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

MILLIE

Claimant

and

MATHEW

Defendant

Hearing : **1 January 2021**
Judgment : **12 January 2021**

JUDGMENT OF SCT JUDGE MAHA AL MEHAIRI

UPON his Claim being filed on 18 October 2020

AND UPON a hearing having been listed before SCT Judge Maha AlMehairi on 10 January 2021, with the Claimant's representative and the Defendant's representative attending

AND UPON reading the submissions and evidence filed and recorded on the Court file

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant the amount of AED 218,351.15.

2. The Defendant shall pay the Claimant the Court filing fee in the amount of AED 10,925.

3. The Defendant shall pay interest to the Claimant on the judgment sum from the date of this judgment, until the date of full payment, at the rate of 9% annually.

Issued by:
Ayesha Bin Kalban
SCT Judge and Deputy Registrar
Date of Issue: 12 January 2021
At: 3pm

THE REASONS

Parties

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

2. The Defendant is Mathew, an individual customer of the Claimant (the "Defendant").

Background

3. The parties entered into a written agreement on 16 November 2017 to restructure the Defendant's obligations towards the Claimant in the form of loans provided to the Defendant by the Claimant, entitled `Restructure Application Form' (the "Agreement").

4. On 26 November 2017, the Claimant restructured the Defendant's liabilities under the loan in the amount of AED 263,728 and the total outstanding was AED 218,351.15 as of 15 October 2020.

5. The Defendant made regular repayments towards the loan until August 2020, after which date he fell into arrears. The remaining amount currently outstanding is AED 218,351.15.

6. On 18 October 2020, the Claimant filed a Claim with the DIFC Courts' Small Claims Tribunal (the "SCT") seeking the recovery of sums allegedly owed to the Claimant by the Defendant in relation to the Agreement in the sum of AED 218,351.15

7. On 10 January 2021, I heard submissions from the Claimant's representative and the Defendant at a Hearing. Pursuant to the Hearing, I give my judgment below.

Discussion

8. In its written submissions and in the Hearing, the Claimant relied on the terms of the Agreement which set out for an AED 263,728 loan to be provided to the Defendant by the Claimant, which was to be repaid in equal instalments. The Claimant confirmed that it sought repayment of the outstanding amounts of the loan, which amounted to AED 218,351.15, in addition to interest accruing at a rate of 14.99% and the recovery of costs.

9. In the Hearing, the Defendant stated that the DIFC Courts do not have jurisdiction over the Claim, and requested that that the Court look into the interest rate applied by the Defendant and calculations provided.

10. The Court already dealt with the jurisdiction matter in a previous Hearing and the Order of SCT Judge Delvin Sumo dated 9 December 2020 was issued determining that this Court has found jurisdiction over this Claim. Therefore, I shall not address the Defendant's arguments as to jurisdiction and the Defendant may refer to the Order for the Courts' position on this Claim.

11. In relation to the Defendant's arguments in regards to the interest applied to the outstanding loan, the Defendant was provided with a monthly statement that demonstrated the calculation of interest. The Claimant submitted that the process of interest calculations is done through an automatic system and the Court is therefore satisfied that there has been no error in the Claimant's calculations.

12. This is a very straightforward matter. I am satisfied that there was a valid and binding Agreement between the parties and that the Claimant is owed a total of AED 218,351.15, being the sum of the outstanding loan amount being borrowed by the Defendant.

13. Article 118(2) of the DIFC Contract Law provides that the "rate of interest shall be the average bank short-term lending rate to prime borrowers prevailing for the currency of payment at the place for payment." Pursuant to Practice Direction 4 of 2017, Interest on Judgments, the Claimant is granted interest to accrue on the judgment amount at the rate of 9% from the date of this Judgment.

14. Therefore, based on the above reasons the Claimants claims against the Defendant are accepted. It is hereby ordered that the Defendant shall pay the Claimant the amount of AED 218,351.15.

15. The Defendant shall pay the Claimant the Court filing fee in the amount of AED 10,925.

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