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: [2026] QIC (C) 2

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

COSTS ASSESSMENT

Date: 21 January 2026

CASE NO: CTFIC0043/2025

H

Applicant

v

IJ

Respondent

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

This judgment was issued to the parties on 21 January 2026. This copy has been anonymised by the Court for publication.

Order

1. The Applicant is to pay the Respondent the sum of **QAR 75,000** within 14 days of the date of this judgment.

Judgment

Introduction and background

1. The Applicant is a law firm incorporated and licensed to do business in the Qatar Financial Centre ('**QFC**'). The Respondent in this matter is a Qatari company incorporated under the Ministry of Commerce and Industry. The Applicant was representing a foreign party (the '**Client**') in an arbitration at the [***] International Arbitration Centre. The engagement between the Applicant and the Client provided for the Applicant to be paid a percentage of any successful arbitration award by way of its fees. The engagement also provided that the Client might terminate it at any time but that any fees accrued up to that point would be payable to the Applicant.

2. Shortly before the arbitration award was to be issued, the Client terminated its engagement with the Applicant. The arbitration award has subsequently been handed down, but the Applicant has not had sight of it, despite having approached the Client and other persons to obtain a copy.

3. The Applicant, understandably keen to ascertain whether the arbitration award was favourable to the Client so that it might understand what fees it might be owed, filed another claim in this Court against the Client. On 16 October 2025, a judgment of the First Instance Circuit was handed down – *H v I* [2025] QIC (F) 55 – directing the Client to disclose the outcome of the arbitration and to pay 4% of any award in its favour to the Applicant plus interest and costs.

4. This case concerned another party to the arbitration – the Respondent in this matter – in relation to which the Applicant filed the application that is the subject matter of this

judgment. That application sought disclosure of the arbitration award and, if that award was in favour of the Client, a freezing order preventing the Respondent transferring the full value of the award to the Client and an order that 5% of that award be paid into escrow "*pending judgment in the Arbitration Proceedings*".

5. The inter partes application came before Justice Fritz Brand at a remote hearing. The Respondent submitted that the Court did not have jurisdiction to deal with the matter in that, it submitted, none of the jurisdictional gateways in article 8(3)(c) of the QFC Law (Law No. 7 of 2005) – replicated in article 9.1.1 of the Court's Rules and Procedures (the '**Rules**') – applied. The Applicant relied upon article 10.3 of the Rules, which accords the Court the power to grant all such relief and make all such orders as may be appropriate and just in accordance with the Overriding Objective of dealing with cases justly. In the event, the Court ruled that it did not have jurisdiction over the matter and dismissed the application with costs, primarily due to existing first instance authority from this Court, namely *Ileana Mercedes D'Lacoste Agudelo and Eniluz Jhoana Gonzales Aponte v Horizon Crescent Wealth and others* [2020] QIC (F) 11.

6. As must be apparent, the parties were unable to agree on the Respondent's reasonable costs and therefore it falls to me to assess the quantum of those costs.

Approach to costs

7. Article 34 of the Rules reads as follows:

> *34.1. The Court shall make such order as it thinks fit in relation to the parties' costs of proceedings.*
>
> *34.2. The unsuccessful party pays the costs of the successful party. However, the Court can make a different order if it considers that the circumstances are appropriate.*
>
> *34.3. In particular, in making any order as to costs, the Court may take account of any reasonable settlement offers made by either party.*
>
> *34.4. Where the Court has incurred the costs of an expert or assessor, or other costs in relation to the proceedings, it may make such order in relation to the payment of those costs as it thinks fit.*

> *34.5. In the event that the Court makes an order for the payment by one party to another of costs to be assessed if not agreed, and the parties are unable to reach agreement as to the appropriate assessment, the assessment will be made by the Registrar, subject to review if necessary by the Judge.*

8. In *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (C) 1, the Registrar noted that the "…*list of factors which will ordinarily fall to be considered*" to assess whether costs are reasonably incurred and reasonable in amount will be (at paragraph 11 of that judgment):

    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.

9. *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 of that judgment):

    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.

10. One of the core principles (elucidated at paragraph 10 of *Hammad Shawabkeh v Daman Health Insurance Qatar LLC*) is that "*in order to be reasonable costs must be both reasonably incurred and reasonable in amount*."

11. The relevant principles from the caselaw are now codified into Practice Direction No. 2 of 2024 (Costs) (the '**Practice Direction**').

Submissions

12. The Respondent filed and served submissions dated 10 November 2025 (the '**Costs Application**') seeking QAR 300,795 by way of its reasonable costs, and annexed were various legal and factual exhibits. The costs claimed comprised a lump sum, fixed-fee, of QAR 300,000 recorded in an engagement letter dated 30 September 2025 for representing its client in proceedings against the Applicant (First Instance Circuit proceedings only relating to the disclosure application), obtaining a power of attorney ('**PoA**'), drafting a response to the application, attendance at the hearing, correspondence with the Court and drafting further submissions. The remaining QAR 795 comprises attestation fees for the PoA in the sum of QAR 600, translation fees for an authority from the Court of Cassation in the sum of QAR 105, and a postal receipt for service of its jurisdiction challenge in the sum of QAR 90.

13. The Costs Application makes, inter alia, the following points:

    i. The Respondent's position and the unfairness of the Applicant's conduct: proper recourse was against the Applicant's own client, not the Respondent. The application exposed the Respondent to reputational and procedural risk, and attempted to "*transform a specialist statutory court into a forum for a private fee dispute with a non-party*", an approach which was bound to fail.

    ii. Impact of arbitral confidentiality on the Respondent's costs: the material sought was protected by arbitral confidentiality under article [***] of the [***] Arbitration [***] Rules, and none of the exceptions were met. This required the Respondent to review the record and directions for confidentiality provisions and exceptions, research the law of the seat on

the consequences of disclosure, and prepare a risk assessment and mitigations.

iii. Reasonableness and proportionality: each item claimed is "*necessary for the proper defence of the application and proportionate to its urgency, scope, and potential impact*"; the work required an analysis and preparation of a jurisdiction challenge, with a review of the relevant caselaw; preparation in parallel of a defence on the merits; and cross-border research on confidentiality obligations at the [***] and under the law of [***] (the latter being the seat of the arbitration).

iv. Conduct as a cost factor: the conduct of the Applicant which "*elected to pursue an urgent non-party application*" to seek "*confidential arbitral material despite knowing the constraints of the* [***] *regime*", and on a "*timetable that made it reasonably foreseeable the Respondent would be required to file a substantive merits response in parallel with a jurisdictional challenge*". The "*accelerated posture forced the Respondent to prepare both tracks concurrently*".

v. The total time spent on the case was 99 hours and 42 minutes, and was split as follows:

a. Partner (11 hours and 18 minutes): "*strategic oversight, supervision, targeted legal research, and substantive input on the application of Qatari law*".

b. Counsel (32 hours and 12 minutes): "*overall strategy, client onboarding and contact, primary drafting, advocacy preparation, and hearing attendance*".

c. Associate (38 hours and 24 minutes): "*supporting drafting, legal research, supervision of administrative staff, and hearing preparation...* "

d. Associate (17 hours and 18 minutes): "*legal research, exhibit preparation, and drafting assistance*".

vi. The work focused on jurisdiction and the firm deployed an appropriate split of work across the fee earners.

vii. Indemnity costs: the Respondent also asks that I award costs on the indemnity basis due to the conduct of the Applicant in improperly bringing the application.

viii. The Respondent also noted pre-costs assessment correspondence with the Applicant in which the latter noted that the costs sought by the former was "*disproportionate, unsubstantiated and unreasonable*", refuting each assertion, and also complaining that the Registrar was copied in the reply.

14. Among the exhibits annexed to the Costs Application was a ledger of work done broken down in the usual way by fee earner with a narrative next to each item.

15. On 8 December 2025, the Applicant filed and served its response to the Costs Application. The submissions included, inter alia, the following points:

i. The Applicant attempted to obtain the award from several sources, including the Client, but was met with silence.

ii. The application was "*not complex, and the Respondent was not subject to any potential damages being awarded against it*".

iii. There is an explicit carve out in the [***] Rules where disclosure is permitted where it is "*required of a party by legal duty*".

iv. The Respondent's counsel "*failed to properly advise the Respondent that complying with a court order would carry no consequences from the* [***]"

and that in doing so the Respondent's counsel "*escalated the seriousness of the matter without proper consideration of all relevant facts, and the law*".

v. The application was narrow and specific in nature; the Applicant acted with transparency and properly in rejecting the Respondent's costs bill and copying the Registrar, and at that point the Respondent might have sought to engage in negotiations but instead filed the Costs Application without further notice.

vi. The jurisdiction question was not a forgone conclusion and the Court found that the Applicant's submissions did have some merit.

vii. The Respondent would neither have been exposed to "*reputational and procedural risk*" nor "*unnecessary procedural and commercial risk*" if it had disclosed the award pursuant to a court order.

viii. Whilst this was a cross-border matter, it was not complex or unusual and the Respondent needlessly instructed both [***] and [***] counsel.

ix. As to the specific costs claimed:

a. The fees are wholly disproportionate to the complexity of the matter (a simple disclosure application in which confidentiality provisions are expressly disapplied where there is a court order).

b. This was an important matter to the Applicant which considers that a court order requiring simple disclosure would have been of limited inconvenience to the Respondent.

c. There would have been no financial, administrative etc. risk to the Respondent if disclosure was ordered.

d. 100 hours is excessive, and particularly 40 hours for research (research on Qatari national law and QFC Court precedents should not be borne by the Applicant), and 10 hours for the Costs Application.

e. The time spent on the PoA is an administrative matter for the Respondent's account.

f. The division of work was inappropriate, and in particular the 43 hours of partner plus counsel time.

x. The Applicant did not approach the Respondent for disclosure prior to the application as it would not have disclosed the material without a court order. The Applicant did use all reasonable endeavours to obtain the award from alternative sources.

16. The Respondent replied to the Applicant's response on 22 December 2025. That Reply noted, inter alia, as follows:

i. The Reply set out the tests that I must apply, contained within the Practice Direction and the Rules.

ii. Reasonableness should not be assessed by reference to outcome but also by the surrounding circumstances. The Applicant was justified in preparing a substantive, merits-based response. This procedural uncertainty also resulted in a fixed-fee arrangement being agreed – a prudent and orthodox risk allocation – and it is the engagement letter that is the starting point for assessment.

iii. The Court found no merit in the application, and the judgment records that the Respondent's analysis was correct without any qualification.

iv. The relief sought was not narrow – disclosure of an arbitral award, a freezing order, deposit of money in escrow etc. – and each item was coercive and immediate in nature.

v. Had relief been granted, the Respondent would have been exposed to immediate enforcement obligations and potential contempt in the event of a dispute as to the compliance.

vi. The fact that the [***] Rules contain a carve out does not change the potential consequences which would have been immediate and potentially irreversible. This is in the context of broader litigation against the Client who had shown a willingness to pursue urgent and coercive court relief. There could also have been commercial reliability consequences in the local market. The fact the hearing was brief does not diminish the real risks.

vii. The dual track preparation undertaken was neither optional nor excessive, and this includes the research undertaken by the Respondent as, just because the Court found for the Respondent, does not retrospectively render it unnecessary.

viii. The application raised several issues which properly required research, including jurisdiction, non-party relief, and the interaction between court proceedings and arbitral confidentiality. It would have been professionally irresponsible not to address and prepare for these issues. They were all necessary and reasonable items in relation to which to expend time.

ix. The fixed fee agreement was made at a time of genuine procedural uncertainty and does not reflect "*over-lawyering*".

x. The Applicant's proposed cap of 5%-7% of the total claimed by the Respondent is arbitrary and unsupported by principles, the Rules or the Practice Direction.

xi. Costs should be assessed ex ante and not based on hindsight.

Analysis

Introduction

17. The submissions from both parties have indeed been of assistance to me in highlighting what – in the parties' view – are the issues in this case. The key issue for me is this in relation to the legal costs: is the fixed fee of QAR 300,000 reasonable (reasonably incurred and reasonable in amount)? Couched another way: what is a reasonable sum to order that the Applicant pays to the Respondent in respect of this matter?

18. The total number of hours expended on this matter was 99.42, which makes an effective hourly rate of – rounding the hours figure up to 100 – of QAR 3,000/hour.

19. A number of heads of claim have been made in the submissions, properly evidenced by the ledger, and these include preliminary work (e.g. file opening, PoA preparation etc.); research into QFC Court and other Qatari court precedents and laws, the Rules, the jurisdiction of the QFC Court, interim orders and freezing orders, and other international caselaw; preparation of the jurisdiction challenge; preparation of merits arguments; preparation for the hearing; the hearing itself; and the costs submissions.

Issues of principle

Research

20. Time expended on research is usually disallowed unless there is a particular point of complexity or novelty (see for example *International Law Chambers LLC v Anvin Infoystems WLL* [2025] QIC (C) 17 at paragraph 14). The reason that this principle is followed is because as a matter of practice during these costs assessments, lawyers are

presumed to know the law in the area in question for obvious reasons. The Respondent notes, among other things, that it would have been professionally irresponsible for no research to have been undertaken in this case. I need not make any finding in relation to this matter, but it is important to observe – the question of whether something is professionally responsible or not might be factored into the analysis of whether or not it is reasonable to direct a losing party to pay research costs, but it is not determinative. This goes to a broader point that I have made before in other costs judgments: parties are entitled to instruct their lawyers to conduct any work that they wish – that is a private matter governed by the engagement between the party and its lawyers – and if that party wishes for a particularly careful and thorough service, that is entirely a matter for them. The question for these judgments is, though, whether the unsuccessful party ought to be directed to pay for some or all of that legal work. These are two distinct questions.

Dual-track approach

21. The Respondent has claimed for work that concerned both jurisdiction and the merits of the case. It has described this approach as taking on "*both tracks concurrently*". In certain circumstances, this might be an approach that could lead to a favourable costs award relating to both tracks. However, in order properly to justify this approach, a party would require some further justification than simply professionalism or an abundance of caution. By way of example, if a party sought to challenge the jurisdiction of the Court and the Court specifically ordered that it would receive submissions on the merits of the dispute – for whatever reason – at the jurisdiction hearing, that would then be work that the successful party might properly claim from the other party. Another such situation might be if the Court has listed a jurisdiction challenge hearing, has indicated that it will make its decision on jurisdiction and notify the parties at the end of that hearing itself, and that a substantive written defence would be required shortly after the hearing. I make the same point as above: it is absolutely a matter for the party and its legal representatives as to how to conduct their preparation – and thorough advance preparation may well be highly professional and useful for the client – but that is not the same as the question of whether it is reasonable for the unsuccessful party to meet the costs of the successful party's approach. By way of example, if as a matter of course I were to order unsuccessful parties

to meet the reasonably foreseeable costs of the successful party who has succeeded in a jurisdiction challenge, then there would be no reason in principle why that successful party could not prepare the entire litigation – witness statements, disclosure requests, chronologies, and trial preparation – and seek to recover those from the unsuccessful party to the jurisdiction challenge.

Other matters

22. PoAs are not required in the QFC Court save where a party is seeking to enforce a judgment or arbitration award. Parties often obtain a PoA for representation in this Court. Again, as a matter of internal practice at the law firm in question, this is entirely acceptable. It is a matter for the client and the lawyer. However, unless there is a specific reason in a particular case for one to be obtained pre-enforcement, these costs are not recoverable from the unsuccessful party.

Specific matters claimed

23. Taking account of the above, I will now note specific heads of claim that in my view are reasonable in this case. All of these will have a bearing on the ultimate question of whether the fixed fee of QAR 300,000 is reasonable.

24. I have identified the following heads of claim that comprised reasonable work in this case:

    i. Review and consideration of the application (including some consideration of the broader issues e.g. how disclosure might impact the Respondent).

    ii. Preparation and drafting the jurisdictional challenge (including some allowance for research).

    iii. Preparation for the hearing and attendance at the hearing.

    iv. Costs of the costs assessment.

25. I am not of the view that this case was overly complex in the round, but it did have some matters of difficulty. The [***] Rules do indeed provide for a carve out for confidentiality. However, there were some potentially complicated issues to consider. For example, the underlying arbitration was conducted under the [***] Rules, the seat was [***], and the disclosure order sought was before the QFC Court. Understanding the interaction between these regimes was important. Furthermore, it was reasonable, in my view, to conduct some degree of risk analysis as to what measures the Client might take against the Respondent should it disclose the arbitration award as sought by the Applicant. That was necessary and important advice for the Respondent to receive. Therefore, I will make some allowance for consideration of the wider issues, as this was not simply a completely discreet matter brought in isolation from its wider context, along with some allowance made for research. I make some allowance for research in this case as it was cross-border in nature, involved consideration of the law of the QFC, [***] law and also the [***] Rules: it would not be fair to expect a lawyer to know off the top of their head all of that relevant law and, importantly, the interaction between all of it. However, if, as the Applicant submits (unchallenged), the total for research is in the region of 40 hours, this would be far too much, in my view. I will address the reasonable amounts below.

26. In this case, I am not of the view that it would be reasonable for the Applicant to meet the cost of the dual track approach. There was nothing specific to this case which justified further preparation on the merits as the hearing was solely to be – and was indeed – confined to the question of jurisdiction. Whether this cost is reasonably foreseeable is a separate question but is not the test I apply in this analysis.

27. Looking at this case in the round, and taking account of the legal issues raised by the Applicant, my view that reasonable times incurred on the heads of claim are as follows:

    i. Review and consideration of the application: the application was comparatively brief at 6 pages which was submitted on the QFC Court Application Notice form. However, the issues were not entirely straightforward and raised a number of matters that ought properly to have

been considered by the Respondent, including freezing and interim orders, the jurisdiction of the QFC Court (which was not an entirely straightforward or settled question as one can infer that at the very least the Applicant was of the view that jurisdiction did indeed exist; and indeed the Court did not dismiss the case for want of jurisdiction noting that this issue was completely clear or that the Applicant's case was without merit), and strategic considerations of disclosure. I am of the view that a reasonable amount of time to expend on this preliminary phase of work is 15 hours.

ii. Preparation and drafting the jurisdictional challenge: the submission of the Respondent contained approximately 12 pages of argument, and covered several matters as it properly ought to have done, ultimately submitting that the lack of a QFC nexus and the reliance on article 10.3 of the Rules meant that this Court did not have the jurisdiction to deal with the case. I will allow 15 hours for this head of claim, including the hearing of 1 hour.

iii. Preparation for the hearing (including the eBundle etc.) and attendance at the hearing: for reviewing the submissions carefully, preparing oral arguments and answer to potential questions from the Bench, I will allow 10 hours.

iv. Costs of the costs assessment: the claim is approximately for 23 hours for the preparation of the initial costs submission. This is, in my view, far too long as it essentially comprises two full days of work. Again, it is another thorough submission, but the issues were familiar. For the preparation of this costs submission, I will allow 10 hours.

28. I have reached a preliminary figure of 50 hours for the conduct of the litigation up to the completion of the cost submission. The next question is: what would a reasonable fixed fee be for 50 hours of work? To repeat the point I made above, "*reasonable*" in this context means reasonable to order the Applicant to meet by way of costs.

29. In terms of the spread of work, my view is that the partner ought to be conducting approximately 10% of the overall work (indeed, this is roughly what the partner of the Respondent's firm did in any event charge, i.e. just over 11 hours out of approximately 100 hours), coming to 5 hours. This was, in my view, an appropriate case for a senior non-partner fee earner (counsel in this case) to take charge of the bulk of the work. I am therefore of the view that almost half of the time, or 20 hours, ought to be allocated at a senior non-partner rate, with a junior associate supporting with 30% of the overall work (15 hours), and a paralegal conducting the remaining 20% (10 hours).

30. Ascertaining a reasonable fixed fee is not an exact science. That said, approaching this by reference to appropriate hourly rates is a useful starting point. As noted above, the effective hourly rate that the Respondent seeks to recover is circa QAR 3,000/hour (i.e. circa 300,000 divided by 100). This is simply too high, and would be – on the current market rates – among the highest if not the highest blended hourly rate sought in a costs assessment.

31. As to the rates, we do not have a rate card included in the Costs Application as the arrangement was a fixed-fee. Market rates in Doha vary quite significantly. That said, very broadly speaking, this Court has seen partner rates vary between QAR 2,000/hour to around QAR 3,700/hour; associate rates in the QAR 1,500/hour to around QAR 2,800/hour range; and paralegal rates in the region of QAR 1,000/hour to QAR 1,650/hour.

32. In relation to the partner's fees, I will go to the middle of the range between QAR 2,000 and QAR 3,700, namely a rate of QAR 2,850/hour: this comes to QAR 14,250 (5 hours). I will allow a counsel rate at the 25% percentile of the associate bracket of between QAR 1,500 to QAR 2,800, namely QAR 2,475/hour: this comes to QAR 49,500 (20 hours). For the junior associate rate, I will allow a rate fixed at the 75% percentile of that associate range which is QAR 1,825/hour: this comes to QAR 27,375 (15 hours). For the paralegal, I will allow QAR 1,000/hour: this comes to QAR 10,000 (10 hours). My preliminary figure is, therefore, QAR 101,125.

33. My view is that the time allocation above is appropriate. Partners ought to be supervising the work streams and signing off matters and strategy. As there was an associate on this matter along with a counsel, I am of the view that the bulk of the work ought to have been shared by these two non-partner fee earners for this to be properly recoverable, with some supervision from the more senior non-partner fee earner (along with strategy work and preparation for the hearing). The paralegal was there for support.

Reasonableness

34. Only reasonable costs are allowed. To reiterate, this means reasonably incurred and reasonable in amount. The categories of work that I have allowed are, in my view, clearly reasonably incurred and indeed were a necessary part of the work that the Respondent had to undertake during this case.

35. Proportionality aside for present purposes, many of the other factors in the Practice Direction, do not really assist in this situation. The Practice Direction is based on a usual litigation scenario i.e. a party filing a claim against another party with that case progressing in the traditional sense (hence the language in the Practice Direction talks of – for example – "*reasonable settlement offers*" in paragraph 6(iv)). This is an unusual and rare case in which a party is seeking the disclosure of an arbitral award; there could not be, for example, a reasonable settlement offer. The Applicant submitted that it did indeed try to obtain the arbitral award from other sources, which would have avoided the need for litigation had those approaches been successful (this goes both to conduct before proceedings and efforts to resolve the matter without litigation, namely in paragraph 6(ii) and (iii) of the Practice Direction). This is not disputed by the Respondent. That said, in the Respondent's favour, it has been entirely successful in its jurisdictional challenge (going to the extent of success test in paragraph 6(v) of the Practice Direction). However, I find that whilst I take account of these factors, they are of limited assistance given the unique type of case before me.

36. It appears to me that the key question in this case is that of proportionality. Addressing the relevant factors in paragraph 7 of the Practice Direction one-by-one:

i. In monetary … claims, the amount or value involved: this was not a monetary claim and therefore this factor is not relevant.

ii. The importance of the matter(s) raised to the parties: this was clearly important to the Applicant as its properly agreed fees were contingent upon sight of the arbitration award. That is not in dispute. There is a dispute, however, as to the significance of this case to the Respondent. The Respondent notes, inter alia, that this case exposed it to several risks, including the risk of commercial, procedural, legal and reputational harm. The Applicant disputes this. Its position is that – broadly speaking – the application was very specific, and that it did not expose the Respondent to risks as alleged. It is neither possible nor necessary to conduct a detailed analysis of the extent of the risks to which the application may have exposed the Respondent. I agree with the Applicant that the application was very specific and limited in scope. However, that does not necessarily mean that the Respondent was not subject to legal and other risks.

iii. The complexity of the matters(s) and the difficulty or novelty of any particular point(s) raised: the application did have elements of complexity, difficulty and novelty, for example the interaction between the law of the seat, the [***] Rules and an order that this Court might make, in addition to the jurisdiction question. It was not entirely straightforward. The application also sought uncommon relief. The assessment of risk – a key component of good litigation practice – in this uncommon context was also not entirely straightforward.

iv. The time spent on the case: I have already ruled above that the time that was reasonable to spend on the case was 50 hours, reduced from the just over 99 hours claimed. 50 hours, in my view, is proportionate.

v. The manner in which the work was undertaken and the appropriate use of resources by the parties including, where appropriate, the use of available information and communications technology: the Respondent split the work among a number of fee earners, and, in the proportions that I have allowed between the partner, counsel and more junior associate, and the paralegal, the split of work across the 50 allowed hours are appropriate and proportionate.

Further analysis and conclusion

37. Looking at the preliminary figure in the round, namely QAR 101,125, I must now assess whether that figure is reasonable overall, factoring in the proportionality test as I am required to do by the Practice Direction using my analysis in the previous paragraph.

38. There are several points that I must make clear, which will explain to the parties and other readers how I will reach my conclusion.

39. First, costs assessment is much more of an art than a science. Two judges might come to different conclusions as to what a reasonable figure might be in a particular case by way of legal costs, and both might be reasonable figures.

40. Second, and linked to the first, what comprise reasonable costs is not a binary question. In other words, two different figures might be reasonable. Reasonableness is a range.

41. Third, taking account of my comments in paragraphs 13-19 of *Sami Mahgoub Mohammed Moustafa v Sharq Insurance LLC* [202] QIC (C) 9 on the conduct threshold for an award of indemnity costs, nothing that the Applicant has done approaches that threshold. By way of example, it produced a novel application that failed. That in itself is insufficient for an award of indemnity costs. There was also no adverse judicial comment as to the conduct of the Applicant (although this is not a condition precedent). The Respondent submits that the Applicant failed to engage with it to resolve the issue. However, it is difficult to see how engagement with the Respondent would have resolved the issue given that the

Respondent was bound not to disclose the award on the grounds of confidentiality. The Applicant has also explained that it did indeed attempt to obtain the award from the Client. There is no basis here for an award of indemnity costs.

42. Fourth, a broad point – and again this is something that I have noted a number of times before – namely that there is often a degree of incredulity when an unsuccessful party receives what they might perceive as a significant costs application. The starting point in this court is that unsuccessful party must meet the reasonable costs of the successful party. It is critical that parties and legal representatives understand this point. This is a factor that ought to be assessed as part of the legal strategy as costs are a key factor in litigation risk. Moreover, parties are free to instruct any lawyers they wish to represent them. Those lawyers are free to charge whatever rates they wish; that is entirely a matter for the party and their legal representative. Parties are not bound to instruct lawyers who will charge the lowest rates in the market. Therefore, one risk of commencing litigation in this Court is that the other party will instruct lawyers that charge rates at the upper end of the market. This will inevitably result in, if there is an adverse result, a significant costs bill. That is an inherent risk. Litigation before this Court is not a game; it is a serious matter, and parties/legal representatives must always consider the costs implications of filing a claim or application.

43. Of course, there is a backstop comprising this cost assessment process where proportionality is a key factor test of reasonableness. It is, for example, unlikely that a successful party who has sought a sum of, say, QAR 5,000 in a straightforward debt claim, will be able to demonstrate that a costs bill of for example QAR 1,000,000 accrued by expensive international lawyers is a reasonable and therefore proportionate sum.

44. I have given this matter anxious consideration. It is clear that the Respondent was unexpectedly and wrongly (evidenced by the judgment of the Court) brought into this case. The ultimate question is: is QAR 101,125 proportionate?

45. I have concluded that QAR 75,000 is a reasonable sum, having reduced the preliminary figure down from QAR 101,125. This matter was not straightforward but involved a jurisdiction challenge which was successful. For the reasons above I have reduced the recoverable hours from around 100 to 50. I am of the view that allowing 50 hours for dealing with the jurisdiction challenge is a reasonable number to charge to the unsuccessful party. I reviewed the notional hourly rate to assist in the fixed fee calculation. For the reasons given above, I am of the view that a fixed fee of QAR 75,000 is reasonable for this tranche of work and therefore for the unsuccessful party to meet. QAR 101,125 is, in my view, a disproportionate sum to be claimed from the unsuccessful party when one takes account of the necessary work (excluding significant amounts of work that ought not to form part of a costs award, for example merits work or significant time spent researching the law) that I have highlighted above, and the time in respect of which that work took.

46. I also note that the Respondent would have been entitled to claim for the Reply to the Applicant's Response (labelled by the Respondent as a "*Rejoinder*"), but as it did not do so I award no costs in relation to this item.

47. I decline to award the QAR 600 fee for the attestation of the PoA as these documents are not required in this Court. The translation invoice in the sum of QAR 105 and the postal costs of QAR 90 are also reasonable and recoverable. These are subsumed within the QAR 75,000 award.

Conclusion

48. The Applicant is to pay the Respondent the sum of **QAR 75,000** within 14 days of the date of this judgment.

By the Court,

[signed]

Mr Umar Azmeh, Registrar

Representation

The Applicant self-represented.

The Respondent was represented by the Sharq Law Firm (Doha, Qatar).