

JUDGMENT SUMMARY

Neutral Citation	[2020] ADGMCFI 0003
Case Number	ADGMCFI-2019-003
Name of Case	Rosewood Hotel Abu Dhabi LLC v Skelmore Hospitality Group Ltd.
Judge	Justice Stone SBS QC
Date Issued	16 March 2020
Catchwords	Costs. Summary assessment. Part 18 settlement offer. Proportionality of costs. Assessment on standard or indemnity basis.
Cases Cited	–
Legislation and Authorities Cited	ADGM Courts, Civil Evidence, Judgments, Enforcement and Judicial Appointments Regulations 2015 – Section 49(1) ADGM Court Procedure Rules 2016 – Rules 195, 198-200 and 253 Practice Direction 9
Executive Summary	This judgment is a decision on costs in the case between the Rosewood Hotel Abu Dhabi LLC (the Claimant) and Skelmore Hospitality Group Ltd. (the Defendant). The judgment considered the background of the case and the procedural history related to the determination of costs, including the Defendant's unsuccessful attempts to appeal the substantive judgment. The judgment considered the Defendant's objections to the claimed costs, including arguments about hourly rates, time spent, and proportionality. The Court assessed and awarded costs across four categories: interlocutory proceedings, the substantive proceedings, extraneous costs, and a post-judgment application, ultimately ordering the Defendant to pay a total of USD 445,203.83.
Overall Summary	<p>Background</p> <p>This Abu Dhabi Global Market Court of First Instance (Commercial & Civil Division) judgment is a decision on costs in the case between the</p>

	<p>Rosewood Hotel Abu Dhabi LLC (the Claimant) and Skelmore Hospitality Group Ltd. (the Defendant).</p> <p>On 16 December 2019, the Court had handed down its final judgment ordering the Defendant to pay the Claimant AED 6,078,513.97. Submissions regarding the costs incurred were subsequently filed by both parties. The Defendant's submissions were delayed pending unsuccessful applications for permission to appeal and a stay of execution.</p> <p>Analysis</p> <p>The Defendant raised objections, including alleged deficiencies in the conduct of their former legal representatives (which the Court dismissed as irrelevant to the scale of costs) and criticism of the Claimant's legal team's hourly rates and time spent. The Defendant argued the costs were disproportionate for what the Court had described as a "<i>relatively straight forward landlord and tenant dispute</i>". The Court rejected this, noting that the case was made problematic by the Defendant's non-responsiveness and required careful attention to detail. The Court accepted the hourly rates and did not find the costs disproportionate, noting the Claimant's legal representative's professional fees for the main proceedings were under its initial costs budget.</p> <p>The judgment addressed four specific costs categories:</p> <ul style="list-style-type: none"> • Interlocutory Costs: The Claimant incurred costs for two applications: a joinder application made by the Defendant and a strike out made application by the Claimant. The joinder application failed, resulting in costs orders for the Claimant. The Court assessed these joinder costs at USD 47,087.84, representing 80% of the costs claimed by the Claimant. The strike out application was deemed "over-ambitious" as it only succeeded in striking out a single paragraph. The Court awarded USD 7,243.56 for the strike out costs, representing 60% of the claimed amount. • Costs of the Substantive Proceedings: The Claimant sought these costs on an indemnity basis due to the Defendant's conduct, including its unreasonable rejection of several Part 18 and other settlement offers. Alternatively, the Claimant proposed an award of not less than 85% of these costs. The Court accepted the Claimant's alternative submission, declining to award indemnity costs but agreeing that costs were proportionate and reasonably incurred. The Court awarded USD 310,862.76, calculated as 85% of the claimed USD 365,720.90. • Extraneous Costs: This included a Court Fee, transportation costs, and the Defendant's share of a mediator's fee. The Court allowed the full claim under this head, totalling USD 27,999.87, including the mediation fee despite initial difficulty, regarding it as a legitimate litigation cost. • Costs of the Rule 253 Application: These costs related to post-judgment proceedings concerning the judgment debt. The Defendant criticised these costs as unnecessary given their alleged inability to
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	<p>pay. The Court rejected this criticism, finding the application justified given the case history and discovery of asset movements. In exercising its discretion, the Court awarded USD 52,009.80, representing 75% of the costs incurred.</p> <p>Conclusion</p> <p>The Court concluded that the Defendant must pay the Claimant's costs assessed in the total sum of USD 445,203.83.</p>
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This statement is not intended to be a substitute for the reasons of the Court or to be used in any later consideration of the Court's reasons.