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

Emir of the State of Qatar

Neutral Citation: [2025] QIC (C) 9

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

COSTS ASSESSMENT

Date: 19 October 2025

CASE NO: CTFIC0028/2024

SAMI MAHGOUB MOHAMMED MOUSTAFA

Claimant/Respondent

v

SHARQ INSURANCE LLC

Defendant/Applicant

JUDGMENT

Before:

Mr Umar Azmeh, Registrar

Order

1. The Claimant/Respondent is to pay the Defendant/Applicant the sum of <u>**QAR 579,514**</u> within 14 days of the date of this judgment.

Judgment

Background

1. On 24 December 2024, the First Instance Circuit (Justices George Arestis, Fritz Brand and Dr Yongjian Zhang) dismissed all but one of the Claimant's claims against his former employer ([2024] QIC (F) 59). The Claimant was successful in his claim for emoluments in the form of air tickets in the sum of QAR 12,011.24.

2. The Claimant was directed to pay the Defendant's reasonable costs of the case, save for the element relating to the air tickets, which the Defendant was ordered to pay to the Claimant.

3. The Claimant applied for permission to appeal. Permission was refused on 1 June 2025 by the Appellate Division (Lord Thomas of Cwmgiedd, President, and Justices Her Honour Frances Kirkham CBE and Dr Muna Al-Marzouqi; [2025] QIC (A) 8).

Submissions

4. Prior to filing the application for permission to appeal, the Defendant filed its costs submissions dated 19 January 2025 (the '**First Submission**'). The Claimant responded on 9 February 2025. There was thereafter a hiatus in the submissions awaiting the outcome of the application for permission to appeal. The Defendant filed a further costs application on 21 July 2025 (the '**Second Submission**'), which encompassed the application for permission to appeal. The Claimant at this point disengaged and did not bother to file any further submissions, despite facing a claim for over QAR 700,000 in costs.

5. The Defendant's First Submission sought QAR 505,583 by way of costs encompassing responding to an application for summary judgment filed and served by the Claimant on 14 September 2024, defending the substantive claims, and the preparation of the costs submissions. Exhibited to the First Submission was a without prejudice letter dated 30 September 2024 from the Defendant to the Claimant offering a 'drop-hands' settlement for QAR 12,011.24 in respect of the flight tickets, the exact sum that the

Claimant was awarded by the First Instance Circuit. The Claimant did not respond to the letter. The Defendant submitted that this was objectively unreasonable. The Defendant also submitted that it had been successful in the proceedings in their entirety, save for the flight ticket issue, which was not contested; the Defendant submits that this demonstrates that it was entirely reasonable for it to defend the claims in full. Second, the Defendant submits that its costs are proportionate and reasonable. It submits that although the total value of the claims was QAR 555,000, the number and breadth of the legal issues required detailed legal work, including an investigation into the factual aspects of the Claimant's work whilst he worked for the Defendant. Finally, the Defendant submits that the composition of its legal team comprising an associate, senior associate and limited partner involvement, was reasonable.

6. The Claimant's response was, unfortunately misguided and unhelpful. It was also the only document he submitted during the cost assessment process. It made nine points, each with one or two sentences of explanation. Those points were: (i) "*no basis for a cost award at this time*"; (ii) "*pending appeal*"; (iii) "*merits of the appeal*"; (iv) "*legal basis for a stay*"; (v) "*potential prejudice and irreparable harm*"; (vi) "*uncertainty in final legal outcome*"; (vii) "*possibility of appeal court directing costs differently*"; (viii) "*Defendant will not suffer harm from delay*"; and (ix) "*interests of judicial efficiency*". The Claimant effectively made the same point nine times and did not bother, either in this submission, nor later – he filed nothing further – to assist the Court or address the Defendant's submissions. In the event, the costs assessment was indeed put off pending the appeal, but due to the Claimant's uncooperative approach, all that has resulted is a long delay.

7. The Defendant's Second Submission seeks QAR 199,944.50 in respect of the costs of the application for permission to appeal and the preparation of the Second Submission itself. The core submissions were (i) that the Defendant was entirely successful in the appellate proceedings; (ii) the improper conduct of the Claimant (for example verbose and inconsistent application for permission to appeal that contained 23 grounds) drove up the costs (the Defendant also points to several serious allegations made by the Claimant including against the First Instance Circuit, characterised by the Defendant as "*hyperbolic pronouncements*" that did "*little to advance* [his] *case and tended to obscure, rather than illuminate, the purported grounds of appeal*" and that it is

"*particularly unfortunate that [he] … a legal professional, almost universally fails to cite any relevant case law, legal authority… to support these sweeping condemnations*"). The Defendant also points to allegations made against it by the Claimant that were "*demonstrably false*" and that were responded to in full in the Response to Appeal, which misrepresented the legal and factual position. The Defendant asks me to award costs on the indemnity basis because (i) it submits that the application was unmeritorious and frivolous and failed to identify any proper grounds; (ii) the conduct of the Claimant through his allegations including "*judicial bias*" and that the case comprised a "*massacre of justice*"; and (iii) the objectively false misrepresentations made are at best negligent and at worst intentional. The Defendant submits that the costs are reasonable in that the 23 grounds of appeal necessitated a detailed response, a review and investigation into factual assertions made, and a review of the further documents submitted by the Claimant. The breakdown of work and composition of the team was also reasonable and appropriate, submits the Defendant. The Defendant claims QAR 154,583 in relation to the response to the appeal (51 hours) and QAR 45,361.50 for the preparation of the costs submission (20.3 hours).

Approach to costs assessment

8. Article 34 of the Court's Regulations and Procedural Rules reads as follows:

> *34.1. The Court shall make such order as it thinks fit in relation to the parties' costs of proceedings.*
>
> *34.2. The unsuccessful party pays the costs of the successful party. However, the Court can make a different order if it considers that the circumstances are appropriate.*
>
> *34.3. In particular, in making any order as to costs, the Court may take account of any reasonable settlement offers made by either party.*
>
> *34.4. Where the Court has incurred the costs of an expert or assessor, or other costs in relation to the proceedings, it may make such order in relation to the payment of those costs as it thinks fit.*
>
> *34.5. In the event that the Court makes an order for the payment by one party to another of costs to be assessed if not agreed, and the parties are unable to reach agreement as to the appropriate assessment, the assessment will be made by the Registrar, subject to review if necessary by the Judge.*

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*."

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

13. In *Bank Audi LLC v Al Fardan Investment Company LLC and others* [2023] QIC (C) 4, I noted as follows at paragraphs 19-23:

The Claimant submitted that the costs ought to be awarded on the indemnity basis (that is, unqualified by a proportionality constraint). The Third Defendant submitted, inter alia, that there is "no reference in the Judgment nor provision in the Rules for 'indemnity costs'"; the Third Defendant also submits that the Court has never made an order for costs on the indemnity basis (see paragraph 3.16 of its 7 February 2023 submissions). Whilst the Third Defendant is correct that there is no specific reference in the Rules to awarding costs on the indemnity basis, it is clear to me that the Court has the power to award costs on whatever basis it deems fit (see articles 10.3 and 33.1 of the Court's Regulations and Procedural Rules).

The language of "standard" or "indemnity" costs appears in the Civil Procedure Rules ('CPR') applicable in the United Kingdom, most relevantly in Part 44 (Rules 44.3 and 44.4). Those Rules provide some guidance on assessment of costs under either basis, making it clear that unreasonable costs are not recoverable under either basis (which is the same principle in this jurisdiction: see, for example, Amberberg Ltd and another v Thomas Fewtrell and others [2023] QIC (C) 2 at paragraph 19).

Rule 44.3(5) of the CPR provides guidance as to whether or not costs incurred are proportionate (being proportionate if they bear a reasonable relationship to (a) the sums in issue, (b) the value of any non-monetary relief, (c) the complexity of the litigation, (d) any additional work generated by the conduct of the paying party, (e) any wider factors involved, and (f) any additional work undertaken or expensive incurred due to the vulnerability of a party or any witness), which by implication notes factors that an assessment need not take into account if costs are being assessed on the indemnity basis. Rule 44.4(3) also notes general factors that must be taken into account when making a costs order.

Cook on *Costs notes that costs on the indemnity basis have traditionally "only been awarded where there has been some culpability or abuse of process" (examples of potentially relevant scenarios being – significantly unreasonable conduct: National Westminster Bank plc v Rabobank Nederland [2007] EWHC 1742 (Comm); underhand tactics: Caliendo v Mischon De Reya, unreported (Ch) 14 March 2016; hopeless defences constituting unreasonable conduct: Lifeline Gloves Ltd v Richardson [2005] EWHC 1524 (Ch); failing to comply with a duty of full and frank disclosure: U&M Mining Zambia Ltd v Konkola Copper Mines plc [2014] EWHC 3250 (Comm); continued pursuit of hopeless claim: Wates Construction Ltd v HGP Greentree Allchurch Evans Ltd [2005] EWHC 2174 (TCC); abuse of process: A v B (No. 2) [2007] EWHC 54 (Comm); the tendering of unjustified defences: Cooper v P&O Stena Line Ltd [1999] 1 Lloyd's Rep 734, QBD (Admiralty Ct); reliance upon large volumes of unnecessary evidence: Digicel (St Lucia) Ltd (a company registered under the laws of St Lucia) v Cable & Wireless plc [2010] EWHC 888 (Ch); and where there is another motive for the litigation: Amoco (UK) Exploration Co v British American Offshore Ltd (No. 2) [2002] BLR 135; Cook on Costs 2017, paragraphs 24.1-24.18).*

Although academic taking account of my findings below, had I been required to decide whether or not to award costs on the indemnity basis, I would have agreed with the Third Defendant that costs ought not to be awarded on the indemnity basis in this case. It is true that the Third Defendant was unsuccessful in all of his claims against the Claimant. However, I give weight to the fact that the Court did not make any comment concerning the Third Defendant's conduct in the course of its judgment. It is true that the Third Defendant did not accept the offer of settlement dated 24 May 2022 but, as it is pointed out on his behalf, the Claimant had not yet filed its Statement of Defence to the Counterclaim prior to the expiry of that offer which did not give the Third Defendant an opportunity to review the case against him prior to considering the offer to settle. Furthermore, on the material that I have before me, I am unable to identify any conduct that is so unreasonable that it strays into the realms of indemnity costs.

Indemnity costs

14. The Defendant has asked me to award its costs on the indemnity basis in relation to the trial on the grounds that a reasonable settlement offer was rejected and that the figure ultimately obtained by the Claimant post-trial was identical to that in the offer. This is effectively a submission based on CPR 36.17 where, if a claimant does not obtain judgment more advantageous than the value of the Part 36 offer, indemnity costs usually apply. The Defendant has also asked for costs on the indemnity basis due to the conduct of the Claimant during the appellate proceedings.

15. The purpose of reasonable settlement offers is to facilitate negotiation in private, to settle cases without recourse to the Court, and also to drive down costs. There is, in my view, no reason founded in principle why, if a party has unreasonably rejected an offer which they subsequently fail to better at the conclusion of the case, they ought not be exposed to the possibility of indemnity costs. However, in these circumstances, there will usually have to be some further culpability on the fault of the unsuccessful party for indemnity costs to be awarded. There are, of course, the standalone heads for ordering indemnity costs that I have noted at paragraph 13 above.

16. In this case, I am minded to agree with the Defendant that indemnity costs ought to be awarded for two reasons. First, unreasonable conduct in rejecting the offer of 30 September 2025 (indeed, the Claimant did not bother to respond to the offer). The Claimant claimed QAR 550,000. The Defendant offered QAR 12,011.24. That offer was effectively rejected. Almost 3 months later when judgment was issued, the Claimant was awarded the exact amount offered by the Defendant. That is approximately 2% of his claim. The rejection of that offer was completely

unreasonable. Second, there was a valid settlement agreement in place between the Claimant and the Defendant. This was the Defendant's substantive defence to the claims. As the Court recorded at paragraph 6, the Claimant "*made no effort, neither in his pleadings nor in his written submissions or during oral argument, to cast any doubt on the validity of this agreement*" and "*he did not argue that he signed the said agreement against his free will*". Some of the other claims were described as "*completely unfounded*" (paragraph 8). The Claimant's case was hopeless. He held himself throughout as a lawyer and therefore had no excuse to conduct the case in this fashion. This all, in my view, constitutes the "*continued pursuit of hopeless claim*: (*Wates Construction Ltd v HGP Greentree Allchurch Evans Ltd* [2005] EWHC 2174 (TCC)).

17. In relation to the costs of the appellate proceedings, the Defendant submits that the Claimant's conduct – more specifically the allegations made against the First Instance Circuit and misrepresentations made against the Defendant – warrants an order for indemnity costs. The Claimant's application for permission described the First Instance Circuit's approach and judgment, inter alia, as follows:

    i. "*An insult to the principle of fair adjudication*".
    ii. "*Disturbingly dismissive*".
    iii. "*Disregarding its* [evidence] *because it does not fit their narrative*".
    iv. "*Dangerous*".
    v. "*Blatantly unfair*".
    vi. "*Blatant disregard for the fundamental principles of equity and fairness*".
    vii. "*This fundamental error undermines the integrity of the court's decision and calls into question the fairness of its evaluation*".
    viii. "*The court has perversely turned my good-faith efforts into grounds for dismissal*".
    ix. "*This judgment blatantly disregards such precedents, setting a dangerous example for future cases*".

x. “*This decision represents a troubling failure of the judicial system to protect employees from exploitation*”.

xi. “*The court’s reasoning is not only legally unsound but morally indefensible…*”.

xii. “*… a punishment from the court for my legal claim against the defendant*”.

xiii. “*… an unmistakable predisposition to reject my claims without a fair and thorough evaluation*”.

xiv. “*Such language undermines the appearance of impartiality*”.

xv. “*The lack of consideration for my position in the manner it deserves may affect the perceived impartiality and potentially diminish confidence in the judicial process*.”

18. The characterisations noted above could go on for many more pages. Needless to say, these are outrageous and scurrilous accusations which were made without any evidence whatsoever. They are entirely without any foundation and are themselves an affront to the integrity of the judicial process within this Court. These accusations ought not to have been made, least of all by a lawyer subject to professional standards. The application for permission was hopeless. The Appellate Division described the application for permission as “*without merit*” (paragraph 22).

19. In my view this constitutes significantly unreasonable behaviour and is an abuse of the Court’s process. I agree that indemnity costs are appropriate for the appellate proceedings.

Analysis

20. As noted above, it is to the Claimant’s discredit that he has provided absolutely no assistance whatsoever during the cost assessment process. Therefore, I must proceed on the basis of the submissions of the Defendant alone.

21. In cases such as these, where one party has not engaged with the cost assessment process and has filed no substantive submissions in opposition to the cost claims made

by their opponent, that party cannot expect this Court to undertake a line-by-line assessment, picking apart every time entry put forward by the successful party. That is the job of the party in question, not this Court. It might also lead to the absurd situation in which through this cost assessment process, the Court acting alone taxes down costs more than an opponent would have been able to persuade the Court to do. Therefore, the approach going forward will be – of course to apply the usual principles and rules found in the Practice Direction and the case law –a broad approach to assessment in tranches of work.

22. The Defendant spent a total of 167.59 hours on the proceedings before the First Instance Circuit. This time can be divided broadly into three categories: tranche 1 – reviewing the claim, and producing the summary judgment response and defence (circa 52 hours); tranche 2 – trial preparation and trial (circa 97 hours), and tranche 3 – costs (circa 20 hours).

23. Looking at the matter in the round, I am of the view that 45 hours is appropriate for tranche one; 82 hours for tranche 2; and 17 hours for tranche 3 (at the paralegal rate of QAR 1,695).

24. The hourly rates put forward are QAR 2,810 for an associate, QAR 2,970 for a senior associate, and QAR 3,710 for a partner. These are standard in the market for international law firms in Doha. In this, my view is that a fair split of work is 40% for the junior associate, 45% for the senior associate, and 15% for the partner: this is how I shall allocate the hours. Therefore, in respect of tranche 1, I award QAR 135,765; in respect of tranche 2, I award QAR 247,394, and in respect of tranche 3, QAR 28,815. In respect of the First Instance Circuit proceedings, I award **QAR 411,974**.

25. In respect of the application for permission to appeal, the Defendant/Respondent has claimed 51.1 hours for the proceedings and just over 20 hours for the Second Submission (a total of QAR 199,944.50). I award 40 hours at the senior associate rate of QAR 2,910 and 4 hours at the partner rate of QAR 3,710, totaling QAR 133,640. In respect of the costs, I award 20 hours just under the total claimed at the paralegal rate of QAR 1,695, totaling QAR 33,900. In respect of the appellate proceedings, I award **QAR 167,540**.

26. Therefore, the total I award for the first instance proceedings and the appellate proceedings is **QAR 579,514**. All of the work on the ledger is reasonably incurred and, following my analysis, I have awarded a reasonable amount.

Reasonableness

27. I record that none of the entries that I have seen on the ledgers provided to me by the Defendant in relation to both the first instance proceedings and the appellate proceedings are unreasonable. I have reduced the hours that I have awarded to amounts that are in my view reasonable for the work in this type of case. I have also reflected an appropriate division of hours for the different categories of fee earners that the Defendant used.

28. This case ought to have been comparatively straightforward. However, due to the conduct of the Claimant, it became more complex. The Claimant was offered – on 30 September 2024 – a drop hands offer of just over QAR 12,000. This is around 2% of his entire claim. He ignored this offer. Months later he was awarded precisely the same amount. As at the date of that offer, the Defendant had incurred approximately QAR 54,000 (the offer letter stated that the Defendant would at this stage bear its own legal costs). The amount it now seeks – solely due to the unreasonable rejection of that offer – is over QAR 700,000, some 12x the amount incurred at the time of the offer. The Claimant ploughed on. His claims were dismissed in their entirety, and the application for permission to appeal was totally without merit. The Claimant willfully sued a large insurance company, his former employer. He may well have known the type of lawyers that the company would instruct, having worked there. He certainly did know when Eversheds Sutherland (International) LLP came on record. This is a large international law firm that charges high fees.

29. The Claimant’s conduct was not helpful during the litigation. The Claimant fought this litigation tooth and nail. He did not properly evidence his claim before the First Instance Circuit. He also made very serious and unfounded allegations about the First Instance Circuit. He refused to engage with the proper settlement efforts made by the Defendant. He also refused to participate in the cost assessment process. The Defendant has been entirely successful in this claim and has not claimed its costs of the work relating to the flight tickets, nor in relation to a security for costs application made before the Appellate Division as directed.

30. By contrast, the Defendant's approach has been completely professional. The lawyers put together a proper defence – as they were obliged to do – and this took significant work at every stage, including responding to the application for summary judgment, compiling a Defence, disclosure, witness statements and other trial preparation, and the trial itself. It also had to respond to 23 grounds of appeal, none of which had any merit. They have also undertaken reasonable and necessary work on behalf of their client.

31. As found above at paragraphs 14-19, I have awarded costs on the indemnity basis and therefore the proportionality limb of the test falls away.

Conclusion

32. I make an order that the Claimant must pay the Defendant its reasonable costs in the sum of **QAR 579,514** 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/Respondent was self-represented.

The Defendant/Applicant was represented by Eversheds Sutherland (International) LLP (Doha, Qatar).