Claim No: CFI 064/2022

IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

BETWEEN

UNION INSURANCE COMPANY PJSC

Claimant

and

INTERNATIONAL PRECIOUS METALS REFINERS LLC

Defendant

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

UPON the Order of H.E. Justice Shamlan Al Sawalehi dated 12 May 2025 (the "Order") granting the Defendant's Application to stay the proceedings pursuant to RDC 4.2(6)

AND UPON paragraph 3 of the Order directing that the Claimant shall pay the Defendant's costs of the Application on the standard basis

AND UPON the Defendant filing their Statement of Costs on 16 May 2025

AND UPON reviewing all other relevant documents filed in these proceedings

AND UPON considering Part 38 of the Rules of the DIFC Courts ("RDC") and Practice Direction No. 4 of 2017 Interest on Judgments

IT IS HEREBY ORDERED THAT:

1. The Claimant shall pay the Defendant AED 301,920 (the "Costs Award"), being the assessed amount equivalent to 80% of the total amount claimed (AED 377,400).

2. The Claimant shall pay the Costs Award within 14 days from the date of this Order pursuant to RDC 38.40.

3. In the event the Claimant fails to pay the Costs Award within 14 days of this Order, interest shall accrue at the rate of 9% per annum from the date of this Order until full payment is made, in accordance with Practice Direction No. 4 of 2017.

Issued by:
Hayley Norton
Assistant Registrar
Date of issue: 3 June 2025
At: 12pm

SCHEDULE OF REASONS

1. International Precious Metals Refiners LLC (the "Defendant") is seeking a costs award against Union Insurance Company PJSC (the "Claimant") pursuant to the Court's Order dated 12 May 2025, which granted the Defendant's application to stay the proceedings.

2. For the reasons set out in that Order, I found that the proceedings should be stayed indefinitely, as the subject matter of the Claim had already been finally and conclusively determined by the Sharjah Courts and the Union Supreme Court. The Defendant was therefore the successful party for the purpose of costs under RDC 38.7.

3. In its Statement of Costs dated 16 May 2025, the Defendant seeks a total of AED 377,400, comprising professional fees for work undertaken in preparing and pursuing the Stay Application.

4. The hourly rates claimed by the Defendant's legal team ranging from AED 1,000 to AED 2,800 are at or close to the upper end of the indicative ranges set out in *Registrar's Direction No. 1 of 2023 (Indicative Hourly Legal Charges)*. While I accept that these rates may be appropriate in matters of greater complexity or urgency, I consider that, in the present case, certain categories of work particularly routine correspondence and document preparation could reasonably have been undertaken by more junior fee earners or at lower rates.

5. While I am satisfied that the Defendant was entitled to engage counsel of its choosing and that the application raised important and novel questions regarding Article 14(C)(2) of the DIFC Courts Law and the res judicata effect of onshore UAE court judgments, I consider the total time claimed to be excessive in parts. In particular, the 61 hours recorded by the lead partner and 77 hours by the associate appear disproportionate for a single interlocutory application.

6. In exercising my discretion under RDC 38.8 and 38.23, I am satisfied that a reduction is warranted to reflect both the standard basis of assessment and the need to ensure that costs remain reasonable and proportionate in the circumstances.

7. In the circumstances, I consider that an award of 80% of the Defendant's claimed costs reflects a fair and proportionate outcome with the need to ensure costs claimed are reasonable.

8. Accordingly, the Claimant shall pay the Defendant AED 301,920, being 80% of the costs claimed.