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: [2023] QIC (C) 2

IN THE QATAR INTERNATIONAL COURT

Date: 2 April 2023

CASE NO: CTFIC0023/2021

STEPHEN FERRIS

Claimant

v

SANGUINE INVESTMENT MANAGERS LLC

1st Defendant

CHRISTOPHER JOHN LEACH

2nd Defendant

COSTS JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Judgment

1. This case has a highly unsatisfactory and unfortunate procedural history, with various orders both of this Court and of the Registrar going unheeded.

2. The parties concluded a substantive dispute by way of a settlement agreement dated 24 June 2022 (the "**Settlement Agreement**"). Pursuant to that Settlement Agreement, the Defendant was to pay the Claimant various specified sums by particular dates. Installments were due on or before 31 August 2022, 31 October 2022, and 30 November 2022. To date, those agreed payment dates have not been honoured.

3. The First Instance Circuit of the Court (Justices Her Honour Frances Kirkham CBE, Fritz Brand, and Helen Mountfield KC) approved a consent order that was filed with the Settlement Agreement. The consent order stayed the proceedings but also gave either party permission to apply to the Court to enforce the matter if the circumstances warranted such an application.

4. As noted above, none of the instalments have been paid by the Defendant. As a result of this, the Claimant first applied to the First Instance Circuit of the Court to enforce the relevant terms of the Settlement Agreement in 2022. On 27 September 2022, the Court issued an order giving judgment for the principal sum due on or before 31 August 2022, along with interest and costs.

5. By way of an application dated 3 October 2022, the Claimant sought its costs relating to the enforcement application noted in paragraph 4, above. The Defendants, via an email from their legal representatives dated 10 October 2022, noted that they did not agree with the sum claimed but did not provide any further detail, and on 31 October 2021 stated that they were content for the matter to be decided on the material already filed and served.

6. The Claimant claimed $6,430.00 as its reasonable costs in relation to the application to enforce the relevant terms of the Settlement Agreement noted in paragraph 4, above.

7. By way of a judgment dated 14 November 2022, the Consultant Registrar awarded the Claimant its reasonable costs in the sum sought, $6,430.00. The Consultant Registrar noted, inter alia, the following (at paragraphs 9 and 10):

    i. The work was appropriate in respect of the application that the Claimant was compelled to make as a result of the Defendants' non-compliance with the Settlement Agreement.

    ii. The hours spent conducting the work were appropriate, as was the division of work between the differing levels of fee earner, and the hourly rates were reasonable when set alongside comparable firms in the jurisdiction.

    iii. The Claimant was entirely successful in its application for enforcement of the relevant terms of the Settlement Agreement.

    iv. The Claimant sought initially to resolve the matter amicably, and that the behaviour of the Defendants was to be deprecated.

8. As noted above, the Defendants have failed to comply with the terms of the Settlement Agreement that required them to make payments on or before 31 October 2022 and 30 November 2022. The Claimant made the Defendants aware, via their legal representatives, of the enforcement application in relation to which it now applies for costs, by way of an email dated 1 December 2022.

9. On 8 January 2023, the First Instance Circuit of the Court (Justices Her Honour Frances Kirkham CBE, Fritz Brand, and Helen Mountfield KC) made an order relating to two enforcement applications dated 15 November 2022 and 1 December 2022 (the "**Applications**") which respectively related to payments that ought to have been made to the Claimant on or before 31 October 2022 and 30 November 2022, respectively. That order awarded the Claimant its reasonable costs of the Applications to be assessed by the Registrar if not agreed. The Claimant now claims the sum of $6,741.00 in respect of the Applications.

10. The Claimant made the following submissions – in addition to an overarching submission that the sum claimed was reasonably incurred and proportionate – on this application for costs:

    i. The observations made in the Registrar's costs judgment ([2022] QIC (C) 2) dated 14 November 2022 – particularly relating to the reasonableness of costs claimed, their incidence and quantum, and the Defendant's behaviour – are of "*obvious relevance*".

    ii. The Applications made were only necessary given the Defendant's failure to adhere to the terms of the Settlement Agreement.

    iii. The Claimant has spent 16 hours on the Applications and the resources were allocated appropriately, with the bulk of the work undertaken by a paralegal.

    iv. The hourly rates claimed are at the same level as those in comparable firms in Qatar.

    v. The costs which were the subject of the Costs Judgment dated 14 November 2022 represented the costs of one enforcement application. The amount claimed in the instant matter is at a similar level but concerns two applications rather than one.

    vi. This judgment ought to take account of the Defendant's behaviour.

11. The Court wrote to the Defendants seeking a response to the Claimant's costs submissions on two occasions, 23 January 2023 and 31 January 2023, however, no substantive response was received, although the original email was acknowledged by the Defendants' legal representative which confirmed that the communication had been passed to the Defendants. On this basis, I am satisfied that the Defendants have had ample opportunity to make representations and have declined to do so.

12. In this matter – due to the Defendants' failure to comply with the Settlement Agreement, the Claimant has been compelled to make three enforcement applications. It now claims its costs in relation to the Applications, the Court having already noted in its 8 January 2023 order that the Claimant is entitled to its reasonable costs of the Applications. Unfortunately, the Defendant has not engaged in this costs assessment process and therefore it falls me to me assess those costs with only the assistance of the Claimant.

13. The Claimant has submitted an invoice in the sum of $6,741.00, which comprises 16 hours of work spread across the Applications.

14. The principles to be applied stem from *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (C) 1, and include (at paragraph 11):

    i. Proportionality.

    ii. The conduct of the parties (both before and during the proceedings).

    iii. Efforts made to try and resolve the dispute without recourse to litigation.

    iv. Whether any reasonable settlement offers were made and rejected.

    v. The extent to which the party seeking to recover costs has been successful.

15. Further, *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* noted as follows in relation to proportionality, again as non-exhaustive factors to consider (at paragraph 12):

    i. In monetary … claims, the amount or value involved.

    ii. The importance of the matter(s) raised to the parties.

    iii. The complexity of the matters(s).

iv. The difficulty or novelty of any particular point(s) raised.

v. The time spent on the case.

vi. The manner in which the work was undertaken.

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

16. In my judgment, the costs claimed by the Claimant are both reasonably incurred and reasonable in amount. The starting point is the invoice which runs from 1 November 2022 to 9 January 2023 in the sum of $6,741.00. The work log demonstrates that the work undertaken was entirely appropriate and proportionate in respect of both applications, and included considering the strategy in relation to the case, taking instructions, drafting the applications, drafting a witness statement, and communicating with the Defendants' legal representatives and the Court. Each of these items, it seems to me, are entirely in keeping with the nature of the work necessary for these types of applications.

17. The majority of the work has been undertaken by a paralegal, with some work undertaken by a (junior) associate, and with partner supervision and input. In my view, the division of work is reasonable and appropriate. The hourly rates claimed are also reasonable in comparison to those charged by comparable law firms in this jurisdiction. Furthermore, I am of the view that 16 hours spread across the Applications is a proportionate amount of time to spend on two enforcement applications of this nature taking into account the nature of the case.

18. I also take account of the following factors:

i. The Claimant succeeded entirely in its Applications to the Court.

ii. The Claimant was effectively compelled to make the Applications due to the failure of the Defendants to honour the Settlement Agreement.

iii. The amount claimed by way of costs is reasonable and proportionate in relation to the sums that are due to the Claimant under the Settlement Agreement and in relation to which it made its Applications.

iv. The Defendants have failed to honour the terms of the Settlement Agreement and have not engaged with this costs assessment process, despite being given two separate opportunities to engage by the Court.

19. The Claimant is awarded its reasonable costs in the sum of $6,741.00. The Defendants are ordered to pay that sum to the Claimant forthwith.

By the Court,

[signed]

Mr Umar Azmeh

Registrar

A signed copy of this Judgment has been filed with the Registry.

Representation

The Claimant was represented by Mr Thomas Williams of Sultan Al-Abdulla & Partners (Doha, Qatar).

The Defendants were represented by Mr Niall Clancy of Simmons & Simmons Middle East LLP (Doha, Qatar).

DIGITALLY SIGNED AND VERIFIED
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