

UNITED ARAB EMIRATES / JUDGMENT

Pierson v Percival

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Claim No: CFI 098/2026

THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

BETWEEN

PIERSON

Claimant/Applicant

and

PERCIVAL

Defendant/Respondent

ORDER WITH REASONS OF H.E. JUSTICE SAPNA JHANGIANI

UPON the Judgment of H.E. Justice Sapna Jhangiani dated 22 December 2025 granting permission to appeal the decision of the Small Claims Tribunal (“SCT”) dated 4 November 2025 and remitting this case to the SCT (the “Appeal Judgment”)

AND UPON reviewing the Judgment of H.E. Justice Nassir Al Nasser (the “Judge”) dated 11 June 2026 (the “Judgment”), issued following the hearing before H.E. Justice Nassir Al Nasser on 3 June 2026 at which the Claimant was present and the Defendant did not appear

AND UPON the Defendant’s Appeal Notice dated 24 June 2026 seeking permission to appeal the Judgment (the “Application for Permission to Appeal”)

AND UPON the Claimant’s submissions dated 13 July 2026 filed in opposition to the Application for Permission to Appeal

AND UPON the Judgment of H.E. Justice Sapna Jhangiani dated 29 July 2026 granting permission to appeal the Judgment (the “Permission to Appeal Judgment”)

AND UPON hearing the Claimant and the Defendant at the hearing of the appeal on 24 August 2026 before H.E. Justice Sapna Jhangiani (the “Hearing”)

AND UPON considering the documents and submissions filed by both parties and recorded on the case file

AND PURSUANT TO the Rules of the DIFC Courts (“RDC”)

IT IS HEREBY ORDERED THAT:

1. The Judgment is set aside.
2. There shall be no order as to costs.

Issued by:

Hayley Norton

Assistant Registrar

Date of Issue: 2 September 2026

At: 11am

SCHEDULE OF REASONS

Introduction

1. The facts, parties’ written submissions, and applicable test for appellate intervention are as set out in the Permission to Appeal Judgment, the definitions in which are adopted here.
2. This claim arises from a Concession Agreement dated 1 October 2015 between the Claimant and the Defendant (the “Agreement”). Under the Agreement, the Defendant offered travel and tourism services to guests in the lobby of the Hotel owned by the Claimant, for a monthly fee of AED 17,160. The Agreement operated until 30 June 2017.
3. The sole ground on which the Application for Permission to Appeal was granted was the Defendant’s “Limitation Issue” founded on Article 123 of DIFC Contract Law, Law No. 6 of 2004, which provides as follows:

“Limitation

- (1) An action for breach of any contract must be commenced within six years after the cause of action has accrued or in the case of fraud, when the aggrieved party becomes aware of the fraud. By the original agreement the parties may reduce the period of limitation to not less than one year but may not extend it.
 - (2) Subject to Article 123(1), a cause of action occurs when the breach occurs, regardless of the aggrieved party’s lack of knowledge of the breach.”
4. The parties’ respective positions on the Defendant’s Limitation Issue are as follows:

- (a) The Defendant's position is that the Claimant's entire claim is time barred, because the cause of action accrued around the date of the expiry of the Agreement on 30 June 2017.
- (b) The Claimant's position is that the limitation period for its claim was extended beyond 30 June 2017 on account of a corresponding extension to the due date of each of the payments claimed from the Defendant. The Claimant contends that the due date for each payment was extended through settlement negotiations which resulted in a settlement agreement dated 13 September 2022 (the "Settlement Agreement"). It bears mentioning that the Claimant has always contended in these proceedings that the Settlement Agreement does not relate to the amounts claimed against the Defendant in this claim.

Court's Decision

- 5. It is not disputed that the Concession Agreement expired on 30 June 2017.
- 6. Part 1 of Schedule 2 to the Concession Agreement provides as follows:

"1 Fee

1.1 [The Fee payable by Concessionaire shall be United Arab Emirates AED 17,160/- Dirhams Fifteen Thousand One Hundred Sixty only) per month to be paid in advance and unless otherwise stated shall be:

- (a) exclusive of any applicable VAT (or equivalent) (which shall be payable to Manager, as agent of Owner subject to receipt of a VAT invoice (or equivalent)); and
 - (b) to be paid in advance right after signing of the contract"
- 7. Under clause 1.1 of Part 1 of Schedule 2 of the Agreement, the sums due to the Claimant under the Concession Agreement were due to be paid by the Defendant monthly in advance. Therefore, as relied upon by the Defendant in its grounds of appeal, and unless any variation to the Agreement were agreed by the parties, any outstanding amounts would be due under the Agreement by the expiry of the Agreement or immediately after, at the latest. In these circumstances, the Claimant's claim for non-payment would expire around 30 June 2023.
 - 8. This claim was filed on 4 March 2025.
 - 9. As upheld in the appeal judgment of H. E. Justice Rene Le Miere dated 7 February 2025 referred to in the Permission to Appeal Judgment, neither the Claimant nor its parent company are parties to the Settlement Agreement.
 - 10. The Claimant was unable to rely on any evidence establishing that the due date for payment of any outstanding dues under the Agreement by the Defendant was extended by the parties' agreement through settlement negotiations, leaving aside whether it was able to prove its legal case that the limitation period was extended on account of any extension agreed.
 - 11. The Claimant has therefore failed to meet the Defendant's Limitation Issue and its claim is time-barred.

12. I find that the Judgment was wrong in finding liability established against the Defendant despite the Defendant's Limitation Issue.
13. The Claimant further argued that the Defendant is not permitted to pursue an appeal against the Judgment because its only avenue to set aside the Judgment is RDC 53.74 and 53.75, and the Defendant has failed to avail itself of the procedure under those provisions. These provisions permit a party not present at a hearing of a SCT claim to apply within 7 days to set aside the Judgment, and for the claim to be re-heard.
14. As raised at the Hearing, the Claimant has failed to establish that RDC 53.74 and 53.75 preclude an appeal against a SCT Judgment by a party who was not present at the hearing before the SCT.

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Prepared on 29 October 2026 · Esheria