



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) 8

**IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
FIRST INSTANCE CIRCUIT**

Date: 16 February 2025

CASE NO: CTFIC0035/2022

RUDOLFS VEISS

Claimant/Applicant

v

PRIME FINANCIAL SOLUTIONS LLC

Defendant/Respondent

JUDGMENT

Before:

Justice Fritz Brand

Order

1. The Respondent is directed to pay to the Applicant forthwith, the following:
 - i. The legal costs incurred by the Applicant in relation to Eversheds Sutherland (International) LLP in the amount of QAR 783,787.50.
 - ii. The legal costs incurred by the Applicant in relation to barristers from 11 King's Bench Walk (London, UK) in the sum of GBP 298,530.00.
2. The Applicant is entitled to recover from the Respondent such reasonable costs and disbursements incurred by him in this Summary Judgment Application, and in the Indemnity Application, to be determined by the Registrar on submission of proof by the Applicant, if not agreed.

Judgment

1. The Applicant, Mr Rudolfs Veiss, is a Latvian national. The Respondent, Prime Financial Solutions LLC, is a limited liability company which at all material times, operated in the Qatar Financial Centre (the '**QFC**') as a financial services advisor under the regulatory control of the Qatar Financial Centre Regulatory Authority (the '**QFCRA**'). From 26 January 2020 until 3 August 2022, the Applicant was employed by the Respondent as its head of business. Between 14 July 2020 and 23 December 2020, the Applicant was also a director of the Respondent. This Court has jurisdiction to determine the dispute in that it arises from a contractual relationship involving an entity established in the QFC.
2. This is an application for Summary Judgment pursuant to article 22.6 of the Court's Regulations and Procedural Rules (the '**Rules**'). Since the Applicant is subject to a Litigation Restraint Order dated 5 June 2024, the application is brought with permission as contemplated by that Order ([2025] QIC (F) 4). The claims involved are formulated in what is described as the Indemnity Application by the Applicant which was duly served on the Respondent on 2 December 2024. When these claims remained unopposed, the Applicant brought the Summary Judgment application which was likewise met with no response. In the circumstances, the factual allegations relied upon in the Indemnity Application as amplified in the Summary Judgment Application stand uncontradicted.

3. Guidance as to when the Court should exercise its discretion under article 22.6 of the Rules to grant Summary Judgment is afforded by Practice Direction No. 2 of 2019 which provides that the Court may grant such relief if it considers that: (i) the Defendant has no reasonable prospect of defending the claim; and (ii) there is no other compelling reason why the claim or certain issues arising should be referred to trial. Hence, I propose to apply these measures to the uncontroverted facts appearing from the Applicant's papers. In broad outline these facts appear from what follows.
4. Proceedings started on 14 October 2022 when the Applicant brought an action against the Respondent for the legal costs incurred by him in defending (i) criminal, and (ii) regulatory proceedings initiated against him by the QFCRA. The criminal proceedings arose from charges brought by the Public Prosecution Department in Qatar (referred to them by the QFCRA) before the Misdemeanour Court of the Supreme Judiciary Council on 21 September 2020, relating to allegations against the Applicant that he had falsified documents regarding the dates when certain new customers became clients of the Respondent. The Applicant defended those charges and was subsequently acquitted on 14 February 2022.
5. The regulatory proceedings arose from notices issued by the QFCRA against the Applicant on 16 September 2021 for alleged contraventions of various provisions of the QFCRA's rules and regulations during his tenure with the Respondent. On 19 September 2022, the QFCRA issued a Decision Notice imposing a penalty of QAR 1,820,000 on him as well as a 5-year suspension period from performing any function in the QFC. The Applicant appealed the QFCRA's Decision Notice to the Regulatory Tribunal, seeking to overturn the suspension period and dismiss the penalty. On 12 October 2023, the Regulatory Tribunal handed down its decision, upholding the suspension period imposed by the QFCRA, but reducing the financial penalty ([2023] QIC (RT) 3). On 4 September 2024, the Appellate Division finally dismissed the Applicant's appeal against the suspension period, but made an order amending the financial penalty and its payment schedule ([2024] QIC (A) 10).
6. As the legal basis for an indemnity of the costs thus incurred by him, the Applicant relied on article 91 of the Respondent's Articles of Association which provides in relevant part that:

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

7. The Regulations referred to are the QFC Companies Regulations 2005 (henceforth, the ‘**Regulations**’) and the relevant qualification to article 91 of the Articles of Association is to be found in article 61(2) of these Regulations which precludes the company from indemnifying a director against liability which “*may attach to him in respect of fraud or dishonesty*”.
8. On 2 April 2023, this Court gave judgment in the action in *Rudolfs Veiss v Prime Financial Solutions LLC* [2023] QIC (F) 8. As appears from the judgment, the Respondent’s answer with regard to both the costs in the criminal proceedings and the regulatory proceedings was, in short, that these costs arose from charges of fraud or dishonesty as contemplated in article 61(2) of the Regulations and therefore was exempt from an indemnity under article 91. In the event the Court found, with regard to the costs incurred in the criminal proceedings, that the Applicant’s claim was to be upheld, essentially on the proviso to article 61(2) in that he was acquitted of these charges (involving dishonesty/fraud) by the criminal court.
9. With regard to the costs in the regulatory proceedings, it appears from the judgment that the Respondent sought to find support for its defence relying on certain findings of fact by the QFCRA. In the circumstances, the Court held in paragraph 31 of its judgment that:

If the Regulatory Tribunal were to set aside these findings of the QFCRA on appeal, it will remove the whole factual basis of the Respondent’s argument. If, on the other hand, the appeal is unsuccessful, the question will arise whether the findings by the Tribunal amounts to fraudulent or dishonest conduct. In consequence we believe that this part of the claim should be stayed pending the outcome of the appeal to the Regulatory Tribunal. Once the appeal has been decided, it will be open to the parties to approach this Court for directions pertaining to the further conduct of this case.

10. Concomitantly, paragraph 4 of the Court’s Order provided that:

Once the Regulatory Tribunal has given its decision in the appeal, the parties are hereby authorised to approach this Court for directions regarding the further conduct of the proceedings pertaining to these claims.

11. As indicated above, the Appellate Division of this Court ultimately determined the appeal relating to the findings of the QFCRA on 4 September 2024. The Applicant's contention, which appears to be borne out by the judgment, is that he was exonerated from any allegations of fraud and dishonesty as contemplated in article 61(2) of the Regulations. It follows, in my view, that with regard to the merits of the claim, the Respondent no longer has any reasonable prospect of successfully defending itself against the Applicant's indemnity claim for the costs incurred by him in the regulatory proceedings. Nor do I find any reason as to why the claims or any issues arising should be referred to trial, as contemplated in Practice Direction No. 2 of 2019.
12. As to the quantum of his claims, the Applicant gives a detailed breakdown of the costs actually incurred by him by way of solicitors' and barristers' fees in the Indemnity Application. With reference to the costs thus set out, he then proceeds to advance an extensive explanation and motivation as to why they should be regarded as reasonable. In conclusion he summarises the amount of his claim in paragraph 4 as follows:

4.1.1 the legal costs incurred by Eversheds on behalf of the Applicant in the amount of QAR783,587.50 for the revision of the Proposed Action Notice, appealing the Decision Notice, and appealing the Regulatory Tribunal's decision; and

4.1.2 the legal costs incurred by the barristers from 11KBW on behalf of the Applicant in the amount of GBP298,530.00 (approximately QAR1,423,517.74) for their work during the appeal of the Decision Notice and appeal of the Regulatory Tribunal's decision.

13. Absent any counter allegation by the Respondent, I can find no reason not to accept the Applicant's contentions that (i) the costs claimed were actually incurred by him in the regulatory proceedings, and (ii) that the costs so incurred should be regarded as reasonable. I am fortified in this approach by the reasoning of the Court in the earlier judgment with regard to the costs in the criminal proceedings as formulated in paragraph 28 thereof which reads as follows:

28. The amount claimed by the Claimant under this rubric is QAR 152 616,80. His evidence is that this represents the amount actually charged by his legal representatives in these proceedings, part of which has been paid and part of which is still owing by him. In argument the Defendant contended that the Claimant adduces no evidence to establish the reasonableness of these charges.

That is so. But the reasonableness of the charges was never disputed by the Defendant in its pleadings. Had it done so, the Claimant would clearly have had the opportunity to deal with the dispute thus arising. Absent such denial, we find no reason to find that the fees levied by the Claimants' lawyers were not reasonable. It follows that in our view the Claimant is entitled to payment for the full amount claimed.

14. Since the Applicant was clearly successful in pursuing his claims, he is in my view entitled to the cost incurred by him in doing so, including the costs of both the Summary Judgment Application and the Indemnity Application, the quantum of such costs to be determined by the Registrar if not agreed.
15. In the Summary Judgment Application, an order is sought by the Applicant determining that certain cost items be included by the Registrar, but I find it inappropriate to interfere with the discretion bestowed upon the Registrar in that way.

By the Court,



[signed]

Justice Fritz Brand

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

Representation

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

The Defendant/Respondent did not appear and was not represented.