Claim No: CFI 016/2025

IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

BETWEEN

OMAR BEN HALLAM

Claimant

and

NATIXIS

Defendant

ORDER WITH REASONS OF H.E. DEPUTY CHIEF JUSTICE ALI AL MADHANI

UPON the Claim being filed on 24 February 2025 (the "Claim")

AND UPON the Claimant's Application Notice CFI-016-2025/1 dated 16 May 2025, seeking an extension of time to file a reply to the Defence and the postponement of the Case Management Conference listed before H.E. Deputy Chief Justice Ali Al Madhani on 24 June 2025 (the "Extension Application")

AND UPON the Order with Reasons of H.E. Deputy Chief Justice Ali Al Madhani dated 12 June 2025, dismissing the Extension Application (the "Extension Order")

AND UPON review of the parties' costs submissions pursuant to paragraph 3 of the Extension Order

IT IS HEREBY ORDERED THAT costs are awarded to the Defendant in the amount of **AED 6,120.**

Issued by:
Hayley Norton
Assistant Registrar
Date of issue: 28 April 2026
At: 12pm

SCHEDULE OF REASONS

1. This Order is in response to paragraph 3 of the Extension Order dated 12 June 2025, which dismissed the Claimant's Extension Application dated 16 May 2025, which originally sought an extension of time to file a reply to the Defence and the postponement of the Case Management Conference. The Extension Order subsequently ordered that the Claimant bear the costs of the Extension Application.

2. Under Rule 38.18 of the DIFC Courts (the "RDC"), where the amount of costs is to be assessed on the standard basis, the Court will only allow costs proportionate to the matters in issue, and assess whether costs sought are reasonably incurred and proportionate in amount in favour of the paying party. As the Extension Order did not specify the basis of the assessment for costs, pursuant to RDC 38.20 costs will be assessed on the standard basis. RDC 38.21 and 38.23 dictate that the Court must have regard to all circumstances when assessing costs, including the conduct of all parties.

3. In its Statement of Costs dated 18 June 2025, the Defendant seeks a total of AED 42,089.76 (the "Defendant's Costs") for 11 hours 54 minutes of work done by solicitors and 5 hours of work done by Counsel. The Defendant submits that as the Extension Application was wholly unmeritorious, all costs sought should be recovered.

4. The Defendant makes further submissions as to the Claimant's conduct. First, in a letter dated 22 May 2025, the Defendant had made an offer to compromise the Extension Application (the "Offer"). The Offer set out the Defendant's position, being that the Extension Application will be refused on the basis that no good reason has been provided and any delay will cause prejudice, but nonetheless the Defendant was prepared to reach a compromise to be encapsulated in a consent order that offered 8 weeks from the date of the Defence being filed, which is 5 weeks longer than the RDC permits. The Claimant was also warned that in the event the Offer was rejected, the Court would be made aware of the contents of the letter. The Claimant failed to respond, and the Defendant was correct in its assessment of the Extension Application.

5. The Claimant failed to respond to the Offer, and the Extension Application was then filed without notice. The Defendant submits that this was unreasonable and incurred unnecessary costs and a waste of Court time, as there were practical steps that could have been taken prior to filing, including initiating further negotiation of the Offer.

6. Finally, the Defendant submits that fee earner rates are less than the average hourly rates set out in the Registrar's Direction No.1 of 2023, and so fall within the scope of reason and proportionality.

7. In reply, the Claimant objects to the Defendant's quantum on costs as it never filed any acknowledgement or formal notice of opposition to the Extension Application under RDC 23.48; instead, it sent a single four-page letter on 22 May 2025. Therefore, the Defendant ought not be

awarded costs as failure to comply with RDC 23.48 means the offending party is not entitled to be heard at the application hearing pursuant to RDC 23.63.

8. Further, the Claimant states that the Defendant's opposition to the Extension Application essentially recycled submissions from its own strike-out application, and the hourly rates of the practitioners listed exceed the guidance in the Registrar's Direction No. 1 of 2023. Finally, the time listed is excessive and misleading, as the Extension Application was dealt with on the papers, not at a hearing.

9. First, I concur that the Defendant's practitioners' hourly rates are within the scope of guidance in the Registrar's Direction No. 1 of 2023. While I acknowledge the Claimant's submissions to the alternative, the current draft of RD No. 1 means that the submitted hourly rates are lower than the offered guidance. Therefore, I have no contest as to the charged practitioner fees.

10. Second, I note that the Offer has been submitted as formal evidence of an attempt to settle and/or circumvent additional costs, which normally holds significant weight in the assessment of conduct for all parties. Nonetheless, this is insufficient to justify the costs sought by the Defendant.

11. I acknowledge that practical steps ought to have been taken by the Claimant prior to filing. However, given that this specific issue held scope to be resolved in negotiations and was a purely procedural matter, the amount of time - over 11 hours - dedicated by the Defendant is wildly disproportionate and unexplained.

12. First, three practitioners of senior level were not needed on the defence for the Extension Application. Work done on documents could have been completed by a junior associate or paralegal, with perhaps one senior associate supervising. There was no practical need for a Partner and senior associate to file for 18 minutes of work each for `negotiations'; similarly with `attendances on opponents'. The sum of the Extension Application was also very short; the initial filing was 3 pages long, with another 2 page witness statement in further reply. There was little for the Defendant to actually respond to.

13. Further, I concur with the Claimant that the Defendant's reply to the Extension Application carried materially similar submissions to the Defendant's strike out application which was filed on the same day as the Extension Application; therefore, the additional 11 hours filed are not properly explained and cannot be justified as recoverable.

14. In consideration of the above, I deem it proportionate and fair to the conduct of the parties and the expected appropriate time spent on the Extension Application given its procedural nature and recycled defence to award the Defendant's costs on two hours of work only, using the hourly rates from the Partner and one senior associate. This amounts to **AED 6,120.**