempt application had been issued), SIA became aware that Mr Bryce, as the sole shareholder and director of PCHL granted a charge over Colney Hatch on 22 December 2023 to West One. Paragraphs 4 and 12 of the Freezing Order prevented Mr Bryce from diminishing the value of his personal assets up to the value of €3,054,271.51. Such a charge serves to diminish the value of Mr Bryce's shareholding in PCHL and there is no suggestion that such a charge was granted in the ordinary course of business. At first blush, this would appear to be a clear, indeed blatant, breach of the Freezing Order.

87. Paragraph 26 of Mr Bryce's skeleton argument now makes a new allegation that West One's second charge may not be valid because Commercial Acceptances Limited had not given consent to the charge. SIA accepts that the validity of West One's second charge is currently an issue in dispute in the bankruptcy, but West One have not accepted that it is invalid.

88. However, what is concerning is that this is patently a legal argument which has been brought to Mr Bryce's attention after the fact and was not Mr Bryce's response when he was asked about the charge. On 11 January 2024 Eldwick sent Mr Bryce a letter stating that it had discovered that he had granted West One a legal charge over 62 Colney Hatch. In his responses he asserted that he was borrowing money to finish a building project and that he did not consider there to be a breach. In contrast, Mr Bryce now asserts that *"*I thought that because Commercial Acceptance had not given consent, then the second charge in favour of West One was not valid and I still think this is the case". This is a new explanation, and I do not consider it credible that Mr Bryce held any such belief previously (given that he did not raise it when first asked). I consider that there is some force in SIA's submission that this may be an example of Mr Bryce being, "quite happy to say whatever suited him at a particular time" (to adopt the view expressed by Simon Tinkler (sitting as a Deputy Judge of the High Court) in *Hoole).*

89. Nevertheless, ultimately, however, I cannot be sure that this did amount to a further breach of the Freezing Injunction on the evidence before me (and Mr Cuthbert accepted the same in the course of his oral submissions which is why he did not pursue the allegation of breach of paragraph 4(2) of the Freezing Injunction). It is, however, another example where inadequate information has been provided by Mr Bryce to date, as should have been provided, and as such amounts to a further breach of paragraph 8 of the Freezing Injunction.

Pardus Wealth Stud Limited ("PWSL")

90. Mr Bryce's assertion in his List of Assets Email that he owns "3 horses value £171,000 – owe £180,000" on any view did not amount to compliance with paragraph 8 of the Freezing Order. It does not even identify what horses are owned by Mr Bryce and what is owed in respect of each of them. Ms Kruger, in Kruger 4, sets out SIA's own investigations, and identifies 5 horses which appeared to be owned by SIA:-

    (1) Franz Strauss, which won over £80,000 in prize money in the twelve months leading up to 20 December 2023 relying upon evidence from racingpost.com that, *"*Bryce is another to have enjoyed success with other Godolphin castoffs as his colours have been aboard Franz Strauss, a son of Golden Horn who has won twice at Meydan this year.

Franz Strauss is trained by Bhupat Seemar but was sourced for Bryce by Ian Williams, who signed at AED280,000 at the Racing In Dubai September Sale last year".

(2) Mond, purchased under the name Pardus Wealth Stud for £105,000 in or around 14 December 2023 and the evidence from racingpost.com that: "[Mond]'s been bought for Greg Bryce who is keen to buy some horses who can potentially go to some nice meetings internationally. We accept there's a risk attached but hopefully he can get us to where we want to go. We've been blown out earlier today but he was our number one pick so we're happy to get him."

(3) Isle of Sark, which ran six times between May 2023 and August 2023 (evidence SIA relies upon listed the horse's owner as Pardus Wealth Stud Ltd as at 14 December 2023).

(4) Al Waqidi, which was up for sale in March 2023 for £16,000 (a document lists the horse as being sold by PWSL).

(5) New York City, which ran in 13 races between 2021 and 2023 (horseracingnation.com as at 14 December 2023 listed the horse's owner as Greg Bryce).

91. Kruger 4, which provided specific details regarding the horses which appeared to be owned by Mr Bryce, was sworn on 20 December 2023. Mr Bryce did not, for many months, provide any evidence as to what horses he was referring to, what their individual values were and what he owed in relation to particular horses. By way of correspondence dated 22 October 2024 Eldwick wrote to Janes stating that it had recently been made aware that Mr Bryce had been keeping horses at Beechwood Stables in Stowmarket and had failed to disclose his ownership of those horses. No response was provided thereto.

92. Whilst the Bryce Affidavit does now address Pardus Wealth Stud Ltd and what Mr Bryce said in relation thereto in the List of Assets Email, he does so in terms that illustrate why his original disclosure was inadequate. For example, in relation to his statement in the List of Assets Email, "100% ownership – 3 horses valued £171,000 – owe £180,000" Mr Bryce now says, "that would have been the value of the three most valuable horses, Mond, Al Waquidi [sic] and Isles of Sark" (without giving any proper details of their value). He then says that whilst "Mond was quite a "valuable" asset [it] could not race so was effectively

worthless as an asset" and he goes on to say that Al Waqidi (and it appears Mond) were never paid for and he is facing a claim from Tattersalls for £171,521.22. As for the horses identified in Kruger 4 the information remains unsatisfactory. Mr Bryce accepts that the (undisclosed) horse Franz Straus "did collect prize money as alleged by Kruger 4" (i.e., £80,000) but it is asserted that with "the upkeep including paying trainers, vet bills, living expenses etc. this did not result in any profit" (none of which is particularised). The likelihood is that winnings and the like would have been paid to Mr Bryce but once again Mr Bryce does not identify any bank accounts. Mr Bryce goes on to assert that Quantuma have valued Franz Strauss at £6,000-£7,000 (unevidenced) and he says, "It also went lame over this summer and is worthless, not within my control" (which, of course, relates to subsequent events rather than the time for compliance with paragraph 8). He says that "New York City was an injured horse who had to be given away prior to the [Freezing Injunction]", but this is unevidenced (in terms of vet bills and the like or as to whom the horse was given, and the website was accessed on 14 December 2023 and Mr Bryce was listed as owner).

93. This all goes to show, if nothing elsewhere, how inadequate his initial disclosure was in relation to horse ownership (and level of particularity as to his assets in that regard), and which is an aspect of his failure to comply with his obligations under Paragraph 8 of the Freezing Injunction. Even now (nearly a year on) the position remains opaque, and largely unsubstantiated (including as to the value of the horses identified in Kruger 4 as at November 2023).

94. I certainly cannot be sure that Mr Bryce has dissipated assets worth more than £10,000 in the form of the sale of one or more racehorses owned by him (and the same is not advanced). However, I am satisfied so that I am sure that the horses are another instance of Mr Bryce being in (continuing) breach of paragraph 8 of the Freezing Order given that he did identify horses as assets within the List of Assets Email (and as such considered them disclosable), yet has failed to provide the particularity required by paragraph 8 of the Disclosure Order either in the List of Assets Email or in the Bryce Affidavit.

95. Yet further if (as now alleged) the horses were not valuable assets worth over £10,000 this begs the question why he disclosed them in the first place. This either means that the List of Assets Email was not a true reflection of his assets, or he adopted a cavalier attitude to

listing his assets. Either way that does not amount to compliance with his obligations under paragraph 8 of the Freezing Injunction.

Pardus Wealth Limited - Nickel Wire

96. Mr Bryce listed alleged ownership of nickel wire in the List of Assets Email, and he describes the same in an Affidavit as being "owned outright" by Pardus Wealth and that "a debt of €3,000,0000 is owed to agents and this is payable upon closing of an onward sale." The description of the nickel wire matches the description given in the Agreement for which the purchase price has not been paid. As such ownership of the nickel wire has not passed to Pardus Wealth. Section 7 of the Agreement specified that, *"*Parties agree that in any circumstances the transfer of ownership, original certificates as a prove of ownership and shipment are subject to the condition precedent that the purchase price in accordance with paragraph 4 is paid." The Arbitration Award made clear that that the Respondents are still liable for the entirety of the purchase price: "The claim to payment of the purchase price has not been partially extinguished by the payments made on March 5 and 15 November 2021 in accordance with § 362 BGB. There is no dispute that the payments were not made against the purchase price, but against the fixed flat rate interest on arrears in accordance with Paragraph 4 (4) of the purchase agreement."

97. Mr Bryce maintains his position as to the nickel wire in the Bryce Affidavit (at paragraph 22). I am satisfied that what Mr Bryce has said as to the ownership of the nickel wire is untrue. Accordingly, his assertion that, "the contents of [his] first email were, and still are true" is itself an untruth in that regard, and a further breach of paragraph 8 of the Freezing Order (and a continuing breach of paragraph 10 thereof).

98. Moreover, Mr Bryce has engaged in correspondence with Dr Ernst Joachim Martin of IGAS – who are responsible for storing the nickel wire – in which he represented that he intended to sell the wire and requested that IGAS issue new SKR certificates in the name of Pardus Wealth Limited. In this regard he stated on 1 March 2023 that, "I have a buyer for <u>my</u> parcel of Nickel wire, but obviously he needs to be able to visit and see it for himself for ratification that all is as we have said. We have full vetted him and are confident of seeing the transaction through, but obviously this can't happen without him having direct site access to view". He further stated on 11 March 2023: "Please advise soonest as I have

a buyer lined up and so need these updated asap". If Mr Bryce genuinely believed he owned the nickel wire, to sell it would be a flagrant breach of the Freezing Injunction. The reality, however, would appear to be that Mr Bryce cannot be trusted as to the accuracy of the List of Assets Email, or as to the accuracy of what he says he owns therein (a further failure to comply with his obligations under paragraph 8 of the Freezing Order).

Pardus FX

99. Mr Bryce's List of Assets Email lists Pardus FX as "not trading, no assets". SIA referred to evidence that Pardus FX remained trading and pointed out that it had £50,000 of share capital. However, it is not clear whether this share capital is paid or unpaid. It appears that at least some trading activity has taken place and Pardus FX remained an active company on Companies House until it was dissolved by compulsory strike-off on 28 May 2024 having had a notice issued for compulsory strike-off on 12 March 2024. The evidence relied upon by SIA supports the conclusion that Pardus FX has been sponsoring a number of equestrian undertakings (in relation to which it had been contemplated his daughter would take part) as recently as 7 February 2023 (in support of the inference that it was a trading company). These include sponsorship of 'First Ridden Pony', 'Lead Rein Pony', and the 'Mini Show Pony of the Year Championship".

100. Mr Bryce, in the Bryce Affidavit makes a vague (and unsubstantiated) statement that Pardus FX was "an FX company which traded at a loss" accompanied by the vague statement that, "It might have traded at one point, and it did have a Barclays bank account which paid for salaries etc and I do not think it ever had a value exceeding £10,000" (emphasis added). Quite apart from the unsubstantiated nature of all of this, the language used of "I do not think" suggests that he has not seen fit to check the position. He says that not all the sponsorship money was paid – which suggests that at least some was. On any view what was stated by Mr Bryce in relation to Pardus FX lacked the particularity to comply with paragraph 8 of the Freezing Order.

Pardus Wealth (Sport Holdings) Limited ("PWSHL")

101. The list of Assets Email asserts that "all other companies in my name are dormant and never been used". As SIA points out PWSHL is in Mr Bryce's name and as per the

unaudited accounts of 31 February 2023 it had a net asset value of £48,776 (and the compulsory strike-off action has been suspended since 15 June 2024). Those accounts also showed debtors of £50,000 in 2023.

102. In the Bryce Affidavit Mr Bryce describes the £50,000 share capital as "notional" (I assume he means unpaid) and he says that the company "never traded nor hired any employees". He also says the "reduction to £48,776 might have been spending from accountancy fees which my CFO Declan McCarthy would have arranged". The fact is, however, that the accounts show debtors of £50,000, and debtors would be an asset of the company, whilst there are specified creditors recorded in the accounts, to produce a net asset value of £48,776. Whilst the information in the accounts is limited, on the basis of what is stated in the accounts, I consider that PWSHL should also have been addressed in the List of Assets.

G.3 MR BRYCE KNEW THE FACTS WHICH MADE HIS CONDUCT A BREACH

103. In relation to each of the breaches of the Freezing Injunction that I have found I am satisfied so that I am sure that Mr Bryce knew the facts which made his conduct a breach. Specifically:-

(1) Mr Bryce knew the terms of the Freezing Order and knew that he had not complied with its terms in relation to paragraph 8 of the Freezing Order by the time specified in the Freezing Order (the suggestion he was mistaken as to the time for compliance is not credible; the Freezing Order was clear and unequivocal on its face). Mr Bryce in any event now admits that he knew such facts in admitting the breach of paragraph 8(1) of the Freezing Order.

(2) Mr Bryce in any event knew what his assets were and he failed to comply with paragraph 8 of the Freezing Order in failing to disclose all such assets, when he sent the List of Assets Email (which itself amounted to a breach of paragraph 8 of the Freezing Order due to its inadequacy as identified above), and which he again now admits.

(3) Mr Bryce knew he had purchased a property in Tenerife in the summer of 2022, and therefore owed, a Euro 500,000 property in Tenerife which should have been declared as an asset. His assertion that he had "forgotten" about this asset is not credible as already addressed.

(4) Mr Bryce knew he was obliged to verify the statement of assets to be supplied in compliance paragraph 8 of the Freezing Order within 7 calendar days of service of the Freezing Order pursuant to paragraph 10 of the Freezing and he knew that he did not do so (and has now admitted being in breach of paragraph 10 of the Freezing Order). As already addressed his reasons for not swearing an affidavit then (or at anytime thereafter) do not bear examination, and are rejected.

(5) Mr Bryce knew that he has not sworn an affidavit in compliance with paragraph 10 of the Freezing Order at any time (and so knew that he remained in continuing breach of paragraph 10 of the Freezing Order. Even when he served the Bryce Affidavit it was not sworn, and in any event I am satisfied that he knew the facts which give rise to a continuing breach of the obligation under paragraph 8 of the Freezing Order as addressed above. Ultimately these are matters for the sanction hearing. The contemporaneous breach of paragraph 10 of the Freezing Injunction is now admitted.

(6) Mr Bryce knew of the terms of the Freezing Order and the prohibition on causing the registration of any further charges, and he knew the facts that made the further charge in relation to Saffron House a breach of the Freezing Order and yet he then went on to sign the agreement on 21 December 2023 and grant the further charge (which amounted to a breach of paragraph 4(1) of the Freezing Order). I have already set out my reasons why the facts relied upon by Mr Bryce are irrelevant to such breach.

104. I am satisfied so that I am sure that Mr Bryce knew of the facts that made this further charge (and associated loan) a breach of the Freezing Order and he then went on to sign the agreement on 21 December 2023, after the date of the Freezing Injunction. It was, as he would have known, irrelevant that it was applied for earlier, and it is equally irrelevant that Mr Bryce agreed to such charge to stave off the obtaining of a warrant of possession. What Mr Bryce should have done was to seek the agreement of SIA (or return to Court) if he wished to enter into a further charge – he did neither, and granted a further charge which was a breach of the paragraph 4(1) of the Freezing Order (as he now admits).

H. PROPORTIONALITY OF THE CONTEMPT APPLICATIONS

105. It is submitted at paragraph 35 of the Defendants Skeleton Argument that Mr Bryce has now complied with the disclosure obligation in the Freezing Order, and that the lateness of that compliance is relevant to sanction (itself an implicit admission of the original non-compliance and breach of paragraphs 8 and 10 of the Freezing Order, which has now been made express). For the reasons already identified I reject the submission that Mr Bryce has now complied with the disclosure obligation in the Freezing Order, though with the benefit of this judgment (and no doubt further correspondence from SIA), it may be that Mr Bryce may yet purge his contempt.

106. It is further submitted on Mr Bryce's behalf that the "recent compliance addresses one of the very requirements of the [Freezing Order] and, in turn, goes to the proportionality of the Contempt Application, especially in the light of alleged breach 3 having been discontinued". Again, there has yet to be full compliance, and I do not consider the fact that one allegation of breach has not been pursued impacts upon proportionality.

107. I am in no doubt whatsoever that the Contempt Application is proper and appropriate. There are clear breaches of paragraphs 4(1), 8, and 10 of the Freezing Order (as now admitted). SIA exhausted the routes available to it to secure the disclosure to which it is entitled and which is necessary to police the Freezing Order. Nearly one year on, Mr Bryce's disclosure remains incomplete and (even at the start of the hearing) unverified on oath. The terms of the penal notice are clear, and I am satisfied that Mr Bryce has not only failed to comply with his disclosure obligations but failed to take those obligations seriously.

108. The authorities, as already addressed, are clear that the "[b]reach of a court order is always serious, because it undermines the administration of justice" (see *McKendrick* at [40]) and "any substantial breach of a freezing order [is] a serious matter" (per Jackson LJ in *Solodchenko* at [55]). In the present case I am satisfied that the breaches that I have identified are substantial breaches of the Freezing Order, and are a serious matter. The bringing of the Contempt Application was proper and appropriate in such circumstances.

I. CONCLUSION

109. I am satisfied so that I am sure that all the required elements of the following alleged contempts of court alleged in the Contempt Application are clearly established beyond reasonable doubt:-

(1) Mr Bryce failed to comply with paragraph 8 of the Freezing Order at the time he was required to do so, and in the List of Assets email provided thereafter.

(2) Mr Bryce failed to comply with paragraph 10 of the Freezing Order in failing to swear and serve an affidavit setting out the information required by paragraph 8 of the Freezing Order.

(3) Mr Bryce entered into a loan extension with West One Limited which incurred additional fees and decreased the available equity in Saffron House in breach of paragraph 4(1) of the Freezing Order.

110. I declare that Mr Bryce has committed a Contempt of Court in the respects set out in the preceding paragraph, and an Order will be drawn up accordingly.

111. I adjourn sentence to a date to be fixed so as to provide Mr Bryce with an opportunity to provide any mitigation he may wish to advance, and I will give consequential directions in relation to that, and the sentencing hearing hereafter.