IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

BETWEEN

(1) OBERT
(2) ONA

Claimants

and

ONDRAY

Defendant

ORDER WITH REASONS OF H.E. JUSTICE SHAMLAN AL SAWALEHI

UPON the Claimants' Arbitration Claim filed on 4 April 2025 under Part 43 of the Rules of the DIFC Courts ("RDC") seeking recognition and enforcement of a Final Award dated 26 February 2025 (the "Arbitration Claim")

AND UPON the Defendant's Acknowledgment of Service dated 25 April 2025

AND UPON the Defendant's Defence dated 22 May 2025

AND UPON the Claimant's Reply to Defence dated 10 June 2025

AND UPON hearing counsel for the Claimants and counsel for the Defendant at the Claim Hearing before H.E. Justice Shamlan Al Sawalehi on 22 September 2025

IT IS HEREBY ORDERED THAT:

1. The Claimant's Arbitration Claim is granted.

2. The Final Award is recognised as binding.

3. The Defendant shall pay the Claimants' costs of these proceedings. Such costs to be determined on the standard basis, to be set out in a statement of costs not exceeding three pages in length, to be submitted within 5 days of the date of this Order.

Issued by:
Hayley Norton
Assistant Registrar
Date of issue: 9 October 2025
At: 10am

SCHEDULE OF REASONS

Introduction

1. This matter arises from an Arbitration Claim filed by the Claimants under Part 43 of the RDC seeking recognition of a Final Award dated 26 February 2025.

2. The Defendant opposes recognition and has filed a defence raising arguments that the Award ought to be set aside pursuant to Article 41 of DIFC Law No. 1 of 2008 the DIFC Arbitration Law ("the "Arbitration Law").

3. After careful review and consideration of the Award, the oral pleadings and evidence filed by both parties, and the applicable statutory framework in accordance with the DIFC Arbitration Law and the RDC, the Court grants the Claimants' arbitration claim for the reasons set out below.

Background

4. On 6 November 2018, the Claimants and the Defendant entered into a Consultancy Agreement relating to the development of a Security Token Offering intended to raise funds for two major projects.

5. The Consultancy Agreement contained an arbitration clause at Clause 7, providing for arbitration under the DIFC-LCIA Arbitration Rules, with the seat of arbitration in the DIFC, the governing law being DIFC law, and the language of the proceedings English.

6. On 31 January 2019, the parties executed a Termination and Settlement Agreement ("TSA"), which recorded an intention to terminate the Consultancy Agreement and provided for payment of EUR 50,000 each to the Claimants in full and final settlement.

7. The Defendant did not pay. Following repeated demands, the Claimants filed a Request for Arbitration on 3 August 2023, expressly relying on the arbitration clause in the Consultancy Agreement, and later joined by the Second Claimant.

8. The arbitral tribunal was constituted. The parties executed a Deed of Arbitration ("DOA") on 30 September 2024, recording the jurisdictional basis, the governing law (DIFC law), and the issues for determination.

9. The Arbitrator issued a Final Award on 26 February 2025, awarding the Claimants EUR 100,000 (EUR 50,000 each), interest at 5.3% p.a. from the date of the Award, and costs.

10. The Claimants thereafter filed this arbitration claim in the DIFC Courts on 4 April 2025. The Particulars of Claim were filed on 16 April 2025. Service was effected on the Defendant in Saudi Arabia and its counsel in Dubai.

11. On 25 April 2025, the Defendant filed an Acknowledgment of Service indicating an intention to defend the whole claim, together with a Defence citing Article 41 of the DIFC Arbitration Law.

Claimants' Submissions

12. The Claimants contend that the Award was properly issued in a DIFC-seated arbitration pursuant to a valid arbitration agreement in the Consultancy Agreement.

13. They submit that Article 41 of the DIFC Arbitration Law provides the exclusive recourse against an award, and that the Defendant has failed to demonstrate any of the limited grounds for annulment under Article 41(2).

14. They emphasise that the Arbitrator expressly considered jurisdiction, accepted that the TSA contained no arbitration clause, and proceeded on the basis of the Consultancy Agreement, which was the correct source of jurisdiction.

15. The Claimants argue that the TSA was treated as evidence of the parties' intentions, not as the legal basis for jurisdiction.

16. The Claimants further contend that the Defendant's set aside argument would, in any event, fail as Article 41(3) imposes a three months' time limit following receipt of the Award.

17. Finally, the Claimants argue that procedural objections raised by the Defendant under the RDC are without merit, as the Claim Form, service certificates, and Particulars of Claim were properly filed and served within the rules.

Defendant's Submissions

18. The Defendant submits that the Arbitrator exceeded his jurisdiction by deciding claims under the Consultancy Agreement when the Claimants' demands were expressly based on the TSA.

19. The Defendant maintains that the TSA did not contain an arbitration clause and never became legally effective and therefore could not form the basis of jurisdiction.

20. The Defendant contends that the Arbitrator procedurally erred by failing to notify the parties that he would rely on the Consultancy Agreement, thereby depriving the Defendant of the opportunity to make submissions.

21. The Defendant argues that the Award is contrary to public policy, internally inconsistent, and procedurally unfair, and should therefore be set aside under Article 41(2)(a)(ii)-(iv) and (b)(iii) of the DIFC Arbitration Law.

22. In addition, the Defendant raises procedural objections under RDC Part 17 and Part 43 concerning service of the Claim Form, Certificates of Service, and adequacy of Particulars of Claim.

Discussion

23. Article 41 of the DIFC Arbitration Law sets out the requirements for setting aside an award, which are limited to those listed in Article 41(2).

24. The DIFC Courts have consistently emphasised that annulment of awards is exceptional, and that the Court's role is one of minimal curial intervention.

25. The Defendant submits that it has complied within the relevant time period set out at Article 41(3) of the DIFC Arbitration Law by filing its set aside submissions within 3 months from receipt of the Award.

26. The Award is dated 26 February 2025. The Defendant was represented throughout the arbitration and there is no evidence that it did not receive the Award promptly. The Defence was filed on 22 May 2025, within the three-month limit.

27. The second issue is jurisdiction. The Claimants' Requests for Arbitration dated 3 August 2023 and 20 December 2023 expressly invoked Clause 7 of the Consultancy Agreement as the jurisdictional basis.

28. The DOA, signed by all parties, at Clause 7 records that arbitration is pursuant to Clause 7 of the Consultancy Agreement, with the seat in the DIFC and governed by DIFC law.

29. The Arbitrator in the Award accepted that the TSA contained no arbitration clause, and proceeded on the basis of the Consultancy Agreement. This was consistent with the Claimants' pleadings and the DOA.

30. The Court rejects the Defendant's submission that the Sole Arbitrator exceeded his jurisdiction. Article 23(1) of the DIFC Arbitration Law

provides that:

> "The Arbitral Tribunal may rule on its own jurisdiction, including any objections with respect to the existence or validity of the Arbitration Agreement. For that purpose, an arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract. A decision by the Arbitral Tribunal that the contract is null and void shall not by itself determine the invalidity of the arbitration clause."

31. This reflects the principle of separability. Accordingly, termination or supersession of the Consultancy Agreement did not extinguish the arbitration clause it contained. The arbitration clause survived independently, conferring jurisdiction upon the Sole Arbitrator unless expressly excluded, which it was not. The Award dealt with claims "arising out of or in connection with" the Consultancy Agreement, which is precisely what Clause 7 authorised. The Arbitrator therefore acted within his mandate and exercised jurisdiction in accordance with both the contract and the law.

32. On procedural fairness, the Defendant alleges surprise at reliance on the Consultancy Agreement. However, the contemporaneous record, including the Requests for Arbitration, the DOA, and the pleadings, demonstrates that jurisdiction was always invoked under the Consultancy Agreement.

33. The Defendant cannot credibly maintain surprise when the arbitration clause was expressly pleaded as the foundation of jurisdiction from the outset and confirmed in the DOA. The Arbitrator was entitled to treat the TSA as evidence relevant to quantum without treating it as the source of jurisdiction. The Court is satisfied there was no procedural ambush or denial of natural justice.

34. As to public policy, the Court reaffirms that annulment on such grounds is exceptional, confined to violations of the UAE's most basic principles of law and morality. The Respondent has demonstrated no such violation. Mere disagreement with the tribunal's reasoning or outcome cannot amount to public policy grounds under Article 41(2)(b)(iii).

35. Turning to the Defendant's RDC objections: the Court is satisfied that the Claim Form, Particulars of Claim, and Certificates of Service were filed and served in compliance with RDC Part 43 and Part 9. Minor defects, if any, caused no prejudice and are not grounds to dismiss the claim.

36. The Court notes that under RDC 43.70, once the Court is satisfied that an arbitral award is valid and binding, it must recognise it as enforceable in the same manner as a judgment of the Court.

Conclusion

37. For the foregoing reasons, the Court concludes that the Defendant has not established any of the limited grounds under Article 41(2) of the DIFC Arbitration Law.

38. The Arbitrator acted within his jurisdiction, by operation of Article 23(1) DIFC Arbitration Law, the procedure was fair, and the Award is not contrary to public policy.

39. The Claimants' Arbitration Claim is granted.

40. Accordingly, the Award dated 26 February 2025 is hereby recognised as binding.

41. The Defendant shall pay the Claimants' costs of these proceedings, such costs to be determined on the standard basis, to be set out in a statement of costs not exceeding three pages in length, to be submitted within 5 days of the date of this Order.