Claim No. SCT 565/2019

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
BEFORE SCT JUDGE MAHA AL MEHAIRI

BETWEEN

LUELLA BANK

Claimant

and

LAWSON

Defendant

Hearing

: 6 February 2020

Judgment

: 17 February 2020

JUDGMENT OF SCT JUDGE MAHA AL MEHAIRI

UPON the Claim Form being filed on 16 December 2019

AND UPON the Defendant filing an Acknowledgment of Service with an intention to defend all of this claim dated 26 December 2019

AND UPON the parties being called on 8 January 2020 for a Consultation with SCT Judge Nassir Al Nasser and the parties not having reached settlement

AND UPON a Hearing having been held before SCT Maha Al Mehairi on 6 February 2020, with the Claimant's representative and the Defendant in attendance

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

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant AED 117,254.40 in respect of the unpaid loan and credit card.

2. The Defendant shall pay the Claimant the Court Fee in the sum of AED 5,862.73.

Issued by:

Nassir Al Nasser

SCT Judge

Date of issue: 17 February 2020

At: 3pm

THE REASONS

Parties

1. The Claimant is Luella Bank, a bank providing financial products and services including credit cards and personal loans to customers (the "Claimant").

2. The Defendant is Lawson, a customer of the Claimant (the "Defendant").

Background

3. On 17 November 2016, the parties entered into a written agreement entitled `Luella Lily Personal Loan and Credit Card Application Form' (the "Agreement"). Under the terms of the Agreement, on 20 April 2015 the Claimant received a credit card with a credit limit of AED 50,000 (the "Lily Card"). The Claimant also received another credit card "Lemne visa platinum" with a limit of AED 50,000 (the "Credit Card") on 12 September 2019.

4. The Claimant alleges that the Defendant has failed to repay the amounts due under the credit cards and the sum owed by the Defendant to the Claimant in relation to the credit cards is AED 117,254.40.

5. Following the Defendant's failure to keep up with his repayments, on 16 December 2019, the Claimant filed a claim with the DIFC Courts' Small Claims Tribunal (the "SCT") to recover the total sum of 117,254.40 (the "Claim").

6. The Defendant filed an Acknowledgment of Service on 26 December 2019, indicating his intention to defend all of the claim.

7. The parties met for a Consultation with SCT Judge Nassir Al Nasser on 8 January 2020 but were unable to reach a settlement.

8. On 6 February 2020, I heard submissions from the Claimant's representative and the Defendant.

Discussion

9. In its written submissions and in the Hearing, the Claimant relied on the terms of the Agreement which set out for two credit cards, each with a credit limit of AED 50,000. The Claimant confirmed that it sought repayment of the outstanding amounts of the two credit cards, which amounted to AED 117,254.40.

10. In the Hearing, the Defendant explained that the reason for his failure to pay was that his previous employer failed to pay his pending salaries and his end of service gratuity, thereby preventing him from paying his outstanding liabilities with the Claimant. The Defendant confirmed that he has always had the intention to pay the pending amounts from the beginning, but his circumstances did not allow it. The Defendant did not object to the amount claimed by the Claimant, being the total sum of AED 117,254.40. The Defendant argued that he wanted to repay the outstanding amount and had made efforts to contact the Claimant to arrange a new payment plan. The Claimant accepted that the Defendant had been in discussions with the collections department, however, no new payment plan was confirmed.

Finding

11. This is a very straightforward matter and in the absence of any defence being put forward, I am satisfied that there was a valid and binding Agreement between the parties and that the Claimant is owed a total of AED 117,254.40, being the outstanding sum borrowed by the Defendant.

12. The Claimant confirmed that interest had already been factored into the value of the claimed amount, therefore no separate award shall be made in respect of interest.

13. The Defendant shall pay the Claimant the Court Fee in the sum of AED 5,862.73.

Issued by:

Nassir Al Nasser

SCT Judge

Date of issue: 17 February 2020

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