

In the name of His Highness Sheikh Tamim bin Hamad Al Thani, Emir of the State of Qatar

Neutral Citation: [2025] QIC (F) 3

IN THE QATAR FINANCIAL CENTRE
CIVIL AND COMMERCIAL COURT
FIRST INSTANCE CIRCUIT

Date: 13 January 2025

CASE NO: CTFIC0056/2024

TEKNOWLEDGE SERVICES AND SOLUTIONS LLC

Applicant

 \mathbf{V}

FADI SAGHIR

Respondent

JUDGMENT

Before:

Justice Fritz Brand

Judgment

- 1. The Applicant is Teknowledge Services and Solutions LLC, a company incorporated and licensed to do business in the Qatar Financial Centre ('QFC') since 19 December 2023. The Respondent, Mr Fadi Saghir, is a Syrian national who resides and works in the State of Qatar. These are the reasons for an interim injunction granted in favour of the Applicant against the Respondent on 5 January 2025 (the 'Interim Injunction'), pending the outcome of an action to be instituted by the Applicant for a final injunction in substantially the same terms. The Interim Injunction was preceded by a provisional order granted as a matter of urgency and without notice on 11 December 2024 (the 'Provisional Order').
- 2. The Provisional Order was made subject to potential reconsideration, after notice to the Respondent, on the stipulated return day of 17 December 2024. After service of the Applicant's papers on the Respondent, the return day was extended at his request until 30 December 2024. On 29 December 2024, opposing papers were filed on the Respondent's behalf, covering 179 pages in all. Included amongst these was a document styled 'Skeleton Argument'. Despite the description, the Skeleton Argument was not confined to legal argument. On the contrary, it also contained fairly comprehensive factual evidence in response to the allegations relied upon by the Applicant in its founding papers. But, since the contents of the document were duly affirmed by a statement of truth on behalf of the Respondent, the Applicant's legal representative fairly and rightly in my view raised no objection to this procedure being followed, though it is somewhat unusual.
- 3. On the extended return day, both parties were represented by counsel at a virtual hearing. After consideration of the documentation filed and the helpful arguments thus presented on behalf of both parties, I granted the Interim Injunction sought with reasons to follow. These are the reasons.
- 4. Subsequent to the granting of the Provisional Order, I gave a judgment in relation to that order in *Teknowledge Services and Solutions LLC v Fadi Saghir* [2024] QIC (F) 58 (the '**Original Judgment**'), setting out the background to the dispute. I can see no purpose in repeating that narrative. Hence, I propose that this judgment be read as a follow up on the Original Judgment instead.

- 5. As appears from the Original Judgment, the Applicant's complaints against the Respondent's conduct on which its alleged apprehension of irreparable harm is founded, broadly fall into two categories, namely: (i) his downloading of a very large volume of confidential information onto his laptop; the transfer of that data onto an external hard drive; and the deletion of that data from both the laptop and the hard drive immediately before and after giving notice of terminating his employment with the Applicant; and (ii) the Respondent taking up employment with a competitor, PricewaterhouseCoopers Qatar LLC ('PwC'), in breach of the non-competition provisions in clause 12.2 of the employment agreement between the parties (the 'Employment Agreement').
- 6. In his answer to the allegations regarding the complaint in (i), the Respondent does not deny that on 10 November 2024, immediately before his notice of termination the next day, he copied an unusually large volume of confidential information, including a 14 GB file, onto his laptop, which he then transferred to an external drive. Nor does he deny that he initially failed to tell the Applicant of the existence of the external drive and that he then deleted all information from the drive before it was eventually handed over to the Applicant in response to the Provisional Order.
- 7. What the Respondent endeavours to do in the Skeleton Argument, instead, is to give an innocent explanation for his admittedly suspicious conduct in this regard. I find it unnecessary to repeat these rather elaborate explanations. Suffice it to say, in my view, that although the truth of these explanations may notionally be established by the Respondent in the main action, his conduct was suspicious enough to found the basis of a reasonable apprehension of harm on the part of the Applicant.
- 8. In any event, it is clear from the Respondent's answer that he does not contend for any prejudice he may suffer if that part of the interim order sought were to be granted, which precludes him from retaining and/or conveying any part of the Applicant's confidential information to third parties. His answer to that part of the Applicant's case is in short that he never intended to do so. But as I see it, the Respondent's explanations for his suspicious actions are, on the face of it, insufficient to allay the Applicant's well-grounded apprehension that the Respondent indeed intended (a) to retain information confidential to the Applicant upon leaving its employment and (b) to use that retained information in

unlawful competition with the Applicant. Accordingly, that part of the Interim Injunction that precludes the Respondent from doing so, should in my view be granted.

- 9. By contrast, the main focus of the Respondent's defence was clearly directed at that part of the Interim Injunction sought which pertains to his proposed employment by PwC. In sum, that defence was advanced on the following different grounds:
 - i. The Respondent, so he says, has been living with his wife and family in Qatar since about 2009. His two children go to school in Qatar and his livelihood is intrinsically tied to his ability to work in this country. Coupled with the challenges of being a Syrian national facing global economic and mobility restrictions due to the ongoing conflict in that country, it is essential for him to remain in the State of Qatar. If he is prevented from taking up his employment with PwC, so the Respondent avers, he may well be forced to leave Qatar which will in turn deprive him and those dependant on him of their livelihood.
 - ii. PwC is not a competitor of the Applicant. A comparison of the services provided by the Applicant and PwC, respectively, so the Respondent contends, highlights their distinct market focuses. In support of this proposition, the Respondent refers to a table of activities of the two entities which demonstrates, so he says, that the Applicant's services are primarily technical and digital in nature, while PwC's focus is on professional development in financial and HR-related domains, which differences underline the absence of direct competition between the two entities.
 - iii. Moreover, so the Respondent alleges, even if there is an overlap between the business activities of the two entities, he will not be involved in those activities of PwC which correspond with those of the Applicant. More pertinently, he said:

The Respondent's role at PwC involves assurance and human resources consultancy services ... areas that do not overlap with the Applicant's core business activities. Assurance services, such as financial auditing, are entirely distinct from the Applicant's digital skilling programs. Furthermore, PwC's HR consultancy portfolio covers subcategories not addressed by the Applicant, ensuring that the Respondent's responsibilities remain non-competitive.

- iv. On 24 November 2024, so the Respondent avers, the Applicant issued a No Objection Certificate ('NOC') on its letterhead explicitly allowing the Respondent to join PwC. In so doing, the Respondent contends, the Applicant had waived any rights it may have had to object to the Respondent's employment by PwC. Alternatively, in consequence of issuing the NOC, so the Respondent further contends, the Applicant is estopped from objecting to the Respondent's transfer to PwC.
- v. In any event, the non-compete provisions of clause 12.2 of the Employment Agreement between the parties is unreasonable under the QFC Employment Regulations 2020 and should therefore be declared invalid and unenforceable.
- 10. In oral argument, the response on behalf of the Applicant to the contention raised by the Respondent in 9(i) above was that it is based on a misconception of the relief sought. The Applicant's legal representative explained that the relief sought is not that the Respondent be precluded from working for PwC. Rather, the relief sought is that the Respondent be precluded from being involved with those activities at PwC which correspond with, and are therefore in direct competition with, the activities of the Applicant. I agree with this argument on behalf of the Applicant. In consequence, the concomitant complaint that if the Respondent is precluded from working for PwC, he may be compelled to leave Qatar, needs no further consideration.
- 11. The same argument, I believe, also provides an answer to the Respondent's defences of waiver and estoppel which relies on the NOC in paragraph 9(iv) above. By issuing the NOC, the Applicant indicated that it has no objection to the Respondent working for PwC. That remains its stance. It still has no objection to the Respondent working for PwC. Its objection is that the Respondent works for PwC in any capacity which competes with the activities of the Applicant. Hence the Respondent's contentions narrated in paragraph 9(iv) above requires no further consideration either.
- 12. Somewhat ironically, the distinction between the relief sought on the one hand, and a blanket prohibition from working for PwC on the other, seems to derive direct support from the Respondent's contentions referred to in paragraph 9(ii) and 9(iii). I say that because the

- very basis underlying these contentions is that there is a clear distinction to be drawn between working for PwC, on the one hand, and competing with the Applicant on the other.
- 13. If the Respondent's contentions in 9(ii) and 9(iii) are to be established on the facts in the proceedings for a final injunction, the relief sought will in all likelihood be refused. My difficulty at this stage is that it became apparent in oral argument that the factual correctness of these allegations is subject to serious doubt. Despite the Respondent's glib statement that there is no overlap between the business activities of the two entities involved, it was fairly conceded by his legal representative in argument that the very table of activities relied upon by the Respondent demonstrates such potential overlap in the area described as "Training courses by Category Digital Cyber and Project Management."
- 14. What also appeared in oral argument is that although the Respondent's job description in his employment contract with PwC may indicate otherwise, his true area of activity will be focused on the marketing of business products offered by PwC, including products that may be offered in competition with the Applicant.
- 15. The inherent tension in the Respondent's case was also demonstrated by the difficulty raised in argument on his behalf, to identify those business activities of PwC that can be said to compete with those of the Applicant. The truth is of course that if there was no prospect of him getting involved in activities conducted on behalf of PwC that are competing with those of the Applicant, logic dictates that this difficulty could never arise.
- 16. But since the potential difficulty was raised, I decided to offer the potential solution of an agreement between the parties being reached which delineates the areas of overlap between the activities of the two entities, within 3 weeks. Failing such agreement, it is left open to either party to approach the Court on notice to the other side, for appropriate relief.
- 17. That leaves the defence raised by the Respondent; that the non-compete provisions in clause 12.2 are unreasonable and therefore invalid and unenforceable. The factual basis relied upon for this complaint is confined to the 15 km radius stipulated in the clause which is alleged to be unnecessarily wide. In support of this defence, reference was made to various judgments of this Court, including *Chedid & Associates Qatar LLC v Said Bou Ayash* [2015] QIC (A) 2. The issue of reasonableness thus raised will have to be decided at the final hearing. But I find it unnecessary and perhaps even inappropriate to embark on

- a detailed analysis of this enquiry at this interim stage. Suffice it to say that the reasonableness of a non-compete clause must self-evidently depend on the facts of the particular case. A distinguishing feature of this case is that the Respondent occupied a very senior position in the Applicant's business which afforded him access to a wide range of its confidential information which will provide its competitors with a valuable springboard in competition with the Applicant.
- 18. Moreover, on the Respondent's own version, the area of the Applicant's business activity is relatively limited in its ambit. It follows that on the face of it, the Respondent should have manifold alternative opportunities available to him that would not have involved breaching clause 12.2 of the Employment Agreement. Accordingly, should he wish to remain in Qatar during the 12-month restricted period, he could secure a position that aligns with his qualifications and expertise without competing directly with the Applicant's business.
- 19. In the circumstances, I am satisfied that (i) the Applicant has made out a strong prima facie case, albeit open to some doubt, for the injunction sought and (ii) that the balance of convenience favours the Applicant. As to the costs of these interim proceedings, I find it appropriate to direct that costs should stand over until final determination of the disputed facts.

By the Court,



[signed]

Justice Fritz Brand

A signed copy of this Judgment has been filed with the Registry.

Representation

The Applicant was represented by Ms Chadia El-Meouchi, of Badri and Salim El-Meouchi LLP (Doha, Qatar).

The Respondent was represented by Ms Aurore Deeb, of D&C Legal Services LLC (Doha, Qatar).