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 (C) 4

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

COSTS ASSESSMENT

Date: 16 March 2025

CASE NO. CTFIC0035/2022

RUDOLFS VEISS

Claimant/Applicant

v

PRIME FINANCIAL SOLUTIONS LLC

1st Defendant

AND

INTERNATIONAL BUSINESS DEVELOPMENT GROUP WLL

Proposed Defendant/Respondent

CASE NO. CTFIC0040/2023

RUDOLFS VEISS

Claimant/Applicant

v

YOUSIF AL-TAWIL

1st Defendant

AND

PRIME FINANCIAL SOLUTIONS LLC

2nd Defendant

AND

INTERNATIONAL BUSINESS DEVELOPMENT GROUP WLL

Proposed Defendant/Respondent

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Order

1. The Claimant is to pay the Defendant **QAR 52,000** forthwith by way of reasonable costs.

Judgment

Introduction

1. The Claimant applied to add the Proposed Defendant to two extant cases within the Court, CTFIC0035/2022 and CTFIC0040/2023.

2. On 5 May 2024, the First Instance Circuit (Justices Her Honour Frances Kirkham, Fritz Brand and Helen Mountfield KC) dismissed both applications, and stated as follows at paragraphs 1-3 of their Order:

> *The Claimant's application of 1 March 2024 for this Court, in exercise of its case management powers under article 10 of the Qatar Financial Centre Civil and Commercial Court Regulations and Procedural Rules (the '**Rules**') to join International Business Development Group WLL as an additional Defendant in case CTFIC0035/2022 be dismissed. The Court declares that this application is wholly without merit.*
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> *The Claimant's application of 19 December 2023 for this Court, in exercise of its case management powers under article 10 of the Rules, to join International Business Development Group WLL as an additional Defendant in case CTFIC0040/2023 be dismissed. The Court declares that this application is wholly without merit.*
>
> *The Claimant shall pay the costs of and occasioned by these applications, on the indemnity basis, to be assessed if not agreed.*

3. This is the assessment of those costs, the parties having failed to agree their quantum.

Background

4. The Claimant had brought two separate claims: one against Prime Financial Solutions LLC ('**PFS**') alone, and another against PFS along with an individual named Mr Yousif Al-Tawil. In each case, the Claimant applied to join the Proposed Defendant as an additional Defendant.

5. Even though these were separate cases, with different causes of action, the basis upon which the Claimant sought to join the Proposed Defendant in each claim was the same, namely that it was liable – under a "*Letter of Comfort*" – to indemnify the Claimant in

respect of losses and costs claimed against PFS and Mr Al-Tawil. As such, the two cases were consolidated for one Bench to hear both applications.

6. The Court's conclusions were as follows (at paragraph 31):

   i. *There is no factual or evidential basis for Mr Veiss' applications. Mr Nichols fairly accepted that Mr Veiss was asking us to join IBDG on the basis of his guess that a letter of comfort might exist and that, if it did, it would probably contain the information required by article 8.2.4. That alone is sufficient to dismiss the application.*

   ii. *Even if we had been prepared to accept Mr Veiss' case that there was probably a letter of comfort of some sort in existence, we are not persuaded that it would include an indemnity by IBDG to an individual such as Mr Veiss in the circumstances relevant to his disputes in these two actions.*

   iii. *Mr Veiss' applications in both cases are completely speculative and wholly without merit. He has not demonstrated any basis upon which IBDG should be joined as a party to either the Al-Tawil or the Prime Proceedings.*

Approach to costs assessment

7. 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.*

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

i. Proportionality.

ii. The conduct of the parties (both before and during the proceedings).

iii. Efforts made to try and resolve the dispute without recourse to litigation.

iv. Whether any reasonable settlement offers were made and rejected.

v. The extent to which the party seeking to recover costs has been successful.

9. *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* noted as follows in relation to proportionality, again as non-exhaustive factors to consider (at paragraph 12 of that judgment):

i. In monetary … claims, the amount or value involved.

ii. The importance of the matter(s) raised to the parties.

iii. The complexity of the matters(s).

iv. The difficulty or novelty of any particular point(s) raised.

v. The time spent on the case.

vi. The manner in which the work was undertaken.

vii. The appropriate use of resources by the parties including, where appropriate, the use of available information and communications technology.

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

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

Submissions

12. The Proposed Defendant, through its lawyer, made a submission which included an invoice and the letter of engagement. It seeks, from 16 April 2024 to 5 May 2024, some QAR 70,000 by way of legal fees for circa 50 hours of work. The mean rate therefore claimed is QAR 1,400/hour. The breakdown provided records: (i) 20 hours for client

consultation; and review and preparation of case materials; (ii) 20 hours for preparation in response to Claimant's skeleton argument, formulating and collecting evidence in response to the application; (iii) 5 hours for drafting the skeleton argument; (iv) 5 hours for preparation for the hearing and the hearing; and (v) judgment and follow-up.

13. The submission states that the amount claimed reflects the "*extensive work required to address two separate applications across two different cases, including research, preparation of submissions, and representation at the hearing*", and that the work required "*complex legal analysis to refute, particularly given the changing basis*" of the claims. The Proposed Defendant also points out that the Court awarded indemnity costs, that the professional rates are standard for practitioners in the Qatar Financial Centre, the time spent is appropriate, and that the figure is proportionate.

14. Unfortunately, the Claimant followed the practice of, even when faced with a very simple issue – viz in this case, whether QAR 70,000 is reasonable – flooding the Court with information. The submission was some 16 pages (64 paragraphs) and was accompanied by 12 exhibits. A significant proportion of the submission was irrelevant background detail that comprised some 5 pages. The Claimant also sought to relitigate matters that are properly a matter for the First Instance Circuit (as had been done before when acting on behalf of his company in another case before the Court – see, for example, paragraph 20 of *Amberberg Limited v Prime Financial Solutions LLC and others* [2024] QIC (C) 13).

15. The Claimant's primary position begins on page 11, which also sets out his alternative position and propositions. These submissions are difficult to follow, prolix and unnecessary attempts at legalistic language. Broadly, they are as follows:

    i. Had Mr Al-Tawil – the Proposed Defendant's agent – acted differently, these applications would not have been required. The Proposed Defendant is responsible for clear and serious failures. No costs should be awarded (see paragraphs 44-46).

    ii. The Proposed Defendant and its officers have conducted themselves improperly during the course of litigation; the Proposed Defendant has

not complied with a particular order from the Court; the Claimant has sought to avoid litigation; and the parties entered into negotiations on costs, but the Proposed Defendant did not properly engage and instead insisted on an assessment for the sum of QAR 70,000. Therefore, no costs should be awarded (see paragraphs 46-55).

iii. The application did not involve complex matters; the rates claimed are too high; and the time claimed was too long.

16. The Proposed Defendant put in a brief Reply in which it, inter alia, made the following points: it reiterated that the Claimant's applications were wholly without merit; proportionality is irrelevant when it comes to indemnity costs; the matter involved complex legal work due to the actions of the Claimant himself; the hourly rates are in line with the market standard; the Claimant refused to negotiate properly; the Claimant continues to impugn the conduct of the Proposed Defendant inappropriately; and that much of the Claimant's submissions are irrelevant and misrepresent the events.

17. The Claimant continued with his approach to litigation and insisted on submitting yet another document. Much of the document was irrelevant, and much was difficult to follow. Paragraphs 5 and 6 are examples of this:

> *Irrespective of this significant misrepresentation, this material discovery confirms the QFC statutory provisions through the principle and rule base approaches that the members and directors remain entirely responsible on the basis of ability to satisfy any adverse judgements against the firm itself; and without the prejudice to the principle of the First Instance Circuit judgement dated 5 May 2024, that any request for reasonably occurred costs limb to be recoverable should be exclusively referred to the Registrar of the Court for determination.*
>
> *It also confirms the Claimant's view that the First Defendant's and the Proposed Defendant's officer through Mr Al Tawil acts who has not been forthcoming, transparent or candid about any business affairs in both entities and therefore these satellite proceeding costs do not meet the reasonableness general principle because of the member's initiative or otherwise involvement of the passed winding-up resolutions for the First Defendant dated 31 May 2023 and 5 June 2023. These actions are major contributors that the costs are not reasonably incurred and therefore the reasonable assessment process fails at this part of the overall reasonable general principle assessment.*

18. He makes further points, inter alia, concerning the hourly rates, and what he says the relevant test is for me to apply when conducting this exercise.

Analysis

Overall picture

19. As noted in a number of different judgments in which this Claimant was involved (as Authorised Representative of his company, too), the sole matter at issue is whether QAR 70,000 is reasonable for the litigation. Arguments as to the merits are completely irrelevant. Arguments – separate to the proposition that none of the costs claimed are reasonable (i.e. not reasonably incurred nor reasonable in amount) – that I should award no costs, are also irrelevant.

20. I agree with the Proposed Defendant that this was not a simple matter – it required a thorough knowledge of two separate cases. Those cases had a relatively complex background factual matrix involving parallel regulatory proceedings. It then required a knowledge of indemnities, insolvency, the QFC Financial Services Regulations, and the QFCRA General Rules 2005 and the obligations of a controller. It further required a reading and knowledge (and no doubt some internal investigation within the Proposed Defendant) of three other cases within this Court ([2023] QIC (F) 44).

Rates

21. The average headline rate claimed is QAR 1,400/hour (dividing 70,000 by 50). However, most of the items have been done at QAR 1,000/hour. This is certainly in line with rates for regional law firms litigating within the Qatar Financial Centre, and is significantly below what international firms charge (see for examples *Whitepencil LLC v Ahmed Barakat* [2024] QIC (C) 3 and *Eversheds Sutherland (International) LLP v Gulf Beach Trading & Contracting WLL* [2024] QIC (C) 12).

22. That said, it appears that different fee earners at different levels within the firm have worked on the matter, with the hearing preparation for the hearing/hearing done at the rate of QAR 4,000/hour. It is possible that the hearing was conducted at a lower hourly rate with the preparation done at a much higher hourly rate. I shall revisit that question below.

23. It also appears that the fees payable by the Proposed Defendant are charged as a fixed fee, as page 2 of the Engagement Letter states: "*The total fee for the services outlined above is QAR 70,000…*" That Engagement Letter is dated 16 April 2024.

The ledger

24. All of the items on the ledger are in my view reasonably incurred, and indeed were necessary.

25. My view on the individual items is as follows:

    i. Client consultation; and review and preparation of case materials: I am satisfied that 20 hours is reasonable in all the circumstances at the low hourly rate of QAR 1,000/hour. As noted above at paragraph 19, this matter was not straightforward, involving multiple streams of litigation and a number of difficult legal points. There would also have required careful planning and the taking of instructions.

    ii. Preparation in response to the Claimant's skeleton argument, and collating evidence in response: I am also satisfied that 20 hours is reasonable for the same reasons given above; furthermore, a review of the complex and prolix skeleton argument of the Claimant was required, with chasing up the strands of his case that were disclosed therein. This would have required some thought and care.

    iii. Drafting skeleton argument etc: I am satisfied that 5 hours is entirely reasonable, again for similar reasons as noted above. This document was intended to be the roadmap for the Court's judgment and QAR 5,000 is clearly a reasonable amount.

    iv. Preparation for the hearing and the hearing: I am of the view that 5 hours is reasonable; however, QAR 4,000/hour is simply too high (this is the highest rate I have seen for any type of firm in this jurisdiction at the time of writing). I also note that Mr Rafee is a junior associate who was conducting most of the case at QAR 1,000/hour. The hearing was just

over one hour in duration. I therefore reduce this item to 5 hours at QAR 1,000/hour, for a total of QAR 5,000 which would account for him doing the preparation at his usual rate.

v. Judgment and follow-up: QAR 5,000 is claimed here. The figure is unparticularised in terms of time spent. I will allow 2 hours at QAR 1,000 for reading and reviewing the judgment, liaising with the client as to the meaning of the judgment, discussing next steps, and reaching out to the Claimant for costs, for a total of QAR 2,000.

26. The preliminary figure that I have reached is QAR 52,000 by way of the Proposed Defendant's reasonable costs. I am of the clear view that this is reasonable either as a fixed fee or as 52 hours work at QAR 1,000/hour.

Reasonableness

27. The Claimant makes a number of conduct points, many of them extremely difficult to follow. However, my view is that this case is very simple. The Claimant sought to add the Proposed Defendant as a Defendant in two cases. These applications were held by the Court to be "*wholly without merit*". They were objectively unreasonable and were applications that should never have been made. The Claimant complains of the Proposed Defendant's conduct during the costs negotiation process after the judgment was handed down but this misses the point: all of the costs were incurred by that date and the Proposed Defendant has not sought its costs of the costs assessment as it is entitled to do (the Claimant should count himself lucky that he is not facing a greater costs bill). I also note for the record that the Claimant took a completely unrealistic position during the costs negotiation during which he sought to relitigate aspects of the case completely inappropriately. It is conduct pre-litigation and during the litigation that is pertinent in this analysis.

28. The Claimant discloses in his response to the costs submissions – at paragraph 5(ii) – that it expected to be indemnified against PFS to the tune of QAR 1,700,000. Having difficulty in litigation against PFS, the Claimant sought to add the Proposed Defendant to two cases, presumably in an attempt to cover the QAR 1,700,000 in the event that the monies could not be obtained from PFS. It is again worth repeating that the Court

held both applications to be "*wholly without merit*". Making such applications is unreasonable conduct. It is also difficult to see how the Proposed Defendant could have avoided this litigation save for agreeing to meet those – at the time –estimated financial obligations of PFS. The applications having been dismissed, the decision of the Proposed Defendant not voluntarily to meet those obligations was legally sound.

29. Furthermore, the Claimant points to a letter (9 April 2024) requesting a "*Letter of Comfort*" that he suggests would have disclosed the liability of the Proposed Defendant to the Claimant for any costs and expenses owed to him by PFS. The Proposed Defendant made it clear that there was no such obligation – by extension no such document existed (e.g. see skeleton argument dated 25 April 2024) – but this did not satisfy the Claimant who continued with the case in any event. The Proposed Defendant was utterly vindicated in this case.

30. It is also worth noting that the Claimant's company – of which he is the principal and Authorised Representative – subsequently sought to obtain this "*Letter of Comfort*" from the Proposed Defendant in another action ([2024] QIC (F) 22). The Court's conclusion at paragraphs 9 and 10 was as follows (the Proposed Defendant being the Seventh Defendant in that action):

> *Although the Seventh Defendant filed no witness statements, it did file a skeleton argument in which it was "emphasised that it does not have any indemnity arrangement with D1". The Claimant's answer to this statement in argument was that it is not confirmed under oath. But this argument completely misses the point. The point is that it is not for the Defendants to establish the non-existence of the document. It is for the Claimant to establish its probable existence. And in the joint application judgment this Court held that (i) Mr Veiss provided no evidence of the existence of a letter of comfort; that he simply supposed it existence; and (ii) that the existence of the document is highly improbable.*
>
> *What the Mr Veiss effectively seeks in this case, now seeks through the Claimant of which he is the sole shareholder, is for this Court to change its conclusion without a 7 shred of further evidence or any new argument in support of such diametrically opposite finding. We are unpersuaded to do so. The application is wholly without merit. In fact, we believe that it is wasteful of this Court's resources and it has resulted in unnecessary costs being incurred by the Seventh Defendant. Hence, we propose to express our displeasure with the Claimant's conduct in awarding an order of indemnity costs against it. These costs are to be assessed by the Registrar if not agreed.*

31. On proportionality, whilst the Court ordered indemnity costs I am of the view that this question does not arise as the QAR 52,000 is a proportionate sum per se. As noted above, the Claimant was seeking indemnification for QAR 1,700,000; QAR 52,000 is a small fraction of that amount. This was clearly and important matter for the Proposed Defendant given the potential liability. I have also made it clear that this – solely due to the Claimant's conduct and putting of his case – was not a straightforward matter: that militates in favour of the Proposed Defendant. The time spent was also appropriate – 52 hours in total that have been allowed – to understand all relevant matters and oppose the application at a hearing.

32. The Claimant is to pay the Defendant QAR 52,000 forthwith by way of reasonable costs.

By the Court,

[signed]

Mr Umar Azmeh, Registrar

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

Representation

The Claimant represented himself.

The Prospective Defendant was represented by Mr Mohammed Rafee of the Hasan Mohamed Al Marzouqi Law Firm (Doha, Qatar).