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IN THE HIGH COURT OF JUSTICE  
KING'S BENCH DIVISION



No. KB-2023-002532

[2023] EWHC 2480 (KB)

Royal Courts of Justice  
Strand  
London, WC2A 2LL

Tuesday, 3 October 2023

Before:

MR JUSTICE GARNHAM

B E T W E E N :

THE SOCIETY OF LLOYD'S

Claimant

- and -

SALLY ROSEMARY NOEL

Defendant

\_\_\_\_\_

MR P FRADLEY appeared on behalf of the Claimant.

THE DEFENDANT appeared In Person.

\_\_\_\_\_

J U D G M E N T

MR JUSTICE GARNHAM:

### Introduction

1 The Society of Lloyd's (hereafter "Lloyds") applies for the committal of Mrs Sally Noel for contempt. The alleged contempt consists of repeated breaches of an order of Cooke J dated 28 October 2009. This is the third application brought by Lloyd's in respect of Mrs Noel's contempt in breaching that order.

2 In support of this application, I have heard today submissions from Mr Paul Fradley of counsel. In response, I have heard, at a little length, from Mrs Noel herself and also from her two sons, David and James Noel. I am grateful to all those who have made submissions for their assistance.

### The background

3 The background to this matter has been set out repeatedly in judgments of this court, notably the judgment of Jay J in 2013, reported at *The Society of Lloyd's v Noel* [2013] EWHC 4117 (QB), and the judgment of Popplewell J, as he then was, in December 2014, *The Society of Lloyd's v Noel* [2014] EWHC 4536 (QB). It is not necessary to do more here than to provide a brief summary.

4 Mrs Noel is a former Name at Lloyd's. There was a long history of disputes between her and Lloyd's which concluded in 2008 when she and Lloyd's entered into a settlement agreement. Lloyd's have alleged subsequently that Mrs Noel has breached that agreement and they have brought proceedings to enforce its terms.

5 Those proceedings came on before Cooke J on 28 October 2009. They were heard in private to preserve the confidentiality of the agreement. Cooke J made an order which included a penal paragraph. Paragraph 2 of the order provided as follows:

“The Defendant, whether by herself or any agent or employee be restrained from referring to Lloyd’s, whether directly or indirectly, in any way which is critical of or in any way adverse to Lloyd’s by talking, writing, posting on the internet, or by any other means of publication or dissemination. For the purpose of paragraphs 2 to 4 of this Order, the term Lloyd’s includes the Claimant [and/or, I summarise, its agents].”

6 Paragraph 4 of the order provided that:

“Without prejudice to the generality of paragraphs 2 and 3 above, and for the avoidance of doubt:

a. the Defendant is restrained from publishing or disseminating, whether on the internet, in any newspaper, by letter to any person or howsoever, any information and/or document and/or other material alleging fraud and/or dishonesty against Lloyd’s where such allegations arise out of, or are based on:

i. the Defendant’s membership of, or underwriting at, Lloyd’s;

ii. the Defendant’s alleged resignation from Lloyd’s...

iv. the 1986 Agency Agreements;

v. the General Undertaking;

vi. the Membership Byelaw...

viii. the Defendant’s Equitas Premium;

ix. asbestos claims and the Claimant’s alleged fraud in respect of them;

x. the Verification Form...”

7 Mrs Noel was served personally with a copy of the Cooke Order in November 2009. She sought permission to appeal it, but that application was refused. Following the making of

that order, Mrs Noel has, to use Mr Fradley's words, "engaged in a pattern of conduct which evinced a refusal to comply with the order." That resulted in Lloyd's twice bringing contempt applications.

- 8 On 29 June 2010, Tugendhat J found Mrs Noel in contempt of court, but decided that she should not be subject to any penalty. However, he said this:

"If ever there comes back an application by Lloyd's against you alleging contempt, and if that is established, you should expect a severe penalty."

- 9 On 7 September 2013, Jay J found Mrs Noel further in contempt and sentenced her to a suspended sentence of imprisonment for 28 days. In the course of his judgment, he said this:

"Mrs. Noel, therefore, has to understand the position. The position, I am afraid, is clear. The terms of the order of Cooke J prevent her from doing that which she wants to do. The terms of the order do not require interpretation or decipherment. They speak clearly and loudly. My advice to Mrs. Noel is that she must follow that order to the letter. If she is in the remotest bit unclear as to what the order might mean or might provide, she can take legal advice on it. But what she cannot do is continue to go back over, what I regret to say, is ancient history now. Everything before 2008 and the compromise agreement is water which has flowed under the bridge and cannot now be brought back before the court by way of complaint.

"If you do it again, Mrs. Noel, the position is clear. You will be sent to prison. The order will be drawn up in that form."

- 10 Lloyd's assert that, despite that warning from Jay J, Mrs Noel has continued to breach the terms of Cooke J's order. Lloyd's rely on six alleged breaches of the order which they say flowed from:

- (1) an email in September 2020;
- (2) an email in October 2020;
- (3) an email in February 2022;

- (4) a letter in May 2022;
- (5) an email in March 2023;
- (6) the posting of a number of articles on a website maintained by Mrs Noel.

11 In his affidavit in these proceedings, Mr William O'Connor, Senior Manager of Litigation at Lloyd's, says that in the period since this application was issued, Lloyd's has sought, in correspondence and by phone, to remind Mrs Noel of the terms of the Cooke J Order. They have asked her to confirm that she will comply with the terms of that order, and they have encouraged her to seek independent legal advice. Mrs Noel confirmed to Lloyd's in one conversation that she understood that her conduct had been in breach of the Cooke Order and that she had operated the website. She confirmed that she had received the application. She admitted to Lloyd's that she had breached the injunction, and she told Lloyd's that she had no intention of ceasing to do so.

12 The present application first came on for hearing before Freedman J on 27 June of this year. Mrs Noel attended that hearing in the company of her son-in-law, Arthur Hindmarch, who told the court that she was suffering from compulsive behaviour and that it was intended that she would get medical assistance. During that hearing, Mrs Noel said this:

“I humbly apologise to the courts for finding myself in contempt of court again. I say this with the deepest sincerity and I appeal to the court and for your compassion.”

Freedman J made directions for Mrs Noel to file evidence if she wished to do so and indicated that the parties should seek to agree a way forward, if possible, to avoid a future hearing.

13 Since that hearing, it appears that the parties have been unable to reach a solution. There has been submitted on Mrs Noel's behalf no specialist medical advice, although I was

provided yesterday evening with a letter from Dr Philip Hine, her GP. He indicated, in a letter dated 31 August 2023, that Mrs Noel had recently been reviewed by the local Community Mental Health team in Yeovil. Dr Hine reported that Mrs Noel had been seen by a speciality doctor in Older Persons Community Mental Health. The diagnosis at that time was “mental and behavioural disorder due to the use of alcohol, alcohol-dependent syndrome and alcohol-induced psychosis.” Dr Hine acknowledged that he was not a psychiatrist, but he said he doubted her capacity to represent herself.

- 14 In her conversations with Lloyd’s since the June hearing, Mrs Noel has continued to repeat allegations that she was a victim of a conspiracy and that a fraud had been perpetrated against her.

#### The relevant principles

- 15 The legal test for contempt by breaching a court order was explained by Leggatt LJ, as he then was, in *Cuadrilla Bowland Ltd & Ors v Persons Unknown & Ors* [2020] 4 WLR 29 at 25:

“... a person is guilty of contempt of court by disobeying a court order that prohibits particular conduct only if it is proved to the criminal standard of proof (that is, beyond reasonable doubt) that the person: (i) having received notice of the order did an act prohibited by it; (ii) intended to do the act; and (iii) had knowledge of all the facts which would make doing the act a breach of the order: see *FW Farnsworth Ltd v Lacy* [2013] EWHC 3487 (Ch), para 20. It would not necessarily follow from proof of these facts that the person had knowingly disobeyed the order; but the judge took the sensible approach that, unless this further fact was established, it would not be appropriate to impose any penalty for the breach.”

## The alleged breaches of the Cooke Order

16 Lloyd's argue that there is here evidence of a clear, intentional breach of the Cooke Order in circumstances where Mrs Noel had knowledge of the facts which made that action a breach of the order, on each of the following six occasions.

17 First, to an email dated September 2020, sent to various persons including the then Prime Minister and the Governor of the Bank of England, Mrs Noel attached a document entitled "Amended Exposé of Judicial and Governmental Cover-up of Lloyd's Fraud." In that document, Mrs Noel sets out allegations of fraud, collusion and conspiracy on the part of Lloyd's. In my judgment, that document constituted a plain breach of para.2 of the Cooke Order. It was a reference to Lloyd's in writing which was critical of Lloyd's. It also amounted to a breach of para.4, in that Mrs Noel disseminated information alleging fraud and dishonesty arising out of the matters listed in that paragraph of the order.

18 Second, in October 2020, she sent another email to a similar group of persons with the same document attached. That too, for the same reasons, was in breach of paras.2 and 4 of the Cooke Order.

19 Third, the February 2022 email. This was sent to the Judicial Conduct Investigation Office (JCIO) and copied to the Lord Chief Justice, the Attorney General, the Lord Chancellor and others. There were three attachments to that email. In the first, the "Letter to Information Officer", Mrs Noel asserted that she had documented evidence that Lloyd's stole money from the names to give to the Treasury. The letter to the JCIO refers to, "Lloyd's of London fraud and the conspiracy between the judiciary." It alleged that Lloyd's gave special deals in return for the judiciary not finding fraud. In a document entitled "Urgent Appeal", Mrs Noel requested the police to bring charges against Lloyd's because their "fraud continues." She said Lloyd's compliance department should be investigated for conspiracy to commit

perjury, blackmail, and perverting the course of justice. In my judgment, it is plain for the same reasons that that email was a breach of paras.2 and 4 of the Cooke Order.

20 The May 2022 letter was sent to the Financial Conduct Authority and was copied to the Chancellor of the Exchequer, the Master of the Rolls, and others. In that letter, Mrs Noel asserted that Lloyd's actions were criminal and noted that she had been writing to the FCA "regarding the rigging of the Jaffray fraud trial and crime perpetrated against me by Lloyd's." Again, in my judgment, it is perfectly plain that that is a breach of paragraphs 2 and 4 of the Cooke Order.

21 Perhaps most serious of the allegations concerns the fifth document, namely the March 2023 email. That was sent to a number of individuals, including a number of journalists. The fact that journalists were amongst the recipients meant that this document had greater potential to cause Lloyd's harm. In that email, Mrs Noel refers to the "continuing cover-up of the largest insurance fraud on record and continuing crimes." She refers to Lloyd's "heinous crimes." She says that she handed two documents to Ms Liz Truss, subsequently the Prime Minister, in August 2022, entitled "Conservative Government Cover-up of Lloyd's Endemic Fraud: An Exposé of Judicial and Governmental Cover-up of Lloyd's Fraud." Also attached to that email were a number of other documents in which Mrs Noel refers to criminal behaviour by Lloyd's, including theft, blackmail and conspiracy. In my judgment, that too constitutes a plain breach of paragraphs 2 and 4 of the Cooke Order.

22 Finally, Mrs Noel established and maintained a website, [www.justiceandcityethics.com](http://www.justiceandcityethics.com), on which she published articles about her allegations of fraud against Lloyd's. Those articles also constituted plain breach of paragraphs 2 and 4 of the Cooke Order. I note that Mrs Noel took that website down after the hearing before Freedman J.



### Conclusions on liability

23 Against that background, I have no hesitation in concluding that the elements of contempt for breach of a court order are made out in respect of each of the six grounds advanced. In the case of each of those six grounds, there was a clear breach of the order by Cooke J. I find as a fact that Mrs Noel's actions were intentional. I have no doubt that Mrs Noel knew from her attendance at court on past hearings and her discussions with Lloyd's that she was repeatedly breaching the Cooke Order. That order had been served on her personally and she has twice been held in contempt for breaching the terms of the order. Accordingly, I make a finding that Mrs Noel has acted in contempt of court on each of the grounds advanced by Lloyd's.

### Sanction

- 24 Mr Fradley has helpfully set out in his skeleton argument the principles to be applied by the court when sentencing for contempt of court. I note in particular the helpful summary of the relevant authorities by Leech J in *Solicitors Regulation Authority Ltd v Khan & Ors* [2022] EWHC 45 (Ch) at 52, and the guidance given by the Court of Appeal in *Financial Conduct Authority v McKendrick* [2019] 4 WLR 65, and by the Supreme Court in *AG v Crosland* [2021] 4 WLR 103 at 43.
- 25 Mr Fadley explained that Lloyd's is neutral as to the appropriate sanction. Nonetheless, he explained that Lloyd's interest is in ensuring that future breaches of the order do not take place.
- 26 In her remarks to me, Mrs Noel recognised that a sentence of immediate imprisonment is a real possibility. She told me that she accepted that her actions were wrong, that her actions were now adversely affecting her family. She said she would stop behaving as she has been

behaving of late. She apologised to the court and told me that she simply wants the whole matter to be over. She said that she was willing to abandon her compulsive behaviour towards Lloyd's.

27 Speaking on her behalf, her son, David, told me that his mother was sorry to find herself in this position, that she accepts the allegations made against her, and that she would not repeat this conduct. Her son, James, conceded on his mother's behalf that she was at times consuming too much alcohol and that that made her passions and her anger worse. He said that he and the whole family recognised that Mrs Noel had to abandon her obsession with the Lloyd's litigation and put the whole of this matter behind her.

28 In my judgment, these were serious acts of contempt by Mrs Noel. Mrs Noel is an intelligent woman; she is well aware of the Cooke J Order. She knew that she was required to comply with that order, and yet she chose deliberately to break its terms. I find as a fact to the criminal standard that Mrs Noel committed these acts knowing that she was prohibited from so acting. She intended to do these acts, and she knew that so acting would amount to a breach of the order. In other words, I find as a fact that, on each of the six occasions, she knowingly disobeyed an order of the court.

29 As I said during the hearing, I well recognise that it is desirable to keep offenders out of prison wherever possible, and that prison is only appropriate in the most serious of cases, but in my judgment, this is a serious case. This was serious, contumacious flouting of the order of the court. Mrs Noel's culpability is high.

30 Fortunately, the harm that followed these acts was very limited. There is no evidence that any of the recipients of the emails, letters or website postings acted to Lloyd's detriment as a result of reading them. I accept Mr Fradley's submission that the risk of harm was greatest

in the case of the email sent to journalists, but even there, there is no evidence that anything was published adverse to Lloyd's interests as a result.

31 In my judgment, the contempt here is aggravated by the fact that this is the third occasion on which Mrs Noel has been found guilty of contempt, each previous occasion in respect of the same order. It is also aggravated by the fact that last month, in September, she sent a further email of a not dissimilar nature, thus demonstrating that she was continuing with this behaviour despite the issuance of this application. Finally, it is aggravated by the fact that Mrs Noel has in the past promised to mend her ways, but nonetheless has continued to behave in this way.

32 In mitigation, I take note of the fact that she has today expressed remorse and apologised to the court for the breach of its orders. I note also that her husband died in November 2021 and, according to her son, her grief at the loss of her husband has been compounded by the corresponding loss of support and counsel. In addition, although I have no formal psychiatric report on Mrs Noel, I do accept, and have regard to the fact, that she has shown signs of mental health difficulties. I accept her sons' description of symptoms of compulsive behaviour made worse by drinking.

33 In my judgment, this is not a case where a fine would be sufficient punishment. I am driven to conclude that the only appropriate sanction is one of imprisonment. However, I say straightaway that I find I am able to suspend that sentence.

34 Committal to prison may serve two purposes in contempt cases: punishment of past contempt and the securing of future compliance. In my judgment, the punishment element of the sentence, in other words the sentence I would impose if I could be certain that she would comply with the order in the future, would be 6 weeks' imprisonment. The compliance element, the element to persuade her to do so, would be a further 6 weeks. The

result is that the appropriate term of imprisonment would be 12 weeks. However, as I have said, I am persuaded that it would be appropriate to suspend that term.

35 I remind myself that Jay J also imposed a suspended sentence and that it is unusual in the extreme for a court to suspend a sentence for a second time. However, the previous suspended sentence was ten years ago, and having heard both from Mrs Noel, and particularly from her sons, I am persuaded – just – that there is a real prospect that Mrs Noel will now put this matter behind her, will cease all correspondence about the Lloyd’s litigation, will dispose of all the documents on the subject which her family tell me surround her at home, and will get back to a life untainted by this obsession with Lloyd’s.

36 The 12-week period of imprisonment will be suspended for 2 years, which means, Mrs Noel, that if you commit a further contempt of court within a period of 2 years, this 12-week sentence will be activated in addition to any sentence imposed for the subsequent contempt, but if you desist from such contempt, then after 2 years this suspended sentence will fall away.

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