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 (F) 50

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

FIRST INSTANCE CIRCUIT

Date: 3 August 2026

CASE NO: CTFIC0007/2026

GULF INSURANCE GROUP (GULF) B.S.C. (C)

Claimant

v

ALJABER ENGINEERING W.L.L.

Defendant

JUDGMENT

Before:

Justice Dr Georges Affaki

Order

1. The Defendant's jurisdictional challenge is dismissed.

2. The Claimant's claim in respect of insurance premiums in connection with insurance cover issued in favour of JH Construction, in the amount of QAR 314,597.08, is dismissed.

3. The Claimant is entitled to rely on the electronic copies of the Insurance Certificates submitted in these proceedings, notwithstanding the non-production of an original policy.

4. The Claimant is entitled to recover unpaid insurance premiums determined in this judgment as being owed by the Defendant, up to 1 September 2024.

5. The claim for damages is dismissed in its entirety.

6. The parties shall confer together with a view to agreeing the quantum of the premiums owed by the Defendant to the Claimant. Absent agreement, leave is granted for any party to apply to the Court to determine the quantum of the premiums owed.

Judgment

Introduction

1. This judgment concerns a claim by the Claimant, as insurer, for unpaid insurance premiums allegedly owed both by the Defendant, as the insured and policyholder, and by a related company, JH Construction.

2. The Claimant, Gulf Insurance Group (Gulf) B.S.C. (C) (the '**Claimant**' or '**GIG**'), is a Bahrain-incorporated insurance company licensed in the Qatar Financial Centre ('**QFC**'). The Defendant, AlJaber Engineering Company W.L.L. (the '**Defendant**' or '**AlJaber**'), is a limited liability company registered in the State of Qatar but not in the QFC. It is the insured under the policies in issue. The pleadings have also referred to General Takaful Company Q.C.S.C. ('**General Takaful**'), a takaful operator licensed by the Qatar Central Bank, although it has not been named as a party to these proceedings.

3. On 19 February 2026, the Claimant submitted to this Court its claim against the Defendant. The Claimant seeks the following relief:

    i. QAR 4,634,423 in unpaid insurance premiums under five separate insurance policies.

    ii. QAR 800,000 in pecuniary and non-pecuniary (moral) damages.

    iii. In the alternative, the appointment of a financial expert to determine the amount of the claim.

    iv. All related costs.

4. The Defendant denies the claim and challenges the Court's jurisdiction in respect of the Contractor's Plant and Machinery cover and the Plant All Risk cover (together, the '**CPM Policy**'). Alternatively, it seeks dismissal of the claim for want of standing, dismissal of the remainder of the claim for want of evidence or, in the further alternative, a determination that nothing is owed by the Defendant given payments made by the Defendant to the Claimant. The Defendant also claims its costs. At the hearing, the Defendant confirmed that it makes no counterclaim.

5. On 26 July 2026, the parties submitted the trial bundle and served skeleton arguments. Two amendments to the trial bundle followed, with the last version being submitted on 27 July 2026, on the very eve of the hearing. No objections were raised by either party.

6. On 28 July 2026, a public hearing took place remotely. During the hearing, the Court heard the parties' submissions and the oral evidence of Mr Omar Hadid, who was called on behalf of the Defendant. The second fact witness, Mr Herbin Umali, was not required to participate because the Claimant did not seek to cross-examine him. Pursuant to article 3 of the Rules and Procedures of this Court (the '**Rules**'), both the Arabic and the English language were used during the hearing, in accordance with each party's preference.

The factual background

7. The factual background, as narrated by the parties in their respective submissions, can be summarised as follows:

i. On 7 February 2024, the Defendant contacted the Claimant for an update on the renewal of the CPM Policy that had been in place at least since 2023.

ii. Between 8 and 12 February 2024, the Claimant and General Takaful agreed on the terms for General Takaful's fronting of the renewal of the CPM Policy to the Defendant.

iii. On 12 February 2024, Mr Mousa Bitar, an insurance consultant engaged by the Defendant, provided the Defendant with the Claimant's renewal quotations for the following covers: CPM (QAT.24.197.ALJ), Motor Comprehensive (QAT.23.1842.AL) and Motor Third Party Liability ('**MTPL**') (QAT.23.1843.AL).

iv. On 12 February 2024, the Defendant issued to the Claimant Service Order No. SO/004/24 for CPM, Motor Comprehensive and MTPL for the period from 1 February 2024 to 31 January 2025.

v. On 19 February 2024, the Claimant requested General Takaful to provide policy documents relating to the Defendant's CPM coverage.

vi. On 20 February 2024, General Takaful provided to the Claimant the requested policy documents, bearing references 1 C05 2024 00004 and 1 C05 2024 00005.

vii. On 22 February 2024, Mr Bitar transmitted the documents to the Defendant.

viii. On 18 March 2024, the Claimant informed the Defendant that the first instalment of the CPM Policy was due for payment to be settled before the end of the month and enclosed a statement of account showing an outstanding balance of QAR 1,337,883 for the Defendant and of QAR 114,559.08 for JH Construction.

ix. Between 16 April 2024 and 29 August 2024, the parties exchanged correspondence in relation to the outstanding insurance premiums allegedly owed by the Defendant to the Claimant. In particular, Mr Munther Ayoub, Head of Treasury for the Defendant, referred in an email to the Claimant dated 27 August 2024 to the company being "*still tight in cash flow and our expected* *payments got delayed*." That notice coincided with the company's downsizing as indicated in Mr Hadid's witness statement.

x. On 30 June 2024, the Defendant transmitted to the Claimant two cheques drawn in favour of the Claimant, bearing references 07765971 and 07765972, each for an amount of QAR 827,415.

xi. On 4 September 2024, the Claimant issued a notice of cancellation purporting to cancel the policies issued to the Defendant absent a response within five working days, with an effective cancellation date of 1 September 2024 (the '**Notice of Cancellation**').

xii. The Claimant attempted to cash the two cheques remitted by the Defendant, but the cheques were dishonoured for insufficient funds.

Analysis

8. I shall deal first with the applicable law. I shall then address, in turn, the jurisdictional challenge, the claim for premiums said to be owed by JH Construction LLC, the challenge to the evidential status of the insurance certificates the Claimant relies upon, and the amount of the debt that the Claimant claims of the Defendant. Finally, I shall determine the claim for damages, give directions for the future conduct of the proceedings, and allocate the costs.

The applicable law

Background

9. In its pleadings, the Claimant has relied on the Qatar Civil Code (Law No. 22 of 2004) (the '**Civil Code**'), the Civil and Commercial Procedures Law of Qatar (No. 13 of 1990), the Qatar Commercial Law (No. 27 of 2006), the Qatar Electronic Transactions and Commerce Law (No. 16 of 2010), and the Rules. The Defendant has relied on the Civil Code, the Arbitration Law of Qatar (No. 2 of 2017) (the '**Qatar Arbitration Law**'), the Qatar Commercial Companies Law (No. 11 of 2015), the Qatar Civil and Commercial Procedures Law (No. 13 of 1990), the Qatar Council of Ministers Resolution No. 23 of 2019, and the Rules.

10. Article 11 of the Rules requires the Court to apply the law and regulations of the QFC to the dispute unless the parties have agreed that a different law should apply:

> *11.1. The Court shall apply the provisions of paragraphs (8) and (9) of Schedule 6 to the Law, without prejudice to Articles (11(4)), (18(1)), (18(2)) and (18(3)) of the Law:*
>
> *11.1.1. The Court shall apply the Law and its regulations, insofar as the same are applicable.*
>
> *11.1.2. The parties may agree the law that shall apply to the dispute, in which case the Court will ordinarily determine the dispute in accordance with that agreement, although:*
>
> *(a) The Court may, in its discretion, refuse to do so if it considers that there are substantial reasons which indicate that it is not appropriate to apply the law chosen by the parties.*
>
> *(b) If the chosen law is inconsistent with public order and morals in the State, the Court must not apply it.*

11. At the hearing, the Defendant submitted that the parties are agreed on the application of the laws of Qatar in this action, not the QFC law. The Defendant pointed to references in a number of insurance renewals and applications issued by the Claimant to the Defendant, as well as in General Takaful's CPM insurance, referring to "*Law & Jurisdiction: State of Qatar*" or terms to the same effect.

12. In reply to a question from the Court, the Claimant denied the existence of any such agreement.

Analysis and Decision

13. Article 11.1.2 of the Rules does not require a specific form for an agreement on the applicable law. The difficulty with the Defendant's contention that there was an agreement to apply a law other than the QFC laws and regulations which article 11.1.1 mandates to apply is that a mere reference in documents exchanged between the parties to the laws of the State of Qatar cannot, in itself, be regarded as excluding the application of the QFC laws and regulations. This is all the more so when one party denies the existence of such an agreed exclusion.

14. In *Daruna For Real Estate Brokerage Co. LLC and Sheikh Nasser bin Abdulrahman bin Nasser Al Thani v Lesha Bank LLC* [2023] QIC (A) 4, the Appellate Division had

the opportunity to express, albeit in *obiter*, its approval of the following observation at paragraph 51:

> *…the provision in an agreement which provides that the governing law is the law of Qatar is not an agreement to apply another law, as the law of the QFC is part of the applicable law of Qatar.*

15. In accordance with article 11.1 of the Rules, and consistently with the above observation of the Appellate Division, I determine that the applicable law in this case is the QFC laws and regulations in the absence of evidence of an exclusion agreement.

16. I should add that the principal legal issues are governed by materially similar principles under both the QFC laws and regulations and the Civil Code upon which the parties rely. Indeed, party autonomy, privity, good faith, and consent to arbitration are general principles of law codified in the statutes of most civilised nations, Qatar, including the QFC, being no exception.

The insurance policies relevant to the claim

17. The Claimant provides no breakdown of the global amount of QAR 4,634,423 it claims under the five insurance policies. Exhibit OH-24 (revised) to the witness statement of Mr Hadid provides the following breakdown, said to be extracted from the Claimant's statement of account of outstanding premiums, which I find helpful and adopt in the absence of an objection from the Claimant:

			QAR
	Contractor's Plant and Machinery "Vehicle-Fleet-Comprehensive"	75/VF/30460	3,489,143
	Plant All Risk	75/EP/30038	76,076
	Motor Comprehensive	75/VF/911000170	63,882
	Motor Third Party Liability	75/VX/911000085	688,881.00
	Property All Risk (Villas)	75/FA/30542	4,652

The Defendant's jurisdictional challenge

<u>Background</u>

18. It is important at the outset to identify the limited scope of the jurisdictional challenge. It concerns only the first two insurance policies in the table above, namely, Contractor's Plant and Machinery "*Vehicle-Fleet-Comprehensive*" and Plant All Risk cover. The Defendant does not contend that the other three policies are covered by the arbitration agreement included in the Takaful Policy (as defined later in this Judgment).

19. Article 19 of the Rules provides, in relevant parts, as follows:

> *19.1 If a Defendant wishes to challenge the jurisdiction of the Court, it must notify the Registry and the Claimant within 14 days of being served with the Claim Form.*
>
> *19.2 A Defendant who wishes to challenge the jurisdiction of the Court must file an Application Notice with the Registry and serve it on the Claimant and any other parties, together with any supporting evidence, within 14 days of the notification specified in the previous Article.*

20. The Defendant was served with the Claim Form on 23 February 2026 and filed a jurisdictional challenge by way of an Application Notice on 16 March 2026. Accordingly, for the purposes of article 19 of the Rules, and taking into account a 7-day extension that the Court Registry had granted the Defendant, I determine that the jurisdictional challenge is admissible.

21. The Defendant asks the Court to determine its challenge to jurisdiction in respect of the CPM Policy, being the policies appearing in the first two rows in the table above. The CPM Policy represents the majority of the claim's quantum, amounting to QAR 3,565,219.

22. The Defendant relies on "*Condition 15*" of a document titled "*Contractor's Plant and Machinery Insurance – Policy No. 1 C05 2024 00005*" (the '**Takaful Policy**') issued by General Takaful to "*M/S AL Jaber Engineering Company W.L.L. &/or Subsidiary &/or Associated Companies*".

23. Condition 15 of the Takaful Policy provides as follows:

> *15. Arbitration*

> *If any difference arises out of this Policy the Company shall immediately notify the Insured in writing of his right to refer the difference to arbitration Such difference shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by the Arbitrators before entering upon the reference The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company If the Company shall disclaim liability for any claim hereunder and such claim shall not within twenty four calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.*

24. According to the Defendant, the CPM Policy was issued by General Takaful on the basis of contractual wording provided by the Claimant. To that end, the Defendant points to a near identity between the renewal terms sent by the Claimant to the Defendant and those issued in the Takaful Policy.

25. Further, the Defendant submits that General Takaful issued the CPM Policy in its capacity as a representative for the Claimant (نائب في التعاقد), thereby allowing the Claimant to avoid the restrictions imposed on QFC companies, which, according to the Defendant, are prohibited from directly conducting their activity for the benefit of public projects within the State of Qatar.

26. According to the Defendant, this is evidenced by the list of vehicles insured by General Takaful which the Defendant says are, but for three, the same vehicles that the Claimant itself alleges to have insured.

27. The Defendant notes that the policy referenced 75/VF/30460, upon which the Claimant is suing, carries no operative wording of its own. Instead, it only provides "*As Per Standard Plant All Risk Insurance and its Relevant Endorsement and Clauses (Munich Re)*", which was not produced by the Claimant notwithstanding the Order of the Court issued on 23 July 2026 (the '**Disclosure Order**'). The Defendant submits that the only instrument that contains that Plant All Risk wording is the Takaful Policy which contains the arbitration agreement in condition 15, on which the Defendant relies.

28. The Defendant asks that an adverse inference be drawn from the Claimant's defective document production, that all the terms of the Takaful Policy, including the arbitration clause, be deemed imported into the Claimant's "*Renewal Schedule*" bearing reference number 75/VF/30460/0/201 and, therefore, be deemed binding on the Claimant. The Defendant therefore submits that this Court lacks jurisdiction to rule on the Claimant's claim in relation to the CPM Policy.

29. The Claimant denies either being privy to the Takaful Policy or bound by its terms. According to the Claimant, the binding effect of the arbitration clause is limited to the parties to the Takaful Policy, which are General Takaful and the Defendant.

30. The Claimant further avers that by paying, in full and without objection, the premium invoices issued by the Claimant, the Defendant should be considered to have acknowledged the direct contractual relationship between the Claimant and the Defendant and, therefore, the Claimant's entitlement to claim payment of the premiums.

31. The Claimant also submits that arbitration is an exceptional method of dispute resolution based on a departure from the jurisdiction of the ordinary courts and, as such, its scope should not extend to a contract that does not contain an arbitration agreement. It maintains that the legal relationship between the parties is governed solely by the insurance certificates on the basis of which it brings its claim.

Analysis and decision

32. In a typical Beckettian setting, General Takaful occupies a central place on the stage but is not a party in these proceedings. Indeed, neither party sought its intervention, joinder, or the taking of any form of evidence from it.

33. The CPM Policy that General Takaful has issued to the Defendant is the basis of the jurisdictional challenge. It is common ground that, since at least 2023, General Takaful's intercession at the instigation of the Claimant, and with the approval of the Defendant, permitted the Claimant – then unlicensed by the Central Bank of Qatar – to provide the insurance coverage that the Defendant needed, through the "*fronting*" of General Takaful, a licensed entity. Whilst neither party cared to adduce documents evidencing the relationship between them before the issue in 2024 of the specific

renewal policies for which premiums are claimed in this proceeding, both parties accepted at the hearing that the current structure of the CPM Policy being issued through General Takaful while the other policies were directly issued by the Claimant had been in place since at least 2023. Whilst the Defendant referred to that structure as "*unlawful*", it declined at the hearing, upon a question from the Court, to seek the nullity of the insurance policies. Thus, no claim of illegality is put before this Court and I see no sufficient evidence of a violation of the QFC public policy that would warrant raising that issue at the initiative of the Court.

34. In particular, I have considered the correspondence exchanged between the Claimant and General Takaful, showing an arrangement in connection with the renewal of the CPM Policy. Under that arrangement, General Takaful would issue insurance certificates covering the Defendant's activity, in exchange for a "*fronting fee*" of QAR 36,500, with the Claimant bearing 100% of the related insurance risk.

35. The record shows that the Claimant has consistently claimed the CPM Policy insurance premiums directly from the Defendant, and the Defendant has paid those premiums to the Claimant. That was the case in 2023. It continued in 2024 until the Defendant stopped paying the premiums amid a cash flow crisis, as indicated by its Head of Treasury and a downsizing policy, as evidenced in Mr Hadid's witness statement. This default triggered the cancellation of the coverage.

36. Specifically, whilst the correspondence between the Claimant and General Takaful shows that the Takaful Policy incorporated to a large extent contractual terms provided by the Claimant, there is no evidence in the record of an intention of the Claimant to be bound by an agreement to arbitrate that would displace the jurisdiction of this Court. As conceded by the Defendant at the hearing, leading to an amendment of Mr Hadid's witness statement, the wording submitted by the Claimant in the quotations provided to, and approved by the Defendant, *does not* contain an agreement to arbitrate.

37. I am not prepared to infer from the gaps in the Claimant's document production that the arbitration agreement in condition 15 inserted in the Takaful Policy should be deemed included in the contractual documentation provided by the Claimant to General Takaful for the purpose of the issue of the Takaful Policy.

38. I should add that none of the legal grounds capable of extending the scope of an arbitration agreement *ratione personae* to a non-signatory has been established by the Defendant. Whilst each case turns on its own facts and merits, those grounds are generally considered to include, without limitation, agency, *alter ego*, piercing the corporate veil, estoppel, succession, assignment and other forms of transfer of obligations.

39. Having thus found no arbitration agreement binding upon the Claimant, whether under article 7 of the Qatar Arbitration Law, upon which the Defendant relies, or under article 10 of the QFC Arbitration Regulations 2005, I dismiss the Defendant's jurisdictional challenge.

The claim for premiums owed by JH Construction LLC

Background

40. The Defendant objects to part of the claimed premiums on the basis that some insurance certificates have been issued for a different insured, JH Construction LLC ('**JH Construction**'), which the Defendant describes as a separate legal entity.

41. The Defendant also notes that the Claimant's own books treat the two companies as separate, with a separate client code and separate statements of account. At the hearing, the Defendant denied having in the past paid premiums owed by JH Construction to the Claimant and put the Claimant to strict proof of the same.

42. In response, the Claimant refers to correspondence, which it acknowledges having omitted to adduce, in which the Defendant undertook to settle the premiums due by JH Construction. It further submits that, in any event, by paying premiums owed by JH Construction in 2023, the Defendant should be deemed to have admitted its liability to pay those premiums.

Analysis and decision

43. The Claimant's case in this regard has been particularly confused. What started in the Claimant's Reply to Defence as an open question, became, at the hearing, an unequivocal assertion that JH Construction is a branch of the Defendant. When confronted with the evidential record showing a corporate registry extract with an incorporation number for JH Construction that is different from that of the Defendant,

the Claimant precipitously changed its position and contended that the existence of common shareholders for the two entities, combined with past payments of premiums made by the Defendant on behalf of JH Construction, create a legally binding obligation on the Defendant to continue paying premiums owed by JH Construction.

44. At the hearing, the Claimant conceded that it did not adduce evidence supporting its allegation of past payment by the Defendant of premiums owed by JH Construction and offered to do so after the conclusion of the hearing.

45. Having reviewed the evidence, I note that the correspondence shows that the Defendant's and JH Construction's debts were discussed together. However, each was presented under a distinct heading. Rather than evidence that the Defendant had committed to settle all premiums due by JH Construction, I consider that the correspondence simply records that the Defendant's and JH Construction's respective positions with the Claimant were discussed and processed together for reconciliation purposes.

46. The Claimant, on which lies the onus of proof, has adduced no evidence of any guarantee or joint liability amongst co-debtors binding the Defendant to honour JH Construction's debts. No argument, let alone one that is properly evidenced, is advanced to pierce the corporate veil between the two separate companies. The Claimant's offer to adduce further evidence after the conclusion of the hearing comes late and is inadmissible for want of any plausible justification of why allegedly readily available evidence has not been adduced when due.

47. That said, the impact of the absence of such evidence – were it to exist – ought not to be overestimated. Even if the Defendant had paid in the past, from time to time, premiums owed by JH Construction to the Claimant, there must be some form of a third-party legal undertaking to pay all premiums owed by JH Construction to the Claimant in order for this Court to hold the Defendant liable for the same. One or more voluntary payments of another person's debt cannot, without more, support an inference of a perpetual, irrevocable undertaking to discharge that person's future debts.

48. Therefore, I decide that the Claimant is not entitled to seek to recover the premiums owed by JH Construction from the Defendant. Accordingly, the Claimant's claim

arising from insurance premium allegedly owed by JH Construction, corresponding to QAR 314,597.08 is dismissed.

The alleged lack of evidentiary value of the Claimant's documents

Background

49. The Defendant argues that the documents relied upon by the Claimant, and in particular Document 3 appended to its Statement of Claim (the '**Insurance Certificates**'), have no evidential value because they bear no signature attributable to the Defendant and contain no indication that it had approved them.

50. The Defendant relies on decisions of the Qatari Court of Cassation to the effect that a copy of a "*customary document*" has no evidentiary value unless it leads to the original. The Defendant avers that if the original does not exist, then the copy cannot be relied upon if contested by the party against whom it is invoked.

51. The Defendant contends that the Claimant neither signed nor delivered any policy of its own for the CPM cover. Therefore, the Defendant submits that there is no contract of insurance between the Claimant and the Defendant on which the Claimant's action may rest.

52. Moreover, the Defendant submits that insurance companies registered in the QFC – such as the Claimant – are only permitted to carry out general insurance in the QFC and are not permitted, under Council of Ministers Resolution No. 23 of 2019, to conduct their business directly in relation to public projects within the State of Qatar, "*particularly with entities such as the Public Works Authority*". The Defendant further refers to Fatwa No 3-11/3361, 2008 and the Central Bank of Qatar Law No. 13 of 2012 to the same effect. The Defendant notes that the Claimant is not licensed by the Central Bank of Qatar.

53. In response, the Claimant relies on articles 20.1 and 26 of Law No. 16 of 2010 (the Electronic Transaction and Commerce Law) according to which "*data message[s]*" are legally effective, valid and enforceable, with their evidentiary weight falling to be assessed depending on the process and circumstances of their generation, storage and communication, and the maintenance of their integrity. The Claimant avers that, under Qatari case law, printouts of exchanged electronic messages shall enjoy probative value

even if they lack the parties' signatures. The Claimant asserts that the agreement with the Defendant was concluded via email correspondence, specifically the Insurance Certificates, therefore falling within the scope of the Electronic Transaction and Commerce Law.

Analysis and decision

54. Having considered the parties' arguments as to the alleged invalidity of the Insurance Certificates for want of production of a signed original, I note that the Insurance Certificates as exhibited to the Statement of Claim, albeit not included in the trial bundle, have been signed and stamped by the Claimant, and that the Defendant does not allege that the Insurance Certificates have not been delivered. On their face, the Insurance Certificates bear all the hallmarks of authentic contractual documents, albeit in electronic form. In addition, I note that, at the hearing, the Defendant confirmed that it did not seek a declaration that the Insurance Certificates were void for breach of the applicable regulation.

55. Further, as to the Defendant's argument that the CPM Policy is unsubstantiated and falls foul of the licensing requirements in force in Qatar, I note that the Defendant was content with both the existence and the validity of that policy when discussing the Claimant's involvement with QatarEnergy. QatarEnergy itself simply noted that it would subject all the insurance certificates submitted by the Defendant to evaluation on a case-by-case basis, and the Defendant was content to benefit from the Claimant's insurance cover throughout the period when it was effective without raising the licensing issue.

56. On the evidence and in light of the parties' conduct, I find that the Defendant fails to establish a case of nullity or unenforceability of the policy documents. The Claimant is therefore entitled to rely on those documents.

The determination of the premiums owed by the Defendant to the Claimant

Background

57. The Defendant argues that the Claimant's Notice of Cancellation dated 4 September 2024 breached article 25 of the Takaful Policy, "*Condition 14*" of the Takaful Policy, and articles 171, 183, 184 of the Civil Code, which do not permit a unilateral, retroactive rescission of a contract. The Defendant also submits that for continuous

contracts, such as insurance contracts, the "*restoration*" provided for under article 185 of the Civil Code requires the insurer to refund part of the premium on a pro-rata basis corresponding to the unutilised portion of the policy. The Defendant contends that the insurance premium for October 2024 claimed by the Claimant should be rejected on account of the Notice of Cancellation purporting to become effective on 1 September 2024.

58. At the hearing, the Defendant confirmed that it was not asking the Court to rule that the Notice of Cancellation and the ensuing termination were unlawful or otherwise ineffective, with the result that the insurance coverage continued beyond the Notice of Cancellation. Rather, the Defendant submitted that it only sought dismissal of the Claimant's claim for insurance premiums beyond 1 September 2024.

59. In addition, the Defendant avers that the figures put forward by the Claimant do not accurately represent the financial position between the Parties. It argues that, even taking the Claimant's own figures and its own cancellation date of 1 September 2024, the premium earned on the three covers – CPM programme, motor comprehensive and Property All Risks – to 1 September 2024 is QAR 2,105,408. According to the Defendant, this amount was entirely offset by the QAR 2,500,000 it paid to the Claimant on account. Applying the Claimant's own credit notes, the Defendant avers it is owed by the Claimant QAR 397,934.49.

60. Furthermore, the Defendant claims that the Claimant's claim under the MTPL policy should fail, because the Claimant produced no operative wording for that policy, and this policy is non-cancellable unless the vehicle is shown to be insured elsewhere. The Defendant therefore avers that pro-rata calculation is impossible. The Defendant further avers that, were the MTPL policy to be treated as established and taken at its full annual tariff, the outstanding figure would be QAR 290,946.51 only.

61. The Claimant submits that the Defendant's allegation that the policy was cancelled from 1 September 2024 is unsupported by evidence, as the Claimant only issued reminders for the due payment of the outstanding premiums.

62. The Claimant also relies on correspondence between the parties in which the Defendant requested additional time for payment but refrained from raising a reservation regarding

the amounts claimed. The Claimant infers that this conduct should be held to amount to an acknowledgement by the Defendant that the amounts sought are due.

Analysis and decision

63. There are two issues falling under this heading and impacting the determination of the premium owed by the Defendant to the Claimant. They are the effectiveness of the cancellation of cover, the existence of the MTPL policy and any pro rata premium due thereunder. I shall address those two issues successively.

64. The Claimant's Notice of Cancellation provides in relevant part:

> *Subject: Notice of Cancellation*
> *Policies Insured :*
> *CONTRACTORS PLANT AND MACHINERY*
> *MOTOR FLEET - THIRD PARTY*
> *VEHICLE - FLEET – COMPREHENSIVE*
> *PROPERTY ALL RISKS*
> *[…]*
> *We are now left with no other option than to serve the NOC with deadline of 5 (Five) working days from the date of this letter.*
> *[…]*
> In view of the above situation kindly note if we do not receive any response within the notice period, we will have to proceed with policy cancellation effective 01st September 2024 without any further notice, in addition to depositing both cheques in hand on 12th Sept 2024 and blocking all claims. We will also initiate further legal proceedings for the overall outstanding with the competent authorities and as per the local laws to secure the full outstanding premiums.
>
> [Emphasis and colour in the original cited text].

65. I note that the Notice of Cancellation excerpted above, did not itself effect the termination of the insurance cover. Indeed, per its own terms, it provides the Defendant with an ultimatum of five working days at the expiry of which, absent a response, the Claimant "*will have to proceed with policy cancellation effective 01st September 2024 without any further notice*".

66. The record shows no response from the Defendant that would have prevented the Notice of Cancellation from becoming effective. Therefore, the ultimatum provided in the

letter must be taken to have produced its effect as a cancellation, at the stipulated effective date of 1 September 2024.

67. At the hearing, the Defendant replied to a question from the Court, by indicating that it is not asking for the termination to be nullified and for the insurance cover to continue. Instead, it asserted that it sought only a determination that no premium was payable beyond the effective cancellation date falling 1 September 2024.

68. It is difficult to see how the Defendant could invoke the Takaful Policy against the Claimant when the latter is not privy thereto. Whilst article 26 of the "*Renewal Schedule*" provided by the Claimant to General Takaful under reference 75/VF/30460/0/201 provides for "9*0 Days' Notice of Cancellation Clause from Both Parties On Pro-Rata Basis*" in identical terms to those of article 25 of the Takaful Policy, none of the parties has argued that those terms – which, on their face, are meant to apply to termination for convenience, rather than for breach – should qualify the Notice of Cancellation, which was served for breach.

69. As to the Claimant, the very terms used in the letter indicating that cancellation shall follow the expiry of the set period, without any further notice, are inconsistent with any attempt to deny the letter its intended cancellation function.

70. Having reviewed the above, it clearly emerges that there is little difference between the parties' respective positions. The Claimant's position, as contemporaneously expressed in the Notice of Cancellation, is that the cancellation would become effective on 1 September 2024 absent a response from the Defendant within the notice period. That reality is not displaced by the Claimant's belated and unpersuasive assertion that the Notice of Cancellation should be construed only as a payment request. As to the Defendant, it agreed at the hearing that the Notice of Cancellation should be considered effective as of 1 September 2024, but reiterated that the Claimant should not be entitled to insurance premiums beyond this date.

71. The parties' disagreement therefore concerns the premium accrued and payable on that date, an issue which falls to be adjudicated.

72. I therefore hold that the Claimant is entitled to recover insurance premiums for the policies issued to the Defendant, as listed in the Claimant's Notice of cancellation, up to 1 September 2024.

73. This includes the premiums up to that date due by the Defendant under the MTPL policy. At the hearing, the Defendant conceded that, throughout the period until the cancellation became effective on 1 September 2024, it considered that it was covered under the MTPL policy. The absence of production of the MTPL policy containing a pro-rata clause does not preclude a proportionate calculation of the premiums due to the Claimant for the period during which the cover remained in force when the existence of that policy was never questioned during its validity period. That result accords with commercial common sense and the parties' duty to act in good faith in the performance of contracts.

The Claimant's material and moral damages claim

Background

74. The Claimant claims damages for pecuniary and non-pecuniary (moral) loss arising from the Defendant's non-payment of the premiums. It quantifies those damages to the amount of QAR 800,000. In addition to various articles of the Civil Code, including articles 201, 202 and 264, the Claimant also relies on the scholarship of Al-Sanhoury to the effect that late payment interest, whether legal or contractual, is due in respect of monetary debts. The Claimant avers that its reputation was damaged as a result of the non-payment of the premiums, which impacted its customers' confidence, and prevented it from pursuing other businesses.

75. The Defendant objects on the ground that damages are accessory to a liability, which it denies.

Analysis and decision

76. At the hearing, the Claimant, answering a question from the Court, conceded that it has not evidenced the quantum of the loss suffered as a result of the non-payment by the Defendant of premiums owed under the insurance policies. It also conceded that it provided no breakdown enabling the Court to assess each head of claimed damages, whether pecuniary or non-pecuniary (moral).

77. I readily accept that delay in the payment of a money debt may result in a loss to the creditor. One form of such loss may indeed take the form, as the Claimant contends, of a deprivation of investment opportunities that it could have made in the counterfactual situation where the money owed would have been paid on time. Compensation for this sort of damage usually takes the form of the award of late payment interest, which is meant to cover the time value of money. Absent an agreement on a specific rate or index determining the interest, the legal interest rate at the place of payment would usually apply.

78. The difficulty in the present situation is that, whilst I have determined that the Claimant's legal entitlement to part of the premiums it claims in this action, the Claimant has not asked for late payment interest. Instead, it asks for damages bundled in an inextricable amalgam of unparticularised references to pecuniary and non-pecuniary (moral) damages. No evidence of the alleged missed opportunity to invest in other projects, the damage to the company's reputation or any similar loss has been adduced. The pleading does not even offer a separate assessment of the alleged pecuniary loss from that for alleged non-pecuniary (moral) loss. It is trite law that the two are different in concept, follow different rules and carry different consequences.

79. It is not for the Court to undertake the work incumbent upon the Claimant and its counsel. The claim for damages is therefore dismissed for want of particulars and of evidence.

The future course of the proceedings

80. I have determined in this Judgment all issues of liability and the principles governing the claim. The parties should now confer with a view to agreeing the quantum of the premiums owed by the Defendant to the Claimant. In doing so, they must take account of the sums already paid by the Defendant, reportedly QAR 2,500,000, which the Claimant is entitled to allocate only to premiums due from the Defendant, rather than those allegedly owed by JH Construction, and only in respect of the period from the inception of the renewal of the policy until 1 September 2024.

81. If, despite using their best endeavours, the parties are unable to agree, either party may apply to the Court for the determination of the quantum of the premiums owed to be determined.

Costs

82. Each party asks that the Court order the other party to pay its costs of these proceedings.

83. Article 34 of the Rules provides 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.*

84. Article 34.2 mandates that the unsuccessful party pay the costs of the successful party. In this case, the Claimant prevails on part of its claim, in relation to defeating the jurisdictional challenge and establishing its entitlement to premiums, on the basis of the electronic copies of the policies that it has adduced. Conversely, the Claimant failed to establish a case for its claim for premiums owed by JH Construction, premiums owed by the Defendant beyond the effective cancellation date, and any of the damages claimed. Whilst there is no clear winner, the Claimant essentially prevails on the bulk of its case.

85. Importantly, article 4.5 of the Rules provides that "[*I]t is the duty of the parties to any case before the Court to assist the Court in determining that case in accordance with the Overriding Objective*".

86. The overarching objective of the Court, as set out in articles 4.1 and 15.2 of the Rules, is to ensure that all matters submitted to it are determined in a just, expeditious and economical manner.

87. In these proceedings, neither party can be considered to have fully complied with that objective. In particular, the Claimant prolonged its unjustified resistance to complying with the Disclosure Order, requiring the Court to intervene repeatedly to order strict compliance with its orders. The Claimant advanced unparticularised arguments in relation to damages and, against obvious contrary evidence, in relation to the corporate status of JH Construction. Those were doomed to fail but still required the Court and the Defendant to incur significant time and expense in addressing them. The Defendant itself has maintained its rejection of the totality of the claim when the record shows that it was evidently content to enjoy the full benefit of the Claimant's insurance coverage for the QatarEnergy project before the change in the economic circumstances confronted it to a cash flow crisis as indicated by its Head of Treasury and compelled it to pursue a downsizing policy, as submitted by Mr Hadid in his witness statement. It also maintained, both in its witness evidence and in its submissions, that the arbitration agreement in the Takaful Policy had been dictated by the Claimant although there was no evidence to support that contention. The conduct of both parties largely contributed to making this proceeding much more complex, costly and time-consuming than the true facts of the case warranted.

88. Accordingly, in the exercise of its discretion under article 34.2 of the Rules, the Court considers it appropriate to order that costs lie where they fall, with neither party entitled to recover costs from the other.

By the Court,

[signed]

Justice Dr Georges Affaki

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

Representation

The Claimant was represented by Mr Musab Hamza of the Al-Mahmoud Law Firm (Doha, Qatar).

The Defendant was self-represented.