

**IN THE GENERAL DIVISION OF
THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

[2026] SGHC 119

Originating Application No 405 of 2026

Between

DXB

... Applicant

And

DXC

... Respondent

EX TEMPORE JUDGMENT

[Legal Profession — Bill of costs — Assessment of bills]
[Civil Procedure — Sealing orders]

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DXB

v

DXC

[2026] SGHC 119

General Division of the High Court — Originating Application No 405 of 2026

Andre Maniam J

29 May 2026

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Andre Maniam J:

Introduction

1 The applicant (“Client”) applies for an order under s 120 of the Legal Profession Act 1966 for the assessment of the bills of costs of the respondent (“Solicitors”).

2 It is common ground that more than 12 months have passed since the Solicitors sent the bills in question to the Client, and accordingly such an order is only to be made “under special circumstances to be proved to the satisfaction of the court.”¹

¹ Section 122, Legal Profession Act 1966.

3 The Client says there are two special circumstances:²

(a) First, the “practical procedural dilemma arising from the ambiguity of the dispute resolution clause in an engagement agreement dated 4 April 2024”; and

(b) Second, alleged substantial evidence of fraudulent inflation of the Solicitors’ invoices.

4 As I elaborate below, neither explains why the Client did not apply within the 12-month period, and neither is a special circumstance justifying an order for assessment/taxation after the 12-month period.

The interplay between arbitration and assessment/taxation

5 The requirement that the Client apply for assessment (then known as taxation) within 12 months has much the same purpose as a limitation period (*Kosui Singapore Pte Ltd v Thangavelu* [2015] 5 SLR 722 (“*Kosui*”) at [64]).

6 As the court in *Kosui* expressed it: Why is it right to refer the solicitor’s bill for taxation even though the Client has allowed a disqualifying event under s 122 to be triggered? One of the ways in which a client can answer this fundamental question is by showing how the special circumstances explain and excuse his conduct in allowing the disqualifying event to set in. (*Kosui* [62] – [63].)

² The Client’s submissions, [4].

7 The Client acknowledges that it needs to show “a rational explanation for how the special circumstances explain and excuse the applicant’s conduct in allowing the disqualifying event to set in.”³

8 There is an arbitration pending between the Solicitors and the Client (the “Arbitration”), which the Solicitors commenced on 24 July 2025 to recover their invoiced fees.

9 In [8] of the Client’s Answer to Request for Arbitration dated 8 October 2025 (the “Answer”), the Client reserved its right to commence taxation. At that point of time, the Client was still within the 12-month period to apply for assessment/taxation. However, the Client only applied outside the 12-month period. Prior to the expiry of the 12-month period, the Client simply reserved its right to commence taxation, in the following terms in [8] (with [9] and [24.2] also set out for fuller context):

8. The Respondent reserves the right to commence taxation of the Claimant’s invoices as set out in paragraph 23 of the RfA (“Invoices”) in the Singapore Courts.

9. Accordingly, the Respondent preliminarily observes that the Claimant *cannot* obtain an award of a monetary sum in this Arbitration. Instead, if the Claimant proves its case, it can only obtain a declaration that certain Invoice(s) fall within the scope of the Engagement Letter and are payable by the Respondent subject to taxation, with the exact amount payable then determined by the Singapore Courts. The Respondent reserves its right to make further applications and/or submissions in relation to the interactions between the taxation process and this Arbitration in due course.

.....

24.2 In any event, the automatic waiver is contrary to the applicable Singapore law, which includes *inter alia* the Respondent’s right to commence taxation within 12 months of the date of the bill (also recognised in the arbitration clause)

³ The Client’s submissions, [15].

and the Unfair Contract Terms Act 1977, as well as relevant rules of professional conduct.

10 [24.2] of the Client’s Answer is significant in that it shows that, before the expiry of the 12-month period, the Client was aware of its “right to commence taxation within 12 months”, but it chose not to do so. Indeed, the Client was aware of its right to commence taxation from the outset, as this was mentioned in the engagement agreement dated 4 April 2024 (which the Client quotes, in material part, at [6] of its Answer).

11 The Client says it was reasonable and practical for it to wait for a ruling on the tribunal’s jurisdiction first before identifying the grounds of taxation and commencing taxation. It says it has brought this application before the tribunal’s ruling on jurisdiction was issued, because its intention to apply for taxation was questioned at the arbitration hearing.⁴

12 In so far as the Client points to events after the 12-month period as the trigger for this application, those events (by definition) cannot explain why the Client did not act within the 12-month period.

13 What is left is that the Client chose not to commence assessment/taxation within the 12-month period because it claims it was reasonable and practical for assessment/taxation only to take place after the tribunal had ruled on its jurisdiction.

14 If that is what the Client thought, it should nevertheless have applied for assessment within the 12-month period. The Client could then have sought the court’s concurrence to the assessment proceedings being held in abeyance

⁴ The Client’s affidavit dated 15 April 2026, [19.1].

pending the tribunal's ruling on jurisdiction. Instead, the Client took matters into its own hands and did not apply for assessment within the 12-month period (thus potentially compromising its rights by, in effect, allowing limitation to set in); it then applied after the expiry of the 12-month period because it was provoked to do so. This is not a special circumstance.

15 In so far as the Client says there is any ambiguity or difficulty in applying the dispute resolution clause in the engagement agreement (because that referred both to taxation and to arbitration), that too does not explain or excuse the Client's conduct in not applying for assessment/taxation within the 12-month period. The Client should have applied within the 12-month period, and sought the court's concurrence to hold the assessment/taxation proceedings in abeyance.

16 For completeness, the dispute resolution clause is set out below; it draws a distinction between "certain disputes...as to either the amount of [the Solicitors'] charges or matters incidental thereto" (which may go to assessment/taxation), and "other disputes" (which are to be settled by arbitration):

For certain disputes between you and [the Solicitors] as to either the amount of our charges or matters incidental thereto, you are entitled to apply to the Singapore Courts to have the invoice assessed through a process called taxation. For other disputes between you and [the Solicitors] as to any controversy, dispute, claim, question, or difference arising from or related to this engagement agreement or the Services, you hereby agree to waive any right to a jury trial and agree that such dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce for the time being in force and as modified by this clause, which rules shall be deemed incorporated by reference into this clause.

17 In *Lun Yaodong Clarence v Dentons Rodyk & Davidson LLP* [2025] 1 SLR 849 ("*Clarence Lun*"), the engagement agreement too referred to

arbitration. There, the solicitors commenced assessment proceedings, which Mr Lun as client sought to stay pending arbitration. The court held that the dispute resolution provision in the engagement agreement intentionally identified different fora to which the parties allocated the resolution of different issues. The stay application failed, an appeal to a High Court judge failed, and an application to the Court of Appeal for permission to appeal also failed. That case illustrates that a solicitor's engagement agreement which makes some provision for arbitration does not stand in the way of an application for assessment/taxation. Indeed, in the present case, the court is now faced with such an application while the Arbitration is pending. The point is: that application should have been made within 12 months, and it was not.

18 The case of *Clarence Lun* also shows that a court might not agree to defer assessment/taxation until after the completion of related arbitration proceedings. But, at least, that point was put before the court in that case. Here, the Client was headed towards presenting the court with a *fait accompli*, by deciding to defer assessment/taxation until after the Arbitration – until it was pressed on that point at the Arbitration hearing.

19 Relatedly, instead of applying for assessment/taxation within 12 months, the Client chose to advance an argument (per [9] of its Answer) that the Solicitors could not obtain an award of a monetary sum in the Arbitration; at best, the tribunal could only make a conditional award that was subject to taxation. That was elaborated upon by the Client at the Arbitration hearing:⁵

So at the most, we would say that the tribunal can make a conditional award subject to taxation and is not enforceable until the taxation process is completed or [the Client] has not

⁵ The Client's affidavit dated 15 April 2026, at page 389.

initiated taxation within a certain amount of time. That is the most the tribunal can do.

20 The Client was aware of its right to apply for assessment/taxation within 12 months; it chose not to do so, but instead contended that any award in the Solicitors' favour would have to be conditional and subject to *subsequent* assessment/taxation proceedings. If the tribunal were to accept that contention, the Solicitors would not get any enforceable monetary award in their favour until after *subsequent* assessment/taxation proceedings. In the context of the Legal Profession Act 1966, however, it was incumbent on the Client to apply for assessment/taxation within 12 months, even if related arbitration proceedings had yet to be completed. The Client chose not to do so – it unilaterally decided to defer assessment/taxation till after the Arbitration. That is not a special circumstance justifying the court making an order for assessment/taxation after the expiry of the 12-month period.

21 Notably, the Client does not say that it refrained from applying for assessment/taxation because it considered that all its disputes with the Solicitors should be dealt with in the Arbitration. Indeed, it has made this application while the Arbitration is still pending. The Client's position is that assessment/taxation would be necessary to finally resolve its disputes with the Solicitors – it says that the tribunal cannot make an unconditional monetary award in favour of the Solicitors; the Solicitors' invoices will have to be assessed/taxed before the Solicitors can get an enforceable award/order for what they are entitled to. In the circumstances, the Client should have applied within the 12-month period for assessment/taxation, informed the court of the Arbitration, and sought appropriate directions for the management of the two proceedings.

The allegation of overcharging/fraud

22 Second, the Client says that fraud is a special circumstance, indeed that fraud is a *recognised* special circumstance.

23 If the contention is that all a client needs to do to obtain an order for assessment/taxation outside the 12-month period, is to allege fraud, I do not accept that.

24 In *Kosui*, there was an allegation of overcharging, but the court found there were no special circumstances justifying an order for taxation out of time: at [97]–[103].

25 Here, the fraud alleged is overcharging, in the sense that the Client alleges that one of the lawyers (“Mr X”) had deliberately inflated his time entries and hours in the invoices. The value of Mr X’s billed hours in the Solicitors’ invoices is however less than half of the invoiced amount, and the Client confirms that it is not making this allegation against any other of the lawyers whose work was billed for.⁶

26 The Client says that if an order for assessment/taxation is granted, the Client also at least intends to ask the court to assess the overall reasonableness of the Solicitors’ fees and whether there has been overcharging, beyond the singular issue of Mr X’s suspected fraud. That is significant: the Client relies on its allegation of fraud (which affects less than half of the Solicitors’ invoiced amount) to justify seeking assessment/taxation out of time for the whole of the Solicitors’ invoiced amount.

⁶ The Client’s affidavit dated 15 April 2026, at [32] and [57].

27 Even if the Client’s allegation of fraud against Mr X justified an order for assessment/taxation out of time in respect of that portion of the Solicitors’ invoiced amount (which I find it does not), it would not justify ordering assessment/taxation for the whole of the invoices. Put another way, the alleged fraud does not explain or excuse the Client for not applying within the 12-month period for assessment/taxation to assess the *overall* reasonableness of the Solicitors’ fees or whether there has been overcharging *overall*.

28 As the Client recognises, fraud was also a defence the Client had raised and relied upon in the Arbitration.⁷

29 The Client says that it was only after Mr X’s reply witness statement dated 13 March 2026 in the Arbitration had supposedly failed to rebut its allegations that it realised it had a strong case to claim that Mr X had deliberately inflated his hours.⁸ It says that until then it had concerns but insufficient evidence to make out a case of overcharging amounting to fraud.⁹

30 This excuse is hollow. In the Client’s Written Memorial dated 14 February 2026 (which came before Mr X’s reply witness statement dated 13 March 2026), the Client already claimed that: “Firstly, a close analysis of [Mr X’s] entries on the Invoices suggest they may have been deliberately inflated, subject to the provision of evidence to the contrary in the Solicitors’ Reply”.¹⁰ the Client did not need to see the Solicitors’ Reply and Mr X’s reply witness statement to put forward an allegation that Mr X’s time entries may have been

⁷ The Client’s affidavit dated 15 April 2026, at [56].

⁸ The Client’s submissions, at [45].

⁹ The Client’s submissions, at [46].

¹⁰ The Client’s affidavit dated 15 April 2026, at page 224, [6.1]

deliberately inflated, but now it claims that at that point in time it had “insufficient evidence” and what transformed that into a “strong case” is the supposed lack of rebuttal evidence from the Solicitors or Mr X. For completeness, I note that Mr X did not just file witness statements in the Arbitration, he also gave oral evidence and was cross-examined. Further, as the Solicitors pointed out at today’s hearing, the internal documents which the Client said they had failed to produce, were the subject of an unsuccessful attempt by the Client in the Arbitration to obtain them by way of an application for document production.

31 As early as 8 October 2025, which was still within the 12-month period, the Client had said in its Answer at [23]: “Fourthly, the Respondent reserves its right to allege that the Invoices may have been overinflated by the Claimant...” If the Client considered that the Solicitors’ invoices may have been overinflated (which it now wants the court to look into by way of assessment/taxation), it should have applied for assessment/taxation within the 12-month period, but it chose not to.

32 The allegation of overcharging/fraud should also be viewed in the context of the case as a whole, as the court did in *Kosui* at [97]–[103].

33 In the present case:¹¹

- (a) the engagement agreement was dated 4 April 2024;
- (b) the work was done between 4 April 2024 and 22 October 2024;
- (c) regular fee updates were provided by the Solicitors;

¹¹ The Solicitors’ affidavit dated 19 May 2026, at [6]–[19].

(d) in an email dated 12 September 2024, the Solicitors noted the sum of outstanding fees at that stage, and indicated how much the subsequent work might cost;

(e) the next day, the Client’s CEO asked the Solicitors to proceed with the subsequent work, and said, “I had a talk with finance and the shareholder gave comfort that they will make funding to pay for legal fees”;

(f) invoices were issued between 24 October 2024 and 10 December 2024, and they were all delivered to the Client by 10 December 2024 at the latest;

(g) the engagement agreement provided that the Client was to pay each invoice “within twenty days of receipt”, and that to the extent permitted under applicable law and professional conduct rules, the Client “waive[d] any claims related to the bill after the twenty day period lapses”;

(h) the Client did not contest any of the invoices within twenty days of receipt; instead, while the Solicitors continued to request payment, the Client continued to inform the Solicitors that it was working on payment;

(i) the Client first said that it took issue with the invoices on 20 June 2025, more than half a year later – it said (among other things) that “the involvement of the number of various personnel [was] for the sole purpose of generating unreasonable and exceptionally excessive invoices”;

- (j) the Client never made any payment towards the invoices, other than the initial retainer amount (part of which was used to pay the invoice of foreign lawyers, which invoice the Client is not disputing);
- (k) on 24 July 2025, the Solicitors commenced the Arbitration to recover payment.

34 The Client says that the suspicious circumstances it relies on were only discovered through a close scrutiny of the invoices by the Client’s legal representatives in the Arbitration, in the preparation of the Client’s Memorial, which took place in February 2026. The point remains that the Client had those invoices since 10 December 2024 at the latest, and on 20 June 2025 it had already described the invoices as “unreasonable and exceptionally excessive”. The Client knew, or ought reasonably to have known, prior to the expiry of the 12-month period, the matters based on which it advanced a case of overcharging/fraud.

35 The Client has not established special circumstances proved to the satisfaction of the court, such that the court would now make an order for assessment/taxation.

36 I will not go further to comment on the merits of the Client’s allegations of overcharging/fraud as the Arbitration is still pending.

Conclusion

37 For the above reasons, I dismiss the Client’s application for an order (out of time) to refer the Solicitors’ bills to assessment/taxation.

38 In view of the Arbitration, I grant the order sought to seal the court records and files for this originating application. Further, the parties' names are to be anonymised, and identifying details redacted, as I have done in this judgment.

39 I do not make the order sought to seal the court records and files with respect to the assessment/taxation proceedings, as that is consequential on the Client obtaining an order for assessment/taxation, which I have declined to grant.

40 After hearing submissions on costs, I order the Client to pay the solicitors the sum of \$24,089 (all in) in costs.

Andre Maniam
Judge of the High Court

Darrell Low Kim Boon, Arthur Yap, Ong Hui Jing and Liang Liwen
(Oaks Legal LLC) for the applicant;
Thio Shen Yi, SC, Chew Xizhi Stephanie and Chia Wan Lu (TSMP
Law Corporation) for the respondent.
