

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

Neutral Citation: [2025] QIC (F) 20

IN THE QATAR FINANCIAL CENTRE CIVIL AND COMMERCIAL COURT FIRST INSTANCE CIRCUIT

Date: 6 April 2025

CASE NO. CTFIC0035/2022

RUDOLFS VEISS

Claimant/Applicant

v

PRIME FINANCIAL SOLUTIONS LLC

1st Defendant

AND

INTERNATIONAL BUSINESS DEVELOPMENT GROUP WLL

Proposed Defendant/Respondent

CASE NO. CTFIC0040/2023

RUDOLFS VEISS

Claimant/Applicant

V

YOUSIF AL-TAWIL

1st Defendant

AND

PRIME FINANCIAL SOLUTIONS LLC

2nd Defendant

AND

INTERNATIONAL BUSINESS DEVELOPMENT GROUP WLL

Proposed Defendant/Respondent

JUDGMENT

Before:

Justice Fritz Brand

Order

The application pursuant to paragraph 5 of the Litigation Restraint Order, dated 5 June 2024, for permission to appeal against the Registrar's determination of costs on 16 March 2025 – [2025] QIC (C) 4 – is refused.

Judgment

- The Applicant is Mr Rudolfs Veiss. On 5 June 2024, a Litigation Restraint Order was made with regard to the Applicant in terms of Practice Direction No. 1 of 2024 (the 'LRO'). As stated in paragraph 5 of the LRO, the effect of the Order is that absent permission by the President of this Court or a Judge nominated by him, the Applicant may not, for a period of 2 years from the date of the Order:
 - i. file any fresh claims or applications, or
 - ii. file any applications within extant claims.
- 2. This is an application for permission under paragraph 5 of the LRO. I am nominated by the President to consider the application. The application is for permission to appeal/review against a determination of the amount of legal costs made by the Registrar on 16 March 2025 [2025] QIC (C) 4. The determination was made pursuant to costs orders (the 'Costs Orders') made against the Applicant in favour of a corporate entity, International Business Development Group WLL ('IBDG').
- 3. Broadly, the Costs Orders resulted from two unsuccessful applications made by the Applicant to join IBDG as a co-defendant in litigation between the Claimant and others in two separate cases. In the event, the Order (paragraphs 1 to 3) granted by the Court in the applications on 5 May 2024 reads as follows:

The Claimant's application of 1 March 2024 for this Court, in exercise of its case management powers under article 10 of the Qatar Financial Centre Civil and Commercial Court Regulations and Procedural Rules (the 'Rules') to join International Business Development Group WLL as an additional Defendant in case CTFIC0035/2022 be dismissed. The Court declares that this application is wholly without merit.

The Claimant's application of 19 December 2023 for this Court, in exercise of its case management powers under article 10 of the Rules, to join International Business Development Group WLL as an additional Defendant in case

CTFIC0040/2023 be dismissed. The Court declares that this application is wholly without merit.

The Claimant shall pay the costs of and occasioned by these applications, on the indemnity basis, to be assessed if not agreed.

- 4. Since the parties could not agree on the amount of costs, the matter came before the Registrar. IBDG, who was represented by the Hassan Mohamed Al Marzouqi Law Firm throughout the proceedings, claimed that it had incurred costs in a total amount of QAR 70,000. In the event the Registrar awarded an amount of QAR 52,000. That is the award against which the Applicant now seeks to appeal.
- 5. As I have explained in earlier applications of a similar kind involving the same Applicant but there acting as a representative of his company, Amberberg Limited (e.g. [2024] QIC (F) 49 at paragraph 4), the overarching approach in matters of this kind is that the Registrar has a wide discretion which will only be interfered with by the Court if it can be shown that the discretion had been improperly exercised. In the present context, the question is therefore whether the Applicant has shown reasonable prospects of passing that rather formidable hurdle.
- 6. What renders the Applicant's task even more formidable in this case is that the Registrar motivated his conclusions in a carefully formulated judgment. This judgment reveals (i) a thorough consideration and analysis of the background facts and the submissions presented on behalf of IBDG together with the Applicant's lengthy arguments, covering over 16 pages, in Reply; (ii) that he applied the relevant principles now codified in Practice Direction No. 2 of 2024 (Costs) (the 'Practice Direction') and earlier cases such as *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (C) 1, paragraphs 10 12, underlying this codification; and (iii) that he then, after careful circumspection, arrived at the conclusion that he did.
- 7. Before the Registrar the main thrust of the Applicant's objection to the amount claimed was that IBDG had failed to demonstrate that the costs were both reasonably incurred and reasonable in amount. In the light of the Registrar's determination, he has however changed his tack in this application. Paragraph 14 of his Notice of Appeal seems to be a fair summary of the challenge he now seeks to pursue. It reads as follows:

The Defendants did not explicitly set out that the submissions are in line with Practice Direction on Costs. The Defendant also did not make any statement or provide any explicit evidence that any actual legal costs are paid despite being professionally represented.

- 8. The first objection has no merit. No formalistic approach to the Registrar is prescribed which requires parties to present their argument by way of prescribed formulae. What a party needs to do is to persuade the Registrar that the amount of costs claimed is reasonable in accordance with the principles enunciated in the Practice Direction. On appeal or review, the ultimate test is whether the Registrar's award is in line with those principles. On application of that test, the present award cannot in my view be faulted or found wanting in any way.
- 9. In support of his second objection, the Applicant avers that during negotiations following upon the costs award against him, he requested "actual evidence of payment for legal costs." The response he received from IBDG's legal representatives on 3 June 2024, so he said, was that an invoice for the amount of QAR 70 000 had been issued, and that: "... as the invoice is still within the designated payment term of 30 days, payment receipts have not yet been generated. We trust this clarifies any confusion regarding the absence of payment receipts at this stage."
- 10. Since then, so the Applicant says, no proof of actual payment had been provided. What the Applicant seeks to make of this is difficult to understand. In fairness to him, I shall quote his argument verbatim. It appears from the following paragraphs in his Notice of Appeal (11, 21 and 22):

In order to avoid any confusion, based on the Defendant's submissions, it can be concluded as a matter of fact that IBDG did not actually incur any legal costs up to at least 3 June 2024 (if ever). We note that the first invoice addressed to IBDG is dated 19 May 2024 ... which is more than two weeks after the QFC Court made a judgement in favour to the Defendant in relation to the relevant underlying satellite applications.

While the Court has wide jurisdiction on costs (for example, awarding indemnity costs, security for costs and making no order for costs where party was awarded nominal damages), in light of Article 25 of the Practise Direction on Costs, the First Instance Circuit starting position of this particular cost assessment analysis should not be 'whether QAR 70,000 is reasonable for the litigation' and 'Arguments – separate to the proposition that none of the costs claimed are reasonable (...) – that I should award no costs, are also irrelevant.'

as an appropriate assessment approach to establish that costs are reasonable in amount itself or reasonably incurred by time spent as part of proceedings as it is stated; therefore establishing 'the sole matter at issue is whether QAR 70,000 is reasonable for the litigation'. The reality is - more is required. The starting position ought to be establishing how much the client has in fact has paid legal costs, so relevant reasonable further considerations are made in light of from this particular position to determine a reimbursement amount.

Any costs that the Defendant has not paid in fact are not recoverable (because of not being actually incurred).

- 11. As I understand the argument, it is in short that because there is no proof that the amount of costs claimed has actually been paid, it has not been incurred, and therefore are not recoverable. Thus formulated, I find the argument misconceived at more than one level.
- 12. First, the fact that costs have not been actually incurred does not mean that they are in principle irrecoverable. That appears, inter alia, from paragraph 20 of the Practice Direction which provides that fees charged on a contingency basis are in principle recoverable by the successful party who, by definition, would not have to pay his legal representative if unsuccessful.
- 13. Second, and more importantly in this case, the fact that costs have not actually been paid does not mean that they have not been incurred by the successful party. In this case IBDG has established that liability for the amount of costs claimed has actually been incurred. That appears from two documents that were submitted to the Registrar by IBDG: (i) a written agreement between IBDG and its legal representatives entered into on 16 April 2024 in terms whereof IBDG undertook to pay an agreed fee of QAR 70,000 for the services to be rendered by his legal representative in opposing the Applicant's joinder applications; and (ii) an invoice issued by the legal representatives to IBDG for an amount of QAR 70,000, dated 19 May 2024, for rendering those services.
- 14. It is true, as pointed out by the Applicant, that paragraph 25 of the Practice Direction contemplates the submission of documents showing the amounts actually paid by the client. The clear intent is that such documents may assist in deciding upon the reasonableness of the amount of costs claimed. But, by no stretch of interpretation can this paragraph be understood to mean that absent the submission of such document, the

successful party is precluded from recovering any of his costs, even though such costs are found to have been reasonably incurred. For these reasons, I find the second ground of objection against the award relied upon by the Applicant equally unsustainable.

15. I therefore hold that the Applicant has no reasonable prospect of success in the proposed appeal/review and hence the application is refused.





[signed]

Justice Fritz Brand

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

Representation

The Claimant represented himself.