



محكمة قطر الدولية
ومركز تسوية المنازعات
QATAR INTERNATIONAL COURT
AND DISPUTE RESOLUTION CENTRE

In the name of His Highness Sheikh Tamim bin Hamad Al Thani,
Emir of the State of Qatar

Neutral Citation: [2021] QIC (C) 2

IN THE CIVIL AND COMMERCIAL COURT
OF THE QATAR FINANCIAL CENTRE

6 April 2021

CASE No. CTFIC0011/2020

AYCAN RICHARDS

Claimant

v

(1) NIGEL THOMAS HOWARD PERERA

(2) INTERNATIONAL FINANCIAL SERVICES QATAR LLC

Defendant

COSTS ASSESSMENT

Before:

Mr Christopher Grout, Registrar

JUDGMENT

Introduction

1. On the 14 December 2020 the First Instance Circuit of the Court (Justices Hamilton, Brand, and Mountfield QC) delivered judgment in this case. The judgment is reported at [2020] QIC (F) 17. Subject to what follows later in this Assessment, it is unnecessary to recite the facts of the case in any great detail; they are apparent from the judgment of the Court. Suffice it to say, the Claimant was awarded QAR 392,500.00 plus interest. The Court also awarded her the reasonable costs of the proceedings, such costs to be assessed by the Registrar if not agreed.
2. Having not been able to agree the issue of costs, the Claimant filed a request for assessment on 21 February 2021, providing additional information in support of her request on 22 and 23 February 2021. The Defendants were given until 2 March 2021 to file submissions in response but did not do so. An attempt was, however, made to try and settle the matter amicably between the parties. This was ultimately unsuccessful and so it was necessary to proceed to carry out this Assessment.

The Need for a Hearing

3. I am afforded a “wide discretion” as to the procedure to be adopted when undertaking a Costs Assessment.¹ Ordinarily, such Assessments will be undertaken on the papers, i.e. without the need for an oral hearing. In the present case, both parties were advised, in an email from me dated 23 February 2021, that once the Defendants had been given an opportunity to file and serve their response, I would determine the matter on the papers, unless either party argued, with cogent reasons, for an oral hearing. Neither the Claimant nor the Defendants requested an oral hearing and so the matter has been

¹ *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (F) 1, at paragraph 21. That principle was not interfered with by the Appellate Division of the Court in the same case in its judgment dated 11 September 2017, reported at [2017] QIC (A) 2.

considered and determined on the basis of the written material filed and served by the Claimant.

The Principles to be Applied

4. In *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (C) 1, I laid down the principles to be applied when assessing 'reasonable costs'. At paragraphs 10-12 of my Costs Assessment, dated 5 March 2017, I said:

How is the issue of reasonableness to be approached? In my judgment, in order to be recoverable costs must be both reasonably incurred and reasonable in amount. If they are not then they are unlikely to be recoverable.

I have identified the following (non-exhaustive) list of factors which will ordinarily fall to be considered when assessing whether or not costs have been reasonably incurred by a party and, if they have, whether they are also reasonable in amount:

- (a) Proportionality;*
- (b) The conduct of the parties (both before and during the proceedings);*
- (c) Efforts made to try and resolve the dispute without recourse to litigation (for example through Alternative Dispute Resolution);*
- (d) Whether any reasonable settlement offers were made and rejected; and*
- (e) The extent to which the party seeking to recover costs has been successful.*

When considering the proportionality factor, the following (again non-exhaustive) factors are likely to fall to be considered:

- (a) In monetary or property claims, the amount or value involved;*
- (b) The importance of the matter(s) raised to the parties;*
- (c) The complexity of the matter(s);*
- (d) The difficulty or novelty of any particular point(s) raised;*
- (e) The time spent on the case;*
- (f) The manner in which work on the case was undertaken; and*

(g) The appropriate use of resources by the parties including, where appropriate, the use of available information and communications technology.

5. Those principles were, upon review by the First Instance Circuit of the Court, approved.² In the present case, neither party sought to suggest that those principles should not be applied here.

The Submissions of the Parties

The Claimant's Submissions

6. The Claimant seeks an order for costs of QAR 72,055.00.
7. Her email request of 21 February 2021 attached four invoices. The first, dated 7 March 2020, was from Omani and Partners in the sum of QAR 2,000. The second, dated 31 August 2020, was from Dentons in the sum of QAR 48,946.50. The third, dated 28 September 2020, was also from Dentons in the sum of QAR 10,548.50. The fourth, dated 14 October 2020, was from Optimize in the sum of QAR 10,500. The total sum evidenced by these four invoices therefore being QAR 71,995.00. The first invoice purported to relate to sending a “demand letter” to the Second Defendant. The fourth invoice stated that it related to the drafting of the Claimant’s witness statement. The second and third invoices were unparticularised other than referring to “professional services rendered”. The Claimant was therefore asked to provide further information in relation to the respective invoices.
8. The Claimant did so the following day. In her email of the 22 February 2021, which was copied to the Defendants, she explained that the first invoice related to the preparation and sending of a demand letter to the Second Defendant. A copy of the demand letter was attached to the email. In relation to the second and third invoices, the Claimant provided a copy of the letter of engagement sent to her by Dentons. This

² *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (F) 1, at paragraph 20. The decision of the Court to approve those principles was not interfered with by the Appellate Division of the Court in the same case in its judgment dated 11 September 2017, reported at [2017] QIC (A) 2.

included an estimation of its legal fees for dealing with this case (which was put at QAR 50,000-QAR 80,000) as well as a table of the various professional hourly rates as follows:

<u>Role</u>	<u>Hourly Rate (QAR)</u>
Partner / Consultant	2920
Senior Associate	2555
Associate (6+ PQE)	2185
Associate (3-5+ PQE)	1645
Associate (NQ-2+ PQE)	1460
Trainee	1205
Paralegal	1095
PRO	765

There was also a detailed breakdown of the work undertaken by Dentons. The majority of the hours (31) were completed by a paralegal, with a small number (10) completed by a senior associate. As to the fourth invoice, this related to preparing the Claimant's witness statement in advance of the hearing on 1 December 2020. 20 hours were spent in total at a rate of QAR 700 per hour. This was then discounted to QAR 10,500.

The Defendants' Submissions

9. As noted above, although given an opportunity to do so, the Defendants did not make any submissions.

Discussion

10. Although the Defendants have not filed any submissions, it is still for the Claimant to establish that the costs she has incurred are reasonable. The case was, in one sense, straightforward, the Claimant seeking the recovery of unpaid sums pursuant to the terms of a consultancy agreement. However, the amount involved was not insubstantial, namely QAR 392,500.00. The Claimant tried to avoid court action by sending a letter before claim (or "demand letter" as it is referred to by the law firm instructed at that

stage) but to no avail. The Court considered the Defendants' Defence to be without merit (see paragraph 17 *et seq* of the judgment). The Claimant was wholly successful in recovering the amount claimed (which was the same amount sought in the letter before action).

11. It is against that brief backdrop that this Costs Assessment needs to be considered. In respect of the first invoice, the amount claimed is QAR 2,000. This was for the drafting of the letter before claim. Although it is unclear to me how much work was involved in this, the lawyer involved would have had to review the matter and then draft the letter which, it is noted, is signed by the Managing Partner of the law firm. That having been said, all the letter does is recite the key parts of the consultancy agreement and then demand payment within 5 working days. It is not clear why a matter such as this needed to be dealt with by the Managing Partner of the law firm, assuming that it was. However, on any view, it seems to me that QAR 2,000 is a reasonable amount for a law firm to charge to review a case and send a letter before claim. In those circumstances, the full amount is recoverable.

12. In relation to the second and third invoices, it is to be noted that the work undertaken by Dentons was for the period 6 August 2020 – 24 September 2020. The Claim Form in this case was issued on 6 July 2020 and the Defence was filed on 29 July 2020. Accordingly, Dentons was only instructed after this stage in the case had been reached and much of its work was related to considering the papers, drafting and filing the Claimant's Reply as well as, it appears, considering applying for some form of injunctive relief (which eventually the Claimant did, successfully, herself). It also means that Dentons were not involved during the run up to the hearing, nor did they appear at the hearing on 1 December 2020. Indeed, the Claimant represented herself. Dentons involvement was therefore limited to a reasonably small portion of the case. Much of the work undertaken was at the level of paralegal. Insofar as the hourly rates are concerned, in the absence of a fixed costs regime or regulations which deal with recoverable legal fees following litigation before the Court, the best I can do is consider whether the rates charged in the present case are broadly in line with other cases I have dealt with. I am satisfied that they are. The total amount claimed in respect of the Dentons invoices, namely QAR 59,495.00, seems to me to be reasonable for the work undertaken, notwithstanding the limited duration of Dentons involvement.

13. The fourth and final invoice causes some concern. It is from a company called 'Optimize' and is in the sum of QAR 10,500. It appears to relate to the preparation of the Claimant's witness statement which is said to have taken 20 hours. It is not immediately clear why the Claimant went to a third company for the purposes of drafting her witness statement. Moreover, it is not clear if this company, which does not appear to be a law firm, has any particular expertise in drafting witness statements for use in court proceedings. It seems to me that 20 hours is somewhat excessive for the purposes of drafting the witness statement in the present case. The number of hours may be explained by reference to the fact that the company would have doubtless had to familiarise itself with the case, but that is not a cost which, in my view, the Defendants should have to bear. It seems to me that a reasonable amount in the circumstances is QAR 6,000.

Conclusion

14. The outcome of the above exercise is that I have determined that **QAR 67,495.00** of the costs claimed are reasonable. I have considered whether, standing back, that sum is a reasonable one in all the circumstances and have concluded that it is.

15. Accordingly, the Defendants shall pay to the Claimant the sum of **QAR 67,495.00**.

By the Court,



Mr Christopher Grout

Registrar

