



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

Neutral Citation: [2025] QIC (A) 7

**IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
APPELLATE DIVISION**

[On appeal from [2025] QIC (F) 9]

Date: 14 May 2025

CASE NO: CTFIC0047/2024

ZIA UR REHMAN

Applicant/Respondent

v

FORVIS MAZARS LLC

Respondent/Applicant

JUDGMENT

Before:

Lord Thomas of Cwmgiedd, President

Justice Her Honour Frances Kirkham CBE

Justice Dr Talal Al-Emadi

Order

1. Permission to appeal is refused.

Judgment

1. The Applicant, Forvis Mazars LLC (**‘Mazars’**), by application notice dated 12 March 2025, seeks permission to appeal against part of the judgment of the First Instance Circuit (Justices Fritz Brand, Helen Mountfield KC and Dr Muna Al-Marzouqi; [2025] QIC (F) 9) issued on 17 February 2025. Mazars contends that the First Instance Circuit was wrong in dismissing its claim for damages for alleged breach by the Respondent, Mr Zia Ur Rehman, to this application of a non-compete clause in his contract of employment with Mazars.

The background

2. Mazars is a company established and licenced in the Qatar Financial Centre (**‘QFC’**) and part of a well-known global professional services network. It employed Mr Ur Rehman as an auditor from 5 February 2020 until his resignation on 8 May 2022 with effect from 31 July 2022. On 30 May 2022, shortly after giving notice of his resignation but while still employed by Mazars, Mr Ur Rehman established a company, White Space Advisory and Consulting LLC (**‘White Space’**). Mr Ur Rehman worked through White Space after his employment by Mazars had terminated.
3. Mazars issued White Space a Non-Objection Certificate (**‘NOC’**) on 10 August 2022 in respect of the transfer of the sponsorship of Mr Ur Rehman to White Space. Mr Ur Rehman submitted (in his Response to Mazars’ Counterclaim brought, as we shall explain, before the First Instance Circuit) that this indicated that Mazars had reviewed the activities which White Space would be permitted to undertake, and that those activities would not be in competition with the auditing activities which Mr Ur Rehman had undertaken while employed at Mazars.
4. White Space was successful in its bid for a contract to supply services to Al Meera Consumer Goods Company QPSC (**‘Al Meera’**), a company which, it appears, was a client of Mazars. Mazars had also bid for the Al Meera contract, but had been unsuccessful. Mazars immediately made an issue of this and threatened legal action

against Mr Ur Rehman. Mr Ur Rehman offered to subcontract to Mazars work on the Al Meera contract, but Mazars declined that offer.

5. Mr Ur Rehman then decided to step back to avoid further conflict. He informed Al Meera that he could not continue and, after about a month, White Space ceased to provide services to Al Meera. Mr Ur Rehman so informed Mazars. It appears that Al Meera initiated a fresh bidding round. Mazars submitted another bid but were again unsuccessful.
6. Mazars then filed in April 2023 a complaint about Mr Ur Rehman before the Labour Relations Department of the State of Qatar seeking various remedies, including a claim for QAR 700,000 compensation for breach of a non-competition clause contained in Mr Ur Rehman's Contract of Employment (the '**Contract**') with Mazars. That complaint was referred to the Labour Disputes Settlement Committee. On 12 November 2024, the Labour Disputes Settlement Committee decided it had no jurisdiction. Those proceedings, save in one respect to which we will refer, are irrelevant, as the Labour Disputes Settlement Committee decided it had no jurisdiction. There is no appeal against the decision of the First Instance Circuit in respect of the jurisdiction of this Court.

The Counterclaim brought by Mazars

7. Mazars therefore brought its claim against Mr Ur Rehman for QAR 700,000 before the First Instance Circuit by way of counterclaim on the basis that Mr Ur Rehman was in breach of the non-compete clause in his Contract by establishing White Space and soliciting Al Meera. It sought an order that Mr Ur Rehman pay QAR 700,000 by way of damages for that alleged breach.
8. Mr Ur Rehman responded:
 - i. that he did not act in contravention of the non-compete clause;
 - ii. in any event, the provisions of that clause were unreasonable and thus invalid and unenforceable under article 20 of the QFC Employment Regulations (as amended; the '**Regulations**'), as preventing him for two years working in a field which differed from that in which he had been engaged at Mazars would unduly

restrict his ability to work. He relied on *Chedid & Associates Qatar LLC v Said Bou Ayash* [2014] QIC (F) 2; and

iii. his conduct did not cause Mazars to suffer any loss.

9. Mr Ur Rehman's case was that he had been working as an auditor at Mazars. White Space operated in different business areas and activities from Mazars. Mr Ur Rehman submitted that Al Meera was not a client of Mazars' audit department (in which Mr Ur Rehman had worked) and that he had had no dealing with Al Meera while employed by Mazars. He said that Mazars operated its business in such a way that employees in one sector had no access to clients, operations, or trade secrets of other sectors of the business. After Mr Ur Rehman had withdrawn White Space from its contract with Al Meera, Mazars did not in fact win back Al Meera as a client for that work.

The decision of the First Instance Circuit

10. As the First Instance Circuit noted at paragraph 20 of its judgment, the parties had agreed that the matter be decided on the papers, stating:

... it follows from the onus resting on [Mazars] that, insofar as its version of the facts are in dispute, [Mr Ur Rehman's] version must be preferred unless it is so untenable that it can be rejected out of hand.

11. The Court summarised at paragraph 21 what it considered the relevant factual background. They quoted, from Mazars' amended counterclaim, Mazars' statement that:

... it is crucial to highlight that it is not [Mazars'] position that the mere establishment of [Mr Ur Rehman's] company, only, constitutes violation of the non-compete clause. Instead, [Mr Ur Rehman] has further violated the non-compete clause by soliciting [Mazars'] client, Al Meera...

12. The Court thus concluded that it was not necessary to decide whether White Space was a competitor of Mazars or whether, barring the NOC, Mr Ur Rehman's employment by White Space would constitute a violation of clause 6 of the Contract; and Mazars did not allege that it had suffered any loss through Mr Ur Rehman's employment by White Space.

13. The Court concluded that it was “*difficult to contemplate how the Al Meera contract could have caused Mazars to suffer any loss*” (paragraph 22). It also noted “*the total lack of evidence to establish any loss suffered by it through [Mr Ur Rehman’s] conduct, let alone the quantum of such loss*” (paragraph 22).

14. Mazars’ claim was simply for damages and not, for example, for an injunction. Mazars had not even begun to establish its claim for damages so it was unnecessary to embark on an enquiry as to whether the non-compete clause was reasonable under article 20 of the Regulations, as that would have been no more than an academic exercise.

Application for permission

15. In its application for permission to appeal under article 35 of the Court’s Regulations and Procedural Rules (the ‘**Rules**’), Mazars set out the following grounds for its appeal:

- i. The First Instance Circuit’s dismissal of Mazars’ Counterclaim was erroneous; there is a significant risk of serious injustice.
- ii. Mazars had put forward adequate evidence to establish Mr Ur Rehman’s breach of the non-compete clause.
- iii. Mazars is entitled to damages. Mazars’ case is summarised in paragraphs 41 and 42 of its application:

41 ... the First Instance Circuit applied the typical rules of liability which require an action (breach of obligation), loss or detriment sustained, and a causal link between the breach and the loss. However, [Mazars’] position is that the said requirements do not apply in the present matter. Instead, the mere act of [Mr Ur Rehman] (the breach of the non-compete clause) entitles [Mazars] for compensation.

42 By having breached the non-compete clause, [Mr Ur Rehman] caused [Mazars] significant loss. Had [Mr Ur Rehman’s] breach not taken place, [Mazars] could have renewed its contract and continued to perform services to the benefit of Al Meera. By offering to subcontract the work to [Mazars] [Mr Ur Rehman] has proven his acknowledgement of his breach of his obligation.

16. In its recent decision in *The Chancellor, Masters and Scholars of the University of Cambridge* [2025] (A) 6, this Court had to consider the 2011 judgment in *Nazim Omara v Al Mal Bank LLC* [2011] QIC (A) 1 on the requirement for permission to appeal. In

that judgment, the Court (Lord Woolf of Barnes, President, and Justices Sir David Keene and Lord Scott of Foscote) explained that the requirement of permission, a term used internationally, was not, however, in fact and on analysis an impediment or contradiction or modification of the right to appeal, but operated in accordance with international best practice to ensure that appeals without merit were speedily determined as being without merit.

17. International best practice has been summarised more recently in the ELI-Unidroit Model European Rules of Civil Procedure (Oxford University Press, 2021) in the commentary on Rule 166:

A balance must be struck between the private and public interest in the right to appeal from a decision, the principle of finality of justice in a reasonable time and cost to both the parties and the State. If there was unrestricted access to the appellate process that balance would not be struck effectively. It would facilitate the growth of an approach to first instance proceedings that treated them as being no more than “test proceedings”, in which the parties could rehearse their arguments and evidence. It would consequently devalue the status of first instance proceedings, undermining public confidence in the civil justice system, while also imposing a disproportionate cost burden on parties and the State.

18. As this Court has made clear in numerous decisions, the Court carefully considers and scrutinises the grounds of appeal against a wide range of factors in reaching a determination whether an appeal has merit and should proceed further.
19. We have concluded that permission under article 35 of the Rules should be refused as the appeal has no merit and should not proceed further for the reasons we set out in the following paragraphs.

Our conclusion

20. The First Instance Circuit carefully considered and decided the Counterclaim on the papers as the parties had agreed. Thus, there was no hearing at which evidence was adduced or challenged.

The Report before the Labour Disputes Settlement Committee

21. As we have set out, Mazars had made a complaint to the Labour Relations Department which referred the matter to the Labour Disputes Settlement Committee. In the course of those proceedings, a Report had been prepared by a Financial Expert, Nagy Hosny Abd El-Aziz, (entitled *Fourth: Final Result*) to assist the Committee. The Report was

put before the First Instance Circuit and this Court. The author appears to have taken evidence from Mazars, Mr Ur Rehman and Mr Fahd Hashmat Allah, a former employee of Mazars. The Report summarises the parties' respective positions and the evidence obtained in a neutral manner. It reaches no conclusions and makes no recommendations.

22. The Report refers to Mazars' allegation that Mr Ur Rehman had violated the Contract's prohibition on employing other employees of Mazars. This appears to relate to Mazars' allegation that Mr Ur Rehman engaged Mr Fahd Hashmat Allah to assist him win the Al Meera bid. The Report notes Mr Fahd Asmat Allah's evidence that he had left Mazars before the relevant events and had no knowledge of any contracts for which Mazars might bid. Mr Fahd Hashmat said that, although as a former employee he could have been aware of Mazars' contacts and clients, *"this does not provide conclusive evidence that White Space (owned by Mr Ur Rehman) won the contract due to Mr Fahd Hashmat disclosing confidential information which could not be accessed otherwise"*. The Report also notes that Al Meera's invitations to tender are public documents.

23. In short, the Report does not provide any evidence that Mr Ur Rehman breached the terms of the non-compete clause or that Mazars suffered any loss, let alone QAR 700,000.

The other matters relied on by Mazars

24. Mazars provided no evidence to explain how Mr Ur Rehman's activities through White Space would, in fact, compete with Mazars' business. It provided no evidence to support its claim that Mr Rehman's activities had caused them any loss, let alone how the sum of QAR 700,000 was calculated or constituted the loss that Mazars had suffered.

25. The First Instance Circuit did not decide whether the non-compete clause was contrary to article 20 of the Regulations. Its conclusion – that there was no evidence to support the damages claimed – meant that there was no need for the First Instance Circuit to decide whether or not the non-compete clause was contrary to article 20.

26. If there had been evidence to support Mazars' case that Mr Ur Rehman was in breach of the non-compete clause, and if the First Instance Circuit had been persuaded that the terms of the non-compete clause were enforceable, then the First Instance Circuit might

have concluded that, absent proof of loss, Mazars should be awarded nominal damages; that might then have produced a different decision on the costs of the proceedings. But there was a complete absence of evidence to support Mazars' case as to the enforceability of the non-compete clause or as to whether Mr Ur Rehman had breached its terms.

27. We are therefore satisfied that the First Instance Circuit was entitled - on the material before it and given the parties' agreement that the Court should deal with the issues on the papers alone – to reach the conclusion it did reach. The appeal has no merit and permission is refused.

By the Court,



[signed]

Lord Thomas of Cwmgiedd, President

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

Representation

The Applicant/Respondent was self-represented.

The Respondent/Applicant was represented by the Ahmed Mohamednoor Al Mushiri Law Office (Doha, Qatar).