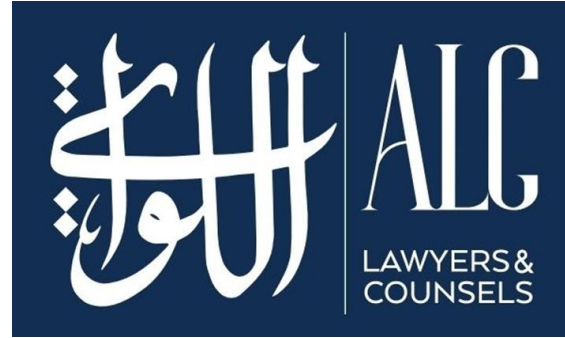




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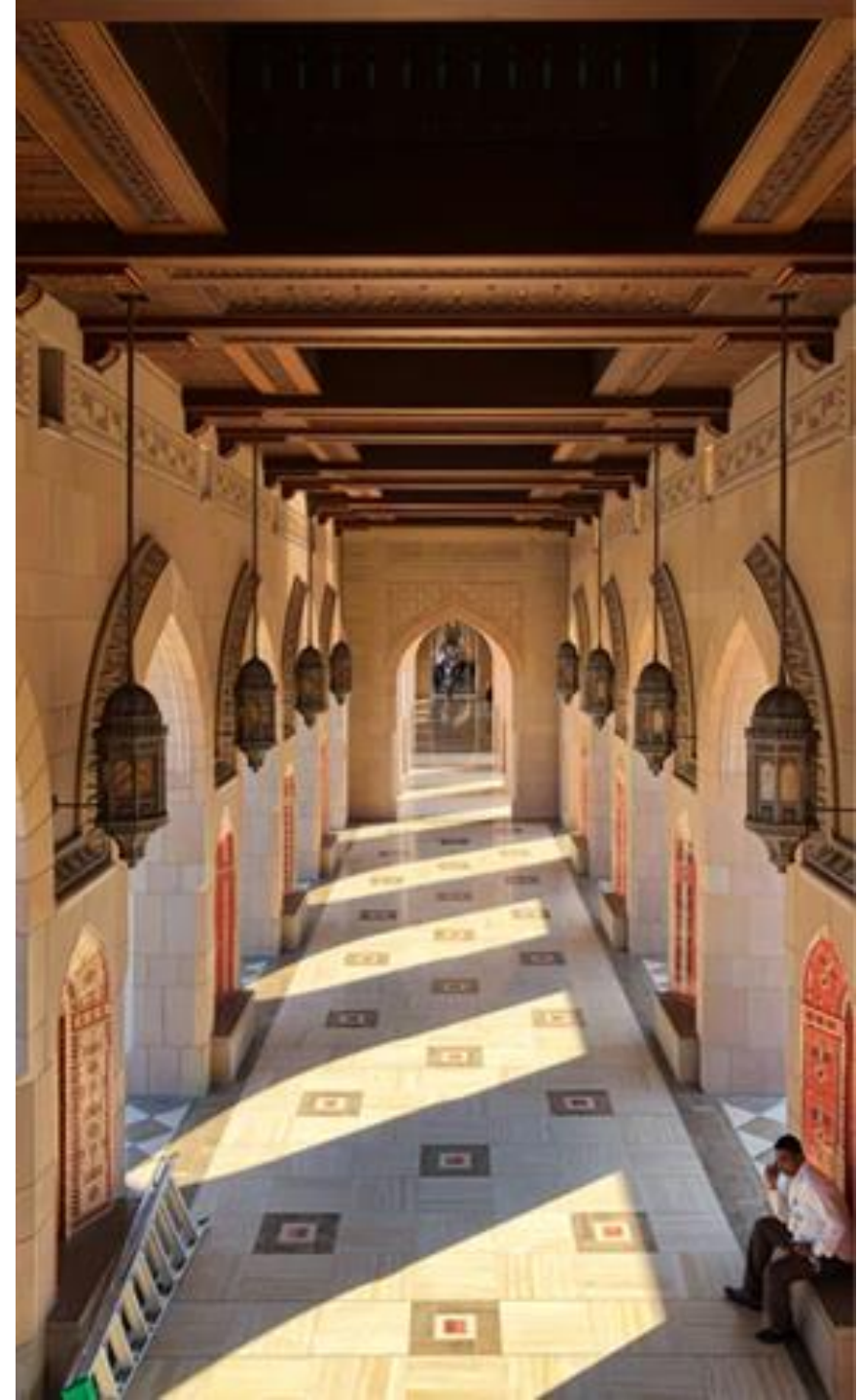


Debts Issues

Key Points

Abdulredha Al Lawati - Alaa Nizam

ALC Lawyers & Counsels



- **Abdulredha Al Lawati**
- Omani Qualified Lawyer - Court of Appeal.
- Founder of ALC Lawyers & Counsels.
- Advising on Commercial Disputes.
- Advising on JVs and Incorporation of Companies and Projects.
- Acting as a Local Counsel on wide legal areas in Oman.



Introduction

1.	Debts - Introduction	<ul style="list-style-type: none">- Debts as a global Issue- Do debts matter to any company?- Classification of debts' cases.- Payment of outstanding as an agreed obligation.
2.	Settlement of Debts, cases and claims	<ul style="list-style-type: none">- Amicable Settlement.- Mediation.- Local judicial methods as a main option for settlement.- Arbitration as an alternative method of disputes resolution.



Debts as a global Issue (General Overview)

- **Debts as a issue - Many reasons:**
- Recovery Post COVID
- Major government Loans - Suspension of Projects
- Lack of Cashflow - Restructure of Debts
- Mismanagement of companies
- Brach of Criminal Laws and Regulations - Suspension of Business

Do debts
matter ?!





Payment of debts – Obligation

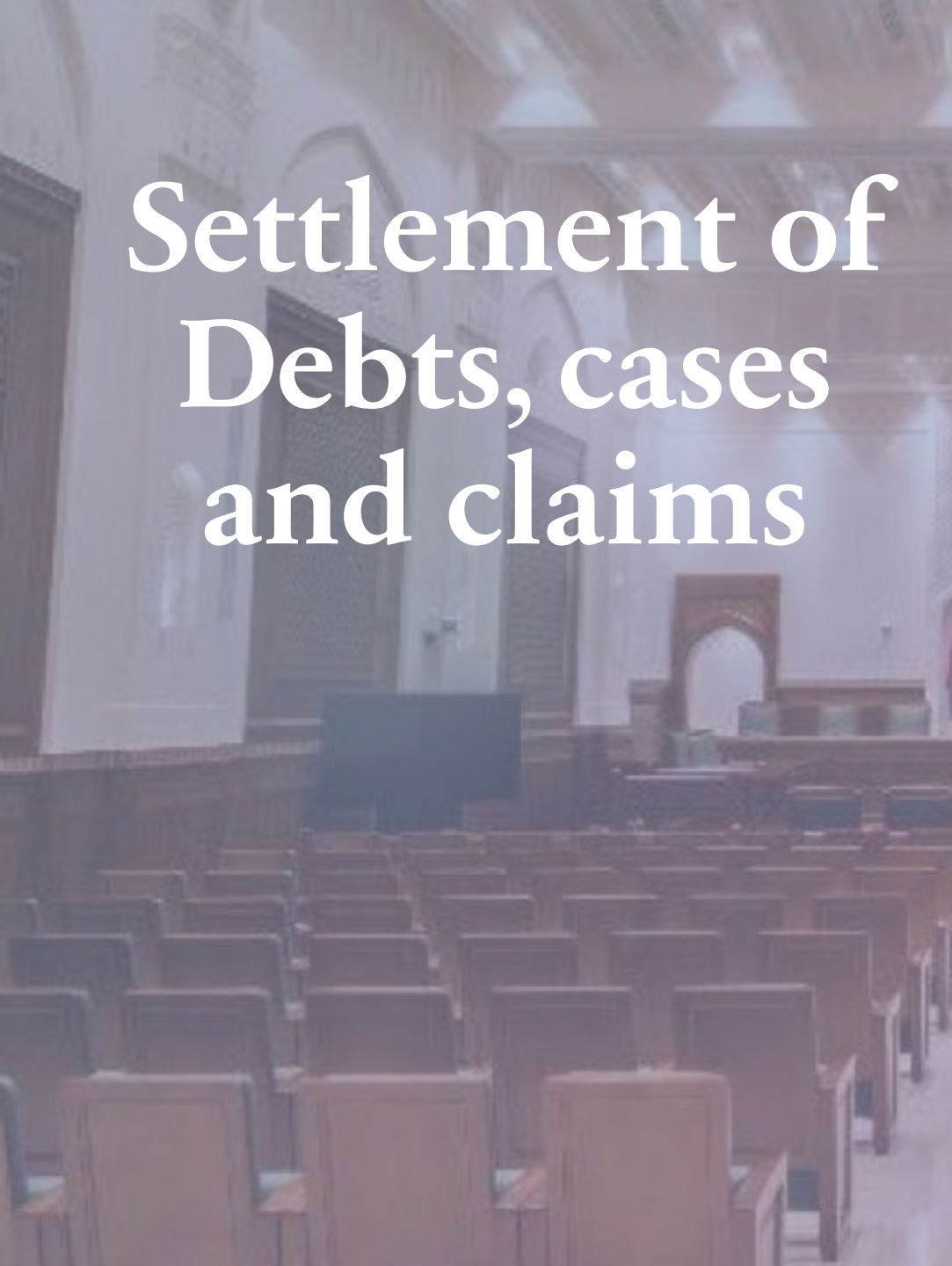
- Payment of any debts – Not the only obligations – Exchange of Obligations
- Obligations: Lawful/ Contractual/ Judicial
- Lawful – Regulated by specific laws (Commercial Companies, Labor Law, Trade Law)
- Judicial – Court Orders/ Arbitration/ Settlement

- **Alaa Nizam - Head of Litigation**

- Attorney at law in Syria since 2010.
- Legal Advisor in Oman since 2014.
- Worked in law firms and companies as in-house advisor.
- LLM - International and National Business Law - France



Settlement of Debts, cases and claims



Amicable Settlement.

- -Why do we always advise for amicable settlement?
- -"A lean compromise is better than a fat lawsuit."
- - Pros:
 - No need to pay any fees if the matter was resolved among parties.
- - Cons:
 - One of the parties might need to waive amounts.
 - A badly worded settlement might have worse consequences.
- - Always get your settlement reviewed by a specialist.

Mediation

- - Organized by Oman Commercial Arbitration Centre Decision 8/2012.
- - Pros:
 - The fastest way to resolve a dispute.
- - Cons:
 - Mediator recommendations are not binding.

Local judicial methods as a main option for settlement.

- - The most common way to resolve legal disputes.
- - Pros:
 - You get back full amounts if you have solid proof.
 - You might even get compensated.
- - Cons:
 - Long time and process to get a judgment.
 - Complicated.
 - You will mostly need a lawyer.

Arbitration as an alternative method of disputes resolution.

- - In Oman, organized by Royal Decree 47 / 97.
- - Pros:
 - Useful for international cases.
 - Process can be very flexible.
- - Cons:
 - Execution needs to have the award recognized by local courts.

Recommendations

- Please make sure to sign clear contracts with sufficient securities.
- Please ensure to consult with a qualified person for executing any settlement agreements.
- Mediation is not an obligation for the parties to seek.
- Arbitration Clause must always cover (Jurisdiction, applicable law, number of arbitrators, prevailing procedure language).



Thank you



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