



ABU DHABI GLOBAL MARKET COURTS
محاكم سوق أبوظبي العالمي

ADGM COURTS

PRACTICE DIRECTION 3

SMALL CLAIMS



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PRACTICE DIRECTION 3

SMALL CLAIMS

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This Practice Direction is to be read with, and subject to, the ADGM Court Procedure Rules 2016 and the Divisions and Jurisdiction (Court of First Instance) Rules 2015. Except as provided otherwise in this Practice Direction, terms have the meanings set out in the ADGM Court Procedure Rules 2016.

APPLICATION

This Practice Direction must be read in conjunction with the following Practice Directions:

- **Practice Direction 1 – General**
- **Practice Direction 7 – Applications**
- **Practice Direction 9 – Costs**
- **Practice Direction 10 – Offers to Settle**

To the extent to which the provisions of this Practice Direction differ from or are inconsistent with provisions of other Practice Directions, the provisions of this Practice Direction prevail in relation to all claims that are, or are dealt with as, small claims.

A. SMALL CLAIMS

Definition

3.1. A “small claim” is a claim or dispute for:

- (a) US\$100,000 or less; or
- (b) an employment claim which both parties agree in writing is to be dealt with as a small claim.

Making a claim [r.27]

3.2. A claim form which commences proceedings in the Small Claims Division shall be in accordance with **Form CFI 2**.



- 3.3. The claim form must:
- (a) state what final orders the claimant seeks;
 - (b) include particulars of the claimant's case in short numbered paragraphs within the form, including particulars of any sum sought by way of interest from a date earlier than the date of judgment, and the propositions of law which the claimant will contend entitle the claimant to the final orders sought; and
 - (c) state whether the claimant sues in person, by authorised officer or, if represented by a lawyer, the name, address and email address of that lawyer.
- 3.4. As a general rule, a claim form should not exceed 10 pages.
- 3.5. A copy of any document in the possession of the claimant which is the basis of the claim or is referred to in the claim form must be attached to the claim form.
- 3.6. For employment claims, a copy of the following must be attached to the claim form:
- (a) all documents evidencing the parties' agreement that the claim be heard in or determined by the Small Claims Division if the value of the claim exceeds USD100,000; and
 - (b) all documents which record the terms of employment between the claimant and defendant.
- 3.7. Rules 15, 16 and 17 prescribe how a claim form may be served.

Rule 30 Procedure [r.30]

- 3.8. Rule 30 of the Rules provides that a claimant may use a simplified procedure ("Rule 30 procedure") where the claimant seeks the Court's decision on a question which is unlikely to involve a substantial dispute of fact.
- 3.9. If a claimant seeks to use the Rule 30 procedure, the claimant must:
- (a) use the claim form in accordance with **Form CFI 3**; and
 - (b) identify what issue or issues the claimant says are to be decided by the Rule 30 procedure as an issue or as issues unlikely to involve a substantial dispute of fact.
- 3.10. The Rule 30 procedure may not be used in relation to the following claims or questions:



- (a) fraud; or
- (b) libel, slander, malicious prosecution or false imprisonment.

3.11. Claimants seeking to use the Rule 30 procedure must have regard to Rules 31 to 34 inclusive of the Rules which provide for the written evidence to be filed and served under the Rule 30 procedure, the procedure where a defendant objects to the use of the Rule 30 procedure and modifications to the Rules regarding the filing of a defence and certain time limits.

Service out [r.23, r.24 and r.28]

3.12. A claimant who serves a claim form on a defendant out of the jurisdiction and the Emirate must first file and serve with the claim form a copy of a notice containing a statement of the grounds on which the claimant is entitled to serve the claim form out of the jurisdiction or the Emirate.

3.13. The notice shall be in accordance with **Form CFI 32**.

3.14. A claimant who serves a claim form on a defendant out of the jurisdiction and the Emirate must serve the claim form and the notice on that defendant personally.

Answering a claim and making a counterclaim [r.35, r.36, r.37, r.44 and r.50]

3.15. The Rules require that a defendant must file and serve an acknowledgement of service within 14 days after service of the claim form.

3.16. An acknowledgment of service shall be in accordance with **Form CFI 7**.

3.17. The Rules also require that a defendant who wishes to defend all or part of a claim must file and serve a defence within 28 days after service of the claim form.

3.18. The defence must set out, in short numbered paragraphs corresponding to the relevant paragraph of the claimant's statement of case, the defendant's answer to the particulars of the claim and the propositions of law advanced by the claimant.

3.19. A defence shall be in accordance with **Form CFI 8**.

3.20. A defendant who wishes to make a counterclaim must set out, in summary form and in short numbered paragraphs:

- (a) the final orders the defendant seeks by counterclaim; and
- (b) the particulars of the counterclaim, including particulars of any sum sought by way of interest from a date earlier than the date of judgment,



and the propositions of law which the defendant will contend entitle the defendant to the final orders the defendant seeks by counterclaim.

- 3.21. A counterclaim shall be in accordance with **Form CFI 9**.
- 3.22. A copy of any document in the possession of the defendant which is the basis of the defence or a counterclaim or is referred to in the defence or a counterclaim must be attached to the defence and the counterclaim.

Reply to a Defence [r.45]

- 3.23. A claimant who seeks to reply to a defence must file and serve the reply within 21 days after service of the defence and must set out, in short numbered paragraphs corresponding to the relevant paragraph of the defence, the claimant's reply to the particulars of the defence and the propositions of law advanced by the defendant.
- 3.24. A reply shall be in accordance with **Form CFI 10**.

Defence to any Counterclaim [r.44]

- 3.25. A claimant or any additional party who wishes to defend all or part of any counterclaim must file and serve a defence within 28 days after service of the counterclaim and must set out, in short numbered paragraphs corresponding to the relevant paragraph of the counterclaim, that party's answer to the particulars of the counterclaim and the propositions of law advanced by the defendant.

Order for specific disclosure [r.86]

- 3.26. Where a party has good reason to believe that documents held by the other party would likely support their case or adversely affect the other party's case, they may seek an order from the Court for the specific disclosure of such documents, and the Court may make an order for specific disclosure of those documents if it is satisfied that disclosure is necessary in order to dispose fairly of the claim or to save costs.

Order for disclosure against non-party [r.88]

- 3.27. Any application made to the Court for disclosure by a person who is not a party to the proceedings must be made by filing and serving an application notice which must be supported by evidence.
- 3.28. The supporting evidence for an application for disclosure by a non-party must be contained in an affidavit detailing the specific facts, matters or circumstances relied upon to demonstrate that:



- (a) the documents of which disclosure is sought are likely to support the case of the applicant or adversely affect the case of one of the other parties to the proceedings; and
- (b) that disclosure is necessary in order to dispose fairly of the claim or to save costs.

3.29. An order for disclosure by a non-party must:

- (a) specify the documents or the classes of documents which the non-party must disclose; and
- (b) require the non-party, when making disclosure, to specify any of those documents:
 - (i) which are no longer in the non-party's control; or
 - (ii) in respect of which the non-party claims a right or duty to withhold inspection.

3.30. Such an order may:

- (a) require the non-party to indicate what has happened to any documents which are no longer in the non-party's control; and
- (b) specify the time and place for disclosure and inspection.

Case Management

3.31. The Court may make any order, give any direction or take any step it considers appropriate for the purpose of managing the proceedings.

Allocation of hearing date

3.32. A small claim will be given a hearing date as soon as reasonably possible.

3.33. The Court will inform the parties of the amount of time allowed for the hearing.

Preparation for the hearing

3.34. Subject to any directions given by the Court, the parties will, not less than 14 days before the day fixed for the commencement of the hearing, exchange and file the following documents in accordance with **Form CFI 11**:

- (a) a written summary of the evidence to be given by each witness that a party intends to call at the trial;



- (b) a copy of every document that the party will seek to put in evidence; and
- (c) an outline of the arguments to be relied on, including details of any statutory provisions, cases or text book authority.

Experts [r.142(2)]

3.35. No expert may give evidence, whether written or oral, at a hearing without the permission of the Court.

Conduct of the hearing [r.175]

3.36. The Court may adopt any method of proceedings at a hearing that it considers to be fair.

3.37. The Court may, if all parties agree, deal with the claim without a hearing.

3.38. The Court may give permission to a party who is not a natural person to be represented by an employee or director who is not a lawyer, on being satisfied that the person is likely to be able to present the party's case efficiently and to assist the Court in reaching a just result in accordance with the overriding objective set out in Rule 2(2).

Non-attendance of parties at hearing

3.39. If a party who does not attend a hearing:

- (a) has given written notice to the Court and the other party at least 7 days before the hearing date that the party will not attend; and
- (b) has, in a written notice, requested the Court to decide the claim in that party's absence and has confirmed that party's compliance with paragraph 3.34 of this Practice Direction,

the Court will take into account that party's statement of case and any other documents that party has filed and served when it decides the claim.

3.40. If a claimant neither attends the hearing nor gives notice under paragraph 3.39 of this Practice Direction, the Court may strike out the claim.

3.41. If a defendant neither attends the hearing nor gives notice under paragraph 3.36 of this Practice Direction, but the claimant either attends the hearing or gives notice under paragraph 3.39, the Court may decide the claim on the basis of the evidence of the claimant alone.



- 3.42. If neither party attends or gives notice under paragraph 3.39 of this Practice Direction, the Court may strike out the claim and any defence and counterclaim.

Interest [r.179]

- 3.43. Where interest is payable on a judgment debt and there is no agreed rate, it shall be at the rate of 9 per cent from the date that judgment is given until payment.¹

Setting aside judgment and re-hearing [r.174(3)]

- 3.44. A party who was not present at the hearing of the claim may apply for an order that a judgment be set aside and the claim re-heard.
- 3.45. A party who applies for an order that a judgment be set aside must file an application notice not more than 7 days after the day on which notice of the judgment was served on him.
- 3.46. The Court may grant such application only if the applicant:
- (a) had a good reason for not attending the hearing; and
 - (b) has a real prospect of success at the hearing.
- 3.47. If a judgment is set aside:
- (a) the Court will fix a new hearing date for the claim; and
 - (b) the hearing may take place immediately after the hearing of the application to set aside the judgment.
- 3.48. A party may not apply to set aside a judgment if the Court dealt with the claim without a hearing under paragraph 3.37 of this Practice Direction.

Remission or deferral of fees [r.10]

- 3.49. Where a party applies for full or part remission, or deferral of payment, of any court fees:
- (a) that party must set out in the relevant application form a statement of the grounds on which that party seeks full or part remission, or deferral of payment, of the court fees;

¹ Amended 20 February 2018.



- (b) a person appointed by the Registrar to decide on a party's application for remission or deferral of court fees shall decide without any hearing whether to grant that party's application;
- (c) if a party wishes to dispute a decision on any such application, the party may apply to have the decision reviewed by the Registrar; and
- (d) the Registrar's decision on review shall be final and not subject to further administrative review.

B. APPEALS TO THE CIVIL DIVISION OF THE COURT OF FIRST INSTANCE

Form of notice [r.205]

3.50. A notice of appeal must:

- (a) be filed and served within 21 days of the date of final judgment;
- (b) be in accordance with **Form CFI 19**;
- (c) not exceed 10 pages;
- (d) attach a copy of the reasons given for the judgment or order against which the appeal is brought;
- (e) state the question or questions of law which the appellant alleges arise;
- (f) state in summary form why the appeal should be allowed; and
- (g) state what judgment or order the appellant alleges should have been given or made.

Response to notice of appeal

3.51. A party who seeks to respond to a notice of appeal may file and serve on the other parties to the proceedings a written response within 21 days of being served with the notice.

3.52. Any response to a notice of appeal must:

- (a) be in accordance with **Form CFI 20**;
- (b) not exceed 10 pages; and
- (c) set out the grounds on which the appeal should be refused.



- 3.53. A Judge of the Civil Division of the Court of First Instance may give written directions to the parties about the further conduct of the appeal.