



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) 16

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

Date: 4 March 2025

CASE NO: CTFIC0033/2024

ALI AL-MAADEED

Claimant

v

NEXUS FINANCIAL SERVICES WLL

Defendant

JUDGMENT

Before:

Justice Fritz Brand

Justice Ali Malek KC

Justice Dr Muna Al-Marzouqi

Order

1. The Claimant's claims are dismissed.
2. The Claimant is directed to pay the reasonable costs incurred by the Defendant in opposing these claims, to be assessed by the Registrar if not agreed.

Judgment

Introduction

1. The Claimant, Mr Ali Al-Maadeed, is a Qatari national who was employed by the Ministry of Transport and Communications until he retired on 13 January 2019. The Defendant, Nexus Financial Services WLL, is a branch of an international entity, registered and licenced in the Qatar Financial Centre ('QFC') to do insurance mediation business.
2. These proceedings commenced in September 2024, when the Claimant brought proceedings against the Defendant for the following relief:
 - i. Refund in an amount of \$600,000 invested by him through the brokerage of the Defendant in January 2019, plus \$350,000 constituting interest on the investment, calculated at the rate of 9% per annum from the date of investment to the date of filing in these proceedings.
 - ii. Payment of an additional amount of \$400,000, representing quarterly returns and profits on the investment, allegedly owed by the Defendant, which it had failed to pay, "*estimated at the rate of 11% of the deposited amount annually for five years*".
 - iii. Payment of compensation in an amount of \$10,000,000 "*for loss of profits and material and moral damages incurred, which are inconsistent with the requirements, purposes and objectives of insurance*".
 - iv. Payment of the costs incurred by the Claimant in pursuing his claim.

3. Since the dispute concerns an agreement involving an entity registered in the QFC, it falls within this Court's jurisdiction by virtue of Rule 9.1.3 of the Court's Regulations and Procedural Rules (the '**Rules**'). The written agreement (referred to below) between the parties provides that the agreement will be governed by "*Qatar Financial Centre Law*".

Background

4. After the exchange of pleadings, the matter was referred to an in-person trial which occurred on Monday 10 February 2025. At the hearing, the Claimant was represented by Mr Nasser Mohammed Ahmed of the Said Al-Mansoori Law Firm, while Mr David Holloway of Al Tamimi & Company appeared for the Defendant. Two witnesses were called. The Claimant was not one of them. Instead, and somewhat unexpectedly, Mr Ibrahim Al-Nasr was called to testify for the Claimant. Mr Al-Nasr is the Claimant in a virtually identical case against the Defendant, which was heard by the same panel of judges (CTFIC0032/2024). To add to the unresolved mystery, the Claimant was called to testify in support of Mr Al-Nasr's claim, while Mr Al-Nasr was not called as a witness in his own case. The result was that no direct evidence was presented with regard to the dealings between the Claimant, the Defendant and Mr Veiss in either case. No reason was ever proffered for adopting this procedure.
5. The second witness in this case was Mr Gary Hines, the General Manager of the Defendant, who was called to testify on its behalf.
6. We find a convenient starting point for our narrative of the background facts as January 2019, when the Claimant made enquiries with the Defendant, who was represented at the time by Mr Rudolfs Veiss, for obtaining investment advice. These enquiries culminated in the execution of several documents on 13 January 2019. First, the parties both signed a document entitled the "*Terms of Business*", which constitutes the written contract between the parties (the '**Contract**'). Under the heading "*Termination*", the Contract provided inter alia that:

These Terms of Business may be terminated by either party upon a written request by one party and a written acceptance by the other. Termination will also be effected upon expiry of your insurance policy(ies) or the transfer of your business to another broker.

The Termination of the Terms of Business should have no effect on the performance of your insurance policies, their available options, or any future benefits arising from them.

7. Second, the Claimant signed a so-called financial risk check, or “*Fact Find*”, which set out the information relating to his financial position. It indicated inter alia that he had a total monthly income of QAR 100,000 and that he had total investments exceeding QAR 40 million, including cash deposits of QAR 10 million. In respect of liabilities, the Claimant stated “*none*”.
8. Third, the Claimant completed a “*Risk Assessment Questionnaire*,” which included questions designed to understand the Claimant’s risk profile. The document stated, however, that this section need not be completed in the case of “*professional or very experienced investors*”. In the event, the Claimant elected not to answer this section and, indeed, confirmed above his signature that he regarded himself as an experienced investor who did not require assistance in determining his risk profile, which he stated as “*Medium-High*”.
9. Finally, also on 13 January 2019, the Claimant was provided with a “*Suitability Report*” in respect of the investments recommended to him, based on the information he had provided to the Defendant (the ‘**Suitability Report**’). According to the Suitability Report, the Defendant recommended an executive investment bond from OMI Old Mutual Investment (the ‘**OMI Bond**’) with:

an initial investment amount of \$300,000 incorporating a set-up fee of 3% of initial premium and quarterly adviser management charge of 0.25% of the investment value (1% pa).

10. This was recorded as being recommended to the Claimant because of his particular interest in exchange-traded funds (‘**ETFs**’), his desire to invest in US Dollars, and the element of security for which the Claimant was looking. The Claimant had also indicated that he intended “*to further top up the investment fund next month*”. The report also drew to the Claimant’s attention that “*you should be aware that the value of an investment can rise as well as fall and future performance of the underlying units is not guaranteed*”.

11. According to the Suitability Report, the Defendant also recommended that the Claimant invest the entirety of his premium under the OMI Bond in the “*US Dollar Lifestyle Medium High Risk Lifestyle Blend Fund.*” However, the Claimant expressly declined the Defendant’s recommendation and selected a different ETF which the Sharia Law principles applied to: namely, the “*iShares MSCI World UCITS ETF \$ (Dist)*”.
12. In the event, the Claimant made an initial investment of \$300,000 in the OMI Bond. Subsequently, on 27 January 2019, and in accordance with the Claimant’s indication recorded in the Suitability Report that he intended to top up his initial investment, a further meeting took place between the Claimant and Mr Veiss, during which the Claimant indicated his wish to invest a further \$300,000 in the OMI Bond, which then happened, resulting in a total investment of \$600,000.
13. OMI then provided the Claimant with a policy number and an online service account, which afforded him direct access to his investments under the OMI Bond. On 7 February 2019, OMI formally notified the Claimant directly that his application to invest under the OMI Bonds had been successful, and provided him with the terms and conditions of the Bond. Amongst other things, these terms and conditions recorded in clause 1.2.2 that the Claimant:

... accept[s] the level of risk associated with these Assets including the risk that the investment into such an Asset: (a) could provide a lower degree of investor protection and regulatory safeguards; and (b) could result in a loss of significant proportion of some or all of the sums invested...
14. Payment of the funds invested was made by the Claimant to OMI directly and not through the Defendant.
15. Mr Rudolfs Veiss left the employment of the Defendant and started working for another broker. On 27 July 2020, and as part of a general process of updating its records, the Defendant contacted OMI to confirm whether a number of policies, including the Claimant’s policy, were still under the Defendant, to which it received the email response on 5 August 2020 that, according to OMI’s records, the Defendant “*The policy was no longer under Nexus*”. Subsequently, it was confirmed by OMI that,

according to its records, the Claimant's investment was subject to a broker change on 24 February 2020, following receipt of "*a signed request from the client via email on the 28/01/2020*".

16. According to Mr Hines, the Defendant then assumed that the relationship between the parties had been terminated by virtue of the provision in the Contract that "*termination will also be effected upon expiry of your insurance policy(ies) or the transfer of your business to another broker*".

17. The Claimant's case, as confirmed by documentary evidence, is that he received quarterly payments under the bond from OMI until 21 October 2021. The OMI statement accompanying the first quarterly payments on 21 August 2019, which was addressed directly to the Claimant, recorded that:

Your Regular Withdrawal details with reference Have been updated. We will now make payments from the above Policy based on the following details: \$16 300. Quarterly ...

You will need to ensure that sufficient cash is made available 5 business days prior to each payment.

18. The Claimant further contends, through the hearsay evidence of Mr Al-Nasr, that when the quarterly payments stopped, he contacted Mr Veiss. Although they did not meet in the Defendant's office, Mr Veiss never told him that he was no longer working for the Defendant. Nor was the Claimant informed that the policy had been transferred from the Defendant to another broker. During these visits, Mr Veiss promised him that he would eventually receive the "*full and increased profits*" on his investment. But the quarterly payments were not resumed.

19. In February 2024, the Claimant appointed his present lawyers of record, the Said Al Mansoori Law Firm, to demand payment of the outstanding quarterly returns, repayment of the investment sum of \$600,000, interest on that sum at the rate of 9% per annum, and an additional \$1,000,000 as compensation. According to the Statement of Claim, the claim for 9% interest is based on an Illustration Document by OMI provided to the Claimant at the time of the investment (the '**OMI Illustration**'). which explains in answer to the question "*How might the investment perform in the future?*":

Growth rates used

We cannot predict how the assets may grow, but we can give you an indication of what its future value might be, using the calculation method described below. Different types of assets have different potential growth rates. For example, cash-based assets typically have lower anticipated growth rates than stock market-based assets.

To calculate the values below, we project each asset using the specific anticipated growth rates appropriate for that asset. We then add those projections together to produce the values shown.

The 'low', 'mid' and 'high' columns represent a range of possible economic outlooks, taking into account factors such as general investment growth, inflation, wages growth and long-term interest rates. So, for example, if there is low general economic growth over the period of this projection, the figures at the lowest growth rate represent a more likely outcome for your policy.

Bear in mind however that none of these values are guaranteed.”

If your investment grows at a: Low rate [assuming an annual growth rate 5% per annum]; Mid-rate [assuming an annual growth rate of 7%] or High rate [at an assumed annual growth rate of 9%]

you might get back:

after 10 years \$ 824,000; \$ 1 000 000 or \$ 1 200 000 [respectively]

...

• The amounts shown are not guaranteed. The words 'might' and 'could' are used throughout this document to remind you that none of the figures or values in the tables are guaranteed. The actual outcome depends on factors that no-one

can predict and on the changes and adjustments you might make in future to the assets in your policy.

• Don't forget inflation. Over the years inflation will reduce the buying power of your money. For example, in ten years' time, after allowing for inflation at 2.5% a year, \$ 10,000 will only be worth \$ 7,811 at today's prices.

20. Upon receipt of the demand by the Claimant, the Defendant sought the following information in an email, dated 22 February 2024, to OMI (which in the interim had changed its name, first to Quilter and then to Utmost):

Please see the email trail below and the legal notice from the Client's lawyer. May we request you to provide us the following information.

- 1. A copy of signed transfer out letter from Nexus to another broker.*
- 2. Dealing instructions from 2019 to date, including an email from the advisor.*
- 3. Transaction History.*
- 4. Current Valuation.*
- 5. Any Withdrawal or payments request.*
- 6. How payment transferred to the Client*

We have a meeting with the lawyer on Monday and would appreciate it if this information could be sent to us.

21. The rather terse response from Utmost (OMI) read as follows:

Thank you for your email.

We are unable to provide you this information as you are not authorised.

To send you this information we would require permission from the policyholder. Should you require any further assistance, please don't hesitate to contact us.

22. At a meeting subsequently held between the Defendant and the lawyers representing the Claimant, the Defendant explained its difficulty in acquiring the relevant information from the insurer and asked that the Claimant, as the policyholder, should obtain the information sought from the insurer directly. Despite follow-up emails by the Defendant, the Claimant refused to do so. Instead, the present litigation ensued.

The claim

23. Because the formulation of the Claimant's case in his Statement of Claim and his Reply left his actual cause of action unclear, his legal representative was asked during the hearing to articulate the Claimant's cause of action in broad terms. As we understood the formulation that followed, the Claimant's claim is for damages resulting from the Defendant's non-compliance with the terms of the Contract between them in the following respects:

- i. The Defendant had failed to give him the best advice with regard to his investment in the OMI Bond.
- ii. The Defendant had failed to ensure his receipt of quarterly payments.
- iii. The Defendant had transferred his investment to another broker, thereby terminating the relationship between the parties without the Claimant's written consent.
- iv. By transferring his investment and personal information to another broker, the Defendant had failed to maintain the privacy of the Claimant as it was obliged to do under the relevant business rules.

- v. The Defendant had failed to notify the Claimant that his investment account had been transferred to another broker for a period of nearly 4 years.

24. During argument, the Claimant's lawyer also referred to a claim based on tort. But no basis had been suggested as to how the facts of this case could justify a claim in tort.

Analysis

25. Before considering the Claimant's specific allegations of breach of contract, there is the antecedent enquiry into the Claimant's formulation of his damages. The first part of the claim is described by the Claimant as a claim for refund or repayment of the \$600,000 investment. But the description is a misnomer in that it presupposed that the money was paid to the Defendant, which it was not. In truth, the money was paid to OMI. Properly understood, the claim for recovery of the amount is therefore a claim for damages.

26. However, in the present context, the claim for \$600,000 in damages can only be sustained if the Claimant were able to establish that the investment is irrecoverable from OMI (now known as Utmost). In considering this proposition, we have no reason to think that is so. On the contrary, there is no apparent reason to think that the investment, together with any profits it might have earned, will not be repaid by the insurer on demand. As stated above, the Defendant had made enquiries about the status of the investment with the insurer, but was unable to do so because it is no longer recognised as the Claimant's broker. The Claimant, on the other hand, apparently refused to make any enquiries with the insurer, despite being urged by the Defendant to do so. In consequence, the Claimant, who bears the onus, had failed to establish that it had suffered any loss.

27. The claim for interest at 9% per annum on the invested amount is based on the OMI Illustration. But the OMI Illustration document itself emphasises that the illustrated profits were at the high end of a range of estimates that were not guaranteed, not by OMI and certainly not by the Defendant. Moreover, for all we know, the growth of the investment, over the 6 years that since elapsed, may even have exceeded the estimated

9%. Because the Claimant had failed and refused to ask the insurer about the present state of his investment, we do not know.

28. The further claim is for \$400,000 representing quarterly returns, calculated at the rate of 11% per annum on the invested amount, which had allegedly not been paid. The short answer to this claim is, in our view, that it is devoid of any conceivable basis in fact or in law. In fact, simple logic dictates that an expectation of 9% per annum, plus quarterly payments based on 11% per annum on the same investment, is so far removed from reality that it can never be entertained.
29. As we see it, the final claim for \$10,000,000 is equally without any conceivable basis in fact and in law. In the letter of demand, the claim under this rubric was for \$1,000,000. In the Statement of Claim it suddenly rose to \$10,000,000. Neither in the papers nor in oral argument did the Claimant even begin to establish any basis for this claim and, as we have said, we can think of none.
30. Since the Claimant has failed to establish any loss, this really is the end of the matter. However, for the sake of completeness, we propose to consider the alleged breaches of contract as well.
31. The first alleged breach, that the Defendant had failed to give the best advice, is closely aligned to the Claimant's failure to prove any damages. It stands to reason that if the investment turned out to be a good one that met all the Claimant's expectations, he would have no reason to complain about the quality of the advice. The recurring difficulty for the Claimant is, however, that we do not know the present value of his investment. For all we know, the present value of his investment may even exceed his expectations. That distinguishes this case from *Ahmed Al-Khateeb v Nexus Financial Services WLL* [2024] QIC (A) 6, to which reference was made in argument. In that case, it turned out that the investment that Mr Al-Khateeb was advised to make by the same Mr Rudolfs Veiss was unsuitable for him in that, unbeknown to Mr Al-Khateeb, the risk involved – which eventually materialised – was substantially higher than he was prepared to take. But because we do not know the present value of the Claimant's investment in the OMI Bond, it cannot be said that the same happened in this case. In this light, the fact that the Claimant was in any event prepared to accept a higher risk

is therefore of lesser importance in this case. So is the fact that he elected to place his investment under the wrapper of the OMI Bond in a different fund than the one recommended by Mr Veiss.

32. The second breach of contract that the Claimant has alleged is that the Defendant had failed to ensure his receipt of quarterly payments. The answer to this complaint is, however, that this was not a term of the Contract between the Claimant and Defendant. Nor is it a term of the OMI Bond policy. As appears from the OMI statement to the Defendant, which accompanied the first quarterly payment, that payment was made at the request of the Claimant and would be deducted from the value of the policy (including both capital and interest). To the extent that quarterly payments had not been made, there would presumably be a concomitant increase in the present value of the policy. Since, again, we do not know the present value of the policy, it cannot be said that the Claimant suffered any loss through not receiving quarterly payments.
33. The third breach of contract alleged by the Claimant is that the Defendant had transferred his investment to another broker without his knowledge, thereby terminating the contractual relationship between them without his written request, as required by the Terms of Business contract. But the complaint, first of all, seems to rest on a misinterpretation of the termination clause in the Contract. On a proper construction of that clause, it provides for two distinct ways of terminating the Contract. The one depends on a written request by one party and a written acceptance by the other. The alternative way of terminating the Contract, which finds application, appears from the provision that “*termination will also be effected upon expiry of your insurance policy or the transfer of your business to another broker*”. In the latter event, no written communication is required.
34. But more significantly, the Claimant has failed to establish the basis of this complaint: namely, that it was the Defendant who caused the transfer of his investment to another broker. The Defendant denied that it did so. The Defendant’s denial is supported by the inherent probabilities in that there seems to be no conceivable reason for the Defendant to have done so. OMI clearly knows who caused the transfer, but it refused to tell the Defendant. A simple enquiry by the Claimant as policyholder would probably find the answer. But for some unknown reason, the Claimant refused to

address the question to OMI. In evidence, Mr Hines speculated that it was Mr Veiss who caused the transfer of the Claimant's account to his new employer. The speculation seems to be supported by Mr Hines' further evidence that when Mr Veiss resigned from the Defendant at the beginning of 2020, he took 90% of his clients with him to his new employer. But be that as it may, the fact remains that the Claimant had failed to establish the factual basis for his complaint that the Defendant had transferred his investment to another broker.

35. The Claimant's further complaint is that the Defendant had failed to maintain the privacy of his personal information by transferring his business to another broker without his consent. But this complaint fails on the same factual basis as the previous one: namely, that the Claimant has failed to establish that it was the Defendant who caused the transfer to another broker. The same goes for the Claimant's final complaint (that the Defendant had failed to notify him about the transfer). On the information which the Defendant obtained from OMI, the transfer of brokerage was effected at the instance of the Claimant and the Claimant made no effort to show that this was not so. On the premise that the transfer of the broker was indeed mandated by the Claimant, the Defendant was patently under no obligation to inform the Claimant of this transfer.

Conclusion

36. It follows that the Claimant has failed to establish three essential elements of a claim for contractual damages, namely (i) that the Defendant was in breach of the contract; (ii) that, as a consequence of such breach, he has suffered a loss, and (iii) the quantum of damages resulting from that loss. The inevitable consequence of these findings is that the claim must fail.

37. As to the costs of these proceedings, the Defendant is self-evidently the successful party, and we can find no reason why costs should not follow that event. In consequence, the Claimant will be directed to pay the reasonable costs incurred by the Defendant in opposing this claim, the quantum of such costs to be determined by the Registrar if not agreed between the parties.

By the Court,



[signed]

Justice Fritz Brand

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

Representation

The Claimant was represented by Mr Nasser Mohammed Ahmed of the Said Al-Mansoori Law Firm (Doha, Qatar).

The Defendant was represented by Mr David Holloway of Al-Tamimi & Company (Dubai, United Arab Emirates).