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: [2025] QIC (F) 19

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

FIRST INSTANCE CIRCUIT

Date: 23 March 2025

CASE NO: CTFIC0059/2024

CLAIRE HOLLOWAY

Claimant

v

MBG CORPORATE SERVICES LLC

Defendant

JUDGMENT

Before:

Justice Fritz Brand

Order

1. The Defendant is to pay the Claimant the sum of QAR 6,586 forthwith.

2. The Claimant is directed to pay 50% of the reasonable costs incurred by the Defendant in these proceedings, the quantum of such costs to be determined by the Registrar if not agreed.

Judgment

Introduction

1. The Claimant, Claire Holloway, is a South African national who resides in the State of Qatar. The Defendant, MBG Corporate Services LLC, is an international corporate entity, established and licensed in the Qatar Financial Centre ('**QFC**') to render IT, tax and consultancy services. As the present dispute arises from an employment contract between an entity established in the QFC and its former employee, this Court has jurisdiction in terms of article 9.1.3 of its the Court's Regulations and Procedural Rules (the '**Rules**').

2. The employment contract between the parties came into existence through a written offer, signed on behalf of Defendant, conveyed to the Claimant on 29 January 2024, and which was formally accepted and signed by her on 1 February 2024 (the '**Contract**'). In accordance with the terms of the Contract, the Claimant was employed by the Defendant in the position of Assistant General Manager with effect from 29 February 2024 at a total monthly salary (including various allowances) of QAR 33,000. The Contract has no expiry date, but it provides for termination upon 30 days' notice by either party. It is common ground that, pursuant to this provision, the Contract was duly terminated by Defendant by 30 days' notice on 15 December 2024 with effect from 15 January 2025.

3. Immediately after receiving this notice of termination, the Claimant instituted her present claims against the Defendant on the very next day, that is, 16 December 2024. According to her Claim Form, the Clamant sought the following relief:

    i. Investigate the Defendant for violations of the QFC Employment Regulations 2020 (the '**Regulations**').

ii. Payment of the following amounts:

a. Salary for 1-15 December 2024: QAR 16,500.

b. Salary for one month notice period 15 December - 15 January 2025: QAR 33,000.

c. Deductions to be returned QAR 6,050.

d. Medical expenses: QAR 555.

e. Unused leave (pro-rated): QAR 26,085.

f. Transportation reimbursement: QAR 10,000.

g. Delayed start 12 February 2024 – 29 February 2024 (14 days): QAR 22,000.

h. Compensation for emotional damages incurred: QAR 99,000.

4. Since it became apparent from the Defendant's response to these claims that the matter could not be decided on the papers, it was referred to an oral hearing. Following upon the exchange of pleadings and skeleton arguments the oral hearing was conducted virtually on 9 March 2025. At the hearing the Claimant appeared in person while the Defendant was represented by Mr Rahul Kumar and Ms Tressa Maria, both of the International Law Chambers LLC. While the Claimant testified in support of her own case, two witnesses were called on behalf of the Defendant, Ms Iti Goel and Mr Sachin Jayachandran. Ms Goel is the Defendant's Director of Human Resources while Mr Jayachandran is the Defendant's Regional Head Business Development for Qatar, the UAE and India. Since the claim in paragraph 3(i) falls within the province of the Employment Standards Office, an investigation into the alleged contravention the Regulations will only be considered where relevant to the monetary claims in paragraph 3(ii).

Claims for salary arrears and leave

5. At the hearing it was common ground that the Claimant's claims referred to in paragraph 3(ii)(a) and 3(ii)(b), for her salary arrears between 1 December 2024 and 15 January 2025, had in the interim been paid by Defendant. Moreover, it was admitted on behalf of the Defendant that, in principle, it is liable to remunerate the Claimant for her unused leave referred to in paragraph 3(ii)(e) is admitted. What remains outstanding, so the Defendant says, is the settlement of the amount by agreement. The obvious question arising from these concessions is why this had not been done before the institution of these proceedings. The answer to this question, which may have an impact on costs, appears from the following explanation by Ms Goel in evidence:

> *32. On the day of 14 December 2024, around noon, I had called Claire to a cabin for discussion. I informed her that as she is aware that her performance is very poor and there have been no closures, it would not be possible for the organisation to continue her employment further. It was a very polite discussion. She immediately said "Terminate me" and left the room. Soon after she went downstairs. I was not sure if she has left the office or gone downstairs. After some time she was back on her desk. I again went to her desk and called her to the cabin. I told her that we would like to settle this amicably and we are ready to pay her dues of one-month salary in lieu of the notice period for her termination. To that she had replied that "You are the HR director and you know what needs to be paid".*
>
> *…*
>
> *35. On 15th December, during my second discussion with Claire, as I mentioned above, I had told her that we are ready to discuss on your settlement, but she immediately said that we will settle in court and left. There was no opportunity to discuss the settlement with her on the same day as she left the office. In my email dated 15th December it was clearly mentioned that settlement will be done with Full and Final settlement and she should coordinate with HR to finalise the settlement. She never contacted the HR.*

6. I have no reason to doubt the correctness of this explanation by Ms Goel. As we now know, the Claimant launched her claims out of this Court the very next day. But the obvious result is that the claims under this rubric has been overtaken by events.

Deductions from salary

7. As set out in paragraph 3(ii)(c) above, the Claimant's claim under this heading is for the sum of QAR 6,050. The Defendant does not deny that these deductions were made from the Claimant's salary over the period of her employment. Its answer is that these deductions were made in accordance with its employment policy on occasions when

the Claimant was late for work or on days when she took sick leave without presenting a medical certificate. In support of the allegations regarding its employment policy, the Defendant relied on its Employee Handbook (the '**Handbook**') which is an extensive document covering over 30 pages. The Handbook, which was annexed to the Defendant Statement of Defence, does in fact support these allegations in that it expressly provides that deductions can be made from the employee's salary on the basis that the employee is late for work or for sick leave taken without a medical certificate as part of disciplinary action against the offending employee.

8. Deductions from an employee's salary are governed by article 27 of the Regulations which provides in relevant part:

> *Article 27 – **No unauthorised deductions***
> *An Employer shall not deduct from an Employee's salary… unless:*
> *(1) the deduction or payment is required or authorised by law or regulation or the Employee's contract of employment.*
> *(2) the Employee has previously agreed in writing to the deduction or payment.*
> *(3) the deduction or payment is a reimbursement for an overpayment of wages or expenses; or*
> *(4) the deduction or payment has been ordered by the QFC Employment Standards Office, the Civil and Commercial Court or the Regulatory.*

9. It is clear to me that in this context the Defendant effectively relies on the provision in article 27 (1) that the deductions made were authorised by the Claimant's Contract. Pursuant to article 17 of the Regulations, the Defendant was obliged to provide the Claimant with a written contract "*which shall include at a minimum … any terms relating to hours of work… annual leave and sick leave… and any disciplinary rules*". Hence the Defendant is confined to terms that appear from the Contract.

10. Accordingly, the deciding question is whether the deductions made by the Defendant from the Claimant's salary were authorised by the Contract. Since the Contract is contained a three-page offer, its express terms are by their nature, rather sparse. They clearly contain no reference to deductions from salary. But that is not the end of the matter. Experience demonstrates that contracts of this kind often contain terms incorporated by reference to other documents. In this regard, we know that the Defendant relied on the Employee Handbook in its Statement of Defence.

11. In her Reply the Claimant denied, however, that she had ever seen this Handbook before it emerged as an annexure to the Statement of Defence. In fact, she said, she had asked for the Handbook, but it was never made available to her. From Ms Goel's evidence it then became clear that, since the Defendant was new in the QFC, the annexed Handbook pertains to employees outside the QFC and that thus far, so Ms Goel testified, "we *were unable to finalise the Handbook"* with regard to employees in the QFC. In short, the Claimant was therefore right in saying that there was no Handbook and thus no written policy that could be regarded as being incorporated by reference in her Contract. What Ms Goel relied on in her evidence instead, was that the Claimant was "*fully informed about the Defendant's policies and practices*''. The Claimant denies that she was so informed. But even if she was, it is plain to me that such information would not qualify as an incorporation by reference into a written contract in that, by definition, the reference itself has to be in writing. It follows that in my view the deductions made from the Claimant's salary were unauthorised and accordingly, she is entitled to payment of these amounts.

Medical expenses

12. As appears from paragraph 3(ii)(d), the claim under this heading is for the amount of QAR 550. The Claim is essentially based on the proposition that in terms of article 48 of the Regulations, the Defendant was obliged to provide the Claimant with medical insurance, and because it had failed to do so, she was unable to recover the medical expenses that she incurred from the insurer. The Defendant does not deny that the Claimant incurred these expenses. Nor does it deny that it did not provide the Claimant with medical insurance. Its answer to the claim is that, in terms of its Handbook, she was only entitled to reimbursement of these expenses upon submission of written proof that they have been incurred.

13. But I do not think this answer can be sustained. Firstly, it suffers from the same flaw as the deductions claim in that the Handbook relied upon by Defendant does not form part of the Contract. Secondly, I do not think it can be an answer to the Defendant's clear failure to comply with article 48 of the Regulations. Logic dictates that if the Defendant had complied with statutory obligation, the Claimant would have a claim directly against the insurer and the requirement imposed by the Defendant's policy

would not arise. In consequence I hold that the claim for medical expenses must be upheld.

Transportation reimbursement

14. The Claimant's claim under this heading is for the sum of QAR 10,000. The Defendant's answer to the claim is that it is not supported by invoices. This time I believe the defence rests on firmer ground in that it does not only rely on any policy contained in the Handbook, but also on the express terms of the Contract itself. In this regard clause 3E of the Contract provides that:

> ***Remuneration****: apart from remuneration you will be entitled to receive transport reimbursement for expenses incurred for official works on presentation of actual bills and other supporting documents.*

15. The Claimant's response to this defence is that, to the Defendant's knowledge she used Uber which did not provide her with written invoices or receipts. At the same time, she testified that she was told shortly after the commencement of her employment that she would not be reimbursed for Uber expenses. Yet she continued to do so regardless. In the circumstances I find that the claim for transportation reimbursement cannot succeed.

Compensation for the delayed start of employment

16. As appears from paragraph 3(ii)(g), the claim under this heading is for the sum of QAR 22,000, representing the Claimant's salary for 14 days between 12 and 29 February 2024. As a matter of mathematics, it is not easy to understand how one half of QAR 33,000 can be QAR 22,000, but be that as it may. As the factual basis for this claim the Claimant relies on the allegations that she was initially asked to join the Defendant "*earlier than the agreed-upon date"* but that *"after confirming the early start date, the Claimant's joining was subsequently delayed, leaving the Claimant without income for a period of 14 days."*

17. As pointed out by the Defendant in response, the agreement relied upon by the Claimant would be in direct conflict with the express provision of the Contract that the starting date of her employment would be 29 February 2024. Moreover, I think it virtually goes without saying that the vague allegations relied upon by the Claimant as the factual basis of this claim are insufficient to establish an agreement between the

parties that she would be remunerated from a date earlier than the date expressly agreed upon. It follows that in my view this claim is bound to fail.

Emotional damages

18. The claim under this rubric is for an amount of QAR 99,000 which is the equivalent, so the Claimant says, of three months of her salary. It is difficult to understand why the quantum of this claim was calculated in that way, in that appears to be no logical relationship between emotional damages, on the one hand, and any period of her monthly salary, on the other. But this does not detract from the real question as to whether an award of emotional or moral damages would be justified in this case.

19. In support of its contention that such an award would not be justified, the Defendant relied on authorities from various jurisdictions, including the Supreme Court of Texas, the Courts of England and Wales and the Supreme Court of the United Kingdom. But, as was cautioned in earlier judgments of this Court, the direct transplant of principles established in other jurisdictions onto the law of the QFC, should be embarked on with circumspection. This is particularly so in an area of the law where the approach to claims for general damages resulting from breach of contract in different jurisdictions do not correspond at all.

20. Fortunately, the Appellate Division of this Court has spoken. It did so in *Khadija Al-Marhoon v Ooredoo Group Company* [2023] QIC (A) 5 (paragraphs 62 and 63) when it said:

> *62. We agree that there are cases where moral damages should be awarded for injury to the feelings of a Claimant which goes beyond compensatory loss. In this Court, the issue will arise primarily in cases arising out of a breach of contract as the greatest number of disputes relate to contractual claims. We agree that in such cases moral damages for injury to the feelings of a Claimant can be awarded. However, considering the experience of other jurisdictions and in the absence of principles set out in law or regulation, it will be necessary for the Court in accordance with paragraphs 8 and 9 of Schedule 6 to the QFC Law (No. 7 of 2005) and article 11 of the QFC Civil and Commercial Court Regulations and Procedural Rules to delineate the applicable principles on a case-by-case basis. We consider that this should be done by having regard to conditions in Qatar and the position of the QFC and other bodies in Qatar as important international markets which set standards by seeking to give effect to international standards, as this Court explained at paragraphs 28-30 of its*

judgment in Prime Financial Solutions LLLC (Formerly International Financial Services (Qatar) LLC) v Qatar Financial Centre Employment Standards Office.

63. In our view, in determining whether an award of moral damages is to be made in a proportionate amount, regard must be had to the type of contract in issue and the conduct of the Defendant. In an employment contract the standards set by the QFC Employment Regulations 2020 and the QFC Employment Standards Office require employers to treat employees in accordance with the employment agreement and the applicable regulations when an issue relating to dismissal arises, as Ooredoo's HR Policy makes clear; in principle, an award of moral damages can therefore be made in respect of an employment contract. However, as not every breach of an employment contract in dismissing an employee entail injured feelings which should be compensated by an award of moral damages; there must be something in the conduct of the Defendant and in the degree of injury suffered by the Claimant which merits such an award. In the present case, we do not consider that the nature of the conduct of Ooredoo was such that it should have been marked by an award of moral damages. As we have found, it acted in breach of the Employment Agreement by not following the procedure it had set and did not keep any record, but it did attempt to reach out to the Claimant who did not respond as her employment contract required. We do not therefore consider the circumstances were such that an award of moral damages for injured feelings was appropriate.

21. The factual allegations advanced by the Claimant in support of this claim gave rise to detailed investigations that would otherwise be irrelevant. But in the view that I hold regarding the outcome of this claim, I find it unnecessary to narrate these investigations in all their lengthy detail. I will do so in broad outline only. One of the Claimant's complaints against the Defendant's conduct which allegedly caused her great stress, is that her monthly salary was consistently paid late. From the undisputed evidence of the Defendant, it appears that, during the course of her employment, she received her salary between the seventh and the tenth day of every month. The Claimant's case is that this is in conflict with article 26 of the Regulations which states that an employee's salary must be paid "*at least monthly*". But the complaint clearly derives from a misinterpretation of article 26 of the Regulations; namely, that the salary must be during the month in which it was earned. That is not what the article says. On a proper interpretation of article 26 of the Regulations, the Defendant acted in accordance with its provisions and the Claimant's objection is therefore misconceived. Her complaint that she was not provided with a written contract in compliance with article 17 of the Regulations is equally misplaced in that, in my view, the Defendant's written offer

which was accepted by the Claimant in writing complies with the provisions of article 17.

22. Her complaint that she was dismissed in retaliation because of her complaints against the Defendant is simply not borne out the evidence. Equally unsupported by the evidence is the Claimant's complaint that Ms Goel induced her to resign through threats that her services would otherwise be terminated. According to Ms Goel's testimony there was no reason for her to do so in that she knew that the Claimant's services could be terminated upon one month's notice which is exactly what Ms Goel did.

23. Because the Claimant's employment was terminated by notice in accordance with the terms of the Contract, as contemplated by article 23 of the Regulations, and not as a disciplinary matter in terms of article 24 of the Regulations, the reasons for her dismissal are not strictly relevant. But in so far as they may have oblique relevance to the claim for emotional damages, I am satisfied by the evidence of the Defendant's witnesses that she was dismissed by reason of her poor performance for which she received formal written warnings on more than one occasion. In all the circumstances I find is nothing in this case which meets the requirement in the *Khadija Al-Marhoon* case that "*there must be something in the conduct of the Defendant and in the degree of injury suffered by the Claimant which merits such an award".* It follows that in my view this claim cannot be sustained.

Costs

24. As to the costs of these proceedings, my first consideration is that although the Claimant had some success, I do not think it can be said that she was substantially successful in receiving what she claimed. In the ordinary course, I would therefore direct that there be no order as to costs with the effect that each party would have to pay her/its own costs. But in this case, I believe the Claimant behaved in a way that deserves the censure of this Court. When Ms Goel tried to settle the amounts owing to her, the Claimant's immediate reaction was to threaten court proceedings which she carried out the very next day. Intimidating tactics of this kind by an employee through invoking what has been described as the tyranny of litigation, must be strongly discouraged. For these reasons I propose to direct that the Claimant should pay 50%

of the reasonable costs incurred by the Defendant, the quantum of such costs to be determined by the Registrar if not agreed upon between the parties.

By the Court,

[signed]

Justice Fritz Brand

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

Representation

The Claimant was self-represented.

The Defendant was represented by Mr Rahul Kumar and Ms Tressa Maria of International Law Chambers LLC (Doha, Qatar).