

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

Neutral Citation: [2024] QIC (F) 58

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

Date: 22 December 2024

CASE NO: CTFIC0056/2024

TEKNOWLEDGE SERVICES AND SOLUTIONS LLC

Applicant

v

FADI SAGHIR

Respondent

JUDGMENT

Before:

Justice Fritz Brand

Judgment

- These are the reasons for an Interim Injunction granted in favour of the Applicant against the Respondent as a matter of urgency and without notice on 11 December 2024. The Applicant is Teknowledge Services LLC, a company incorporated and licenced 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.
- 2. The dispute stems from an agreement of employment entered between the parties on 14 June 2022 (the 'Employment Contract'). Accordingly, this Court has jurisdiction to determine the dispute by virtue of article 9.1.3 of its Regulations and Procedural Rules in that it is a civil and commercial dispute arising from a contract between an entity established in the QFC and its former employee. The nature of the dispute will be better understood against the factual background that follows.
- 3. The Applicant is part of an international organisation that started its operations in Qatar at the beginning of 2021. Its main activity consists of operating a training centre that provides training and continuing education on various digital, cyber and technology products to business entities and government institutions.
- 4. In terms of the Employment Contract, the Respondent was initially employed by the Applicant as its business development director. On 13 October 2023, he was promoted to the position of Country Manager and a director of the Applicant. The Applicant's case is that the Respondent acted in breach of clauses 11, 12 and 13 of the Employment Contract. These clauses provide, in relevant part:

11 EMPLOYER'S PROPERTY

11.1. The Employer will provide work tools and equipment to the Employee to be used in relation to the carrying out of the Employee's duties and in accordance with the directions and rules set by the Employer.

11.2. All plans, price lists and or contact lists of clients, correspondence, papers, memoranda, notes, records, training videos, tapes or details of business

methods/know-how or training material, marketing strategy or the identity or requirements or terms of dealing of its suppliers or clients and all copies of the foregoing (including in electronic or magnetic media or other forms of computer storage), computers, laptops, phones or anything whatsoever which come into the possession of the Employee and which relate to the performance of the Employee's duties and service hereunder or to the business of the Employer will, at all times, remain the property of the Employer; and the Employee undertakes to use the same in the proper performance of the Employee's duties for the benefit of the Employer.

11.3. At the request of the Employer and at the Employee's cost, during or after the termination of the employment, the Employee shall return to the Employer all property of the Employer which is/are in the Employee's possession or control and will not retain any copies, notes or extracts. If required, the Employee will sign an undertaking confirming compliance with this Clause and the Employer may withhold any sums then owing and/or due to the Employee until the Employee has provided such undertaking.

11.4. The Employee will, on request of the Employer, during or after the termination of the Employment Term provide access (including passwords and codes) to any computer or other equipment provided by the Employer in the Employee's possession or control which contains information relating to the Employer or its business. The Employee agrees to permit the Employer to inspect, copy or remove any such information.

12. RESTRICTIONS AFTER THE END OF EMPLOYMENT

12.1. In consideration for the payments and other benefits due to the Employee under this Agreement, the Employee agrees to adhere to, and comply with, the restrictions specified in this Clause to protect the legitimate interests of the Employer.

12.2. The Employee hereby agrees with and undertakes to the Employer that the Employee will not, directly or indirectly, either alone or in collaboration with any other person, at any time during the twelve (12) months that will follow the termination or expiration of this Agreement (the "Restricted Period") and within a 15km radius from the location of the offices of the Employer and without the prior consent of the Employer:

a) carry on or be engaged with, by, or in, any competing business and/ or client business; or

b) acquire a substantial or controlling interest in any competing business and/ or client business...

12.3. The Employee further agrees and undertakes with the Employer that he will not, directly or indirectly, either alone or in collaboration with other persons, at any time during the Restricted Period:

a) ...

b) ...

c) solicit, interfere with, entice away from the Employer the custom of any client of the Employer nor attempt to discourage any client or contractor from dealing with the Employer.

12.4. In the event that any of the restrictions in this Clause will be held to be void but would be valid if part of the wording were deleted or amended such restriction will apply with such deletion or amendments as may be necessary to make it valid and effective.

12.5. It is hereby understood and agreed by the Parties that damages will be an inadequate remedy in the event of a breach by the Employee of any of the restrictions contained in this Clause and that any such breach by the Employee or on the Employee's behalf will cause the Employer great and irreparable injury and damage. Accordingly, the Employee agrees that the Employer will be entitled, without waiving any additional rights or remedies otherwise available to it at law or in equity or by statute, to injunctive and other equitable relief in the event of a breach, by the Employee, of any of the restrictions contained in this Clause.

12.6. The Employee agrees that if the Employee receives any offer of employment or any other work during the Employment Term or during the Restricted Period, the Employee will draw the attention of the person offering employment or engagement to the provisions of this Clause.

13. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

13.1. The Employee will not (except in the proper performance of the Employee's duties or as authorised by the Employer or as required by applicable law) at any time divulge or disclose to any person or otherwise make use of:

a) any information concerning the Employer or its affiliates, their business, trade secrets, transactions or affairs, as well as those of their suppliers, customers or other clients which may come to the Employee's knowledge in the course of this employment, and

b) all information whether commercial, financial, technical or otherwise including, but not limited to, all secret and confidential information of the Employer or its affiliates in relation to their operation and finances, together with records, in whatever form and all diagrams, drawings, samples, analyses, compilations, data, studies, financial statements and financial calculations and/or other documents prepared by the Employer and/or its affiliates and disclosed to the Employee,

c) all information disclosed by the Employer to the Employee and marked as "confidential",

and

d) any information disclosed by the Employer to the Employee that should have been reasonably understood by the Employee to be confidential (all items of Clauses 13.1(a) to (c) shall be collectively referred to as "Confidential Information").

13.2. The Employee undertakes to use best endeavours to prevent the unauthorized publication or disclosure of Confidential Information. This also includes social media or any other medium.

13.3. Notwithstanding any provisions in this Agreement to the contrary, the Employee's confidentiality obligation shall continue after the termination of the Agreement without limit in point of time, but shall only cease to apply to information that has come into the public domain without a breach of confidentiality obligations.

13.4 ...

- 5. The allegations relied upon by the Applicant in support of its application for an Interim Injunction were, broadly stated, that:
 - i. In his capacity as Country Manager, the Respondent played a pivotal role within the organisation and was granted privileged access to the entirety of the Applicant's proprietary data, including its client data base and highly strategic information vital to the Applicant's business activities.
 - ii. From 4 to 7 November 2024, the Respondent attended a strategic meeting in Dubai which was organised by the Applicant for the purpose of aligning a comprehensive marketing strategy for the next three years. The meeting was attended by a select group of about 30 senior employees from various countries out of about six thousand employees globally. The meeting focused on critical aspects of the Applicant's plans for marketing directions, pricing models, identifying future customers, and the like.
 - iii. Early morning on 11 November 2024, which was one day after the Dubai strategic meeting, the Respondent gave formal notice of his resignation from the Applicant's employment with effect from 10 December 2024.
 - iv. On 13 November 2024, the Applicant's IT department identified large scale downloading of thousands of company files onto the Respondent's laptop issued by the Applicant, which occurred on 10 November 2024. Additionally, a significantly large file of 14 GB was identified as having been copied on an external hard drive. On 14 November 2024, extensive file deletions were detected on the Respondent's laptop.
 - v. On 14 November 2024, during an online meeting with the Applicant's representatives, the Respondent was confronted with these activities but was unable to provide a convincing explanation for his actions.
 - vi. During the same meeting, the Respondent refused to return the company laptop issued to him under the pretext that he first needed to delete personal files which he stored on the laptop (against express company policy). Eventually, the

Applicant received an email from the QFC Employment Standards Office on 17 November 2024 that the laptop was handed to them.

- vii. In the meantime, the Applicant was made aware by the Respondent that he had accepted a position with PwC Legal Middle East LLC in Doha ('PwC'). Whilst PwC is better known as a firm of auditors, it is in fact a multidisciplinary entity. Notably in the present context, so the Applicant avers, it has recently extended into the field of skills development through the opening of a skills development centre in Doha in direct competition with the Applicant. By entering into the employment of PwC, so the Applicant contends, the Respondent would therefore be acting in direct breach of clause 12.2 of the employment contract.
- viii. Although the Applicant thus eventually received return of the company laptop issued to the Respondent, it is clear that the confidential information had been downloaded onto an external hard drive which is still in the possession of the Respondent and of which he has persistently failed to tell the Applicant. The existence of the external hard drive only came to the notice of the Applicant through internal IP investigation, which shows, so the Applicant contends, that the Respondent is not to be trusted.
- 6. In the light of these allegations, the Applicant's expressed apprehension was that if the Respondent should be allowed to join its direct competitor, he would be able to use the Applicant's confidential information, which he had deliberately collected and fraudulently and surreptitiously appropriated upon his resignation, in direct and unlawful competition with the Applicant. In doing so, the Applicant contended, the Respondent would be acting in flagrant breach of clauses 11, 12 and 13 of the Employment Contract, thereby causing irreparable harm to the Applicant in that it will never be able to establish the true nature and quantify the extent of such harm in an action for damages.
- 7. On these grounds the Applicant sought an Interim Injunction, pending the outcome of an action for a final injunction, restraining the Respondent, in broad terms, from (i) retaining the confidential information which he surreptitiously removed from the Applicant's control; (ii) disclosing the Applicant's confidential information to third parties in general and PwC in particular; and (iii) taking up employment with PwC.

8. The test to be applied in an application of this kind appears from the following passage in *Aegis Services LLC v EMobility Certification Services and others* [2023] QIC (F) 33, paragraph 10:

A further preliminary issue relates to the test to be applied in an application for an interim injunction. In this regard it will be borne in mind that this is not an application for a final injunction, and that in consequence we heard no evidence which would enable us to resolve the disputes of fact between the parties arising on the papers. All that is still to be tested in cross-examination and resolved in the proceedings which are set down for hearing in October 2023. Instead, this is an application for an interim injunction pending the outcome of those proceedings. Although we have not been referred to any direct authority in this Court, the time honoured requirements for interim injunctions, well established in most jurisdictions, seem to be that (i) the Claimant must establish a prima facie right to the relief sought in the main action, albeit open to some doubt, and (ii) that the balance of convenience favours him, in the sense that the prejudice he will suffer if the interim relief sought is wrongly refused will outweigh the prejudice caused to the Respondent if the order eventually proves to have been wrongly granted. Ultimately, the required approach seems to turn on a balancing act between the considerations in (i) and (ii). In practical terms, that means that the stronger the Claimant's prima facie case, the less the balance of convenience it has to establish, and vice versa. In argument before us, it appeared to be common ground that this is the approach we should adopt. (see also Thales QFC LLC v AlJaber Engineering WLL and another [2024] QIC (F) 53, paragraph 8).

- 9. In applying the test thus formulated, the Applicant, in my view, succeeded in establishing a strong prima facie case. On the Applicant's version, which was the only one available to me at the hearing of the application, the Respondent had acted in clear and flagrant breach of the Employment Contract and was threatening to continue doing so by joining the employment of the Applicant's direct competitor. Moreover, the most likely inference to be drawn from the Respondent's surreptitious behaviour was that he was acting deliberately and with the motive to use the Applicant's confidential information in a way he knew would be unlawful.
- 10. The balance of convenience, as I see it, clearly favours the Applicant. If the Interim Injunction were to be wrongly refused the clear and present danger is that the Respondent would use the Applicant's confidential information, which he unlawfully collected and retained just before he left the Applicant's employ, to promote the interest of his new employer to the concomitant prejudice of the Applicant. Moreover, it is clear to me that

the harm suffered by the Applicant in this way would probably be incapable of quantification in an action for damages.

- 11. If, by contrast, the Interim Injunction were to be wrongly granted, the harm suffered by the Respondent would probably be confined to the salary he would earn pending the return day. Not only would this harm be easily quantifiable, but the Applicant has in principle undertaken to indemnify the Respondent for such damages.
- 12. As to the costs of the application, the appropriate order in my view held at the time was that, for reasons rather self-evident, these costs should stand over for determination on the return day.



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).