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 (F) 4

IN THE CIVIL AND COMMERCIAL COURT

OF THE QATAR FINANCIAL CENTRE

FIRST INSTANCE CIRCUIT

18 February 2021

Case No: 15 of 2020

JOHN AND WIEDEMAN LLC

Claimant

and

(1) TRIMOO PARKS LLC
(2) TALAL BIN MOHAMMED TRADING LLC
(3) LEISURE LLC
(4) FUTURE QATAR FOR BUSINESS DEVELOPMENT (ADABISC) LLC

Defendants

JUDGMENT

(Concerning Jurisdiction)

Members of the Court:
Justice Frances Kirkham
Justice Arthur Hamilton
Justice Rashid Al Anezi

ORDER

1. The Court dismisses the Defendants' Application, made under Article 19 of the QFC Civil and Commercial Court Regulations and Procedural Rules, contesting the jurisdiction of the Court.

2. The Defendants are allowed, within 28 days of the issue of this judgment, to file a defence or, if they wish, separate defences to the claim; these may be in the Arabic or in the English language, as the relative Defendant chooses.

3. Within 21 days after the filing of a defence or defences as above the Claimant may file a reply or replies thereto as appropriate.

JUDGMENT

1. The Claimant is a law firm established in the Qatar Financial Centre ("the QFC"). It formerly carried on practice under the name "International Legal Consultants LLC". The Defendants, who are four in number, are all entities established in the State of Qatar but outside the QFC.

2. In this action the Claimant sues all four Defendants for monies allegedly due by them for legal services said to have been provided to them by the Claimant. The Defendants, acting collectively, have filed an application notice ("the Application") under Article 19 of the Court's Regulations and Procedural Rules ("the Rules") in which they contend that the Court does not have jurisdiction to entertain this claim. None of the Defendants has otherwise, as yet, filed a defence to the claim.

3. Article 9.1 of the Rules provides:

> "The Court has jurisdiction, as provided by Article 8.3(c) of the QFC Law, in relation to:

9.1.1 Civil and commercial disputes arising from transactions, contracts, arrangements or incidences taking place in or from the QFC between the entities established therein;

9.1.2 Civil and commercial disputes arising between QFC institutions and the other entities established therein;

9.1.3 Civil and commercial disputes arising between entities established in the QFC and contractors therewith and employees thereof, unless the parties agree otherwise;

9.1.4 Civil and commercial disputes arising from transactions, contracts or arrangements taking place between entities established within the QFC and residents of the State, or entities established in the State but outside the QFC, unless the parties agree otherwise."

That Article reproduces Article 8.3.c of the Qatar Financial Centre Law.

4. The Claimant relies for the purposes of jurisdiction on Article 9.1.3 of the Rules. It maintains, in effect, that each of the Defendants was a "contractor" with it in relation to the legal services provided. The basis of the Defendants' challenge to the Court's jurisdiction is to be found in paragraph 9 of its Application, which is in the following terms:

> "Resorting to the QFC Court, as a dispute settlement method, is an exception to the jurisdiction of ordinary courts. Ouster of judicial jurisdiction granted to the ordinary courts requires the explicit consent of the parties. This makes of the parties' agreement the cornerstone of the agreement to resort to the QICDRC. Parties need to explicitly agree to submit in order to be compelled to be subject to the Court's jurisdiction; and their agreement, in this respect, is of *effet relative* (the civil law equivalent of the common law doctrine of privity)."

5. In substance that challenge amounts to a contention that for this Court to have jurisdiction under Article 9.1.3 (or 9.1.4) of the Rules it is necessary that the parties explicitly agree that the Court should have jurisdiction over their dispute, that is, that the parties must "opt in" to such jurisdiction. That contention is unsound and is rejected.

6. The contention is contrary to the express terms of the Rules (and of the provision of the Law on which it is based). Articles 9.1.3 and 9.1.4 provide that the Court shall have jurisdiction over the disputes referred to in each of them respectively "unless the parties agree otherwise". That final phrase is the only qualification to the extent of the jurisdiction in question. It clearly allows parties who would otherwise be subject to the jurisdiction to agree to "opt out" of it. Nothing in these provisions requires parties to opt in. There being nothing to suggest that in this case the parties have agreed to opt out, the challenge to jurisdiction as advanced in the Application is without substance.

7. The Defendants rely in their Application on a decision of the Court of Cassation (No. 361/2015) in which it had cause to consider Article 8.3.c of the Law (reproduced, as stated above, in Article 9.1 of the Rules). But, on examination, that decision does not support the Defendants' contention. In that case a former employee of a QFC entity had brought proceedings in the national courts of Qatar for payment of outstanding salaries and for other remedies claimed to be due with respect to that employment. The parties had not agreed that the national courts, rather than the QFC court, should have jurisdiction. The Court of Cassation, reversing the Court of Appeal on this point, ruled that the national courts had in these circumstances no jurisdiction to entertain the proceedings. The QFC court, it held, was the court which the legislator had stipulated to adjudicate civil and commercial disputes between QFC entities and their employees unless the parties agreed otherwise. There being no such agreement, the claim in the national courts had to be dismissed for lack of jurisdiction. That decision gives no support to the contention that jurisdiction exists only if parties agree to submit to it.

8. In their Application the Defendants refer to the absence of signatures on the Letter of Engagement (initially) relied on by the Claimant and to any such engagement being only with the First Defendant and not the other Defendants. These references are made in the context of its contention that explicit agreement to submit to the jurisdiction is required. This Court recognises that, in so far as the Claimant may rely for the purposes of jurisdiction on Article 9.1.3 of the Rules, it will require to be demonstrated that the relevant Defendant was a "contractor" with the Claimant. However, the matter of a contractual relationship between the parties, or any of them, is closely related to the Claimant's case on the merits of the claim which, as presently formulated, depends on the existence of a relevant contract or contracts. Thus, that aspect of jurisdiction, which

is not the basis of the Defendants' Application, is best dealt with once a defence or defences have been filed.

9. In a Rejoinder to the Claimant's Reply to the Application the Defendants raise other contentions (including in relation to the language of the proceedings and to the use of documents other than in principal form). These contentions are not germane to the Application and will be dealt with separately.

10. The Application having been dismissed, it is appropriate now to set a timescale for further procedure. Paragraphs 2 and 3 of the Order above do that.

By the Court,

Justice Arthur Hamilton

DIGITALLY SIGNED AND VERIFIED
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