



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: [2023] QIC (C) 6

**IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT**

Date: 9 October 2023

CASE NO: CTFIC0035/2022

RUDOLFS VEISS

Claimant

v

PRIME FINANCIAL SOLUTIONS LLC

Defendant

AND

AMBERBERG LIMITED

Third Party

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Order

1. The Defendant is to pay the Claimant the sum of **QAR 67,767** within 14 days of the date of this judgment.

Judgment

Introduction

1. Judgment was handed down in this case on 2 April 2023 ([2023] QIC (F) 8) in which the Court (Justices Lord Hamilton, Fritz Brand, and Helen Mountfield KC) found in favour of the Claimant in his claim for an indemnity against the Defendant in respect of fees incurred by him in defending criminal proceedings brought by the Public Prosecutor. The Defendant was ordered to pay the Claimant the sum of QAR 152,616.80 within 14 days of the date of that judgment.
2. Additionally, the Court ordered that the Defendant pay the reasonable costs – if any – incurred by the Claimant in pursuing the claim, along with any reasonable costs incurred by a Third Party – Amberberg Limited – in opposing an intervention application made by the Defendant up to 5 March 2023.

Background

3. The Claimant, Mr Veiss, is a former employee and director of the Defendant. In September 2020, the Qatar Financial Centre Regulatory Authority ('**QFCRA**') notified the prosecutorial authorities of an allegation that the Claimant had falsified documentation. The Claimant was charged and subsequently acquitted on 14 February 2022 by the Supreme Judiciary Council Misdemeanour Court.
4. On 19 September 2022, the QFCRA issued a Decision finding extensive breaches of various rules by the Claimant. On 18 November 2022, the Claimant filed an appeal against that Decision. The hearing of that appeal occurred on 11-12 July 2023, and the Decision of the Regulatory Tribunal is awaited.

5. The Claimant claimed that he was entitled to be indemnified by the Defendant in relation to the costs of defending the criminal and regulatory proceedings, including appealing the Decision of the QFCRA.
6. The Court ultimately decided that the Claimant was entitled to indemnification by the Defendant in respect of the criminal proceedings by virtue of article 91 of the Defendant's articles of association (see paragraphs 8-10 of the judgment of the First Instance Circuit):

The LLC shall indemnify every director or other officer or auditor of the LLC in respect of any liability incurred in defending any proceedings to the extent allowed by the Regulations.

7. The Court stayed the claim for indemnification in respect of the costs of proceedings involving the QFCRA pending the outcome of the appeal before the Regulatory Tribunal (see paragraph 31 of the judgment).

Approach to costs assessment

8. 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.

9. 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.

10. *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.

11. 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.*”

The parties' submissions

12. I have received and reviewed the following documentation filed and served by the parties:

- i. Submission from the Claimant's and Third Party's lawyers, Eversheds Sutherland (International) LLP (**'Eversheds'**) dated 1 May 2023.
- ii. Response from the Defendant's lawyers, Al Tamimi & Company (**'Tamimi'**) dated 29 May 2023.
- iii. Reply from Eversheds on behalf of the Claimant and Third Party dated 26 June 2023.
- iv. Further response from Tamimi dated 23 July 2023.
- v. An invoice and narrative received from Eversheds on 23 August 2023.
- vi. A further submission from Tamimi dated 6 September 2023.
- vii. A response from Eversheds dated 12 September 2023 along with supporting documentation received on that date and also on 14 September 2023.
- viii. Pleadings, witness statements and other case-related papers, including correspondence.

13. I also had the advantage of sitting in Court throughout the trial and therefore have a very good understanding of the issues raised and how the evidence was elucidated.

Individual submissions

14. In its submission dated 1 May 2023, Eversheds submitted inter alia as follows (for a total claim of QAR 28,027 plus travel expenses plus QAR 30,000 for the preparation of the costs submission):

- i. The Claimant and Third Party claimed a total of QAR 28,027 in relation to the claim, with Mr Veiss's time calculated at the rate of QAR 100/hour in accordance with the guidance set down in *Mieczyslaw Dominik Wernikowski v CHM Global LLC* [2023] QIC (C) 1 (approved and followed in *Amberberg Limited and another v Thomas Fewtrell and others* [2023] QIC (C) 3).
- ii. The costs schedule provided included all the costs incurred in bringing the claim (i.e. pursuing indemnities both in respect of criminal and regulatory proceedings, along with the costs of responding to the Intervention Application from 14 November 2022 to 5 March 2023).
- iii. Where time was incurred by the Claimant alone, half of that total time is claimed from the Defendant (the other half relating to the regulatory proceedings not being claimed at this stage).
- iv. Where time is incurred on behalf of both the Claimant and Third Party, two-thirds of that time is claimed from the Defendant (on the basis that all of the Third Party's time is recoverable, and one half of the Claimant's time is recoverable).
- v. The Claimant and the Third Party instructed Eversheds to act in relation to the costs assessment, for which QAR 30,000 is claimed for this submission.
- vi. Additionally, the Claimant claims travel expenses (taxi fares, air fare from Estonia to Qatar, and hotel expenses in Doha, for which receipts have been provided) in the sum of QAR 1,371.86 (hotel and taxis in Doha) and EUR 1,177.80 (flights, and taxis in Estonia) circa QAR 4,500

using the exchange rate as at the time of writing); the total disbursement claim is therefore for QAR 5,871.86.

15. Tamimi's response dated 29 May 2023, notes inter alia the following (attached to this submission was an email to the Defendant from the Claimant dated 4 April 2023 containing a costs submission/timesheet):

- i. The costs claimed by the Claimant and Third Party are unreasonable and disproportionate.
- ii. The costs schedule provided by Eversheds on 1 May 2023 differs from that sent by the Claimant to the Defendant on 4 April 2023 during costs negotiations, and that this demonstrates that the time recording was inaccurate or fallacious. There is a, "*marked*" difference between the two sets of timesheets.
- iii. Where any time entry submitted on 1 May 2023 differs from the corresponding entry on 4 April 2023, or where in excess of 24 hours are claimed for a single day, I should disregard those entries entirely.
- iv. The subject matter of the claims ought to have been very familiar to the Claimant and therefore the time recorded is, "*excessive, unreasonable*" and, "*patently false*".
- v. A number of specific time entries are fabricated entries, and in any event, the time would be unreasonable even if they were accurately recorded (in relation to costs claimed by both the Claimant and the Third Party).
- vi. The Claimant and Third Party ought not to be able to claim the costs of the costs assessment as the Court ordered costs of the, "*proceedings*" only, and in any event QAR 30,000 is unreasonable and not proportionate as it is higher than the costs claimed for the substantive proceedings. Additionally, these costs were not in contemplation and

therefore are not recoverable (*Fadi Sabsabi v Devisers Advisory Services LLC* [2023] QIC (F) 4, at paragraphs 18 and 23).

- vii. The Claimant must have spent a minimal time in respect of his claim concerning the criminal proceedings, and a greater part of the claim concerning the regulatory proceedings; that many of his claims were irrelevant; and that he was unsuccessful in the majority of his claims (i.e. the regulatory claims, the contractual indemnity claim, the claim in relation to article 61 of the articles of association of the Defendant, by way of examples).
- viii. It would be unreasonable for the Claimant or Third Party to be reimbursed for travel expenses as the Claimant's address was listed on Court papers as being in Doha, he is a Qatari resident, and the QFC Public Register shows him to be the SEF of a company based in Qatar.
- ix. Any time in relation to opposing the Intervention Application ought to have been "*marginal*" given the lack of legal complexity and novelty of the application.
- x. The standard that I apply in this assessment ought to reflect that the Claimant is experienced in litigation, and that therefore I should not apply the same standard that would normally be applied to a lay person.
- xi. A reasonable settlement offer in respect of costs was made and rejected (QAR 5,000).

16. By way of Reply, Eversheds made, inter alia, the following points in its submission of 26 June 2023:

- i. Any differences in the document provided on 4 April 2023 and 1 May 2023 reflect the fact that the latter was filed and served by professional lawyers who, after consultation with their client(s), slightly revised the document to improve clarity and transparency in a proper manner. In

any event, there is not a, “*marked difference*” between the two timesheets.

- ii. The Claimant and Third Party acted as litigants-in-person who do not have the benefit of time recording tools, and as such their efforts represent their best and most accurate estimates in the circumstances.
- iii. The Claimant and Third Party did not spend in excess of 24 hours working on the matter in any day. These figures capture the cumulative hours spent over multiple days.
- iv. Time spent on individual items reflected the complexity of the issues in the case, for example the Intervention Application comprised of 241 pages.
- v. Travel expenses claimed are properly incurred and, not being able to find alternative employment in Qatar upon termination of his contract with the Defendant in August 2022, the Claimant opted to relocate to Estonia during these proceedings. There is no principle that states that costs must be, “*contemplated*” by the other side in order to be recoverable.
- vi. The offer made by the Defendant in respect of costs was, “*unreasonably low*”, in the sum of QAR 5,000.
- vii. The Claimant and Third Party were substantially successful in the round.
- viii. I ought to consider awarding the Claimant an hourly rate of QAR 250 to reflect his experience in litigation given the Defendant’s assertion that the reasonableness of the costs incurred by the Claimant and Third Party ought not be compared to the standard of an average lay person.
- ix. The reliance on *Fadi Sabsabi v Devisers Advisory Services LLC* is misconceived, and the costs of this assessment are perfectly properly

claimed, particularly in light of the fact that on 4 April 2023 the Claimant informed the Defendant by email that failing agreement, the costs assessment would be conducted by lawyers. Further, the costs claimed are proportionate in relation to the claim value (QAR 152,616.80); the comparison is with this figure and not the figure that the Claimant and Third Party claimed by way of costs.

17. In its response of 23 July 2023, the Defendant noted inter alia as follows (in addition to underscoring points made in the 29 May 2023 submission):

- i. The Claimant ought himself to have prepared the costs submissions, and that – in any event – his submissions dated 4 April 2023 ought to be taken into account.
- ii. The block recording of time cumulatively over several days is false and misleading.
- iii. The content of the case ought to have been very familiar to Mr Veiss and he would have already seen all of the documentation filed and served by the Defendant.
- iv. There is no evidence that Mr Veiss has relocated to Estonia and, in any event, his formal address during proceedings was in Doha. Travel costs are therefore unreasonable.

18. I note at this stage that it is always the better course if parties can take a pragmatic course and agree costs, particularly in a case such as this. It is recognised that this Court operates an adversarial system and that, therefore, parties are expected robustly to defend their respective clients. However, an exhaustive back-and-forth on a comparatively small amount of costs, with line-by-line refutations of submissions, is not helpful.

19. In response to a query from the Court as to the quantum of fees that it sought, Eversheds clarified to the Court that it sought QAR 60,000 in respect of its submissions dated 1

May 2023 and 26 June 2023 i.e. QAR 30,000 per submission. Following various correspondence with the parties, I directed that Tamimi provide a response no later than 16.00 on 7 September 2023, such response not to exceed two pages of A4 and ought solely to address the reasonableness of the QAR 60,000 claimed for Eversheds' first two submissions, and not to cover procedural points. I also directed that Eversheds were to provide a reply no later than 16.00 on 14 September 2023, such reply being restricted to one page of A4.

20. On 6 September 2023, Tamimi provided its submission which noted, inter alia, as follows:

- i. The Claimant's submissions of time are clear over-estimates. It was unreasonable for the Defendant's offer of QAR 5,000 to be rejected.
- ii. The QAR 30,000 initial claim made by Eversheds is far too high, and the further amount of QAR 30,000 claimed is, "*astonishing at best*", and the sums claimed are disproportionate.
- iii. No formal claim for the second tranche of QAR 30,000 has been made to the Court and therefore the Claimant and Third Party do not have the right to make such a claim during these costs proceedings.
- iv. No evidence of an, "*agreement*" between the Claimant and Eversheds has been produced despite requests from the Defendant.
- v. The Court's instruction to focus this response, "*solely [to] address the reasonableness*" of the claim for QAR 60,000 is vague, and the additional QAR 30,000 has not been, "*sought in an appropriate manner or has been justified without any evidence other than a document produced the day after it was sought*". In particular, an engagement letter is sought.
- vi. The Court has denied the Defendant the opportunity to address further evidence submitted by the Claimant.

21. On 12 September 2023, Eversheds filed a reply which stated, inter alia as follows:

- i. The Claimant and Third Party have appropriately and sufficiently provided the invoices and narratives in respect of all work undertaken, and engagement letters are not a requirement.
- ii. Using the principles in *Hammad Shawabkeh*, the costs claimed are reasonably incurred and proportional; that work included the preparation of lengthy and comprehensive costs submissions, reviewing those of the Defendant, applying the principles, and analysing the principles relevant to litigants-in-person. The time taken was entirely proportionate and reasonable.
- iii. The work was carried out proportionally in relation to the division of labour within the firm, and the rates applied are in line with professional rates in the marketplace.
- iv. The Claimant and Third Party were entirely successful in the underlying proceedings.
- v. An additional QAR 10,000 was claimed in respect of this submission.

22. In light of the additional sum claimed, the Defendant was offered a further opportunity to make a submission on any substantive or procedural points in order to allow it to address all the points that it wished to make. Notwithstanding the Defendant's position that it had not been afforded the opportunity to respond fully to the claims made by the Claimant/Third Party during the course of the costs assessment process, and despite the assertion in its most recent submission that, "*the Court has made it clear that an opportunity*" to address further evidence "*will not be granted*", this invitation was declined.

Analysis

Preliminary issues

23. I first address the two points that arise out of *Mieczyslaw Dominik Wernikowski v CHM Global LLC*. In deciding whether or not to award a litigant-in-person costs, I must first be satisfied that costs were in fact incurred (see paragraph 10 of that judgment). In other words: was work actually done by Mr Veiss on the case? Notwithstanding issues with time recording which I shall address below, the answer to that question must be, “yes”. Among other things, he drafted pleadings, witness statements, a skeleton argument, and prepared for and attended trial. Second, I see no reason to deviate from the QAR 100/hour in respect of the work that a litigant-in-person undertakes in relation to proceedings. That figure was set precisely to avoid situations such as this where parties may argue that in their particular case a litigant-in-person must be awarded a higher hourly rate to account for a particular level of skill compared to the average lay person. Mr Veiss is a lay person; his hourly rate is QAR 100.
24. Having read the documentation in this case, and also having had the benefit of sitting on the trial of the matter as Registrar, I am of the view that a reasonable characterisation of the split between the criminal and regulatory matters is 50/50, as posited by Eversheds.

Time recording

25. It is clear that the time recording on the part of the Claimant and Third Party is not as tight as that expected from professional lawyers. That is perfectly understandable.
26. However, the Defendant’s position is that, for reasons explained in their submissions and outlined above, a number of entries have been fabricated or are otherwise false, and as a result, I should disregard them entirely. Eversheds have provided an explanation for, by way of example, why certain days have in excess of 24 hours work attributed to them. The Defendant’s position is that, in respect of some of the time entries, that explanation, “*cannot be the case*”. This is effectively an allegation of fraud.
27. Given the explanation from Eversheds, and the lack of evidence of actual fabrication, I am not persuaded that fraudulent claims have been made out (in the sense that actual time was not incurred and was instead inflated/fabricated to obtain a higher costs order), and therefore the issue of whether or not to disregard certain items wholesale for that reason does not arise. I also bear in mind that Mr Veiss is a litigant-in-person and that

he will not be accustomed to time recording, particularly when set against a professional lawyer's working practices.

Specific items

28. Given Eversheds' explanation that the costs schedule submitted by them on 1 May 2023 was reviewed and amended for clarity and transparency, an explanation I accept, I intend to conduct this assessment using that schedule.

29. It is clear from a review of that schedule that over 300 of the 422 hours expended on this case by Mr Veiss on his and the Third Party's behalf relate to eight entries of between 30-50 hours. I shall therefore address these matters first:

- i. 18 October 2022: 40 hours has been claimed for the preparation and filing of the claim. The Claim Form contained some 10 paragraphs of explanation of the claim, along with 14 exhibits. The Claim Form contains a succinct explanation of the (ultimately successful) claim. The exhibits are documents that were already in existence at the time the claim was filed; in other words, none of them were created specifically by Mr Veiss for these proceedings which might have taken time. In light of this, even bearing in mind Mr Veiss's status as a litigant-in-person, I am of the view that 40 hours is excessive, even though this piece of work is reasonably incurred. I am of the view that 5 hours would be a more appropriate time to have spent on this item of work. I therefore make a reduction to the overall costs claimed in the sum of **QAR 3,500**.
- ii. 14 November 2022: 10 hours are claimed in respect of reviewing the defence and counterclaim, and the intervention application. I take account of the submission made by the Defendant that Mr Veiss would have been familiar with the documentation annexed to the Defence/Counterclaim and Intervention Application. The Defendant's documents raise a number of issues that would have required some thought and digestion on the part of Mr Veiss. I am of the view that 10 hours is reasonable in these circumstances and I make no deduction for this item.

- iii. 4 December 2022: 50 hours are claimed for preparing a Response to the Defence/Counterclaim, and a further 50 hours to respond to the Intervention Application. The Response to the Defence is some 14 pages long. The Response to the Intervention Application is some 3 pages long. A number of exhibits were included with those documents. I take the point noted by Eversheds that the length of a document is not an automatic barometer of the complexity of the material therein. I am of the view that there are some legal matters that are not entirely straightforward contained in those legal documents, for example privity of contract, breaches of warranty, an analysis of a share purchase agreement and the QFC Companies Regulations 2005. However, I am of the view that 100 hours is excessive for both of these documents, even bearing in mind again that Mr Veiss is a litigant-in-person. I also bear in mind that Mr Veiss reviewed the Defence/Counterclaim and Intervention Application in 10 hours. Set against that, and even building further time into the responses for considering the issues, doing research and drafting the documents, QAR 10,000 (100 hours at QAR 100/hour) is not reasonable in amount. My view is that 20 hours is reasonable for both in these circumstances, and I therefore make a reduction of **QAR 8,000**.
- iv. 5 February 2023: 40 hours are claimed for the preparation of the Claimant's witness statement. That document is 13 pages in length, and includes the background to the case and the Claimant, the allegations in relation to the Third Party, a review of Mr Veiss's legal proceedings, and his position on indemnification. Annexed to the witness statement are a number of exhibits, although again none of them were created specifically by Mr Veiss for the purposes of the litigation. It is a carefully constructed and well-compiled document which sets out Mr Veiss's positions clearly, and it is an important document particularly given that it stands as a witness's evidence-in-chief in this jurisdiction. However, once again, I reach the conclusion that the time recorded for this item is excessive. All of the matters ventilated by Mr Veiss will have

been well known to Mr Veiss, and in particular the background and history of the matter, along with his legal proceedings. 15 hours seems to me reasonable. I therefore make a reduction of **QAR 2,500**.

- v. 28 February 2023: 40 hours are claimed in respect of preparation of the Claimant and Third Party skeleton argument. Approximately three and a third pages of ten of the joint skeleton argument cover preliminaries, eBundles, and the facts. These sections will not have taken much time to compile. The remainder of the document addresses the issues in the case, the Defendant's position, and the Claimant/Third Party position. I am again driven to the conclusion that 40 hours is excessive, bearing in mind the content of the first part of the joint skeleton argument, and the analysis in the latter part. Again, although well-written and bearing in mind that Mr Veiss is a lay person, even allowing for research time into the matters contained in that document, I am not persuaded any more than 12 hours is reasonable (I make it clear that parties are entitled to spend as much time as they wish on documents but the question for a costs assessment is as follows: what is reasonable? In other words, what can reasonably be recovered). I therefore make a reduction of **QAR 2,800**.
- vi. 28 February 2023: Preparation for trial comprises 50 hours. Mr Veiss acquitted himself well at trial. Indeed, that may be trite given that he was successful. As noted above, I had the benefit of sitting in on that trial and watched how the evidence came out and how the submissions were made. 50 hours represents five 10-hour days, or put differently, in excess of a standard working week. Taking account of the fact that preparation will be different depending on the individual, that Mr Veiss is a litigant-in-person, and that he was facing professional lawyers on the other side, I am of the view that only 25 hours is reasonable. I therefore make a reduction of **QAR 2,500**.
- vii. 4 March 2023: 30 hours is claimed in relation to travel to and from Doha for this case. It is trite that I can only make awards in relation to costs

incurred in relation to these proceedings. These will either be losses or preparation which is reasonable. Mr Veiss has not shown that any losses were incurred for those 30 hours nor that any preparation was done during those hours. I do not see any basis on which I can award him travel time. I therefore make a reduction in the full sum of **QAR 3,000**.

30. Mr Veiss also claims 8 hours in respect of the reserve day (7 March 2023). Again, I cannot see any basis on which he is entitled to claim for this sum, and therefore deduct the full sum of **QAR 800**, accordingly.

31. There is also an entry on 6 February 2023 in relation to which Mr Veiss liaised with the Court about the functioning of the eCourt portal through which cases are run. This not a reasonable item to claim from the Defendant, and therefore I make a deduction of the full sum of **QAR 200**.

32. Mr Veiss prepared the schedule of costs along with a brief submission which he sent to the Defendant on 4 April 2023. Six hours of time is claimed in respect of this item. The schedule is simply a table of costs and will not have taken much time to compile. The submission is a little over 2 pages. My view is that 3 hours would have been reasonable in the circumstances for Mr Veiss to have prepared this costs submission. I therefore make a deduction in the sum of **QAR 300**.

33. The reductions above amount to **QAR 23,600**.

Travel expenses

34. Mr Veiss has claimed in the region of QAR 6,000 (see paragraph 14(vi) above for a breakdown) by way of travel expenses to Qatar for this trial.

35. The Defendant's position is:

- i. Mr Veiss is a resident in Qatar, and chose to institute proceedings in the country. Mr Veiss and the Third Party were personally served at an address in Doha he provided in the claim documents.

- ii. If Mr Veiss chooses to live in Estonia, the corollary being that he must travel to Qatar for this case, then he should do so at his own expense.
- iii. His actual place of residence is Qatar, not Estonia, and therefore he is not entitled to travel or subsistence.
- iv. These costs were not in the contemplation of the Defendant and are therefore not recoverable.

36. Eversheds on behalf of the Claimant and Third Party explained that Mr Veiss has no paid role in Qatar. Since the conclusion of his employment in Qatar, he has been unable to find further work in the country and therefore opted to relocate to Estonia during these proceedings. It further noted that the Defendant ought to have been aware that Mr Veiss may travel from Estonia given that one of its officers was asked to send the letter of termination to Mr Veiss in Estonia.

37. Travel and other expenses may be recoverable by a litigant-in-person. Again, subject to the reasonableness criteria. The question for me is: are Mr Veiss's travel costs reasonable incurred (and reasonable in amount)? The test I must apply is not one of, "*contemplation*" (although it may well be that the Defendant was on notice that Mr Veiss might be travelling from Estonia to the trial based on the email concerning the letter of termination; no clarification was sought in any event).

38. The Claimant is entitled to move out of Qatar. I have before me a representation from an international law firm that Mr Veiss has relocated out of the country to Estonia given that he was unable to find alternative work in Qatar. I note that the return ticket is to and from Qatar, that is to say, from and then back to Estonia. No point was taken by the Defendant that the Claimant might have appeared remotely. The claim is properly evidenced with receipts so that I am sure that those costs were incurred in fact.

39. On that basis, he is entitled to claim back disbursements relating to his travel. However, I make a reduction to the hotel bill in the sum of QAR 779 (pro-rated on a nightly basis) on the basis that it is not reasonable for Mr Veiss to have stayed in the hotel from 5

March 2023 to 10 March 2023 when the trial was only listed for a maximum of two days. I therefore award **QAR 5,221** by way of travel and accommodation.

Costs of this assessment

40. The Defendant has argued that the costs of preparing the costs submissions are not recoverable as the Court ordered, “*costs in relation to the proceedings, not costs in relation to the proceedings and costs preparing costs submissions (sic)*”. This is not the position in this jurisdiction, and no support has been provided for this proposition. When costs are awarded to a successful party, those costs extend to the preparation of costs submissions themselves, subject to the reasonableness criteria (e.g. see *Arwa Zakaria Ahmed Abu Hamdeh v Lesha Bank LLC* [2017] QIC (A) 7, at paragraphs 21-23 per Lord Thomas of Cwmgiedd, President; and *Bank Audi LLC v Al Fardan Investment Company LLC and Others* [2023] QIC (C) 4). A separate application is not required.
41. The Defendant also took a further ancillary point linked to the one in paragraph 40 more than once, the substance of which was that it was impermissible, without a further application to the Court, to claim costs of any costs submissions without an application to the Court for the same i.e. each time a submission is made and costs in relation to it are sought, an application to the Court for the same is required to determine whether or not the costs are recoverable by way of assessment before me. As noted above at paragraph 40, costs of costs assessments are recoverable in principle. That principle extends to all costs submissions made during the assessment process subject to the reasonableness test (see for example *Bank Audi LLC v Al Fardan Investment Company LLC and Others*). If a party were compelled to make a formal application to the Court each time it made a costs submission in order to receive an order that those costs were recoverable in principle, this would substantially increase the costs in the case and also the time taken for a matter to conclude.
42. The Defendant argued, as a secondary point, that the case of *Fadi Sabsabi v Devisers Advisory Services LLC* [2023] QIC (F) 4 stands for the proposition that the costs of preparing the costs submissions were, “*never contemplated throughout the duration of this matter as the Claimant Parties were unrepresented and made the Initial Submissions*”. Eversheds disagree with this analysis of *Fadi Sabsabi v Devisers*

Advisory Services LLC, and seek to distinguish it on the ground that in that case, the Claimant did not at any time reveal that he was represented/was incurring legal costs, and that this was an express and stated understanding.

43. I do not share the same view of *Fadi Sabsabi v Devisers Advisory Services LLC* that has been proffered by the Defendant. The key point in that case was that costs were being incurred/had been incurred by the Claimant in that case unbeknownst to the other party, and then at the end of the litigation, a costs bill was submitted, with the unsuccessful party being under the impression that the Claimant had no representation (see *Fadi Sabsabi v Devisers Advisory Services LLC* at paragraph 23):

We also concluded that it would generally be contrary to the overriding objective of this Court (namely to deal with cases justly, as set out in article 4 of the Rules) to require a party in Devisers' position to pay the legal costs incurred by the opposing party when the opposing party had given the impression that it was not legally represented.

44. This is not what happened in the instant case. On 4 April 2023, Mr Veiss wrote to the Defendant, inter alia, as follows:

If these costs submissions can not (sic) be agreed with the defendant within next 7 days (sic) and settled in a further 7 days in full, the claimant and the third party reserve the (sic) rights to refer this matter to professional legal representatives and the Court Registrar.

45. This email in my view puts the Defendant on notice that the costs phase of this litigation may be referred to legal representatives failing agreement (and nothing had yet been incurred by legal representatives). If there was any ambiguity in this, the Defendant could well have responded and asked for clarification, but I have no evidence that it did so.

46. Having been provided with the narratives and invoice for the first two submissions prepared by Eversheds, and having reviewed the correspondence, it is clear that there was a fixed fee agreed for each of those submissions in the sum of QAR 30,000, a total of QAR 60,000. It is also right to note that Eversheds, in terms of time, went over QAR 60,000. In respect of the final submission in relation to which QAR 10,000 is claimed, Eversheds again went over that figure in terms of time actually spent. The total claim

is therefore QAR 70,000. Eversheds has confirmed this to the Court. The Court is entitled to rely on this representation, namely that there was an agreement for the work to be done, that the work was done, and that the time/cost incurred is as represented in the evidence presented by Eversheds. Tamimi does not posit that Eversheds did not do the work that it states it has done during the costs assessment process, simply that the amounts are unreasonable.

47. In relation to the first submission from Eversheds dated 1 May 2023, a fixed fee of QAR 30,000 was agreed. The question is, therefore, was that a reasonable fee for the work undertaken? That submission is some 9 pages long, of which approximately 4 ½ pages comprises background. The rest of the document sets out the analysis pertinent to this costs assessment. All of the items are reasonably incurred. That said, on balance, I am of the view that it would not be reasonable to order the Defendant to pay the entirety of the fixed fee (stressing again that it is entirely proper for clients and lawyers to agree whatever fees they wish and that in the context of that engagement, those fees might be reasonable; but the question is whether they are reasonable in the context of the case so as to be recoverable from the other party). I am of the view that a reasonable amount to order the Defendant to pay is **QAR 21,000**.

48. The responsive submission dated 29 May 2023 from the Defendant contains, serious allegations which, if not directly amount to an allegation of fraud, strongly suggest it, including (emphasis added):

The Defendant expressly denies that the Claimant spent the time it set out in its Costs Submissions as the time entries are patently false.

The Defendant submits ... the time spent in the cost submissions are not only unreasonable but designed specifically to mislead the Court and obtain additional monies for which there is no real entitlement.

49. In light of these, it was only proper that the Claimant/Third Party's representative had an opportunity to respond to those allegations. As addressed in a section below, it is reasonable for Eversheds to have responded to those allegations. This costs submission was a more intense piece of work than the first submission given that there were a number of points that needed to be covered. Eversheds actually spent time to the value of almost QAR 40,000 on this submission but given the fixed fee, have sought to

recover QAR 30,000. Taking account of the necessity of responding to the allegations made by the Defendant, along with the other points raised in the Defendant's submission as to reasonableness and proportionality, I award the Claimant/Third Party **QAR 25,000**. I make it clear that if the allegations had not been made, the recoverable amount would have been lower.

50. The final submission that was filed and served on behalf of the Claimant/Third Party was a response to the Tamimi submission dated 6 September 2023, itself dated 12 September 2023. It was a short response having been prescribed to be no longer than one page of A4. I am of the view that the recoverable fee for this item should be capped at **QAR 5,000** in all the circumstances.

Apportionment

51. Having made deductions to the specific items noted on the costs schedule in the sum of QAR 23,600 relating to the representation by the Claimant of both himself and the Third Party, I must now apply a reduction to the remainder to reflect that Mr Veiss was not entirely successful in all of his claims, also reflecting the fact that the Third Party was successful in full.

52. The reduction is to be applied to the sum of QAR 17,318.50 (the total claimed for the trial for the Claimant and the Third Party was QAR 42,217, less QAR 23,600 made by way of deductions, and also less QAR 1,298.50 which is the hotel bill dealt with elsewhere).

53. I am of the view that the approach set out by Eversheds, namely that 50% of the Claimant's costs, 100% of the Third Party's costs, and two-thirds of the combined costs, should be recoverable given the way the litigation was conducted and the extent to which the Claimants succeeded. On that basis, I reduce the QAR 17,318.50 to **QAR 11,546**.

Proportionality

54. The question of proportionality in monetary claims requires, inter alia, an examination of whether the sum claimed in the substantive proceedings is proportionate to the costs incurred in pursuing that sum. A comparison between the sum claimed by Eversheds

by way of costs and that claimed by Mr Veiss by way of costs – as suggested by the Defendant – is not the proper analysis.

55. The total costs I propose to award to the Claimants are, therefore, **QAR 62,546** (excluding disbursements). This sum is in my view is (i) proportionate to the amount involved in the claim (a little over QAR 152,000 was ultimately awarded, and this costs award represents a little over 42% of that sum). I note that had Mr Veiss instructed lawyers as he would have been entitled to do, the costs expended would have been significantly higher; (ii) a reasonable sum to expend on a matter of significant importance to the Claimant and Third Party – the Defendant, in the final analysis, refused to pay the Claimant an indemnity to which he was entitled, and brought and subsequently abandoned an intervention application, (iii) a reasonable sum in relation to the complexity and/difficulty of the matters, taking account of the fact that Mr Veiss is a litigant in person; (iv) a reasonable sum to have spent on the case given the hours expended by Mr Veiss (at an hourly rate of QAR 100); and (v) importantly, those costs incurred by Eversheds in the compilation of the second costs submission was increased given the fact that it had to respond to allegations as to its conduct made by the Defendant.

Offers

56. The Defendant made an offer to settle the costs of the entire matter in the sum of QAR 5,000. Given that I have found that he reasonably would have spent in the region of 170 hours on the matter in total, that was not a realistic offer, and therefore I do not penalise the Claimant/Third Party for rejecting it.

Allegations of fraud against legal representatives

57. It has unfortunately become common practice during costs assessments before this Court for legal professionals routinely to make allegations of fraud against their counterparts on the other side. It ought to be trite to note that allegations of fraud against legal professionals are exceptionally serious and can result if they are made out, in certain jurisdictions, in an individual being expelled from practice.

58. With that in mind, it is incumbent on parties to be circumspect when making these allegations. There can often be a straightforward and reasonable explanation for the particular issue, behaviour or action that the other party suspects or believes is

fraudulent. These allegations should not be made unless there is cogent supporting evidence of such fraud.

59. The Court is not a regulator of legal professionals. However, it has the power to make costs orders, both during the course of proceedings and within the costs assessment process. Parties ought to be on notice that, should they make unfounded allegations of fraud in the future, they may have to face adverse costs consequences. I also note that it will rarely be unreasonable for the recipient of allegations to respond to them.

Conclusion

60. The total claimed by the Claimant/Third Party is the sum of QAR 98,027. I make the reductions above for the reasons noted.

61. The Defendant is thus to pay the Claimant (who will also receive monies paid on behalf of the Third Party to pass on) the sum of **QAR 67,767** within 14 days of the date of this judgment.

By the Court,



[signed]

Mr Umar Azmeh, Registrar

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

Representation

The Claimant was self-represented until the costs proceedings. Thereafter he was represented by Eversheds Sutherland (International) LLP.

The Defendant was represented by Al-Tamimi & Company (Doha) and Mr Johan Smit of Counsel (Cape Town, South Africa).