IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

N/A

BETWEEN

PARKER

Claimant

and

PEDRO

Defendant

ORDER WITH REASONS OF H.E. JUSTICE MARK PELLING

UPON the Order with Reasons of H.E. Justice Mark Pelling dated 21 September 2026 (the "Order") by which the Claimant's Arbitration Claim issued on 4 March 2026 (the "Claim") was determined and by which directions were given in Paragraph 2 thereof for the assessment of the Claimant's costs of and occasioned by the Claim (the "Costs Claim Directions")

AND UPON the parties having filed and served submissions in accordance with the Costs Claim Directions

AND PURSUANT TO the Rules of the DIFC Courts ("RDC")

IT IS HEREBY ORDERED THAT:

1. The Claimant's costs of and occasioned by these proceedings are assessed in the sum of AED 53,550 (the "Assessed Costs").

2. The Defendant shall pay the Claimant the Assessed Costs by no later than 4pm (GST) 14 days after the date this Order is served.

3. The parties shall have liberty to apply.

Issued by:
Delvin Sumo
Assistant Registrar
Date of issue: 16 October 2026
At: 10am

SCHEDULE OF REASONS

Introduction

1. The Claimant seeks an order that I assess its costs of and occasioned by the Claim on the standard basis in the sum of AED 60,146.74 (comprising AED 38,063.23 on legal costs and AED 22,083.51 on disbursements), as set out in the Costs Schedule. The Defendant submits that (a) the Claimant should be debarred from recovering any costs because it served its submissions late and that any costs ordered to be recovered should be substantially less than claimed to reflect what is alleged to be excessive hourly rates charged, excessive hours worked and supplication between multiple fee earners.

The Timing Issue

2. It is difficult to think of a more un-meritorious submission than that the whole of the Costs Claim should be disallowed in its entirety by reason of the delay that in fact occurred in the service by the Claimant of its costs submissions. As the Defendant's own submissions record that deadline for both filing and service was 4pm (GST) on or about 5 October 2026 and that the Costs Submissions and Statement of Costs was in fact served on 5 October 2026 at 20:48 (GST). In timing terms, the material was served 4 _ hours late. Service in DIFC Courts cases must be by 4pm or service is treated as having occurred the following day. It follows that the submissions were deemed served on 6 October 2026. Although it is alleged by the Defendant that this matters because "*.The Court's directions were given precisely to ensure that both parties have a fair and orderly opportunity to address costs, and that the Court can conduct a proportionate, paper-based assessment*." no attempt has been made to identify any actual prejudice that has been suffered by the Defendant. That is because none has been suffered. The Defendant's time for service of its submissions was 7 days after service by the Claimant of its schedule and submissions. It follows that the Defendant had the same period in which to respond irrespective of the delay that has occurred and that an extension of one day would have been either conceded or readily granted if it was not. No such application was made.

3. Although the Defendant submits that the ". *appropriate and principled response is that its late-served costs schedule should be disbarred from consideration*." I disagree. Had a formal application for an extension been made and had it been necessary to test such an application applying the Denton principles such an application would have been bound to be granted because the delay that has occurred is neither serious or significant. In those circumstances the proper response to this point is for me to extend time for the Claimant to file and serve its schedule and submissions to 4pm (GST) on 6 October 2026 pursuant to Rule 44.2(1) and/or (14) of the Rules of the DIFC Courts (the "RDC") and/or RDC

4.51. It follows that the Costs Claim will be determined on its merits.

Applicable Principles

4. It is common ground that the Claimant's costs should be assessed on the standard basis.

5. By RDC 38.17, 38.18 and 38.21, where costs are to be assessed on the standard basis the Court ". *is to have regard to all the circumstances in deciding whether costs were. (a) proportionately and reasonably incurred; and (b) were proportionate and reasonable in amount*.". In applying these principles, it is appropriate that this Court have regard to the approach of the Courts of England and Wales on the comparable provisions of the Civil Procedure Rules (the "CPR") because of the high level of similarity between the rules set out in the RDC and the CPR concerning costs - see *Al Khorafi v. Bank Sarasin-Alpen (ME) Limited* [2009] DIFC CFI 026 (16 January 2017).

6. In relation to proportionality, in *Kazakhstan Kagazyp plc v Baglan Abdullayevich Zhunus* [2015] EWHC 404 (Comm) at [13]. Leggatt J (as he then was) emphasised that what a party might subjectively consider reasonable to pay to advance its own interests in litigation is not the relevant test. The relevant test when assessing recoverable costs between the parties is an objective one and is the lowest sum that the receiving party could reasonably have been expected to spend in order to have its case conducted and presented proficiently. As Leggatt J added:

> ". The touchstone is not the amount of costs which it was in a party's best interests to incur but the lowest amount which it could reasonably have been expected to spend in order to have its case conducted and presented proficiently, having regard to all the relevant circumstances. Expenditure over and above this level should be for a party's own account and not recoverable from the other party. This approach is first of all fair. It is fair to distinguish between, on the one hand, costs which are reasonably attributable to the other party's conduct in bringing or contesting the proceeding or otherwise causing costs to be incurred and, on the other hand, costs which are attributable to a party's own choice about how best to advance its interests. There are also good policy reasons for drawing this distinction, which include discouraging waste and seeking to deter the escalation of costs for the overall benefit for *litigants*."

This statement was approved by the Court of Appeal of England and Wales in *Kington SARL v Thames Water Utilities Holdings Ltd* [2025] EWCA Civ 1003 and in *Saipem SPA and Others v Petrofac Ltd and Another* [2025] EWCA Civ 1106; [2025] Costs LR 1481 and by the Court of Appeal of the DIFC Courts in *The Industrial Group Limited v. Hamid* [2022] DIFC CA 005/006 (30 October 2023). It is therefore a principle that should now be applied in all standard assessments in this jurisdiction.

7. One aspect of ensuring that no more than a sum that is proportionate in amount is assessed, is to have regard to the guideline rates fixed so far as this Court is concerned by *Registrar's Direction No. 1 of 2023 - Indicative Hourly Legal Charges* (the "RD1"). It establishes the following benchmark rates:

Level of Legal Experience	Average Hourly Rate (AED)	Average Hourly Rate (USD)
Paralegals	1450	415
Trainees/lawyers up to 5 years	2391	651
Lawyers 6-10 years	2972	809
10+ years	3298	898
Partners	3746	1020

Whilst RD1 is not a provision that fixes rates but provides a starting point when assessing proportionality, a departure from the guideline rates will be appropriate only where a clear and compelling case for adopting a higher rate has been objectively established. "*It is not enough to say that the case is a commercial case, or a competition case, or that it has an international element, unless there is something about these factors in the case in question which justifies exceeding the guideline rate.*" - see *Samsung Electronics Co Ltd v LG Display Co Ltd* [2022] EWCA Civ 466 *per* Males LJ at [4] to [6].

The Claimed Hourly Rates

8. The sums claimed for each fee earner are well within the guideline rates. In summary the rates claimed are:

(a) Percy - Partner - AED 2,820.00

(b) Pari - Partner - AED 3,973.72

(c) Prisha - Associate - AED 1,900.00

(d) Peirce - Trainee - AED 1,830.26; and

(e) Paige - Paralegal - AED 1,441.00

The rates used are both reasonable and proportionate and require no downward adjustment. I reject the Defendant's submission that they are "*very high*". That is an entirely subjective comment that fails to ask or answer the only question that matters which is whether the rates applied are both reasonable and proportionate. The rates used are both because they are less and in some cases significantly less than the guideline rate which establishes the benchmark for what is reasonable and proportionate hourly rate for solicitors' films and legal consultancies carrying on business in Dubai.

Reasonableness and Proportionality

9. It is necessary now to consider the reasonableness and proportionality of the sums claimed. Since the hourly rate is one that on balance I am prepared to accept as reasonable and proportionate in the circumstances the focus of attention at this stage is on (a) attendances, (b) work done

on documents and (c) disbursements being in the main counsel's fees.

Attendances

10. The attendances on (presumably the client representative) in the first attendances section is in excess of what is reasonable and proportionate, even allowing for the lack of constructive engagement by the Defendant. I reduce the sum recoverable by Ms Prisha to 2½ hours. The Attendances on opponents (6 minutes) is reasonable and proportionate. The attendances on "*others*" is unexplained. The only third party for whom fees are claimed as a disbursement is a translator and a courier. Even allowing for some attendances on court officials, aggregate attendances of in excess of 8 hours is not proportionate. Rather than address each fee earner in turn, which would be impossible given the paucity of information provided, I recognise that a summary assessment is to that extent inevitably a broad brush/broad axe exercise and reduce the sum claimed for this phase by 25%.

Work on Documents

11. A total of 7.9 hours have been claimed for this phase. It was submitted by the Defendant that this was in excess of what is reasonable and proportionate because there was no complexity to the application. I consider that is an exaggeration given the appointment had been opposed in correspondence and it was necessary to consider suitability by reference to the other references to which the proposed arbitrator has been appointed to determine. Further I reject the submission that this work done has not been properly delegated to more junior fee earners. Only 30 minutes of partner time has been claimed and given the supervisory role that partners of necessity play in the internal management of properly run law firms, I consider those fees to be reasonable and proportionate. I consider Ms Prisha's hours to be reasonable and proportionate but Ms Paige's hours to be in excess of what is proportionate and I reduce them by 1 hour.

12. It is submitted by the Claimant that since there is no narrative breakdown it is impossible to carry out an assessment either as to reasonableness or proportionality. Whilst in principle I agree it would have assisted if a break down had been provided in a way that is similar to that provided for summary assessments in the Business and Property Division of the High Court of England and Wales, the Defendant is entitled to point out that the RDC mandated schedule does not provide for such a breakdown. That said, there is nothing to prevent a receiving party providing more extensive narrative detail that the form requires, particularly where provision has been made for submissions to be filed together with the schedule. Had the sums claimed for work on documents been higher than they are or if more of the work has been done by more senior fee earners the absence of such a narrative might have been of significance. However I am satisfied in this case that with the modest adjustments referred to above, the sums recoverable are reasonable and proportionate.

13. I allow the disbursements as claimed - the court's fees of necessity must be recovered as claimed. Similar consideration apply to the modest courier fees. The translation fees are challenged but no benchmark is offered that suggests the fees claimed are other than those to be expected for the work that had to be carried out and I allow those as asked.

The Assessment in Summary

14. The total sum recoverable net of the adjustments set out above is AED 53,552.69 which I have rounded to AED 53,550. That sum must be paid within 14 days of the date when this Order is served on the Defendant - see RDC 38.40(1). No application has been made for an extension of time in which to pay.