



e-Disclosure order versus MetaQuotes Software

“Thoughts do more. Words do much. Actions do much more”

The Cyprus Court delivered a judgment on 29 July 2016 ordering electronic disclosure against MetaQuotes Software, the well-known Forex trading platform, the first of its kind in Cyprus! Even the intrusiveness of the order proposed by our side the Court agreed with our submissions that intrusion can be significantly reduced by ordering that the necessary work should be carried out by an independent expert appointed jointly by the parties.

The judgment establishes the court’s power to order inspection of a database and to give access to a party's computer or database. As such the court may permit inspection and interrogation of the computer system by an independent expert to protect the interests of the disclosing party (MetaQuotes). That, of course, is what was sought here by our law firm in favour of the client.

The judgment is a further development of the Norwich Pharmacal jurisdiction. The court is entitled to order discovery of documents for the purpose of legal proceedings if the public interest in the administration of justice requires so.

The court applied the identical test in the present case. It is generally where there are issues as to whether documents have been concealed or deleted or an issue as to whether materials has been distorted, retained or received on a computer or a particular database, that an expert inspection can be ordered.

In this instance the client has been deprived of huge amounts resulting from the fraudulent actions of a brokerage firm offering investment services through MT4 platform through a license of the type “white label” granted by MetaQuotes. The brokerage firm later denied even the existence of a customer relation. Innovative litigation and going beyond traditional disclosure, the client now will be provided with full access to critical information. MetaQuotes is ordered, inter alia, to disclose all the transactions of numerous trading accounts of the client, which appear in the platform of MT4 unto the name of the client maintained for the benefit of the brokerage firm.



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