Claim No. SCT 330/2020 THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS In the name of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Ruler of Dubai IN THE SMALL CLAIMS TRIBUNAL OF DIFC COURTS BEFORE SCT JUDGE NASSIR AL NASSER BETWEEN LERDAN RENTAL LLC Claimant and LINANA ENGINEERING LLC Defendant Hearing : 27 October 2020 Judgment

Claim No. SCT 330/2020

THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

In the name of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Ruler of Dubai

IN THE SMALL CLAIMS TRIBUNAL OF DIFC COURTS
BEFORE SCT JUDGE NASSIR AL NASSER

BETWEEN

LERDAN RENTAL LLC

Claimant

and

LINANA ENGINEERING LLC

Defendant

Hearing : **27 October 2020**
Judgment : **1 November 2020**

JUDGMENT OF SCT JUDGE NASSIR AL NASSER

UPON this claim being filed on 17 September 2020

AND UPON a Hearing being held before SCT Judge Nassir Al Nasser on 27 October 2020 with the Claimant's and the Defendant's representatives in attendance

AND UPON reading the submissions and evidence filed and recorded on the Court file

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant the sum of AED 62,834.10.

2. The Defendant shall pay the Claimant the Court fees in the sum of AED 3,141.70.

Issued by:
Nassir Al Nasser
SCT Judge
Date of issue: 1 November 2020
At: 12pm

THE REASONS

The Parties

1. The Claimant is lLeardan Rental LLC (the "Claimant"), a company registered in Dubai, UAE.

2. The Defendant is Linana LLC (the "Defendant"), a company registered in Dubai, UAE.

Background and the Preceding History

3. The underlying dispute is in regards to the alleged non-payment of invoices issued to the Defendant by the Claimant pursuant to a Rental Agreement (the "Agreement") in the total amount of AED 62,834.10.

4. On 27 September 2020, the Defendant filed an Acknowledgment of Service setting out its intention to defend all of the claim.

5. Thereafter, in accordance with the Rules of the DIFC Courts in regards to claims filed in the DIFC Courts' Small Claims Tribunal (the "SCT"), a Consultation was held before SCT Judge Delvin Sumo with both parties' representatives in attendance. The parties failed to reach a settlement.

6. A Hearing was then held before me on 27 October 2020, and the matter was then reserved for judgment, which I give below.

The Claim

7. The Claimant's case is that it entered into the Agreement under which the Defendant hired equipment from the Claimant and effectively agreed to the Claimant's terms and conditions. The Claimant fulfilled its obligations under the Agreement by delivering the required equipment to the Defendant, which the Defendant confirms it duly received.

8. The Claimant therefore submits that it is entitled to the sums owed to it pursuant to the Agreement, in the amount of AED AED 62,834.10.

The Defence

9. The Defendant argues that the project for which the Defendant had leased the equipment from the Claimant had halted, under the circumstances of the COVID-19 pandemic. The Defendant submits that the UAE Government, pursuant to its efforts to prevent the spread of the virus, had enforced a lockdown, therefore preventing the Defendant from carrying out its work. As a result, the Defendant submits, the equipment that the Defendant had leased from the Claimant was not used. The Defendant submits that the difficulties it had faced surmount to force majeure, and the relevant provisions allegedly set out in the Agreement should apply to the situation.

10. The Defendant submits that it is a sub-contractor in the project and states that it has made a request to the main contractor of the project to consider settling the charges incurred by the Defendant to the Claimant, however this request was duly denied by the main contractor.

Finding

11. The Agreement is purely between the Claimant and the Defendant. It does not relate to the main contractor nor has it any reference to any agreements involving the main contractor. Furthermore, the Agreement between the Claimant and the Defendant contains no clause which would relieve the parties of their obligations towards one another in the event of Force Majeure.

12. I am of the view that the Defendant has failed to off-hire the rented equipment, in accordance with Clause 6 of the Agreement, which stipulates the following:

> "Equipment Off-hiring:
>
> a. Lessee should inform off hire date and time in writing at least two days in advance"

13. The Defendant failed to provide any evidence to show that it has requested for the leased equipment to be off hired in the manner set out in Clause 6 of the Agreement.

14. I find that the Defendant is liable to pay the Claimant the sum of AED 62,834.10, seeing as the leased equipment was in the possession of the Defendant and was not off-hired at any stage.

Conclusion

15. In light of the above, I find that the Defendant is liable to pay the Claimant pursuant to the Agreements and the invoices issued the sum of AED 62,834.10.

16. I also find that the Defendant shall pay the Claimant the Court fees in the sum of AED 3,141.70.

Issued by:
Nassir Al Nasser
SCT Judge
Date of issue: 1 November 2020
At: 12pm