



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: [2024] QIC (A) 8

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

[On appeal from [2024] QIC (F) 2]

Date: 5 May 2024

CASE NO: CTFIC0041/2023

SANDY BEACH REFRESHMENTS CAFETERIA LLC

Claimant/Respondent

V

AHK ENTERPRISE LLC

Defendant/Applicant

JUDGMENT

Before:

Lord Thomas of Cwmgiedd, President

Justice Her Honour Frances Kirkham CBE

Justice Lord Hamilton

Order

1. Permission to appeal is refused.

Judgment

1. The Applicant (**'AHK'**) seeks permission by an application dated 1 March 2024 to appeal from the judgment of the First Instance Circuit ([2024] QIC (F) 2; Justices Dr Rashid Al-Anezi, Fritz Brand and Yongjian Zhang) given on 21 January 2024 in favour of the Respondent (**'Sandy Beach'**) for QAR 20,000 together with costs.
2. The Claimant and AHK (both incorporated in the Qatar Financial Centre; **'QFC'**) entered into a contract for a temporary rental space (also described as a General Service Agreement) dated 5 October 2022 in respect of the provision of a kiosk at the Arabian Village Project at Lusail City which the Claimant intended to use for the purpose of selling beverages during the FIFA World Cup 2022. The agreed rent was QAR 25,000 per month for 2 months. Sandy Beach paid QAR 45,000 to AHK. The contract was one of a series of contracts made by AHK some of which have been considered in other cases in this Court, as set out in the judgment of the First Instance Circuit at paragraph 4(v) of its judgment.
3. The contract was in very similar terms to the contracts in the other cases. However, the issue in this case is different. Sandy Beach contended that when AHK had failed to provide premises that were fit for purpose by 1 November 2022, a termination agreement was entered into between it and AHK under which the original rental agreement entered into on 5 October 2022 was terminated on terms that AHK was entitled to retain one month's rent of QAR 25,000, but was to repay QAR 20,000 to Sandy Beach. AHK denied such a termination agreement had been made and counterclaimed for QAR 5,000 as the balance due under the original rental agreement. Sandy Beach also claimed QAR 500,000 by way of damages for breach of the original rental agreement.
4. Sandy Beach sought summary judgment. The application was determined by the First Instance Circuit on the basis of documents, submissions and answers to questions posed by the Court without an oral hearing as the First Instance Circuit considered the costs occasioned by a formal hearing would be disproportionate to the claim for payment of

rent, while the Claimant's substantial claim for damages remained unsubstantiated at that stage.

5. In its judgment given on 21 January 2024, the First Instance Circuit held that Sandy Beach had proved there was a termination agreement and that therefore it was entitled to summary judgment for QAR 20,000. It had failed to prove any breach of the original rental agreement or the damages claim. Summary judgment for damages was refused. An Order was made directing Sandy Beach to give notice of its intention to proceed with the claim for damages within 14 days. No such notice has been given. The reality of the sum in dispute between the parties (QAR 20,000 and QAR 5,000) was thereby formally confirmed as being well within the Small Claims Track.
6. AHK seeks by its application for permission to appeal to set aside the judgment made against it and to give judgment in its favour for the counterclaimed sum of QAR 5,000. It does so on the basis of three grounds (i) the First Instance Circuit wrongly failed to apply the terms of the original rental agreement; (ii) it failed to take into account AHK's evidence; and (i) placed undue reliance on the submissions of Sandy Beach and the case made by AHK was not properly considered.
7. Having considered the submissions of the Claimant and AHK, we have concluded that there are no substantial grounds for considering that the decision of the First Instance Circuit was erroneous and would result in substantial injustice, as set out in article 35 (2) of the QFC Civil and Commercial Court Regulations and Procedural Rules and paragraph 27 of the judgment in *Leonardo v Doha Bank Assurance Company* [2020] QIC (A) 1. We therefore refuse permission to appeal for the following reasons.
 - i. The key issue before the First Instance Circuit was whether Sandy Beach had proved the termination agreement. If this was established, then the terms of the original rental agreement were superseded, AHK was not entitled to QAR 5,000 and was bound to pay QAR 20,000. There was evidence on which the First Instance Circuit was entitled to find that Sandy Beach had proved the agreement; the WhatsApp messages were consistent with a termination agreement having been made. AHK has failed to put forward any real argument or reasons to suggest that the First Instance Circuit was wrong in concluding that there was a termination agreement as alleged by Sandy Beach.

- ii. We do not consider there is any merit in the other two grounds of appeal advanced. The First Instance Circuit gave each party sufficient opportunity to put its case; AHK does not appear to have availed itself of that opportunity.

- iii. In any event, as this Court made clear in *Hadi Jaloul v Experts Credit Solutions Consultancy LLC* [2023] QIC (A) 13 and *Klass Bouman v Kofler Middle East Group LLC* [2024] QIC (A) 1, where a claim is assigned to the Small Claims Track, this Court will have particular regard to the question of the significant risk of serious injustice. The same principle applies where, the sum actually in dispute on the application for permission is within the Small Claims Track. In this application AHK has not shown that there was any significant risk of serious injustice. For that further reason, the application must fail.

By the Court,



[signed]

Lord Thomas of Cwmgiedd, President

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

Representation

The Claimant/Respondent was unrepresented and did not appear.

The Defendant/Applicant was self-represented.