THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

BETWEEN

FIRST MIDDLE EAST DISTRIBUTION DMCC

Claimant

and

ORANGE CHAMELEON LTD

Defendant

ORDER OF H.E. JUSTICE MAHA AL MHEIRI

UPON this Claim having been transferred to the DIFC Courts' Small Claims Leasing Tribunal pursuant to an Amended Order of the Chief Justice Zaki Azmi dated 16 December 2022

AND UPON reviewing the Claimant's Application Notice CFI-066-2022/1 dated 20 January 2023 seeking to transfer this Claim to the Court of First Instance ("the Application"), and the First Witness Statement of Sara Jayne Sheffield dated 10 January 2023 filed in support of the Application

AND UPON reviewing Part 53.41 of the Rules of the DIFC Courts ("RDC")

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

IT IS HEREBY ORDERED THAT:

1. The Application is dismissed.

2. There shall be no order as to costs.

Issued by:
Delvin Sumo
Assistant Registrar
Date of issue: 27 January 2023
At: 12pm

SCHEDULE OF REASONS

1. On 14 December 2022, the Claimant filed an Amended Claim Form with the DIFC Courts' Court of First Instance seeking outstanding rent and liquidated damages, in addition to a late payment administration penalty and any interest that the Court may determine from the Defendant (the "Claim").

2. On 16 December 2022, Chief Justice Zaki Azmi issued an Amended Order transferring the Claim to the DIFC Courts' Small Claims Leasing Tribunal ("SCLT").

3. On 20 January 2023, the Claimant filed an Application seeking to transfer the Claim back to the Court of First Instance ("CFI") pursuant to RDC 53.41, for reasons, being the financial value, and nature and complexity of the Claim, in addition to future assumptions of additional parties being added to the Claim and the potential filing of a counterclaim. I will only address the reasons that are linked to the current Claim and not future assumptions in my submissions.

The Financial Value

(a) The financial value of the Claim is stated to be AED 1,633,500, which the Claimant submits exceeds the maximum threshold for small claims as set out by RDC 53.2 by 63%. Further, the Claimant submits that the total value of the claim is increasing by AED 10,000 per day;

(b) In addtion, the Claimant is seeking the sum of AED 260,000 in liquidated damages,that has accrued to date; and

(c) Payment of a late interest fee.

Nature of the Dispute

(a) The Claimant submits that the Defendant's legal representatives sent a letter denying that any rent was due pursuant to the Lease Agreement signed by the parties. The Defendant argues that rent under the Lease Agreement was paid by a third party, Kotletla Restaurant ("Kotletla") on the Defendant's behalf.

(b) It is submitted by the Claimant that the involvement of the payments from Kotletla, being a third party, with no contractual obligations under the Lease Agreement and Addendum will increase the requirement for oral evidence and the overall complexity of the Claim.

4. Upon review of the Claimant's Application, and having regard to RDC 53.41(1)(2)(3) and (4), I have determined that this Claim shall remain within the SCLT for determination. The basis of the Claim is the non-payment of rent pursuant to an Addendum to the Lease Agreement for a commercial property located within the DIFC. I am of the view that the Claim is straightforward and the SCLT is capable of hearing and determining such a Claim in its current pleaded form. and with the developments associated with it. I am of the view that the financial value of this claim and its nature would be suitable to be heard in SCLT.

5. Therefore, in accordance with RDC 53.41(1)(2)(3) and (4) it is hereby ordered that this Claim shall remian in SCLT for determination.

6. There shall be no order as to costs.