



**IN THE SUPREME COURT
TURKS AND CAICOS ISLANDS**

CL 173/23

BETWEEN:

**(1) TIPPERARY T&C MANAGEMENT LTD
(2) THE PALMS RESORT LTD
(3) THE SHORE CLUB MANAGEMENT CO. LTD
(4) OCEANSIDE MARKETING LTD**

PLAINTIFFS

And

LOFTON MORLEY

DEFENDANT

Before: The Hon. Mr Justice Anthony S. Gruchot
Appearances: Mr Murray Snider of Griffiths & Partners for the Plaintiffs
Ms Chloe McMillan of F Chambers for the Defendant.
Hearing Date: 1st February 2024
Date Handed Down: 13th February 2024

DECISION



1. On 14th December 2023, but dated 11th December 2023, the Plaintiffs issued a

specially endorsed writ of summons alleging various breaches of fiduciary duty, breach of trust, misrepresentation and dishonesty against the Defendant claiming the sum of at least US\$262,991.55. The losses claimed by the Plaintiffs are said to arise from the Defendant's employment with the 1st Plaintiff on 18th July 2016 as a Resort Wedding Planner. This position included responsibilities to the 2nd to 4th Plaintiffs.

2. It is alleged that in 2018 the Defendant started a business called Island Dream Destination Planning ('IDDP') and wrongly directed funds due to be paid to the Plaintiffs, into that business and hence for his own use.
3. On 16th September 2022 the Plaintiffs' attorneys sent a letter before action to the Defendant making various demands including a written confirmation that the Defendant accepted that he had acted dishonestly and in breach of his employment contract and other duties and demanding payment within two days, of the sums of US\$50,544.39 in respect of commissions which it is alleged the Defendant was not entitled and US\$172,586.26 with respect to deposit payments allegedly taken by the Defendant from customers who allegedly thought they were dealing with one or more of the Plaintiffs.
4. The letter of 16th September 2022 included what was described as a draft of the writ of summons and statement of claim as an indication of intended proceedings if the Plaintiffs' demands were not met.
5. The Defendant's attorneys responded on 22nd September 2022, referring to the draft writ of summons which they say they received that day and requested seven days to take instructions and respond. On 23rd September 2022, the Plaintiffs' attorneys replied declining the period of time requested to respond *"because of the **urgent nature** of the claim and ongoing losses suffered by our clients."* (My emphasis)
6. The Defendant was served with the sealed writ of summons on 18th January 2024, the urgency presumably obviated.

The Application

7. On 16th January 2024 the Plaintiffs issued a summons seeking:
 1. An order restraining the Defendant from:
 - a. directly or indirectly removing or transferring, or assisting in the removal or transferring, of any of the Defendant's assets from the TCI, or doing any act, the effect of which is to remove or transfer, or assist in the removal, of the Defendant's assets from the TCI, without leave of this Court;
 - b. directly or indirectly removing or transferring any assets, including cash, shares, certificates or other valuables from any account to the credit of the Defendant, or held on the Defendant's behalf at any bank or financial institution, without leave of this court; and
 - c. transferring, charging or otherwise disposing of or dealing with the land comprised in parcel 61103/19, Long Bay Hills.
 2. Inhibiting any dealing with the land comprised in parcel 61103/19, Long Bay Hills.
8. The summons incorrectly identifies the Defendant as Lofton Morely and concludes by stating “**AND TAKE FURTHER NOTICE THAT** *this application is made without notice to the above-named Defendant.*” Given that the application is made by summons it is properly an *inter-partes* application. In the event, it transpires that the Defendant was served with the summons.
9. The summons is supported by the 1st affidavit of Glen Peel, Group Internal Auditor of the Plaintiffs, sworn on 12th January 2024 (‘the Affidavit’) which is accompanied by an exhibit (‘the Exhibit’). The Affidavit concludes:

“Based on the foregoing, I do verily believe that the plaintiffs have a prima facie case and a good cause of action against the Defendant, in fraud, breach of trust, and breach of the employment agreement with the plaintiffs.”

10. I note that, notwithstanding that both the Affidavit and Mr Snider's skeleton arguments are replete with allegations and assertions of fraud, no allegation of fraud is included in the writ of summons nor is any fraud specifically and distinctly pleaded in the statement of claim, as it must be¹.
11. Mr Peel did not attend the hearing of the application which would have assisted me in understanding the nature of the alleged wrongful actions which were not clearly described in the Affidavit, to which I refer further below.

Discussion

12. As set out in paragraph 5 above, the Plaintiffs considered that their claim was urgent, but they have not acted with any degree of urgency. Mr Peel's evidence is that the alleged wrongdoing was discovered in or around April 2022 and the Plaintiffs allegedly had proof of the wrongdoing from 22nd June 2022 when Mr. Peel accessed the Defendant's e-mail, laptop and hard drive². Whilst Mr Snider is correct to say that delay is not a bar to the granting of a freezing injunction, the lack of any explanation for taking some 15 months to issue the writ and this application, following the letter before action, is in my view unsatisfactory, even more so in light of the refusal to give the Defendant's attorneys a 7-day extension to respond to the letter before action.
13. The requirements that the Plaintiff must show on an application for a freezing injunction³ are⁴:
- a. A cause of action justiciable in the Turks and Caicos Islands;
 - b. A good arguable case;

¹ *Three Rivers DC v Bank of England (No. 3)* [2003] 2 AC 1.

² Paragraphs 9 and 11 of the Affidavit.

³ Formerly known as a 'Mareva Injunction' from *Mareva Compania Naviera SA -v- International Bulk Carriers SA "The Maerva"* [1980] 1 All ER 213; [1975] 2 Lloyd's Rep. 509, CA.

⁴ See Supreme Court Practice 1999 – Note 29/L/42; also, *Injunctions* – Sweet & Maxwell, 14th Edition 2022 at 7-09 *et seq.*

- c. Assets of the Defendant within the jurisdiction⁵; and
 - d. A real risk of removal or disposal of the assets;
14. On an application for a freezing injunction there is a duty of full and frank disclosure on the Plaintiffs⁶, such an order having a draconian effect.
15. It became apparent during the course of the hearing that on 5th October 2023 the Plaintiffs had applied to the Registrar of Lands in a failed attempt to have a caution registered against parcel 61103/19, Long Bay Hills, Providenciales, the Defendant's property. That application was supported by a purported statutory declaration dated 26th September 2023⁷. It further became apparent that on 29th November 2023 the Plaintiffs filed an appeal of the Registrar of Lands decision by commencing action no. CL 169/23 by way of a Notice of Appeal⁸.
16. As noted above, the Affidavit was sworn on 12th January 2024. None of the above information is contained in the Affidavit. I regard this as a breach of the duty to give the Court full and frank disclosure with respect to the application.
17. The above facts only came to my attention by happenstance and I do not accept Mr Snider's submission that there was no breach of the full and frank duty, as reference to the caution and appeal was made on his feet and in response to my enquiries. The place to disclose relevant facts whether in favour or against the plaintiff is in the supporting affidavit⁹.

A good arguable case on a substantive claim over which the court has jurisdiction

18. Paragraphs 13.a and 13.b above can be considered together under the above

⁵ It is now not a pre-requisite for the defendant to have assets in the jurisdiction. See *Derby & Co. Ltd and others -v- Weldon and others (Nos. 3 and 4)* [1990] 1 Ch. 65, but that is not an issue in this case, there being no suggestion the Defendant has assets outside the jurisdiction.

⁶ *R. -v- Kensington Income Tax Commissioners Ex p. Princess Edmond de Polignac* [1917] 1 K.B. 486; *Brink's-MAT Ltd -v- Elcombe* [1988] 3 All E.R. 188; *Alliance Bank -v- Zhunus* [2015] EWHC 714 (Comm).

⁷ This information is taken from the purported Notice of Appeal.

⁸ This is not the correct procedure to appeal a decision of the Registrar of Lands, which procedure is set out in section 147 of the Registered Land Ordinance (Cap. 9:01).

⁹ *National Bank of Sharjah -v- Dellborg* [1993] 2 Bank. L.R. 109.

heading.

19. As noted above, the writ of summons was served on the Defendant on 18th January 2024. An acknowledgement of service was filed on behalf of the Defendant on 31st January 2024 indicating an intention to defend the whole of the claim. Accordingly, the date for filing the defence does not expire until 15th February 2024. On the hearing of the summons, no defence had yet been filed nor did I have the benefit of any responsive affidavit. I declined the offer of one being filed subsequently.
20. With respect to whether the Plaintiffs have shown that they have a good arguable case on the substantive claim over which the court has jurisdiction, there are certain difficulties. It is clear that the causes of action are ones over which this Court would have jurisdiction.
21. Mr Peel makes the following allegations¹⁰:
“
 - a. *Mr Morley induced customers to pay deposits directly to IDDP under the mistaken belief that IDDP would be providing wedding services;*
 - b. *Mr. Morley induced suppliers of goods and services to the Resorts to make payments to (sic) directly IDDP, under the mistaken belief that IDDP was the provider of wedding services;*
 - c. *Mr. Morley manufactured fraudulent invoices from IDDP for payment of services that were delivered by the Resorts; and*
 - d. *Mr. Morley retained for himself or for the benefit of IDDP deposits paid by customers which were directed to the Resorts and had manufactured invoices at marked-up prices retaining profits and commissions to which he was otherwise not entitled to.”*
22. No documents were contained in the Exhibit supporting these specific allegations.

¹⁰ In paragraph 21 of the Affidavit.

There is no explanation as to why the Plaintiffs did not discover that they were providing services for which they were not receiving payment, the 'red flag' that commenced the investigation being that the Defendant from time to time allegedly sent email requests to the Assistant Reservations Manager for Island Dream Destination to be added as a travel agent¹¹ which Mr Peel describes as "unusual". Further, and despite Mr Snider's best efforts to explain, I still do not understand how the allegation that suppliers to the Plaintiffs have made payments to IDDP or the Defendant in respect of goods and services **they have supplied**¹².

23. There is also an issue as to the legal identity of IDDP. The document in support of the creation of IDDP is not a company search as stated by Mr Peel but is entitled 'Business Name Search Results'.

24. Mr Peel's evidence is¹³:

*"In or around 7th February 2018 Mr. Morley incorporated a **TCI company** named Island Dreams Destination Planning ("IDDP"). Mr. Morley was the **sole officer and director** of the business and the business's sole purpose appears to have been to receive funds directed to the resorts for wedding packages."*
(My emphasis)

25. In my view the above can only be read as it being said that IDDP is a corporate entity. If that is the case then Mr Morley is the wrong defendant, no corporate veil-piercing claim being advanced.

26. The confusion as to the identity of the proper defendant is further compounded by reason of the allegation at paragraph 21.d above where Mr Peel is unable to say whether the funds were allegedly retained by the Defendant or by IDDP, further demonstrating the possible existence of a corporate entity. This is in contrast to the Statement of Claim wherein it is pleaded that:

¹¹ Paragraph 9 of the Affidavit.

¹² Paragraph 11 and 12 of the Affidavit.

¹³ At paragraph 8 of the Affidavit.

*“In or about 2018 and in breach of his duties the Defendant established a private business owned and operated by him **as a sole proprietor** which was a wedding planning business, and the Defendant named that business Island Dream Destination Planning.”* (My emphasis)

27. The Statement of Claim goes on to make further averments that IDDP was simply the business name for the Defendant. The confusion is obvious.

Assets in the jurisdiction

28. To obtain a freezing injunction, the applicant must demonstrate grounds for belief that the respondent has assets within the area covered by the proposed injunction, although it need not identify specific assets¹⁴.
29. Mr Peel states¹⁵ Mr Morley is the sole proprietor of parcel 61103/19, Long Bay Hills, Providenciales although he does not say how he is aware of this. Mr Peel goes on to say that he has visited the property and records that there is a home presently under construction on the property. A copy of the land register is included in the Exhibit and records a charge to First Caribbean International Bank (Bahamas) Limited. Mr Snider submits that this “*prima facie evidence that the Defendant holds assets in the jurisdiction*”.
30. No other assets are disclosed in the Affidavit notwithstanding that the summons seeks an order preventing the Defendant from:
- “directly or indirectly removing or transferring any assets, including cash, shares, certificates or other valuables **from any account to the credit of the Defendant, or held on the Defendant’s behalf at any bank or financial institution, without leave of this court.**”* (Emphasis added)
31. No such accounts have been identified. In **Z Ltd. -v- A-Z and AA-LL**¹⁶ Kerr LJ held:

¹⁴ See Commercial Litigation: Pre-emptive Remedies - Third International Edition at A2-126.

¹⁵ At paragraph 17 of the Affidavit.

¹⁶ [1982] Q.B. 558 at 588 G.

“... it is the duty of the plaintiff and of his legal advisers to do the following:

... [T]o take the example of bank accounts, the plaintiff should make every effort to try to indicate (a) which bank or banks hold the accounts in question, (b) at which branches, and (c) if possible, under what numbers.

... All the foregoing matters should be fully and frankly dealt with in an affidavit supporting the ex parte application or, if it is urgent, in a draft affidavit coupled with an undertaking to swear and file this forthwith.”

32. In this case there has been a failure to identify any account whatsoever. At best, I can infer that the Defendant has an account with First Caribbean International Bank (Bahamas) Limited as presumably the borrowing secured by the charge over the Defendant’s land is being serviced, but that is speculation on my part.

33. Mr Snider submits that:

*“The defendant is alleged to have perpetrated a fraud on the plaintiffs at (sic) least \$262,991.55. The plaintiffs have reason to believe the funds obtained by fraud **are with the defendant, or been invested.**”* (My emphasis)

34. Mr Peel states:

*“I have visited the Property and noted that there is a home that is under construction. **I do verily believe that the Commissions and Deposits misappropriated by Mr Morley have contributed to the construction of the home, and facilitated the payment of any charge payments and further payments toward the Property’s expenses.**”* (My emphasis)

35. Whilst I understand that the above statements can be arrived at by inference, they are submitted without any evidential support or explanation as to why the writers have come to those conclusions.

A real risk of removal or disposal of the assets

36. The Plaintiff must show that there is a real risk of dissipation that would result in a

judgment or award going unsatisfied.

37. In assessing a 'real risk of dissipation' Popplewell J conducted a review of the authorities in **Fundo Soberano de Angola -v- Jose Filomeno dos Santos**¹⁷ and formulated a number of principles to be applied. Those relevant to this application are:

- a. The claimant must show a **real risk, judged objectively**, that a future judgment would not be met because of an unjustified dissipation of assets. In this context dissipation means putting the assets out of reach of a judgment whether by concealment or transfer.
- b. The risk of dissipation must be established **by solid evidence; mere inference or generalised assertion is not sufficient**.
- c. **It is not enough** to establish a sufficient risk of dissipation merely to establish a good arguable case that the Defendant has been guilty of dishonesty; it is necessary to scrutinise the evidence to see whether **the dishonesty in question points to the conclusion that assets are likely to be dissipated**. It is also necessary to take account of whether there appear, at the interlocutory stage, to be properly arguable answers to the allegations of dishonesty.
- d. What must be **threatened is unjustified dissipation**. The purpose of a freezing order **is not to provide the claimant with security**; it is to restrain a defendant from evading justice by disposing of, or concealing, assets otherwise than in the normal course of business in a way which will have the effect of making it judgment proof. The freezing order is not intended to stop a corporate defendant from dealing with its assets in the normal course of its business. Similarly, it is not intended to constrain an individual defendant from conducting his personal affairs in the way he has conducted them,

¹⁷ [2018] EWHC 2199 (Comm); Approved in *Lakatamia Shipping Company Ltd -v- Morimoto* [2020] 2 All ER (Comm) 359.

providing of course that such conduct is legitimate. **If the defendant is not threatening** to change the existing way of handling their assets, it would not be sufficient to show that such continued conduct would prejudice the claimant's ability to enforce a judgment. That would be contrary to the purpose of the freezing order jurisdiction because it would require defendants to change their legitimate behaviour in order to provide preferential security for the claim which the claimant which would not otherwise enjoy.

- e. Each case is fact specific and relevant factors must be looked at cumulatively.
(Emphasis added)

38. Mr Snider submits, following on from the submission at paragraph 33 above, that:

*"The Plaintiffs have genuine concerns that the Defendant has either **spent those funds** obtained by fraud **or taken steps to put them out of reach.**"*

(My emphasis)

39. Mr Peel states:

*"... I do also verily believe that it is just and convenient for the Court to grant an order restraining the Defendant's assets and inhibiting the Property, there being a strong case that the Defendant has committed fraud against the Plaintiffs and **risk (sic) of the dissipation of assets.**"* (My emphasis)

40. In **Alternative Investment Solutions (General) Ltd v Valle De Uco Resort & Spa**

SA¹⁸ the claimants, a private limited company incorporated in England and Wales, had agreed to a loan of US\$1m. to the defendant to develop a luxury resort in Argentina. The loan was to be secured by a charge over the land to be developed. No charge was ever executed and when the loan fell into arrears, the claimant obtained a worldwide freezing order against the defendant, based on fraudulent representations which had induced the claimant to give the loan. The court held:

"In the continued absence of VDU's execution of the legal charge and the

¹⁸ [2013] EWHC 333 (QB)

claimant's investment remaining unsecured after the time for repayment had expired, there was a real risk of dissipation as the second and third defendants involved investors and potential funders in relation to the project on the site. Further, there was a good arguable case of fraudulent misrepresentation by the second and third defendants as to the planning status of the project, in particular as to the entitlement to start building prior to the claimant's execution of the loan agreement. It had clearly been misleading for the second and third defendants to represent in the plan and elsewhere that there was full planning permission and that building could commence. That position had been maintained prior to the loan agreement and well after. Clearly it had been intended that the representation should be relied on by potential investors. There was a good arguable case that the claimant had relied, at least in part, on what the second and third defendants had represented. As to the execution of the legal charge, the evidence led to the inference that there was a good arguable case that the second and third defendants had never intended to have VDU enter into the charge and had engaged in a series of delaying tactics with excuses for inaction. On the facts, there was also a real risk of dissipation of assets by the second and third defendants."

41. In **L -v- K (Freezing Orders: Principles and Safeguards)**¹⁹ Mostyn J²⁰ set out a number of principles and safeguards to be applied to the consideration of granting a freezing order. These include:

*"... [T]he applicant must show, by reference to **clear evidence**, an unjustified dealing with assets (which would include threats) by the respondent giving rise to the conclusion **that there is a solid risk of dissipation** of assets to the applicant's prejudice. Such an unjustified dealing will normally give rise to the inference that it is done with the intention to defeat the applicant's claim ...*

*... The evidence in support of the application must depose to **clear facts. The***

¹⁹ [2014] 2 WLR 914.

²⁰ At para. 51.

sources of information and belief must be clearly set out. (Emphasis added)

42. As in the case of the evidence of assets of the Defendant in the jurisdiction, there is no evidentiary proof of any risk of dissipation, and the emboldened assertions in paragraphs 38 & 39 above are conjecture.

43. Mr Snider urges me to consider the evidence of [fraud and] dishonesty in determining the risk of dissipation of assets. I spent some time in the hearing attempting to decipher what the various account statements contained in the Exhibit were meant to show which, without explanation are confusing and unclear. None of the emails obtained from the Defendant's laptop nor the alleged fraudulent invoices have been exhibited.

44. Mr Snider refers me to **Campbell -v- Campbell**²¹, a decision from the High Court of England and Wales. He submits:

"In the instant case the defendant's fraud and dishonesty, point to the conclusion that any assets, including the money and property of the defendant, may be dissipated if a freezing order is not granted."

45. He goes on:

"The fraud may also amount to criminal behaviour and the plaintiff's representatives have reported the fraud to the Royal Turks and Caicos Islands Police Force, who are currently investigating. These circumstances suggest there is a genuine risk of dissipation of assets."

46. Mr Snider refers me to paragraph 25 of **Campbell**²², where Sarah Worthington QC sitting as a deputy judge of the High Court says:

"Thirdly, there must be a real risk of dissipation of these assets such that there is a real risk of a judgment in the claimant's favour going unsatisfied if the

²¹ [2017] EWHC 2747 (Ch).

²² *Supra*.

injunction is not granted: Derby v Weldon [1990] 1 Ch 48 at 57D-E. There is, however, no need to establish dishonesty or fraud or an intention on the part of the defendant to dissipate assets to avoid liability, although where there is a good arguable case of dishonesty or fraud the risk of dissipation may speak for itself: Alternative Investment Solutions (General) Ltd v Valle De Uco Resort & Spa SA [2013] EWHC 333 (QB), per Cranston J at [8].” (Emphasis added)

47. Mr Snider invites me to find that there is a real risk of dissipation due to the allegations of dishonesty. I do not agree that such a risk has been made out.

48. In **Guinness PLC -v- Saunders**²³, Sir Nicholas Brown-Wilkinson VC said:

“Whether or not at that stage Guinness had considered what was going in the statement of claim I know not. But Mr Heslop’s submission to me is based on the proposition that the question whether Mareva relief should be granted is closely linked to the nature of the cause of action pleaded in the case. If fraud is pleaded, Mareva relief, it is said, is more likely to be awarded than if it is not. In my judgment that is a misconceived submission. In many cases involving dishonesty it is unnecessary to plead fraud ... Guinness do not require at this stage to prove fraud. They do allege lack of bona fide belief and it was not necessary for them to go further in the pleading. In my judgment dishonest behaviour is relevant to the Mareva relief not by reference to what is pleaded but by reference to the possibility of likelihood of it existing. Whether or not pleaded if there is dishonesty or suspicion of dishonesty, that can be an important ground on which Mareva relief can be obtained.”

49. The learned authors of Commercial Litigation : Pre-emptive Remedies²⁴ say:

“Applicants for freezing injunctions often attempt to demonstrate a risk of dissipation by adducing evidence of some general dishonesty on the part of

²³ [1987] Lexis Citation 1488.

²⁴ *Supra* at A2-158

*the respondent. Such evidence may well be insufficient. Rather, **the evidence must be such that the court can justifiably infer that the respondent has assets that he is likely to dissipate** unless restrained²⁵.*

However, where the dishonesty alleged is at the heart of the claim against the relevant defendant, the court may well find itself able to draw the inference that the making out, to the necessary standard, of a case against the defendant also establishes sufficiently the risk of dissipation of assets²⁶. Moreover, evidence of dishonesty, involving allegations of misuse of assets, coupled with a failure on the part of the respondent to explain what has happened to such assets may suffice²⁷. Therefore, in every case, it is necessary to focus on the nature of the dishonesty alleged to determine whether it is sufficient to justify the inference of a risk of dissipation.

One of the relevant factors will be whether any conduct, relied upon by the applicant as tending to show a risk of dissipation, was in response to the threat or issue of proceedings.” (Emphasis added)

50. Peter Gibson LJ in **Thane Investments Ltd -v- Tomlinson**²⁸ in dealing with allegations of dishonesty as proof of dissipation of assets, said:

*“It is important on applications for so seriously intrusive an order as a freezing order **that great care should be taken in the presentation of the evidence** to the court, so that the court can not only see whether the applicant has a good arguable case but also **whether there is some real risk of dissipation of assets** ... [Counsel] submitted that it has now become the practice for parties to bring ex parte applications seeking a freezing order by pointing to some dishonesty [and saying that this] is sufficient to enable the court to make a freezing order. I have to say that if that has become the*

²⁵ **Thane Investments Ltd -v- Tomlinson** [2003] EWCA Civ 1272.

²⁶ **VTB Capital Plc -v- Nutritek International Corp** [2012] EWCA Civ 808.

²⁷ **Jarvis Field Press Ltd -v- Chelton** [2003] EWHC 2674 Ch.

²⁸ *Supra*.

*practice, then the practice should be reconsidered. It is appropriate in each case for the court **to scrutinize with care** whether what is alleged to have been the dishonesty of the person against whom the order is sought really justifies the inference that the person has assets which **he is likely to dissipate** unless restricted.” (Emphasis added)*

51. In **Homedon Ltd v Deaken & Ors.**²⁹ it was held that it could not be inferred or concluded that a director who was subject to proceedings alleging breach of duty and misfeasance had dealt with her property assets as a response to those proceedings and that there was no real risk she would dissipate her assets to avoid a judgment. A freezing order obtained without notice was not continued.

52. In **Z Ltd. -v- A-Z and AA-LL**³⁰ Kerr LJ held:

“[The jurisdiction] would not be properly exercisable against the majority of defendants who are sued in our courts. In non-international cases, and also in many international cases, the defendants are generally persons or concerns who are established within the jurisdiction in the sense of having assets here which they could not, or would not wish to, dissipate merely in order to avoid some judgment which seems likely to be given against them; either because they have property here, such as a house or a flat on which their ordinary way of life depends, or because they have an established business or other assets which they would be unlikely to liquidate simply in order to avoid a judgment. It is impossible to categorise such situations. In each case the court will have to form a view, when the application is made, on which side of the line each particular case falls, but bearing in mind that the great value of this jurisdiction must not be debased by allowing it to become something which is invoked simply to obtain security for a judgment in advance, and still less as a means of pressurising defendants into settlements.”

²⁹ [2015] EWHC 1614 Ch.

³⁰ *Supra.*

53. Ms McMillan whilst cognisant of not giving evidence from the Bar, advised the Court that the Defendant is a Turks and Caicos Islander, resident in Providenciales. Whilst I accept Mr Snider's submission that the allegations of dishonesty contained in the Statement of Claim are such that they could infer a real risk of dissipation of assets, on the authorities, that in my judgment is not sufficient. Objective facts are required and as I have said, I find the application lacking in evidence.
54. The Defendant has had notice of this claim since 16th September 2022 and whilst the fact that the Defendant has not dissipated his assets over the intervening period is not any bar to my granting a freezing order, in my judgment there must be something upon which I can found a justification for granting the order.
55. For the reasons set out above, I am not persuaded that the Plaintiffs have established by solid evidence that there is a sufficient risk of dissipation to justify a freezing order. I am of the view that this application has been brought to provide the Plaintiffs with security which they would not otherwise have and the authorities are clear that this is an improper purpose. Accordingly, the summons is dismissed.
56. The Plaintiffs shall pay the Defendant's costs of the application to be taxed on the standard basis if not agreed.

13th February 2024

The Hon. Mr Justice Anthony S. Gruchot
Judge of the Supreme Court

