



Claim No: BL-2025-000341

**IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
CHANCERY DIVISION
BUSINESS LIST**

BETWEEN:

MR LEE CASTLETON

Claimant

-and-

**(1) POST OFFICE LIMITED
(2) FUJITSU SERVICES LIMITED**

Defendants

**DEFENCE OF THE SECOND DEFENDANT TO
PART A OF THE PARTICULARS OF CLAIM**

- 1 This Part A Defence is filed by the Second Defendant, Fujitsu Services Limited (“FSL”), in response to Part A only of the Particulars of Claim dated 10 July 2025 (“POC”), in accordance with the Order of Mr Justice Trower and Master Kaye dated 4 February 2026 (the “February Order”), and without prejudice to FSL’s denial of the claims set out in Parts B and C of the POC.
- 2 In this Defence:
 - 2.1 References to paragraph numbers are to paragraphs and sub-paragraphs in the POC, unless otherwise stated.
 - 2.2 Defined terms are those used in the POC, subject to the clarifications and denials below.
 - 2.3 Save as is expressly admitted or denied below, each and every allegation in Part A of the POC is denied.



Glossary

- 3 The following definitions are admitted:
 - 3.1 The Judgment.
 - 3.2 Common Issues.
 - 3.3 Horizon Issues.
 - 3.4 The Group Litigation.
 - 3.5 The Settlement Deed.
- 4 The definition of “**Horizon**” is denied. A more appropriate definition of “Horizon” is: *“the Horizon computer system hardware and software, communications equipment in branch and central data centres where records of transactions made in branch were processed”* (Horizon Issues judgment, paragraph 18; and the Completed List of Issues of the Inquiry, footnote 1).
- 5 Horizon has changed substantially over time. The relevant phase of Horizon to the Claimant’s operation of the Marine Drive branch was “**Legacy Horizon**”, the original iteration of Horizon in operation between 1999 and 2010. Legacy Horizon used Riposte software from Escher, a third-party, to replicate data between counters at the branches and correspondence servers in the data centres.¹ Legacy Horizon went through a number of substantial changes during its operation.
- 6 It is admitted that “**The First Defendant**” is Post Office Limited (“**POL**”) and that POL was known as Post Office Counters Limited until 1 October 2001. The remainder of the definition of “The First Defendant” is not admitted.
- 7 As to the definition of “**The Second Defendant**”, it is denied that the company formerly named ICL Pathway Limited (company number: 03011561) (“**ICL Pathway**”) is a defendant to this claim. ICL Pathway and FSL (company number: 00096056) are distinct legal entities. ICL Pathway was dissolved on 3 January 2013.

¹ Unlike later versions of Horizon, which replaced the Riposte system with a system of direct transmission from the counter to the data centre, namely “HNG-X” or “Horizon Online” from 2010 and “HNG-A” or “Horizon Anywhere” from 2016.



8 By way of clarification:

8.1 From 17 July 1996, ICL Pathway was wholly owned by FSL, which was then known as International Computers Limited.

8.2 On 28 July 1999, POL and ICL Pathway entered into the first bilateral contract for the provision of Horizon and related services. “**Horizon Contract**” in this Defence refers to successive contracts in respect of Horizon entered into between POL and ICL Pathway or FSL (as varied, restated and supplemented from time to time).

8.3 The Horizon Contract was novated from ICL Pathway to FSL on or around 1 April 2003, as it remains to the present day.

Introduction and Summary of Claimant’s Claims

9 As to paragraph 1:

9.1 FSL’s position in respect of Part A of the POC is set out at paragraphs 18–44 below.

9.2 Pursuant to paragraph 3 of the February Order, FSL does not plead to Parts B and C of the POC in this Part A Defence.

10 Paragraph 2 is admitted.

11 As to paragraph 3, the first sentence is admitted. The second sentence is admitted only in part. Whilst it is admitted that FSL was and is, and ICL Pathway was until around 1 April 2003, the supplier of Horizon software, since 31 March 2015 FSL no longer provides or maintains hardware relating to Horizon. The Horizon Contract is a contract for services, not for facilities management.

12 Paragraph 4 is admitted. The unique reference number for the Claimant’s branch (the “**FAD**” code) was 213337.

13 As to paragraph 5, it is admitted that:

13.1 The Claimant was suspended by POL as postmaster of the Marine Drive branch on 23 March 2004, following an audit of the branch by Helen Rose of POL that



took place the same day and during which an apparent shortfall of £25,758.75 was identified.

- 13.2 POL issued a claim in the Scarborough County Court against the Claimant on 9 June 2005 in order to recover alleged shortfalls totalling £27,115.83, which included the apparent shortfall identified on 23 March 2004. The claim was transferred to the High Court on 14 September 2005.
- 14 FSL does not plead to the remainder of paragraph 5, pursuant to paragraph 3 and Annex 2 of the February Order.
- 15 As to paragraph 6:
- 15.1 The first sentence is admitted.
- 15.2 The second sentence is admitted insofar as the Claimant acted as a litigant in person from 20 November 2006, including during the trial period. Prior to 20 November 2006, the Claimant was represented by the law firm Rowe Cohen.
- 15.3 The third sentence is admitted.
- 15.4 FSL does not plead to the fourth and fifth sentences, pursuant to paragraph 3 and Annex 2 of the February Order.
- 16 Paragraph 7 is admitted.
- 17 Paragraph 8 is admitted save for the summary of the claims brought by the claimants in the Group Litigation (“**Group Litigation Claimants**”) which is denied, as set out in further detail in FSL’s response to Part A of the POC at paragraphs 18–44 below.

Part A of the POC – The Settlement Deed Claim

- 18 All claims alleged in the POC were released by the Settlement Deed, and further the Claimant is not entitled to rescind the Settlement Deed. This section of FSL’s defence sets out a summary of the reasons for that case, which will be developed in submissions as necessary, before pleading to the specific paragraphs of the POC.
- 19 Where a person settles a claim by release against one or more alleged tortfeasors, their claims against all others said to be jointly (or jointly and severally) liable for the same



alleged wrongs are also released. The Settlement Deed took effect by way of release: clause 4.1. The Claimant alleges that FSL was party to an unlawful means conspiracy with, and therefore that it was jointly (or jointly and severally) liable for the same alleged wrong as, POL. If any of the claims against POL released in the Settlement Deed included the claims brought in the POC, it follows that the claims against FSL were also thereby released.

20 The Settlement Deed released POL from all claims alleged in Part C of the POC (these being the only claims alleged against FSL in the POC). FSL relies, without limitation, upon the following facts and matters:

20.1 clause 4.1 provides that the Settlement Deed “*is in full and final settlement of the Action, the Claimants’ Claims ... and any further claims which arise out of or are in any way connected to, whether directly or indirectly, the claims ... made or the facts and matters alleged by any party in the Action*”. Clause 4.1 is subject to the reservation of clause 4.2, which does not reserve fraud claims (or claims where dishonesty is an essential element) or claims against other tortfeasors;

20.2 the causes of action alleged in the POC overlap in their factual foundation with (or are connected with) those causes of action asserted in the Group Litigation, including claims in deceit, which are materially the same as those asserted in the Group Litigation:

(1) the GLO Claim Form dated 11 April 2016 alleged that POL “*procured repayments and/or the settlement of claims by means of negligent misstatement and/or misrepresentation or deceit*”, and that POL “*concealed material facts from the Claimants*”;

(2) in the Group Litigation, the Generic Particulars of Claim dated 23 March 2017, amended on 6 July 2017 (“**GPOC**”) alleged that POL:

(i) pursued civil and/or criminal proceedings in relation to alleged shortfalls in circumstances where (among other things) no real loss had been established: paragraphs 99–100;



- (ii) concealed that there were a large number of software coding errors, bugs or defects in Horizon: paragraphs 102 and 23;
 - (iii) concealed that bugs, errors and defects in Horizon and data errors had the potential to (and did occasionally) produce apparent shortfalls that did not represent a real loss to POL: paragraphs 102, 24.1A and 24.3;
 - (iv) concealed that POL, either by itself and/or via FSL, could alter branch transaction data directly and make changes to Horizon and/or transaction data which could affect branch accounts: paragraphs 102 and 25;
 - (v) represented (when it knew this was not true) that there was a genuine shortfall in the Group Litigation Claimant's branch accounts, and that it had properly investigated that shortfall and concluded that Horizon was not a possible cause of the shortfall: paragraphs 108, 110 and 115;
 - (vi) failed to disclose material facts to the Claimant: paragraph 37;
- (3) a copy of the Claimant's Amended Schedule of Information in the Group Litigation as referred to in paragraph 10(a) of the POC, signed 1 December 2017, which has been provided by the Claimant pursuant to CPR 31.14, confirmed that the Claimant relied on the GPOC in respect of several claims, including the inappropriate attribution of alleged shortfalls, concealment and deceit: section 7;
- (4) in the POC, the Claimant alleges an unlawful means conspiracy, the unlawful means of which are or include the withholding of evidence. The particulars of those allegations are defective; however, the Claimant's case is that the evidence allegedly withheld concerned the same type of bugs, errors or defects as those alleged in the Group Litigation;

20.3 under the Settlement Deed, the "Claimants' Claims" include "*claims in respect of the losses and causes of action set out at Schedule 2*". The types of damages



set out in Schedule 2 to the Settlement Deed encompass the damages sought in the POC:

- (1) by paragraph 9 to the prayer for relief in the POC, the Claimant seeks damages for mental distress, stigma and damage to his reputation, harassment, loss of congenial occupation, aggravated damages and exemplary damages. Claims in respect of such losses were encompassed within paragraphs 4, 5, 7 and 12 to Schedule 2 of the Settlement Deed;
- (2) by paragraph 10 to the prayer for relief in the POC, the Claimant seeks damages for loss of earnings, lost rental profits, past property losses, past pension losses, "*other past losses*", loss from the sale of business and future loss of earnings. Claims in respect of such losses were encompassed within paragraphs 2, 3, 8, 11 and 12 to Schedule 2 of the Settlement Deed;

20.4 further, the Claimant's Amended Schedule of Information confirmed that he claimed losses including loss of investment, loss of earnings, stigma and/or reputational damage, personal injury, losses related to bankruptcy and legal fees: section 8;

20.5 under the Settlement Deed, "Claimants' Claims" include any "Like Claims", which in turn includes "*any and all actual, alleged, threatened, potential or derivative claims, ... actions, causes of action, ... that the Claimants ... have or may have against any other party to the Action ... whether or not presently known to the Parties ... and whether arising out ... wilful or intentional conduct or otherwise*".

21 In the premises, the causes of action alleged in the POC were released by clause 4.1 of the Settlement Deed and may not be brought against FSL unless and until the Settlement Deed is rescinded.

22 The Claimant is not entitled to rescind the Settlement Deed:

22.1 the Claimant has no claim in misrepresentation and no entitlement to rescission:

- (1) the Representation, that POL was "*concerned that the Horizon Issues trial could become an investigation of [Mr Gareth Jenkins'] role in this and*



other criminal cases”, was correct. It is denied (if it is alleged) that POL was under any obligation to set out the *reasons* for that concern or that there was anything misleading in it not doing so, and further denied (if it be alleged) that POL’s alleged concern was represented as being the only reason why Mr Jenkins was not called;

- (2) it is denied that the Claimant relied upon the Representation in entering into the Settlement Deed. Without prejudice to the generality of that denial or the burden of proof on the Claimant:
 - (i) there is no intelligible link between the Representation and the Claimant’s entry into the Settlement Deed, and paragraph 21 does not purport to offer one;
 - (ii) but for the Representation, it is to be inferred that POL would have given no further explanation to Mr Justice Fraser of its choice of witnesses (and POL was not obliged to give any such explanation); and it is further denied (if the same be alleged) that POL would have stated the matters particularised at paragraph 23. The premise of the Claimant’s case on reliance (as apparent at paragraph 27) is therefore false;
 - (iii) the Claimant agreed the Settlement Deed with the knowledge of Fraser J’s findings in the Horizon Issues judgment.

22.2 rescission is unavailable on the basis that it would prejudice the rights of third parties:

- (1) rescission is only permissible if *restitutio in integrum* can be achieved. If the Settlement Deed were rescinded, the Group Litigation Claimants, their solicitors, the “Claimant Steering Group”, their litigation funders and/or “After The Event” insurance providers would therefore all be required to make restitution of the sums they had received as a result of the payments under the Settlement Deed;



(2) if the Settlement Deed were rescinded, the Group Litigation Claimants' liabilities to POL's Counterclaim would be resurrected.

- 22.3 any allegation of misrepresentation in respect of the Representation is barred by POL's judicial proceedings immunity.
- 23 Without prejudice to this denial, the Claimant is put to strict proof of all elements of his alleged cause of action in misrepresentation.
- 24 FSL pleads to the remainder of Part A of the POC without prejudice to, and in light of, the aforementioned case.
- 25 Paragraph 9 is, save for the third sentence, denied for the reasons given. As to the third sentence:
- 25.1 Pursuant to paragraph 3 and Annex 2 of the February Order, FSL does not plead to the following words in the third sentence: "*in circumstances where the First Defendant knew that the Claimant had a claim in fraud*".
- 25.2 The remainder of the third sentence of paragraph 9 is not alleged against (and has no bearing on the claim brought against) FSL. FSL accordingly does not plead to it.
- 26 As to paragraph 10:
- 26.1 the quotations from the Settlement Deed are admitted as accurate;
- 26.2 it is denied, contrary to the last sentence of paragraph 10(a), that the causes of action in the Group Litigation did not "*extend to fraud*": by section H of the GPOC, the Claim Form, and the Claimant's Amended Schedule of Information, POL was alleged to have committed deceit, which is a species of fraud, and in his Amended Schedule of Information, the Claimant expressly confirmed that he relied on the GPOC in respect of the deceit and concealment claims;
- 26.3 the final sentence of paragraph 10(b) is admitted.
- 27 FSL does not plead to paragraphs 11 and 12, pursuant to paragraph 3 and Annex 2 of the February Order.



28 FSL does not plead to paragraph 13, which makes allegations against POL, save that:

28.1 it is admitted that Mr Jenkins was (i) employed by FSL as a senior software engineer in the Post Office Account team (as opposed to generally), albeit there were engineers more senior to Mr Jenkins (the Chief Architect, and sometimes a Team Leader between the Chief Architect and Mr Jenkins); and (ii) an architect of the Legacy Horizon and HNG-X systems;

28.2 it is denied POL made any dishonest misrepresentation for the reasons given at paragraph 22.1(1) above.

29 Paragraph 14 is denied for the reasons given at paragraph 22.1 above.

30 As to paragraph 15:

30.1 Mr Torstein Godeseth was not an expert witness but a witness of fact. POL's expert witness at trial was Dr Robert Worden.

30.2 The second sentence purports to summarise the Womble Bond Dickinson Memorandum dated 14 November 2019 (the "**Memorandum**"). While the relevance of the allegation to the Claimant's case is unclear, FSL will rely upon the Memorandum, not that general summary, so far as relevant or necessary. The sentence is accordingly not admitted.

30.3 Further, so far as relevant or necessary, the impressions of Fraser J in relation to Mr Godeseth's oral evidence are provided in paragraph 453 of the Horizon Issues judgment.

31 Paragraphs 16 and 17 are admitted, save that the quotation from POL's submissions refers to "Mr McLachlan" when the submissions referred to "Professor McLachlan".

32 Paragraph 18 concerns POL and accordingly is not admitted.

33 Paragraph 19 is denied. Without prejudice to the burden of proof or the generality of that denial, paragraph 22.1 above is repeated.



- 34 As to paragraph 20, it is denied (if it is alleged) that the Representation required correction and it is denied that the Representation was a misrepresentation whether continuing or otherwise. Otherwise no admissions are made.
- 35 Paragraph 21 is denied. Without prejudice to the burden of proof or the generality of that denial, any such allegation of inducement is implausible for the reasons given at paragraph 22.1(2) above.
- 36 Paragraph 22 is admitted.
- 37 The first sentence of paragraph 23 is denied for the reasons set out above. As to the remainder of paragraph 23, the text set out is admitted as a broadly accurate summary of Mr Simon Clarke’s advice, save that it is denied that Mr Clarke was instructed by POL to undertake the review summarised; it is denied that what is set out demonstrates the “falsity” of the Representation; FSL will rely upon the advice itself, rather than the Claimant’s summary, as necessary.
- 38 On the predication that the reference to the “Defendant” is intended to be a reference to the “First Defendant”, the first sentence of paragraph 24 is denied for the reasons set out above. FSL pleads to the particulars in the sub-paragraphs to paragraph 24 without prejudice to that case.
- 39 Paragraphs 24(a)–(d) are admitted subject to the following:
- 39.1 FSL’s position was that there were parts of the areas of evidence identified that Mr Jenkins would be best placed to give evidence on. The second sentence of paragraph 24(b) is admitted subject to that proviso.
- 39.2 In relation to the third sentence of paragraph 24(b), it is admitted that paragraph 5.4 of the Memorandum states: “*Cartwright King advised strongly against Post Office calling Dr. Jenkins as a witness in the HIT on the basis of the above problems*” and that the Memorandum contained a reference to an email from Ms Rose dated 13 February 2013 that contained the text quoted. Otherwise no admissions are made.
- 39.3 The first two sentences of paragraph 24(d) are admitted as an accurate quotation of paragraph 5.6 of the Memorandum. FSL did not receive the letter alleged to



contain the Further Representation, and the Claimant has not supplied it following requests; in those circumstances no admissions are made in respect of it. As to the third sentence, if (which is not admitted) the Further Representation was made it is denied that it was false; otherwise no admissions are made.

40 Paragraphs 25–26 are denied for the reasons given above.

41 As to paragraph 27:

41.1 The first sentence is lacking particularity and impossible properly to plead to. Without prejudice to that:

(1) it is denied that the relevant legal test is what would have happened if POL had “told the truth” (assuming, which is denied, the Claimant’s case on falsity). The relevant legal test is what would have happened had the alleged misrepresentation not been made. Paragraph 22.1(2)(ii) above is repeated;

(2) it is denied that the relevant question is whether the “litigation” would have had a different “complexion”. The relevant question is whether the Claimant would not, but for any alleged misrepresentation, have entered into the Settlement Deed;

(3) otherwise no admissions are made.

41.2 The second sentence is similarly lacking in particularity and impossible properly to plead to. Without prejudice to that, the allegation is outside the knowledge of FSL and is not admitted.

41.3 The third sentence is admitted, save that the letter from Ms Paula Vennells was sent in June 2020, not July.

41.4 The last sentence is outside the knowledge of FSL and is not admitted.

42 Paragraph 28 is noted. It is denied that the Claimant is entitled to any such declaration for the reasons given.



- 43 Paragraph 29 is noted, though its relevance to the Claimant's claim denied: the Claimant is not entitled to rescind the Settlement Deed for the reasons given; even if the Claimant was entitled to rescind the Settlement Deed, that entitlement would depend upon *restitutio in integrum* (which the Claimant does not purport to, because he cannot, offer).
- 44 Paragraphs 30 and 31 are noted. The paragraphs are not alleged against FSL and FSL accordingly does not plead to them.

STEPHEN MIDWINTER KC
FREDERICK WILMOT-SMITH
JAGODA KLIMOWICZ

Brick Court Chambers

20 February 2026



STATEMENT OF TRUTH

The Second Defendant believes that the facts stated in this Defence are true. The Second Defendant understands that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

I am duly authorised to sign this Defence on behalf of the Second Defendant.

BENJAMIN DAVID SUMMERFIELD

Position: Partner, Morrison & Foerster (UK) LLP

Signed:

Served on 20 February 2026 by Morrison & Foerster (UK) LLP, 52 Lime St, London EC3M 7AF, Solicitors for the Second Defendant