THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

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

IN THE SMALL CLAIMS TRIBUNAL

BEFORE SCT JUDGE MAHA AL MEHAIRI

BETWEEN

JACINTA

Claimant

and

JACK EVENT MANAGEMENT LLC

Defendant

Hearing: **9 December 2018**

Judgment: **6 January 2019**

JUDGMENT OF SCT JUDGE MAHA AL MEHAIRI

UPON the Claim Form being filed on 1 November 2018;

UPON this claim being called for a Consultation on 15 November 2018 before SCT Judge Nassir Al Nasser;

UPON the parties failing to reach a settlement at the Consultation;

UPON a Hearing being held before SCT Judge Maha Al Mehairi on 9 December 2018, with the Claimant attending and the Defendant absent although served Notice of the Hearing date;

AND PURSUANT to Rule 53.61 of the Rules of the DIFC Courts, it is stated that: *"If a defendant does not attend the hearing and the Claimant does attend the hearing, the SCT may decide the claim on the basis of the evidence of the Claimant only."*

AND UPON reviewing the documents and evidence submitted in the Court file;

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant the amount of AED 230,000 in regard to the unpaid loan.

2. The Defendant shall pay the Claimant the amount of AED 11,500 as reimbursement of the DIFC Courts filing fee.

Issued by:

Maha Al Mehairi

SCT Judge

Date of issue: 6 January 2019

At: 10am

THE REASONS

Parties

1.The Claimant is Jacinta (the "Claimant"), an individual that worked with the Defendant company in the business of providing equipment, service, support, and training.

2.The Defendant is Jack Event Management ("JEM") the former employer of the Claimant.

3. It is to be noted that at the commencement of this Claim, the Defendants were originally cited on the Claim Form as (i) Jabir and (ii) Jaco, both being the owners of Jack Event Management ("JEM"). However, at the Hearing, the Claimant sought to amend the Defendant's name to JEM.

Background and Hearing

4. On 28 August 2012, the Claimant signed an employment contract with Jack Event Management ("GEM") to work as a manager with a monthly salary of AED 25,000. During his employment period, JEM faced financial problems and failed to pay the Claimant's salary for a couple of months.

5. In March 2013, the Claimant provided a personal loan to JEM in the amount of AED 500,000 (the "Loan Amount") and was promised by the company that this amount would be returned within a few weeks.

6. On 19 May 2013, the Claimant was informed that he would no longer be required as a full-time employee of JEM. The Defendant refused to return the personal loan or to settle the outstanding salary payments by the deadline date of 30 September 2013, as set by JEM. The employment period lasted approximately a year and a half.

7. From September 2013, the Claimant and JEM entered in an exchange of emails regarding the repayment of the Loan Amount but to no success. Following this, the Claimant engaged a law firm to assist with the return of the Loan Amount. In August 2015, after intensive communication between the law firm and JEM, the Claimant received a letter from JEM's Lawyers indicating proposed terms of a regular monthly repayment settlement schedule. On 16 January 2016, the Claimant received a signed settlement agreement from JEM ("Settlement Agreement") which contained a repayment plan of regular monthly payments.

8. The Settlement Agreement provided repayment of the Loan Amount within a 3-year period. 36 regular monthly repayments with a minimum of AED 10,000, plus additional sums to ensure the complete repayment was made within 3 years, from January 2015 to the end of 2018.

9. The Claimant submits that 5 and a half years have passed from the date that the Loan Amount was originally provided to the Defendant and that amount still remains unrepaid, despite having a signed Settlement Agreement. The Claimant submits that JEM have failed to honour the monthly repayment schedule and have only paid 27 monthly repayments out of the required 34 scheduled repayments to date. JEM still owe the Claimant the amount of AED 230,000. The Claimant submits that no payments have been made by JEM since 2 July 2018. In addition, no communication has been initiated from JEM as to when payments will be made.

10. The original Settlement Agreement sets out the terms and conditions of the repayment loan. Clause 6 clearly states that "If there are 3 or more minimum installments overdue then the remainder of the settlement amount will fall due and payable immediately."

11. To date, JEM have consistently outlined their inability to settle the debt but have not provided any evidence or audited accounts to prove their current financial position. On 1 November 2018, the Claimant filed a case against the Defendants in the DIFC Courts Small Claims Tribunal ("SCT") requesting that the Court order that, as per the Settlement Agreement, the Defendant be required to pay the pending amount of AED 230,000.

12. On 7 November 2018, the Defendants provided an Acknowledgment of Service reflecting their intent to defend part of the Claim. The parties participated in a Consultation on 15 November 2018 but were unable to reach a settlement.

13. On 9 December 2018, I heard submissions from the Claimant, however, the Defendant was absent from the hearing, and pursuant to Rule 53.61 of the Rules of the DIFC Courts: *"If a defendant does not attend the hearing and the claimant does attend the hearing, the SCT may decide the claim on the basis of the evidence of the claimant alone. As such I will give a ruling depending on the Claimant's submissions in the case."*

14. As the Defendant was absent at the Hearing, the Claimant only reiterated his position as submitted in his Claim Form, explaining that he was an employee with JEM and that he provided a business Loan to JEM in the amount of AED

500,000, which the company failed to repay, leaving a pending amount of AED 230,000.

15. The Defendant failed to submit anything to support their defence, accordingly the Court will rule having regard to the submissions on file and the rules and regulation of the DIFC Courts.

Discussion

16. First and foremost, this Claim was originally filed against Jabir and Jaco, however, upon review of the court file, the Claimant failed to prove that liability for the Loan Amount should fall upon the individuals, but, in fact, should fall upon the Defendant company (as stated in the Settlement Agreement).

17. the relevant Settlement Agreement falls under the DIFC Courts' jurisdiction, pursuant to Clause 14.2, which states that:

> "this agreement is governed under the laws of Dubai International Financial Centre and each party irrevocably agrees to submit to the exclusive jurisdiction of the small claim tribunal of the Dubai International Financial Centre Courts over any claim or matter arising under or in connection with this Agreement."
>
> As the claim value is less than AED 500,000, this claim is properly before the Small Claims Tribunal of the DIFC Courts.

18. There is no dispute between the parties as to the existence and applicability of the Settlement Agreement. The Claimant asserts that he is owed the sums claimed under the Settlement Agreement and that the Defendant has its obligation to pay.

19. The Claimant's Claim is accepted on the basis that there is sufficient evidence to support the Claim. As such it is ordered that the Defendant shall pay the Claimant the amount of AED 230,000 for the unpaid Loan Amount.

20. The Defendant shall pay the Claimant the Court filing fee in the amount of AED 11,500.

Issued by:

Maha Al Mehairi

SCT Judge

Date of issue: 6 January 2019

At: 10am

