

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

Neutral Citation: [2024] QIC (C) 3

IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
COSTS ASSESSMENT

Date: 12 March 2025

CASE NO: CTFIC0002/2024

BOOM GENERAL CONTRACTORS WLL

Claimant

 \mathbf{V}

SHARQ INSURANCE LLC

Defendant

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Order

1. The Claimant is to pay the Defendant the sum of **QAR 157,000** forthwith by way of its reasonable costs.

Judgment

Introduction

- 1. On 22 July 2024, the First Instance Circuit (Justices George Arestis, Fritz Brand and Dr Yongjian Zhang) issued judgment in favour of the Defendant by striking out the Claimant's claims under article 31 of the Court's Regulations and Procedural Rules ([2024] QIC (F) 29). The Court also awarded the Defendant its reasonable costs against the Claimant on the indemnity basis.
- 2. The Claimant sought permission to appeal against the 22 July 2024 judgment, and on 16 October 2024, the Appellate Division (Lord Thomas of Cwmgiedd, President, and Justices Dr Muna Al-Marzouqi and Dr Georges Affaki) refused permission to appeal ([2024] QIC (A) 11).
- 3. This judgment is my assessment of the Defendant's reasonable costs, in accordance with the order of the First Instance Circuit dated 22 July 2024.

Approach to costs assessment

- 4. Article 33 of the Court's Regulations and Procedural Rules reads as follows:
 - 33.1 The Court shall make such order as it thinks fit in relation to the parties' costs of the proceedings.
 - 33.2 The general rule shall be that 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.
 - 33.3 In particular, in making any order as to costs the Court may take account of any reasonable settlement offers made by either party.
 - 33.4 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.
 - 33.5 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 necessary assessment will be made by the Registrar, subject to review if necessary by the Judge.

- 5. 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.
- 6. 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.
- 7. 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."

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

Submissions

- 9. The Defendant submitted its costs application dated 19 November 2024 which comprised a written submission, along with various factual and legal exhibits including the ledger of work that its lawyers had undertaken throughout the litigation.
- 10. The Defendant claims the following by way of costs:
 - i. QAR 174,998 by way of legal fees for the First Instance Circuit proceedings, comprising QAR 141,907.50 by way of solicitors' fees for Eversheds Sutherland (International) LLP, and GBP 7,000 (posited as QAR 33,090) by way of counsel's fees in respect of Mr Paul Fisher (4 New Square, London, UK).
 - ii. QAR 58,520 by way of costs for the preparation of the costs submission (plus QAR 5,000 in "anticipated costs").

Total: QAR 233,518

- 11. The Defendant sets out in its submission that all of the costs that it has incurred are reasonable and proportionate. It submits that whilst the matters were not complex, it had compiled a detailed and comprehensive skeleton argument, extensively reviewed all the relevant documentation, prepared a disclosure request and strike-out application, a hearing bundle, and also prepared for and participated in a hearing.
- 12. In justifying instructing counsel, the Defendant submits that assistance was required for "in-depth document reviews and strategic planning", the skeleton argument, and advocacy during the hearing, all of which it submits was crucial input.
- 13. The Defendant also notes that it only spent a total of 52 hours preparing for the entire case, and took the burden of undertaking work that ought properly have been the role of the Claimant e.g. preparing the hearing bundle. The Defendant points out that it tried to engage with the Claimant so that the bundle could be prepared properly, but that the Claimant did not engage.

- 14. The Defendant further submits that the division of work between a partner, associate and paralegal was appropriate and proportionate, with hourly rates that are commensurate with the market in Doha (QAR 3,710/hour for a partner, QAR 2,810 for an associate, and QAR 1,695 for a paralegal).
- 15. As far as the costs submissions are concerned, the Defendant has claimed some 27.4 hours of preparation, and deployed the same fee earners as in the substantive case. It submits that the document required account to be taken of "multiple streams of litigation", and that its size is proportionate to the case at hand. It notes that it had to review previous correspondence and documentation exchanged in the proceedings.
- 16. As to the conduct of the Claimant, the Defendant submits that it has been such that it has resulted in significant costs "which were wholly and entirely avoidable". It reveals that it sent the Claimant an offer "Without Prejudice Save As to Costs" offer (the 'WP Offer') on 3 July 2024, urging the Claimant to abandon its case on the condition that it paid its legal costs of at the time QAR 135,000. The Claimant ignored the offer, and the Defendant points out that its failure to accept was "objectively unreasonable".
- 17. The Claimant very disappointingly in light of the procedural history of this case as recorded in the judgment of the First Instance Circuit and the Appellate Division which noted that the Claimant simply ignored communication from the Defendant and the Registry, and ignored Court orders leading to its case being struck out again failed to filed and serve any submissions, despite an explicit invitation to do so. It simply ignored the email of invitation.
- 18. I therefore will assess these costs without any assistance from the Claimant and without the benefit of any submissions that it might have made in opposition to this costs claim.

Analysis

Hourly rates

19. As a preliminary, the rates that the Claimant is claiming – see paragraph 11, above – are in line with the professional rates for international law firms in Doha. This is made out from a number of costs judgments and I will therefore make no reductions to those headline rates (see by way of examples *Pinsent Masons LLP (QFC Branch) v Al-Qamra*

Holding Group [2018] QIC (C) 2018 at paragraphs 18-29, Dentons & Co (QFC Branch) v Bin Omran Trading & Contracting LLC [2020] QIC (C) 3 at paragraph 9, Whitepencil LLC v Ahmed Barakat [2024] QIC (C) 3 at paragraph 18, Eversheds Sutherland (International) LLP v Harinsa Contracting Company (Qatar) WLL [2024] QIC (C) 5 at paragraphs 14 and 18, Eversheds Sutherland (International) LLP v Gulf Beach Trading & Contracting WLL [2024] QIC (C) 12 and Eversheds Sutherland (International) LLP v Gulf Beach Trading & Contracting WLL [2025] QIC (C) 2).

Counsel

- 20. My view is that the instruction of external counsel was objectively reasonable in all the circumstances. Whilst this was not a highly complex case, there were points of law for example on arbitration and insurance that required ventilation. Paragraph 3.3 of the costs submission stated that the skeleton argument was produced "with the assistance of an external counsel" this is entirely reasonable. Moreover, although ultimately the claim was struck out on the grounds of non-disclosure, the points raised in the skeleton argument were required to be addressed by the Court.
- 21. This was a potentially significant case for the Defendant, and therefore I am of the view that it was plainly reasonable to instruct counsel. Furthermore, counsel instructed Mr Fisher (Call: 2012) was appropriately experienced and has, in my view, charged reasonably and in line with what commercial barristers of his experience would charge for this type of case, requiring a skeleton argument and attendance at a hearing. His fees are reasonable.
- 22. I therefore allow his fees in full in the sum of GBP 7,000 / QAR 33,090.

First Instance Proceedings

Early work

23. Eversheds Sutherland (International) LLP ('Eversheds') started work on the case on 2 June 2024; the firm had taken over conduct of the case from another firm who had been on record at the time the Defence was filed. This is the application for costs for the entire case from the Defendant.

- 24. From 2 June 2024 to 25 June 2024, Eversheds among other things did work including the following: (i) reviewed the case, (ii) vacated the hearing and secured extensions of time, (iii) devised a case strategy, and (iv) filed and served a disclosure request. This expended some 11.3 hours of time for a total of QAR 33,363.
- 25. Having carefully reviewed the ledger, I am of the view that it is reasonable to claim for all of that time. There is no claim for any costs prior to the involvement of Eversheds (e.g. the work that would have been done by the previous firm including receiving the Claim Form and Statement of Claim, liaising with the client, corresponding, document review, and drafting the Statement of Defence), and therefore there is no prejudice, duplication or double counting for work claimed by Eversheds on behalf of the Defendant.
- 26. Moreover, the bulk of the work in this phase, just under 8 hours, was done by a paralegal and junior associate, with necessary and limited partner support. One should also not lose sight of the fact that in that limited time, having conducted a proper review of the case, Eversheds had correctly identified that the crux of the case was at that stage the lack of disclosure (such lack of disclosure that ultimately resulted in the case being dismissed). I therefore award the full costs of **QAR 33,363** in this phase of the proceedings.

Offer and eBundle

- 27. On 3 July 2024, the WP Offer was made to the Claimant. The offer in substance was that the matter should be settled with the Claimant meeting the Defendant's costs at that stage in the sum of QAR 135,000. Narratives which mention the WP Offer amount to some 10.8 hours, totaling approximately QAR 26,942.
- 28. The WP Offer is just over one page of A4. I will allow some time for discussion of an offer with both the partner in the matter and counsel. The offer was a suggestion that the claim be settled just for the Defendant's costs. The discussion behind the offer would inevitably have involved a discussion of the merits of the dispute and likelihood of success, bearing in mind the potential disclosure issues. The division of work here was also appropriate with the large majority of the WP Offer work being conducted by a paralegal and junior associate. However, 10.8 hours is not reasonable in my view. The

- offer was short and would have taken little time to draft. I will allow around half the amount claimed as reasonable: **QAR 13,500**.
- 29. The directions given in the case were that an eBundle ought to be prepared. This is a standard direction. The Claimant is to take the lead in preparing any bundle as they are the party that brings the case. Unfortunately, in this case, the Claimant completely ignored this obligation. Despite emails requesting agreement and clear directions, the Claimant totally abrogated its responsibility to the Court, seriously breaching its duty under the Overriding Objection to assist the Court in dealing with the case justly. In those circumstances, the Defendant prepared the entire eBundle without the input of the Claimant. Narratives which mention the eBundle amount to some 10.5 hours, totaling approximately QAR 24,486.
- 30. The eBundle is helpful and comprehensive, and the Court derived much assistance from it. This was work that ought to have been led by the Claimant, who was in possession of the relevant documentation that the Defendant had to obtain given the Claimant's non-cooperation. Again, the majority of the work on the eBundle was conducted appropriately by a paralegal, followed by the junior associate, with minimal partner input. Taking account of the complete non-cooperation of the Claimant, I will allow a little over 8.5 hours of the 10.5 hours claimed for the work on the eBundle (encompassing collating the documentation, attempting to liaise with the Claimant, securing documentation from other sources given the Claimant's silence, corresponding with the Court etc) for **QAR 20,000**, rounded down to the nearest ten.

Skeleton argument

31. There are, on the ledger, a number of entries that note work on the skeleton argument. These amount to 7.6 hours. As noted above, the submission states that counsel was instructed to "assist" with the skeleton argument. Whatever work counsel conducted on the skeleton argument, the maximum amount of time that Eversheds spent on the document must be 7.6 hours, and this included liaising with counsel and brief internal meetings on this crucial document. My view is that this eminently reasonable. It is worth noting again that the Claimant did not bother to submit a skeleton argument. All the other items of work noted in the narratives relating to the skeleton argument are reasonable in my view (e.g. considering disclosure order from the Court, reviewing and

amending the strike out documentation, and contacting the Court). I therefore allow those 7.6 hours amounting to **QAR 20,926**.

Miscellaneous work

32. Other work falling outside of the categories noted above include liaising with the Court, meetings with counsel, engaging with a translator, the strike out application and preparing instructions to counsel. For these items I award **QAR 12,000**.

Preliminary figure

33. Therefore, for the First Instance proceedings up to the end of the hearing, I award **QAR**132,249 by way of the Defendant's reasonable costs.

Costs

- 34. Eversheds has claimed a total of 24.1 hours for QAR 58,520 for the preparation of this costs submission.
- 35. The application for costs is a short one, some 8 pages including the head page bearing the case name and other details etc.
- 36. There is an email communication to the Claimant dated 13 August 2024 which invites in accordance with the First Instance Circuit's judgment the Claimant to satisfy the Defendant's costs in the sum of QAR 174,000. It warns the Claimant that failing to satisfy the costs will result in a formal application for costs. The Claimant clearly did not satisfy the costs order and therefore this application became necessary.
- 37. The division of work was appropriate, with the junior associate taking on the bulk of the work supported by a paralegal and with some minor partner involvement. However, with a straightforward case and short set of documents for this costs submission. My view is that the sum claimed is simply far too high. I will award **QAR 24,751** as a reasonable sum for the preparation of this submission which comprises approximately 6 hours for the junior associate, 2 hours for the paralegal with 1 hour of partner support.
- 38. The Defendant also claims QAR 5,000 by way of "anticipated costs". I cannot make this type of award as these costs are not incurred.

Reasonableness

- 39. I have therefore arrived at a preliminary total figure of QAR 157,000, which includes all work conducted leading up to the hearing inter alia case preparation, devising a strategy, instructing counsel, work on the skeleton argument, the WP Offer, sole preparation of the eBundle, the disclosure request, and preparing the strike out arguments, along with counsel's fees. This figure also includes preparation of the costs submission. My view is that this sum is entirely reasonable for the reasons below.
- 40. The conduct of the Claimant is to be deprecated and was criticised by both the First Instance Circuit and the Appellate Division. It did not engage with Eversheds. It ignored a proper request for disclosure from the Defendant. It ignored correspondence from the Court directing disclosure, including a formal Court order. It did not prepare the eBundle and had no input in its preparation, despite it being its primary responsibility. It did not file a skeleton argument. Indeed, it was the Claimant's inactions that led to the claim being dismissed. The Defendant did in its WP Offer seek to avoid litigation. That comprised a reasonable settlement offer the costs that I have awarded the Defendant for the First Instance proceedings exceed that what was offered. The Defendant also attempted to avoid these costs proceedings by inviting payment in July 2024. None was forthcoming. The Claimant ignored these offers. The Defendant has been entirely successful and indeed had the claim dismissed.
- 41. I am also of the view that QAR 157,000 is entirely proportionate: the Claimant sought QAR 600,000 plus costs. These costs of defending the proceedings comprise around 25% of that sum. It was also an important piece of litigation for the Defendant, who provides insurance for fatal accidents at the workplace: it is important that these payments are made appropriately, fairly and correctly, and this was at the heart of this litigation.
- 42. The matters were not unduly complex; however, the time spent on the case along with the division of work and the preliminary figures above are following my deductions entirely appropriate for a case of this nature and therefore reasonable in my view. As I am of the view that the sums awarded are all proportionate, the question of indemnity costs does not arise.

Note on conduct

- 43. It is disappointing that the Claimant did not engage in the cost assessment process. This is for two reasons in particular: (i) I did not have the assistance of any submissions in opposition to the costs claim, and (ii) this is precisely the type of conduct that led to the claim being dismissed in the first place and the criticism of the Claimant and its lawyers made in the judgments of the First Instance Circuit and Appellate Division.
- 44. Parties coming before this Court along with lawyers simply must understand that ignoring the Court's processes and procedures, and simply not engaging when they do not wish to do so is not acceptable. This type of conduct simply serves by and large to worsen situations for parties that choose this path.

By the Court,



[signed]

Mr Umar Azmeh, Registrar

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

Representation

The Claimant was represented by the Fahad Kaldari Law Firm (Doha, Qatar).

The Defendant was represented by Mr Paul Fisher of Counsel (4 New Square, London, UK) and Eversheds Sutherland (International) LLP (Doha, Qatar).