

### JUDGMENT SUMMARY

<b>Neutral Citation</b>	[2026] ADGMCFI 0010
<b>Case Number</b>	ADGMCFI-2022-265
<b>Name of Case</b>	Union Properties PJSC & Anor v Trinkler & Partners Ltd & Others
<b>Judge</b>	Justice Sir Andrew Smith
<b>Date Issued</b>	6 March 2026
<b>Catchwords</b>	Pleading fraud. Late pleading amendments. Participatory Notes (P-Notes). Deceit. Negligent misstatement. Dishonest assistance. FSMR claims. Unlawful means conspiracy. Intentionally causing harm by unlawful means. Breach of directors' duties. Settlement agreement.
<b>Legislation and Other Authorities Cited</b>	<p>ADGM Court Procedure Rules 2016 – rules 97(1), 110 and 117</p> <p>ADGM Courts, Civil Evidence, Judgments, Enforcement and Judicial Appointments Regulations 2015 – section 67</p> <p>ADGM Financial Services and Markets Regulations 2015 – sections 103, 218(1) and 242</p> <p>ADGM Application of English Law Regulations 2015</p> <p>ADGM Financial Services Regulatory Authority's General Rulebook</p> <p>ADGM Financial Services Regulatory Authority's Conduct of Business Rulebook</p> <p>ADGM Practice Direction 8 – paragraph 8.3(g)</p> <p>UAE Federal Law No. 2 of 2015 on Commercial Companies (as amended) – articles 1, 11, 22, 84 and 162</p> <p>UAE Federal Law No. 5 of 1985 Concerning the Issuance of the Civil Transactions Law – articles 282, 283, 287, 291, 451 and 460</p> <p>UAE Securities and Commodities Authority Governance Rules – articles 11, 42, 43 and 44</p> <p>Private International Law (Miscellaneous Provisions) Act 1995 (UK) – sections 11(1), 11(2)(c) and 12</p> <p>Practice Direction 32 (UK) – paragraph 27.2</p> <p>Street on Torts (16<sup>th</sup> Ed, 2021) – page 394</p>

	<p>Clerk &amp; Lindsell on Torts (24<sup>th</sup> Ed, 2023) – paragraph 17-01</p> <p>Mumford &amp; Grant, Civil Fraud: Law, Practice &amp; Procedure (2018) – paragraph 1-46 fn 81</p> <p>Dicey, Morris and Collins, The Conflict of Laws (14<sup>th</sup> Ed, 2022) – paragraph 4-074</p>
<p><b>Cases Cited</b></p>	<p>Union Properties P.J.S.C &amp; Anor. v Trinkler &amp; Partners Ltd &amp; Others [2025] ADGMCFI 0016</p> <p>Union Properties P.J.S.C &amp; Anor. v Trinkler &amp; Partners Ltd &amp; Others [2025] ADGMCFI 0015</p> <p>Union Properties P.J.S.C &amp; Anor. v Trinkler &amp; Partners Ltd &amp; Others [2024] ADGMCFI 0014</p> <p>Union Properties P.J.S.C &amp; Anor. v Trinkler &amp; Partners Ltd &amp; Others [2024] ADGMCFI 0006</p> <p>Union Properties P.J.S.C &amp; Anor. v Trinkler &amp; Partners Ltd &amp; Others [2023] ADGMCFI 0011</p> <p>Union Properties P.J.S.C &amp; Anor. v Trinkler &amp; Partners Ltd &amp; Others [2023] ADGMCFI 0009</p> <p>Dubai Court of Cassation, Appeal No. 309 of 2016 (Civil Appeal)</p> <p>Redstone Mortgages Limited v B Legal Limited [2014] EWHC 3398 (Ch)</p> <p>PRA Group (UK) Ltd v Goodinson [2021] EWCA Civ 957</p> <p>Wiszniewski v Central Manchester Health Authority [1998] PIQR 324</p> <p>Efobi v Royal Mail Group Ltd [2021] UKSC 33</p> <p>Elena Baturina v Alexander Chistyakov [2017] EWHC 1049 (Comm)</p> <p>Davy v Garrett (1878) 7 Ch D 473</p> <p>King v Stiefel [2021] EWHC 1045 (Comm)</p> <p>Elite Property Holdings Ltd &amp; Another v Barclays Bank Plc [2019] EWCA Civ 204</p> <p>Ahmed &amp; Anor v Ahmed [2016] EWCA Civ 686</p> <p>Hague Plant Ltd v Hague and ors [2014] EWCA Civ 1609</p> <p>CIP Properties (AIPT) Ltd v Galliford Try Infrastructure Ltd [2015] EWHC 1345 (TCC)</p> <p>Allied Maples Group Limited v Simmons &amp; Simmons [1995] 4 All ER 907</p> <p>Snook v London and West Riding Investments Ltd [1967] 2 QB 786</p> <p>National Westminster Bank Plc v Jones [2000] 6 WLUK 556</p> <p>Bank of Tokyo-Mitsubishi UFJ Ltd v Baskan Gida Sanayi Ve Pazarlama AS [2009] EWHC 1276 (Ch)</p> <p>Maple Leaf Macro Volatility Master Fund v Rouvroy [2009] EWHC 257 (Comm)</p>

	<p>Akerhielm v De Mare [1959] AC 789</p> <p>Angus v Clifford [1891] 2 Ch 449</p> <p>Smith New Court Securities Ltd v Scrimgeour Vickers (Asset Management) Ltd [1997] AC 254</p> <p>Banca Nazionale del Lavoro SpA v Playboy Club London Ltd [2018] UKSC 43</p> <p>Williams v Natural Life Health Foods Ltd [1998] 1 WLR 830</p> <p>FM Capital Partners Ltd v Marino [2018] EWHC 1768 (Comm)</p> <p>ED&amp;F Man Capital Markets v Come Harvest Holdings Ltd [2022] EWHC 229 (Comm)</p> <p>Jafari-Fini v Skillglass Ltd (In Administration) [2007] EWCA Civ 261</p> <p>In re Dellow's Will Trusts [1964] 1 WLR 451</p> <p>Brown &amp; Anor v Bennett &amp; Ors [1999] BCC 525</p> <p>Marino v FM Capital Partners Ltd [2020] EWCA Civ 245</p> <p>Townsend v Stone Toms &amp; Partners (No. 2) (1984) 27 BLR 26</p> <p>Heaton v Axa Equity &amp; Law Life Assurance Society Plc [2002] UKHL 15</p> <p>Sainsbury's Supermarkets Ltd v Visa Europe Services LLC [2020] UKSC 24</p> <p>Gladman Commercial Properties v Fisher Hargreaves Proctor &amp; Ors [2013] EWCA Civ 1466</p>
<p><b>Executive Summary</b></p>	<p>This ADGM Court of First Instance (Commercial &amp; Civil Division) Judgment considered claims brought by Union Properties PJSC and UPP Capital Investment Co LLC (the “<b>Claimants</b>”) against the five remaining Defendants: Mr Thomas Trinkler, First Fund Management Limited (“<b>FFM</b>”), Mr Jorg Klar, Mr Paresh Khiara and Mr Ahmed Khouri.</p> <p>The Claimants alleged that they were victims of a fraudulent scheme orchestrated by Mr Khalifa Alhammadi (the Tenth Defendant), which resulted in the misappropriation of over AED 320 million.</p> <p>The Court accepted that a substantial fraud had occurred but ultimately dismissed all claims against the five remaining Defendants due to the Claimants': (i) failure to substantiate their allegations, (ii) reliance on fabricated evidence, and (iii) failure to prove that the five remaining Defendants were party to the wrongdoing.</p>
<p><b>Overall Summary</b></p>	<p><b>Background</b></p> <p>In early 2018, the Claimants transferred substantial funds to a Julius Baer account, eventually investing over AED 320 million in Participatory Notes (“<b>P-Notes</b>”) whose underlying investments were almost</p>

exclusively shares in Union Properties PJSC. The Claimants alleged that, rather than being managed in a *bona fide* investment fund by Trinkler & Partners Ltd and FFM, the P-Notes were unlawfully transferred to Arqaam Capital Limited (“**Arqaam**”), converted into shares, and placed into accounts held by Mr Hassan Al Mulla (the Thirteenth Defendant).

For two and a half years, the Claimants were provided with false security balance and cash flow statements indicating active trading in UAE, Saudi and Egyptian stocks, which masked the diversion of the funds. The fraud was discovered in October 2021, leading to the dismissal and suspension of several executives and the commencement of these proceedings. The trial was complicated by the fact that the Claimants disclosed no hard copy documents, forcing reliance entirely on electronic records, some of which the Court found to be deliberate fabrications.

### **Analysis**

The Court’s analysis highlighted several issues in the Claimants’ case, primarily categorised into: (i) evidentiary and procedural issues, (ii) failure to prove the specific claims against the five remaining Defendants, and (iii) issues in calculating damages.

- **Evidentiary and procedural issues:** The Claimants attempted to introduce allegations that were not pleaded and late amendments to their pleadings during the trial, which the Court largely rejected as unfair to the Defendants. The Court also found that key documentary evidence relied upon by the Claimants were fabrications.
- **Claims against Mr Khouri:** Accused of breaching director’s duties and unlawful means conspiracy, the Court found that Mr Khouri did not take the lead in investment decisions and was entitled to rely on the expertise of others. The Court held that the Claimants failed to prove that he knew that the instructions he signed were a cover for misappropriation, or that he was involved in the transfer of the P-Notes to Arqaam.
- **Claims against Mr Trinkler, Mr Klar and Mr Khiara:** The claims against Mr Trinkler, Mr Klar and Mr Khiara included deceit, negligent misstatement, dishonest assistance, unlawful means conspiracy and breaches of the ADGM Financial Services and Markets Regulations 2015 (the “**FSMR**”). The Court held that the Claimants did not prove that these Defendants knowingly participated in the fraud, made false representations, or knew that the trading reports were false.

	<ul style="list-style-type: none"><li>• <b>Claims against FFM:</b> The Claimants alleged that FFM was a “<i>sham</i>” company set up to conceal the fraud. The Court rejected this allegation, finding no evidence to suggest that it was incorporated for this purpose or that its representatives acted in bad faith.</li><li>• <b>Damages and settlement:</b> The Claimants claimed damages for the initial AED 320 million purchase price of the P-Notes, rather than their value at the time of misappropriation, which fluctuated. The Court held that this was the incorrect legal measure for assessing these damages. Furthermore, the Claimants had already entered into a Settlement Agreement for AED 620 million with the “<i>Settling Parties</i>” (who include among others, Mr Alhammadi and Mr Al Mulla). The Court held that the Claimants failed to prove that there was an outstanding quantum of damages left to recover from the five remaining Defendants because the Claimants did not provide any evidence of what recoveries had already been made under the Settlement Agreement and whether it was attributable to the losses that they sought against the five remaining Defendants.</li></ul> <p><b>Conclusion</b></p> <p>The Court concluded that, while the Claimants were the victims of a fraud that caused them financial loss, they failed to prove that Mr Trinkler, FFM, Mr Klar, Mr Khiara or Mr Khouri were party to the wrongdoing. Consequently, the Court dismissed all claims against the five remaining Defendants.</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.***