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

Emir of the State of Qatar

Neutral Citation: [2026] QIC (C) 9

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

COSTS ASSESSMENT

Date: 21 September 2026

CASE NO: CTFIC0007/2026

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

Claimant

v

ALJABER ENGINEERING COMPANY W.L.L.

Defendant

JUDGMENT

Before:

Dr Umar Azmeh, Registrar

Order

1. The Claimant is to pay the Defendant the sum of **QAR 47,005** within 7 days of the date of this judgment.

Judgment

Background

1. On 15 February 2026, the Appellate Division allowed the Defendant's appeal ([2026] QIC (A) 3), and set aside default judgment made in favour of the Claimant by the First Instance Circuit on 29 June 2025 ([2025] QIC (F) 28).

2. The Claimant had brought a claim against the Defendant for – among other things – unpaid insurance premiums in the sum of QAR 4,634,423. The Claimant averred that it had properly served the claim documentation on the Defendant. In the circumstances, the Defendant did not respond to the claim. Default judgment was entered for the Claimant on 29 June 2025 ([2025] QIC (F) 28).

3. The Defendant applied to set aside default judgment on the basis that the claim had not been served upon it and that it had a good defence. The Court declined to set aside the default judgment with its reasons given on 21 July 2025 ([2025] QIC (F) 33).

4. In a judgment dated 15 February 2026, the Appellate Division concluded that the Claim Form had not properly been served in accordance with article 18 of the Court's Rules and Procedures, setting aside default judgment ([2026] QIC (A) 3). The judgment directed that the Claimant pay the entire costs of the proceedings from 28 April 2025.

5. The Claimant subsequently applied to set aside the costs order of the Appellate Division. That application was dismissed as being "*wholly unmeritorious*" and the Claimant was directed to pay the Defendant's costs of the application on the indemnity basis ([2026] QIC (A) 8).

6. The parties were unable to agree the quantum of costs payable to the Defendant by the Claimant and therefore it falls to me to determine the quantum of those costs.

Submissions

7. The Defendant filed and served an application for its costs dated 4 May 2026, along with various exhibits. The total claimed is QAR 192,861 comprising both its internal legal costs (QAR 22,906), external legal costs comprising an outside law firm applying to dismiss enforcement proceedings brought by the Claimant and a seconded lawyer working for the Defendant on an in-house basis ("…*legal support provided through DMD Consult LLC, which seconded one of its counsel to assist the Defendant*…."; QAR 167,750), along with ancillary costs (QAR 2,205). The key exhibits comprised fee breakdowns, external legal support invoices and disbursement documentation.

8. In its response tendered through its lawyers, the Al-Mahmood Law Firm, dated 24 May 2026, the Claimant made inter alia the following points in contending that it should bear no costs at all:

   i. The fees incurred by DMD Consult LLC ought to be disallowed as this was effectively external legal advice tendered all whilst the Defendant was self-represented.

   ii. Any contract between a consultant and the Defendant for fees is not the responsibility of the Claimant.

   iii. The Defendant's fees are excessive, and the Claimant has incurred hardship and cost itself and therefore should not be required to pay further costs.

   iv. The documentation submitted by the Defendant does not sufficiently evidence the validity of the costs claimed.

   v. The error in the case was due to the default of Qatar Post and was not on the part of the Claimant; therefore, there is no causal link between the costs incurred and the Claimant's actions. Therefore, no costs should be awarded.

   vi. Costs must be compensatory and not punitive in nature. The Defendant did not incur any costs.

vii. There is no legal basis to compel the Claimant to pay any of the costs of the Defendant as the case continues before the First Instance Circuit.

viii. The Claimant merely exercised a legitimate right to litigate and the Defendant has not provided any documentation proving its entitlement to payment.

ix. The invoices submitted lack any sufficiently detailed breakdown.

x. The costs claimed are disproportionate and exaggerated.

xi. The documentation does not hold evidentiary weight to prove any payments were made.

xii. The consultant solicitor deployed by the Defendant is not sufficiently qualified to provide litigation services.

9. The Defendant filed and served a reply on 6 August 2026 along with various exhibits. It submits, inter alia, as follows:

i. The Defendant does not claim external legal costs and the consultant solicitor's costs come within the ambit of Practice Direction No. 2 of 2024 on Costs.

ii. The Claimant sought over QAR 5,000,000 in damages: the costs sought are not exaggerated set aside the value of the claim.

iii. The Claimant has simply set out unparticularised opposition and has not specified even one item which is said to be too high.

iv. The causation argument is irrelevant as the Claimant has been directed to pay the costs of the Defendant.

v. The assertion that the Defendant has not incurred any expense is contrary to Practice Direction No. 2 of 2024, and is not borne out by the evidence in this case.

vi. The legitimate right to litigate is not in any way abridged by a costs regime.

vii. The invoices/ledgers submitted have a significant amount of detail making it very clear what work was done and the time that the work took.

viii. The exhibits submitted by the Defendant do indeed confirm payment.

ix. The contentions that the Claimant makes regarding the qualifications of the consultant solicitor are neither here nor there as a party may be represented by anyone of its choice.

x. The costs of the assessment claimed are 19.5 hours at the litigant-in-person rate of QAR 100/hour in respect of the application and 17 hours at the new litigant-in-person rate of QAR 200/hour in respect of the reply (totaling QAR 5,350).

Approach to costs assessment

10. 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.*

11. 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.

12. *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.

13. 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*."

14. The relevant principles from the caselaw are now codified into Practice Direction No. 2 of 2024 (Costs) (the '**Practice Direction**'). Practice Direction No. 3 of 2026 (Litigants-in-Person – Hourly Rates) also sets the indicative hourly rate for a litigant-in-person at QAR 200.

Analysis

<u>The consultant solicitor</u>

15. The first key point to address is the position of the consultant solicitor who was assisting the Defendant on secondment, effectively acting in-house.

16. The Claimant seems to make the point (see paragraph 8(i)-(ii), above) that as the judgments record the Defendant as being represented by itself that it cannot claim fees for the seconded consultant solicitor i.e. for professional legal representation, and that any agreement between the Defendant and that consultant solicitor is not the responsibility of the Claimant. The Defendant, on the other hand, asserts that this cost should not be treated as the cost of an external lawyer, and that it should simply be treated as an "*expense*" of the litigation within the meaning of paragraph 11 of the Practice Direction.

17. The relevance of this, although the Claimant has not alighted upon it specifically, is the notification principle. In other words, in order for legal fees to be recoverable (legal fees in the sense of the use of external lawyers such as a law firm), the other party to the litigation must be put on notice that lawyers are acting (see *Fadi Sabsabi v Devisers Advisory Services LLC* [2023] QIC (F) 4, and *Aegis Services LLC v EMobility Certification Services and others* [2024] QIC (C) 2. This is so that parties to litigation have a clear understanding of their potential costs liability. In *Fadi Sabsabi* at paragraph 23, the Court noted as follows:

> *We also conclude that it would generally be contrary to the overriding objective of this Court ... to require a party ... to pay the legal costs incurred by the opposing party when that opposing party had given the impression that it was not legally represented…*

18. The Defendant's answer to this is that it was indeed self-represented. It was not represented by lawyers. It was and continues to be a litigant-in-person. Therefore, if the

impression was given that it was not represented by lawyers, that is correct because it was not.

19. Creative as this structure is, I find that the Defendant, in claiming the costs of the consultant solicitor, has breached the notification principle and therefore is not entitled to any of those costs.

20. The entire purpose of the notification principle, as set out very eloquently by the First Instance Circuit in the paragraph reproduced above, is that an unsuccessful party is not faced with a surprise bill at the end of the case having reasonably assumed that the other party to the litigation was self-representing.

21. There is no question that the Defendant gave the impression throughout the course of the case that it was represented itself, both in court proceedings, through written pleadings and on inter partes/court communications. It seems from its submissions that it was of the view that it was indeed self-represented, so there would have been no reason to give any other impression.

22. That said, in my view, the Defendant plainly enjoyed the benefit of external legal assistance. The precise method by which this external legal assistance is engaged, e.g. whether that is through a traditional engagement model with a law firm or whether there is a secondee purporting to act qua employee in my view makes no difference. The effect is precisely the same. The Defendant seeks to claim for legal assistance, all the while acting as a litigant-in-person (who at all material times could only claim QAR 100/hour), at commercial rates of QAR 1,500/hour.

23. Limiting the notification principle to legal assistance through a traditional lawyer-client engagement structure would allow a coach and horses to be driven through it by comparatively simple structuring by the very method deployed in this case.

<u>Internal costs</u>

Default judgment

24. 50.17 hours are claimed for the application to set aside default judgment. I have the benefit of a detailed ledger setting out the dates of the work, the name of the individual who conducted the work, along with the time taken.

25. As I have mentioned a number of times, where an unsuccessful party does not bother to undertake an analysis of a ledger carefully itself, this is not something I will do; rather, I will take a broad-brush approach to what in my view is reasonable (see for example *Sami Mahgoub Mustafa v Sharq Insurance LLC* [2025] QIC (C) 9 at paragraph 21).

26. All of the entries from 30 June 2025 to 21 July 2025 appear to me to be reasonably incurred. The work included reviewing the default judgment of the First Instance Circuit, investigating the service issued internally at the Defendant, liaising with the Court/Registry, preparing the application to set aside, reviewing the judgment which refused to set aside the default judgment and work ancillary to this task. Taking account of the fact that the Defendant appears carefully to have investigated the service issue which involved physically attending different places to ascertain whether or not service was indeed effected, I will allow 45 hours, with 6 hours deducted for the drafting of the application which, in my view, could have been done in 15 hours rather than 20. I will therefore allow 45 hours for the work concerning the default judgment application (rounded to the nearest hour) as reasonable for a total of **QAR 4,500**.

Appeal proceedings

27. The Defendant claims some 217.06 hours for a total of QAR 21,706. There are a number of matters that I will disallow:

    i. Work with "*prospective legal counsel and consultants*": the Defendant was self-represented and the work of the consultant has been disallowed per se above (8 hours).

    ii. Engagement of DMD Consult LLC: this time has been disallowed and therefore is not a reasonable sum to require the Claimant to meet (3 hours).

    iii. "*Working with the seconded in-house counsel from DMD to brief counsel …*": as noted, this time has been disallowed and work in relation to the consultant solicitor is not reasonable per se on this basis (21 hours).

iv. Service work relating to the appeal documentation: applications for permission to appeal are simply filed by email and do not require service; therefore, this time is not reasonably incurred (9 hours).

28. The remainder of the work broadly comprised the following:

i. Liaising with the Court.

ii. Reviewing the Claimant's documentation, including numerous exhibits.

iii. Internal liaison concerning the appeal.

iv. Further work on the service issue.

v. Drafting the application for permission to appeal.

vi. Considering the Claimant's memorandum.

vii. Preparing for and attending the appeal (I will allow the time on 23 January 2026 of preparation for the appeal hearing with seconded counsel as Mr Hadid, who conducted the matter on behalf of the Defendant, would have had to prepare in any event; any time sought in relation to this work by the consultant solicitor has been disallowed).

29. The Defendant claims 13 hours for preparation of the costs schedule and its transmission to the Claimant as part of the pre-cost assessment negotiations. This seems far too long in my view. For the preparation of the costs documentation, across a case of this nature, I am of the view that 6 hours in total is appropriate.

30. The total deductions that I have made are 48 hours in total which leaves, rounded to the nearest hour, 169 hours for the conduct of the appeal totaling **<u>QAR 16,900</u>**.

31. My view is that this represents a reasonable sum for the conduct of a comparatively difficult appeal with tricky issues of fact and law.

32. The Claimant's costs submissions were, unfortunately, not of the greatest assistance given that they largely contained broad assertations unsupported by evidence, legally irrelevant homilies and appeals to justice (for example the right to litigate, and that costs

awards are punitive), and legal errors (such as the assertion that a contract between an external lawyer and party to litigation is not a cost that can be met by an unsuccessful party per se, that the Defendant had not suffered any loss, that there is no legal/lawful basis to impose a costs order as the matter continues before the First Instance Circuit, and that I have the jurisdiction to award no costs at all, despite the Appellate Division ordering this very course of action).

Costs of costs

33. The Defendant has claimed 19.5 hours for the initial costs application (QAR 1,950) and 17 hours for the reply to the Defendant's response (QAR 3,400 at the new rate of QAR 200/hour for a litigant-in-person, applicable from 23 June 2026). The reply was far more detailed than the initial application. I also am taking care to reflect the fact that the preparation of the costs schedule has already been dealt with and much of that work would have fed into the costs submissions. I will award 4 hours in relation to the initial costs application (QAR 400) and 12 hours (QAR 2,400) for the reply which had to entail a review of the Claimant's comvoluted submission and the preparation of a response. This is a total of **QAR 2,800**.

Application for permission to appeal

34. The Appellate Division ([2026] QIC (A) 8) directed that the Claimant should pay the Defendant's costs of replying to the application the former made in relation to costs on the indemnity basis. The Defendant seeks QAR 1,200 comprising 12 hours of work. I will deduct the two hours that relate to the work alongside the consultant solicitor. The remaining 10 hours in my view is appropriate for this work for a total of **QAR 1,000**. The work – other than that I have deducted – is all reasonably incurred and in my also reasonable in amount.

Enforcement costs

35. The Defendant has claimed QAR 20,000 in enforcement costs incurred by an external legal firm, evidenced by an invoice. It submits that it was compelled to apply to dismiss Enforcement Request (No. 9810/2025) which the Claimant declined to withdraw. The Claimant has not bothered to comment on this item (indeed, it has not commented on any individual items sought by the Defendant). This appears to be a standard fee charged by a law firm to conduct an enforcement matter which, in my experience is

broadly in line with similar fees charged in the market. I therefore award the full amount sought: **QAR 20,000**.

Ancillary costs

36. The Defendant also seeks costs ancillary to the case comprising costs of serving documentation by Qatar Post, taxis to and from Court, and translation costs. All of these are evidenced with receipts, and I award them in full as reasonable in the sum of **QAR 2,205**.

Preliminary conclusions

37. The costs I am prima facie minded to award are:

    i. Set aside application: QAR 4,500.

    ii. Appellate proceedings: QAR 16,900.

    iii. Response to Claimant's costs application before the Appellate Division: QAR 1,000.

    iv. Enforcement fee: QAR 20,000

    v. Costs application: QAR 400

    vi. Costs reply: QAR 2,400

    vii. Ancillary costs: QAR 2,205.

    Total: QAR 47,405

Claimant's arguments applying to both sets of costs

38. Dealing briefly with the Claimant's arguments taken from paragraph 8, above:

    i. No costs have been awarded in relation to the seconded consultant solicitor.

    ii. The assertion, without more, that the costs sought are excessive is of no value. I have, as mentioned above, therefore taken a broad-brush approach and am satisfied that the costs I have awarded are reasonable.

iii. The documentation tendered by the Defendant in the costs process is comprehensive: there is no basis to state that it is not sufficient.

iv. The actions of Qatar Post to this exercise are legally irrelevant: the Appellate Division has made its costs order.

v. The costs awarded by this Court are compensatory in nature and there is no basis to suggest that this is punitive in any way: costs awards are limited to what is reasonable and this ensures their compensatory quality.

vi. There is a clear legal basis to compel the payment of costs by the Claimant: the article 34 of the Rules and Procedures and the order of the Appellate Division.

vii. There is absolutely no abridgement of the right to litigate. Indeed, the Claimant has continued to litigate having refiled the matter before the First Instance Circuit.

Reasonableness

39. As to the question of reasonableness under the Practice Direction:

i. The conduct of the Claimant was criticised by the Appellate Division. In essence, the view of the Court was that had the lawyers acted with due diligence and verified service properly, much of this litigation would have been avoided. The case has now in essence restarted. That conduct is to be deprecated.

ii. I have no evidence before me of any efforts made by either party to resolve the dispute without recourse to litigation or of any settlement offers.

iii. The Defendant has been entirely successful in this case.

iv. Proportionality:

a. The Claimant sought in excess of QAR 5,000,000. The costs sought by the Defendant, just under QAR 200,000, are a modest fraction of that total. Following my deductions, the total costs award will be under QAR 50,000: this is clearly at the lower end when compared with the total value of the case as put by the Claimant.

b. It is a matter that has been litigated vigorously by the Defendant and if it was an insignificant matter perhaps that would have not been the case. The importance of the matter is not entirely easy to gauge but at worse it is a neutral factor.

c. The case did have some complexity and difficulty, and it raised a novel point concerning service which was addressed – ultimately – by Practice Direction (No. 2 of 2026 – Default Judgment).

d. Following the deductions that I have made above, the time allowed is cleasly appropriate for a case of this complexity.

e. The Defendant's time has all been allowed at the litigant-in-person rate in force, and therefore the work has been undertaken appropriately.

40. Taking all of those factors into account, it is abundantly clear to me that QAR 47,005 is a clearly reasonable figure for the Defendant to be awarded by way of its reasonable costs in this litigation, which included an application to set aside default judgment, an appeal, opposing a costs application for permission to appeal, an application to oppose an ongoing enforcement action, and the costs assessment process. The Claimant is in my view lucky that external lawyers were not instructed by the Defendant with commercial rates charged: its bill might have run into the hundreds of thousands of QAR.

Costs process

41. This Court has been operational in its current iteration for 15 years. There is abundant guidance on its laws, rules, and processes, including on costs. All of the material, including Practice Directions and judgments, is in both English and Arabic.

42. It is simply not acceptable for parties to litigate before this Court and not understand how the process works. For example, asserting that no costs should be awarded at all belies a misunderstanding of how an order from the Appellate Division on costs binds me. Asserting that a company cannot or has not suffered any loss and therefore costs should not be awarded demonstrates that the Practice Direction directly applicable to this process has not been reviewed and also a further misunderstanding of how an order from the Appellate Division on costs binds me. A plea that any costs order that I make would be "*punitive*", belies a misunderstanding of the entire costs process along with a third a misunderstanding of how an order from the Appellate Division on costs binds me.

43. There are a number of tools available including indemnity costs that can be deployed by me in future to single out this type of conduct. Parties must be aware of these consequences.

Conclusion

44. The Claimant is to pay the Defendant the sum of QAR 47,005 within 7 days of the date of this judgment.

By the Court,

[signed]

Dr Umar Azmeh, Registrar

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

Representation

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

The Defendant was self-represented.