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Case Updates 2025

Contents

FOREWORD

by H.E. Chief Justice Wayne Martin

Chief Justice, DIFC Courts

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It is a pleasure to introduce our first Case Updates booklet, which brings together a curated selection of notable decisions from the DIFC Courts in 2025.

Each case summary is chosen for what it illustrates: the practical application of principle, the refinement of procedure, and the continued development of a modern, commercial common law jurisdiction that serves Dubai's economy and the wider international business community.

Since 2004, the DIFC Courts has evolved into a jurisdiction of choice in the region and beyond, supported by a mature and growing body of case law and the delivery of judgments that provide certainty to court users. As commerce becomes ever more connected, it is essential that courts can respond with clarity, efficiency, and confidence resolving disputes fairly, transparently, and in a manner consistent with international best practice.

This publication reflects the DIFC Courts' distinctive role within the UAE's legal framework: an English-language commercial common law court, independent from and complementary to the UAE's Arabic-language civil law system.

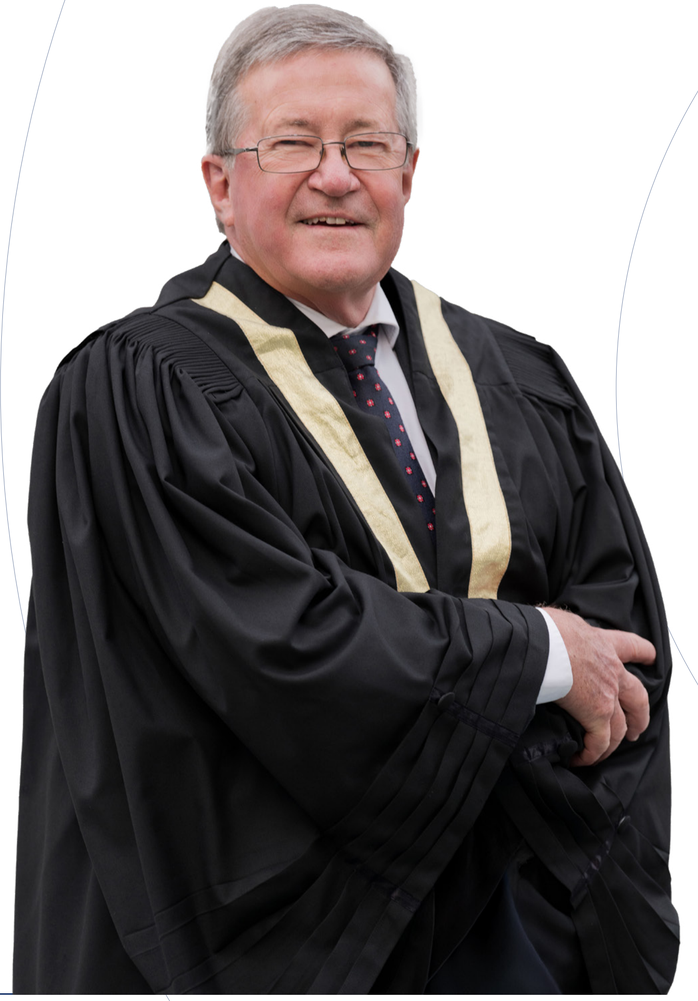
In particular, it bears repeating that the DIFC Courts is not limited to disputes arising within the DIFC itself. Parties may choose to "opt in" to the DIFC Courts' jurisdiction by written agreement, even where their dispute has no other connection to the Centre.

The decisions featured here demonstrate the breadth of modern commercial litigation: from banking and finance, real estate and construction, to insurance, insolvency, arbitration related applications, and enforcement matters.

They also reflect an increasingly important feature of contemporary disputes - technology. The DIFC Courts has been at the forefront of addressing emerging issues in the digital economy, including through decisions such as the Court of Appeal's landmark judgment in Gate Mena DMCC (Formerly Known as Huobi OTC DMCC) v Tabarak, which confirmed that digital assets are legal property under DIFC law, constituting a "third class of property".

Underlying these developments is a continued commitment to "courts-as-a-service": improving user experience, embracing appropriate technology, and ensuring that justice is accessible, efficient, and suited to the realities of modern business. This ambition aligns with Dubai's broader strategic direction, including the D33 Economic Agenda and the Dubai Digital Strategy.

Finally, a note of caution in the spirit of good practice: the case updates contained in this booklet are summaries prepared for ease of reference. The only authoritative sources remain the judgments and orders themselves.



SUMMARY

Al Buhaira National Insurance Company v Arab War Risks Insurance Syndicate (CFI 013 2024)

The case concerned a claim by the Claimant (ABNIC) against the Defendant (AWRIS) under a reinsurance contract relating to the disappearance of the tanker m/t BETA, insured under a Marine Hull War Policy with a sum insured of USD 70 million.

The central issues included the governing law of the reinsurance contract, the existence of insurable interest, contingent liability, defence costs, and allegations of misrepresentation, non-disclosure, and late notification.

The dispute arose after Horizon Energy LLC and Al Buhaira International Shipping Inc notified ABNIC of a claim under the War Policy. ABNIC sought declarations that it was entitled to indemnity from AWRIS for any liability under the War Policy, as well as reimbursement of legal defence costs incurred in related proceedings.

After reviewing the evidence, H.E. Justice Michael Black KC found that it was an implied term of the reinsurance contract that AWRIS indemnify ABNIC for properly incurred defence costs. However, the Court dismissed the remainder of ABNIC's claims. The Defendant was ordered to pay ABNIC's costs of the proceedings, assessed at AED 4,563,051.74, within 14 days.

This judgment highlights the DIFC Courts' approach to implied terms in reinsurance contracts, particularly regarding defence costs, and reaffirms the Courts' role in resolving complex cross-border insurance disputes.

Read the full judgment here.

COMMENTARY

This decision supports claims by reinsureds for defence costs under reinsurance policies governed by English law, even in cases where they have successfully avoided liability to the underlying insured.

In the context of a dispute under a reinsurance agreement governed by English law, the DIFC Court of First Instance, found as a matter of fact, that there is a uniformly accepted market custom in the reinsurance market (whether facultative or treaty) in the UAE and Middle East that, in the event of a claim under an underlying policy, any litigation fees and associated costs incurred by the reinsured in dealing with the claim, will be reimbursed by reinsurers in accordance with their respective shares of the risk. This custom applies unless expressly excluded or limited. The court found that the costs were recoverable as they had not been excluded by the terms of the reinsurance. Importantly, the court emphasised that its finding on the existence of a market custom was based on the uncontradicted evidence of the reinsured's expert who had been challenged in cross-examination. Accordingly, the decision was a finding of fact and was not binding on a subsequent court faced with different evidence. The decision highlights that the court may rely on market practice to imply terms into insurance and reinsurance agreements governed by English law.

Two further practical points are also worth noting:

- Recoverability of the costs does not hinge on the reinsured ultimately paying the underlying insured. The implied term survives a successful avoidance or defence of the underlying claim. This reflects the commercial reality that defence costs are incurred to manage the insured claim regardless of outcome.
- For the purpose of identifying the market custom, the market considered by the court as relevant was the Middle East reinsurance market in which the parties operated, not the London market, even though the reinsurance was governed by English law.

Overall, this case strengthens a reinsured's position on defence cost recovery in Middle East reinsurance programmes where the DIFC has jurisdiction.

SUMMARY

(1) Korek Telecom Company LLC; (2) Korek International (Management) Ltd; (3) Sirwan Saber Mustafa v (1) Iraq Telecom Ltd; (2) International Holdings Ltd (CA 016 2024)

In March 2023, an ICC Arbitral Tribunal issued a Final Award for damages against the Appellants.

The Tribunal found that the Appellants had corruptly procured a decision of the Communications and Media Commission (CMC) of the Republic of Iraq adverse to the Respondents and caused them to suffer loss and damage recoverable under the common law tort of conspiracy.

Justice Sir Jeremy Cooke made an order for the recognition and enforcement of the Award. An application to set aside the Award was dismissed by His Excellency Justice Shamlan Al Sawalehi on 29 August 2024. The Appellants obtained permission from Justice Al Sawalehi to appeal his decision to the DIFC Court of Appeal.

The principal question before the Court of Appeal was whether the Arbitral Tribunal was precluded from making any finding of tortious conspiracy because it involved a finding that a public authority of a foreign country had made its decision as a result of bribes paid by the Appellants. The Appellants argued that a common law "act of state doctrine" applied, which precluded findings about the conduct of a foreign public authority or government.

The doctrine was said to have the effect that the question whether the Iraqi authority had made its decision as a result of the Appellants' bribes was not arbitrable by the Tribunal. Further, it was argued that the Award by contravening the act of state doctrine contravened UAE public policy.

The Court of Appeal rejected these arguments holding that the act of state doctrine, to the extent that it applied in the DIFC, did not preclude a finding that the Appellants' conduct, by procuring a decision adverse to the Respondents, caused actionable loss to them. This did not involve any inquiry into the legal validity of the CMC decision.

The Court observed that by reason of International Conventions to which it is a party, UAE public policy stands clearly against bribery of foreign officials.

The Court reviewed the common law relating to the act of state doctrine in the United Kingdom, the USA, and other international jurisdictions.

A second ground relating to the use by the Tribunal of allegedly illegally obtained evidence was also dismissed.

Read the full judgment here.

COMMENTARY

The key takeaway from this judgment is that DIFC seated arbitral tribunals may examine allegations of corruption and bribery by private parties even where those corrupt acts are said to have induced a sovereign act of state.

The foreign act of state doctrine - which ordinarily restrains domestic courts from questioning the validity of sovereign acts performed by foreign governments within their own territory - will not render inarbitrable claims that a private party, by means of corrupt conduct, caused another party actionable loss. The act of state doctrine is not engaged where there is no investigation of the validity or lawfulness of the sovereign act itself. The court also held that this position was consistent with UAE public policy which "stands firmly against conduct involving the bribery of foreign officials".

The judgment also raises the bar for challenging an award on grounds that the arbitral tribunal relied on evidence of corruption that was unlawfully obtained. Although, in this case, the court found the allegation of illegality unproven and did not need to decide the issue, it indicated that the mere fact that evidence of corruption had been obtained unlawfully abroad, or that some of the evidence is hearsay, does not of itself breach UAE public policy on the legality of evidence. The focus is on whether reliance on such evidence would be fundamentally offensive to UAE public policy which will not lightly be assumed.

This case underscores the UAE's strong stance against corruption and offers reassurance to regional and international investors that the DIFC will not allow allegations of corruption to be insulated by sovereign act rhetoric. It also serves as a warning to parties dealing with public officials that any unlawful conduct designed to influence government-linked decisions can give rise to substantial civil liability that remains enforceable in the DIFC, even where the relevant acts took place abroad.

Overall, the effect of the case is to reinforce the reputation of the UAE and the DIFC as an international jurisdiction willing to scrutinise corrupt party conduct wherever it occurs, and to support arbitration friendly, rule of law outcomes for local, regional and international parties.

SUMMARY

(1) KJM Marine LLC (2) Mohammad Saleh Moosa Hassan Aj Jasmi (3) KJI Marina Boats Manufacturing LLC v (1) KJM Marine LLC (2) KJI Marina Boats Manufacturing LLC (3) Steven Ivankovich (4) Neirah (CFI 068 2024)

The Claimant commenced proceedings in the DIFC Courts seeking a declaration that a joint venture agreement (JVA) with the First Defendant, which contained an exclusive DIFC jurisdiction clause, remained valid and enforceable.

The First Defendant responded with a counterclaim for sums it alleged were due under certain purchase orders which it said constituted a separate contract involving the Claimant and a foreign entity, Neirah. Neirah was subsequently joined to the DIFC proceedings so that all related claims could be determined in the DIFC Courts.

Without the Claimant's knowledge, the First Defendant had also commenced parallel proceedings in the Dubai Courts against the Claimant and Neirah seeking similar relief.

The Claimant applied to the DIFC Courts for an anti-suit injunction to restrain the First Defendant from continuing the Dubai proceedings.

The DIFC Court granted the anti-suit injunction. It held that the Dubai proceedings served no legitimate purpose, were vexatious and oppressive, and that the DIFC Courts were the natural and appropriate forum to resolve all issues between the parties. The Court rejected the First Defendant's contention that jurisdictional disputes could only be addressed by way of Decree 29 or a petition to the Joint Judicial Committee (CJT), confirming its authority to grant anti-suit relief even where a CJT application was pending or available. Although Neirah had not yet been served and was not formally before the DIFC Court, the Judge considered the Dubai claims against Neirah, found those claims abusive, but in the exercise of discretion declined to make any order in relation to Neirah at that stage.

Read the full judgment here.

COMMENTARY

This judgment from the Court of First Instance is the first known decision granting an anti-suit injunction (ASI) to restrain the pursuit of onshore Dubai court proceedings, since Dubai Decree 29/2024 (Decree 29), issued in April 2024 to establish the Conflict of Jurisdictions Tribunal.

The decision confirms the DIFC Courts' readiness to restrain parallel onshore proceedings that disrupt DIFC litigation, even after Decree 29, and under the new DIFC Courts Law No 2 of 2025 (Law No 2).

The court granted the ASI on the non-contractual ground, finding that, while the Dubai proceedings did not breach an exclusive DIFC jurisdiction clause, they were vexatious and an abuse of the DIFC Court's process. In proceeding on this basis, the court underscored its preparedness to grant ASIs, even where no breach of a jurisdiction clause is established.

The court rejected the proposition that Decree 29 was the sole means for resolving jurisdictional issues between the DIFC and onshore Dubai Courts. In doing so, it reaffirmed the position in Nael v. Niamh [2024] DIFC CA 015 that Decree 29 does not oust the DIFC Courts' inherent and statutory powers to grant anti-suit relief, and held that, under Articles 24D and 24E of Law No 2, those powers extend to granting ASIs where required for the proper administration of justice.

A key factor that led to the Judge determining that the Dubai action was vexatious and abusive included that the defendant had invoked the DIFC Court's jurisdiction to pursue counterclaims and join a third party, yet then commenced parallel, overlapping proceedings in Dubai. The Judge also noted the real risks of double recovery and inconsistent outcomes.

In granting this discretionary remedy on only an interim basis, and refusing to extend the ASI to protect another party that had not requested it, the court demonstrated its cautious, proportionate approach to ASIs, and its regard for comity.

The award of indemnity costs against the defendant is a concrete illustration of the court sanctioning a party that abused its process and highlights a further risk in using parallel onshore litigation to pressure DIFC proceedings.

The decision should reassure users of the DIFC Courts, and, potentially, DIFC-seated arbitration, that the DIFC Courts retain, and are willing to exercise, jurisdiction to restrain pursuit of vexatious onshore proceedings.

NOTABLE CASE IV

SUMMARY

Techteryx LTD. Vs (1) Aria Commodities DMCC, (2) Mashreq Bank PSC, (3) Emirates NBD Bank PJSC, (4) Abu Dhabi Islamic Bank PJS (DEC 001/2025)

This judgment of H.E. Justice Michael Black KC was given on the Return Date of a without notice proprietary and freezing injunction originally granted in aid of proceedings in the High Court of the Hong Kong Special Administrative Region Court of First Instance (the "HK proceedings").

The HK proceedings concern an alleged fraud in relation to the reserves held by a company issuing a form of cryptocurrency called a stablecoin.

The Judge directed that the following injunctions shall continue until further order of the Court (1) a proprietary injunction prohibiting the First Defendant from disposing of, dealing with, or diminishing cash or assets to the value of the sum of USD 456,000,000 transferred to the First Defendant or the traceable proceeds thereof; and (2) a worldwide freezing injunction, prohibiting the First Defendant from removing from Dubai any of its assets which are in Dubai up to the value of USD 456,000,000 or in any way disposing of, dealing with or diminishing the value of any of its assets whether in or outside Dubai up to the same value.

The power of the DIFC Courts to hear and determine applications for interim or precautionary measures related to applications and claims brought outside the DIFC is now found in Article 15(4) of Dubai Law No. (2) of 2025 Concerning Dubai International Financial Centre Courts (the "Court Law").

The Judge was of the view that Article 15(4) of the Court Law was intended to make plain and give a firm statutory basis to that which had hitherto had to be inferred from the combination of the Court's power to recognise and enforce foreign judgments and its power to grant interim remedies as described in Carmon Reestrutura v Cuenda [2024] DIFC CA 003 (26 November 2024). The Judge also considered that the intention was to confirm the DIFC Court's adherence to the widely accepted principles of comity and international common law described in Convoy Collateral Ltd v Broad Idea International Ltd [2021] UKPC 24.

He held when considering whether to grant relief in aid of foreign proceedings there is no difference in principle between a case where a freezing injunction is sought in anticipation of a future judgment of the DIFC Court in substantive proceedings brought in the DIFC and a future judgment of the DIFC Court obtained in an action brought to enforce a foreign judgment by whatever means: in each case the Court must determine (1) whether there is a sufficient likelihood that a judgment enforceable through the process of the DIFC Courts will be obtained, and (2) a sufficient risk that without a freezing injunction execution of the judgment will be thwarted.

COMMENTARY

This decision is the first reported judgment of the DIFC Digital Economy Court granting both a proprietary injunction and a worldwide freezing order in support of foreign (here Hong Kong (HK) proceedings concerning the alleged fraudulent transfer of USD 456 million of fiat (conventional currency) reserves backing the TrueUSD stablecoin (held in bank/escrow accounts).

The injunctions had initially been granted in February 2025 until various return dates; they were now in effect until further order.

With regard to the relief sought by the claimant (Techteryx, a BVI company), the key issues were:

- Whether there was a sufficient likelihood that a judgment enforceable through the process of the DIFC Courts would be obtained. This involved considering whether there was a serious issue to be tried or a good arguable case in the HK proceedings. This criterion was satisfied because the first defendant (D1) has not satisfied the court that it was not reasonably arguable that the relevant funds were beneficially owned by Techteryx and because the facts supported serious issues to be tried regarding breach of trust.

(continued on next page)

Read the full judgment here.

SUMMARY

Techteryx LTD. Vs (1) Aria Commodities DMCC, (2) Mashreq Bank PSC, (3) Emirates NBD Bank PJSC, (4) Abu Dhabi Islamic Bank PJS (DEC 001/2025)

Read the full judgment here.

COMMENTARY

- A sufficient risk that without a freezing injunction execution of the judgment will be thwarted, to justify the grant of relief. This involved considering whether:
  - The balance of convenience favoured the grant of an injunction. Damages would not be an adequate remedy. The asset securitisation proposed by D1 was arguably unnecessary, would cause the claimant irremediable prejudice and frustrate enforcement. There were inconsistencies around D1's controller's (MWB) evidence concerning the securitisation.
  - It was just and convenient to grant the injunction. There was no risk of interference with the HK proceedings and no interference with the defendants' ability to do business with third parties.
  - (WFO only) there was solid evidence of a risk of unjustified dissipation. The court had "grave reservations" regarding MWB's evidence which was "calculated to obfuscate and confuse" and "riddled with internal inconsistences and anomalies" and was left with the impression there was a real risk that he would deal with D1's assets so as to frustrate any judgment.

The court rejected Techteryx's argument that Article 15(4) of Dubai Law No. (2) of 2025 created a free-standing power to grant injunctions in aid of foreign proceedings without any link to a judgment enforceable in the DIFC.

It was held that injunctive relief in support of foreign proceedings was conditional on there being a realistic route to the recognition or enforcement of a future judgment through the DIFC Courts, and that assets targeted had to be within that enforcement scope.

It was open to the defendants to argue that a HK judgment would not be enforceable in the DIFC. The case demonstrates that the Digital Economy Court is prepared to grant worldwide asset-preservation measures in crypto-related disputes and is a notable step towards establishing such protections in the region. Applicants must, however, still fulfil the usual stringent criteria.

(Note that this judgment was handed down on 16 September 2025. The DIFC Court of Appeal decision in (1) Trafigura PTE LTD (2) Trafigura India PTV LTD v (1) Mr Prateek Gupta (2) Mrs Ginni Gupta [2025] DIFC CA 001 was handed down on 22 September. This decision is consistent with the view of the Court of Appeal in Trafigura in holding that, while the assets to be frozen had to be available to satisfy a judgment through some process of enforcement in the DIFC Courts, those assets did not have to be located within the DIFC [56-9].)

SUMMARY

Trafigura Pte Ltd; Trafigura India Ptv Ltd v Prateek Gupta; Ginni Gupta (CA 001 2025)

On 11 April 2025, the Appellants sought a UAE-wide freezing order and related disclosure orders in the DIFC Court of First Instance (CFI) to support ongoing English proceedings.

On 17 April 2025, the CFI dismissed the application on jurisdictional grounds, concluding that under the new DIFC Courts Law No. 2 of 2025 (the "Court Law"), the DIFC Courts lacked jurisdiction to grant such relief over assets outside the DIFC or without a direct link to the DIFC. The CFI distinguished between a "fresh claim" for interim relief and enforcement of the existing orders from the English Courts, finding jurisdiction absent in both scenarios as the Respondents in this case are located outside of the DIFC and no direct asset link has been made to the DIFC for the purpose of the relief sought.

The power of the DIFC Courts to hear and determine applications for interim or precautionary measures related to applications and claims brought outside the DIFC is now found in Article 15(4) of the Court Law.

On 18 April 2025, the Appellants obtained permission to appeal and on 22 September 2025, the Court of Appeal allowed the appeal and found that the same reasoning and public policy considerations apply as described in Carmon Reestrutura v Cuenda [2024] DIFC CA 003 (26 November 2024) and nothing in the Court Law affects the correctness of that proposition.

Article (15)4 of the Court Law read with the opening words of Article (15) expressly confers the jurisdiction which authorises the exercise of the measures referred to in Article (15)4. That conferral of itself provides a complete answer to the Respondents' challenge to jurisdiction.

The Court of Appeal reached its conclusion about the jurisdiction of the CFI to issue the freezing order sought in this case by reference to the text of the Court Law. In the opinion of this Court nothing turns on the different English translations. The controlling words of Article (15)4 are "suitable precautionary measures within the DIFC". In regard to the legislative history and the public policy considerations enunciated in Carmon, it would be surprising in the extreme that an inexplicable and substantial narrowing of the Court's jurisdiction and powers was to be affected by the use of the term 'providing that'. It is a connecting term, not a term limiting the subject matter of "suitable precautionary measures within the DIFC".

Read the full judgment here.

COMMENTARY

The DIFC Court of Appeal has held that, under Article 15(4) of the New DIFC Courts Law, the DIFC Courts may grant interim orders, including freezing injunctions, in aid of foreign proceedings which could result in a judgment that is capable of being recognised and enforced in the DIFC even if the relevant assets are not located in the DIFC.

This is an important decision because, in so deciding, the court reaffirmed the position in Carmon Reestrutura engenharia E Serviços Técnicos Especiais, (Su) LDA v Antonio Joao Catete Lopes Cuenda [2024] DIFC CA 003 which held that the DIFC Courts may issue freezing orders over UAE-based assets (inside or outside the DIFC) in aid of non-UAE proceedings, provided those proceedings may result in a judgment enforceable in the UAE.

In reaching this decision, the court also removed the uncertainty which had been created by the Court of First Instance's approach in Nadil v Nameer [2025] DIFC CFI. In Nadi, the court had construed DIFC Courts Law (No 2) of 2025, which post-dated Carmon, as narrowing the DIFC Court's jurisdiction to grant freezing orders to assets physically within the DIFC. The court in Trafigura held that there was nothing in the language of Article 15(4) that justified a narrower approach to the court's jurisdiction, and no change in the public policy considerations underpinning the court's view of its jurisdiction in this regard, as set out in Carmon.

The Trafigura decision has three main practical implications:

- It is now harder for defendants to use the distinction between "onshore" and "DIFC" assets to shield themselves from effective freezing relief where foreign proceedings are on foot.
- Claimants with foreign litigation or arbitration that may be enforced in the UAE can look to the DIFC Courts as a reliable forum for interim asset protection across the UAE, not only within the DIFC's geographical boundaries.
- When assessing risk and enforcement strategy, parties must assume that assets held anywhere in the UAE may be vulnerable to DIFC freezing orders if there is a credible enforcement route via the DIFC.

Overall, Trafigura strengthen the DIFC Courts' role as a regional enforcement and support hub for cross-border disputes, aligning the interpretation of Law No 2 of 2025 with the DIFC's longstanding pro-enforcement, arbitration – and litigation friendly approach.

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