

Case 4430940390

Court	Circuit type	Case No.	Judgment pronounced	Judgment issued
Riyadh Court of Appeal	General	4430940390	–	May 27, 2023

Facts¹

The session was convened to hear the annulment action filed by the plaintiff, [...] [the claimant in the arbitration], against [...] [the defendant, the respondent in the arbitration].² The parties referred to above attended. When asked about his client's claim, the attorney for the plaintiff stated as follows:

Grounds for requesting annulment of the award:

First:

(1) The objective of forming the arbitral tribunal is to adjudicate the dispute arising from matters encompassed by the arbitration clause, pursuant to Article 40 of the Arbitration Law, which provides, "The arbitration tribunal shall render the final award ending the entire dispute within the period agreed upon by both parties."

Nevertheless, after pleadings, formal acceptance, and entry into the merits of the case, the arbitral tribunal issued its award dismissing all requests in the arbitration case.

Your Honors are aware that a ruling to dismiss must be based on valid reasons leading to it, as the purpose of a ruling to dismiss is to refrain from a determination on the request on formal grounds—including absence of a mandate, defect in one of the formal conditions, or failure to plead the claim—as established in Article 66 of the Law of Civil Procedure.

The arbitral tribunal did not bear in mind the objectives for which it was appointed, namely adjudication of the dispute as prescribed by the applicable statutes. The award is indecisive and does not rule in favor of either party,

1 This is an unofficial English translation of the judgment from Arabic, prepared by the SCCA team.

2 Identifying information in this judgment has been redacted to protect personal and sensitive data. Editorial insertions in square brackets have been made by the SCCA team for clarity or completeness and do not appear in the original Arabic text.

despite the facts and evidence the tribunal examined in the course of considering the claim.

Accordingly, a ruling to dismiss does not end the dispute after entering into the merits of the dispute.

This confirms that the arbitral tribunal did not observe the conditions required for the award in a manner affecting its substance, which requires annulment of the award in accordance with Article 50 (1) (g) of the Arbitration Law, meaning that the referenced award does not end the dispute as required by the Arbitration Law.

(2) The arbitrator [...] (Civil Registration No. [...]) was appointed as an agent under two powers of attorney from the representative of the defendant [the respondent in the arbitration], [...], (Civil Registration No. [...]), namely Power of Attorney No. [...] dated December 12, 2022 (18/5/1444H) and Power of Attorney No. [...] dated December 5, 2022 (11/5/1444H) (Exhibit No. 1), i.e., during the arbitration sessions, which ended in mid-February 2023 (late Rajab 1444H) with the award subject of the annulment action.

This confirms that a work and commercial relationship existed between the defendant's representative and the arbitrator appointed by the defendant and that [the arbitrator] had an interest in the dispute.

Accordingly, the arbitrator is statutorily barred pursuant to Article 16 (1) of the Arbitration Law, which provides: "An arbitrator shall have no interest in the dispute.³ He shall also disclose to the arbitration parties in writing, from the time of his appointment and throughout the arbitration proceedings, any circumstances likely to give rise to justifiable doubts as to his impartiality or independence."

Article 16 (2) goes on to provide, "The arbitrator shall be barred from considering or hearing a case for the same reasons for which a judge is barred, even if neither arbitration party so requests."

Moreover, Article 94 of the Law of Civil Procedure provides:

³ The official English translation of Article 16 (1) of the current law states: "An arbitrator shall have no vested interest in the dispute." However, this is an error, as the equivalent to the word "vested" does not appear in the Arabic versions of either the current law or the Draft Law. It is thus deleted here.

A judge shall be barred from considering and hearing a case in the [following] cases, even without a petition by any of the litigants: . . .

c) If he is an agent . . . of a litigant . . .;

d) If he . . . or a person for whom he is an agent . . . has an interest in the case.

Thus, the presence of this arbitrator who is statutorily barred by statutory provision is apparent to Your Honors.

(3) The defendant's lawyer, [...] , posted the following on her Twitter account on August 3, 2022 (5/1/1444H): "Praise be to God, the first meeting was held under the supervision of the lawyer Dr. Supervisor [...] (the arbitrator appointed by the defendant)" (Exhibit No. 2).

This evidences the existence of a relationship between the defendant's lawyers and the arbitrator that renders [the arbitrator] statutorily barred from the arbitration in this case and renders the arbitration defective under the provisions cited above.

Second:

Article 50 (2) of the Arbitration Law provides, "The competent court considering the nullification action shall, on its own initiative, nullify the award if it violates the provisions of Sharia and public order in the Kingdom."

The arbitral award violated the provisions of Islamic law and public policy by failing to take into account the defendant's admission of the due rent and its admission that it is indebted therefor, according to its letter addressed to the plaintiff in which it requested forbearance and payment in installments (Exhibit No. 1), as well as its admissions in the arbitration sessions. The failure to take these admissions into account constitutes an abstention from ruling according to justice and truth.

The tribunal also violated the provisions of Islamic law by allowing the plaintiff to demand an oath from the defendant to the effect that the plaintiff did not exert himself, which is contrary to established principle. It decided that the plaintiff may demand the defendant's oath that the plaintiff did not exert himself in obtaining permits.

This is an invalid oath because it is directed toward a person in respect of whom a negative is to be proven, whereas a negative cannot be proven except

by the person asserting the negative, especially as the opposite of this oath is established by the express evidence submitted in the case.

The arbitral award also violated the provisions of Islamic law and public policy by failing to take into account the full binding, valid contract and the addendum and letters that followed it. The arbitral tribunal obviously contradicted itself between what it stated in the reasoning and what it ruled, as it recognized the validity of the contract and the conditions it contained, and it determined that the property was in the defendant's possession. Then it contradicted itself by dismissing the request for payment of rent for the claimed period, and it failed to provide a legal characterization of this exclusion.

The established rule is that possession entails liability for rent, whether it is pursuant to a contract or by way of misappropriation. In its award, the tribunal did not indicate the legal character of the period claimed—assuming that the dismissal was valid—especially given that the defendant admitted being indebted to the plaintiff for the rent and asked him for forbearance and an installment plan (Exhibit No. 1).

As the period claimed is part of an existing, valid contract that has been acknowledged by the defendant in several admissions, the arbitral tribunal, after the claim and the admission, should have awarded that which had been demanded in a valid claim supported by a clear, valid admission.

The arbitral tribunal also violated the provisions of Islamic law and the applicable statutes by entering into intentions, basing its award on conjecture and discarding matters that were definitively established by the express evidence demonstrating the validity of the plaintiff's claim against the defendant.

The defendant made an admission—and no excuse is accepted from one who has made an admission after such admission, and an admission is the strongest evidence, as stated by scholars.

In light of the defendant's admission of the due rent and its admission that it is indebted therefor, according to its letter addressed to the plaintiff in which it requested forbearance and payment in installments (Exhibit No. 1), as well as its admissions in the arbitration sessions, the failure to take these admissions into account therefore constitutes an abstention from ruling according to justice and truth.

As for entering into conjecture, this is apparent in the reasoning of the award, in addition to the tribunal's failure to understand the meaning of beneficial use in terms of linguistics and Islamic law with respect to the leased property, as it treated profit as utility. This is something not supported by any religious or secular law; rather, it is a clear violation thereof. If it were adopted, all contracts would be torn up.

Accordingly, it is apparent to Your Honors that enforcement of the arbitral award is not permissible pursuant to Article 55 (2) (b) of the Arbitration Law, and it must be annulled.

The arbitral tribunal also committed a glaring error in characterizing and describing the incident, which impacted the outcome of the award. It documented that the parties confirmed the validity of the contract and its addendum, and then it retreated and disregarded an essential condition that affects the understanding of the facts, which warrants setting aside the award.

Paragraph 2 of Article 8 [of the contract between the parties], titled "Obligations of the Second Party" (the defendant), provides, "The Second Party shall obtain all permits necessary to utilize the leased property and shall have no right to demand that the First Party obtain them, whatever the reasons." This categorically demolishes the reasoning upon which the arbitral tribunal based its award.

As for the reasons mentioned, they have no effect on entitlement to the rent because the defendant has admitted to it (Exhibit No. 1).

Article 18 (1) of the Law of Evidence provides, "An admission shall be binding on the person making the admission and may not be retracted."

This is in addition to the rule of Islamic law that "There shall be no denial after an admission." If a person expressly admits something and then denies it, such denial shall not be accepted, and no excuse is accepted from one who has made an admission.

The pleas raised by the defendant are in reality nothing more than a retraction of a definitive, established admission.

In addition, the arbitral tribunal's determination of lack of beneficial use of the property is based on a deficient understanding of the meaning of beneficial use and on an association thereof with profit or with works in which the plaintiff has no involvement.

Moreover, the tribunal reached a contradictory result, namely that the plaintiff did not enable the defendant to access the property as a matter of law by not granting it a power of attorney that was never requested in the first place and which the defendant did not prove to the arbitral tribunal had been requested.

The arbitral tribunal neglected to consider the status of the contract during the period preceding the claimed period, approximately ten years, in addition to the defendant's payment of rent after the expiration of the permit, which is among the defendant's obligations and responsibilities under the contract.

The tribunal also neglected to link dates with events, affecting the outcome of the award.

Supporting what we have stated is the fact that the third arbitrator had a dissenting opinion regarding the outcome of the award. We request Your Honors to review it, as we expect that it accords with our reasoning regarding the necessity of annulling the award.

In light of the foregoing, it is apparent to Your Honors that the arbitral award is tainted by defect and deficiency requiring its annulment on the grounds we have set out. Therefore, we request Your Honors to rule to annul the arbitral award dated February 20, 2023 (29/7/1444H) in the arbitration claim filed by [...] against [...].

When asked for her answer, the defendant's attorney requested time to answer. Accordingly, the session was adjourned.

In another session, the plaintiff's attorney and the defendant's attorney appeared. When asked for her answer to the plaintiff's action, the defendant's attorney answered as follows:

First: As to form

The grounds submitted by the plaintiff to establish his claim are not valid under Islamic law or under statute as grounds for annulment of the arbitral award, and they do not fall within the circumstances set forth in the Arbitration Law under which an annulment action is deemed admissible.

The grounds cited by the plaintiff are, in actuality, merely facts by which it seeks to prompt reconsideration of the subject matter of the dispute, the evidence and documents that formed the basis of the arbitral award, and the procedures carried out by the arbitral tribunal to arrive at the award at issue. That would constitute an investigation as a means to challenge the soundness

of the conclusions at which the arbitral tribunal arrived at based on independent reasoning, which it clearly explained in its award.

Thus, the plaintiff's action is inadmissible in accordance with Article 50 (4) of the Arbitration Law, which provides, "The competent court shall consider the action for nullification in cases referred to in this Article without inspecting the facts and subject matter of the dispute."

Therefore, what the plaintiff has requested does not conform to what is established under Islamic law and under statute.

Second: In response to the grounds cited in the statement of claim for annulment of the arbitral award

(1) The claim was dismissed because the plaintiff did not present proof of his alleged entitlement to the rent, which means that the subject matter of the claim was examined, and it was determined that there is no entitlement.

(2) Not taking into account the defendant's admission regarding the rent has its grounds in Islamic law, which the arbitral tribunal explained, as it constitutes exploitation of documents exchanged between the plaintiff and my client in the framework of negotiations and exploration of a settlement, and statute establishes that this is impermissible.

Moreover, it is countered by several reports from the plaintiff proving that the plaintiff is not entitled to the rent because under Islamic law, rent is consideration for beneficial use, and beneficial use is impossible, as a matter of inherent reason and actual reality, as per an express admission from the plaintiff.

(3) The arbitral tribunal based its determination that there is no entitlement to the rent on failure to enable beneficial use and its imperatives, including failure to renew the building permit and matters connected thereto over a long period, which caused damage to my client, as per the plaintiff's admissions. What he raises consists of mere assertions and delving into intentions and inferences that are at odds with reality, seeking a result contrary to sense, reason, and law.

(4) How did the plaintiff learn of the third arbitrator's opinion? The arbitration decision was issued by the court-appointed presiding arbitrator and was supported by my client's arbitrator after careful consideration of the memoranda and discussions presented to the arbitral tribunal, all of which are recorded in the arbitral award. The insinuation of the challenge to the arbitrator

appointed by my client is refuted by the issuance of an arbitral award that dismissed most of my client's requests, as documented in the arbitral award, which ruled:

Fifth: To dismiss the defendant's request to compel the plaintiff, in his personal capacity, to return the payments he received for the entire period from the date of signing the main contract until the present . . .

Seventh: To dismiss the defendant's request to extend the term of the contract . . .

Eighth: To dismiss the defendant's request to add a free period to the term of the contract, as this request has no basis in Islamic law.

Ninth: To dismiss the defendant's request to compel the plaintiff, in his personal capacity, to issue a unified electronic contract . . .

Tenth: To dismiss the defendant's request to compel the plaintiff, in his personal capacity, to bear the full costs of litigation and arbitration.

Third: In response to the supplementary petition

The challenge to the integrity of the defendant's arbitrator is to be expected from someone who is dissatisfied with the arbitration outcome after an award was issued against him.

Alleging the existence of an interest for a member of the arbitral tribunal based on the plaintiff's multiple messages requires conclusive evidence, and all the evidence submitted by the plaintiff relates only to the existence of a prior relationship between the defendant's attorneys, not the defendant itself nor its legal representative, while taking into account the professional aspect of the arbitrator's work as a licensed lawyer practicing his profession alongside adjudicatory work for which he is licensed (Exhibit No. 1).

The arbitrator was never appointed as an agent for the defendant or its legal representative prior to the formation of the arbitral tribunal, during its proceedings, or thereafter. What the plaintiff raises is no more than conjecture that does not rise to certainty regarding the arbitrator having an interest in the present case or having ruled based on personal knowledge, especially given that the arbitral award and all the proceedings were carried out in the presence of all three arbitrators and under the supervision of the court-appointed presiding arbitrator.

As such, it is inconceivable that the arbitral tribunal, whose members were approved by the Court of Appeal under Judgment No. [...] dated [...], would collude against the plaintiff in this action, particularly as my client was harmed by the arbitral award in the first place, as all of my client's requests were dismissed.

My client continues to want to bring the dispute to an amicable resolution. My client had accepted the plaintiff's proposal in his letter dated December 6, 2022, but the plaintiff reneged on it in the in-person session and repudiated everything he had presented to the tribunal (Exhibit No. 2).

Fourth: Requests

[We request the] dismissal of the plaintiff's action because he is not entitled to what he alleges.

This was her answer.

Upon presentation thereof to the plaintiff's attorney, he requested time to respond, and his request was granted.

When asked about the deposit number of the award with the Court of Appeal, the plaintiff's attorney answered, "The award was deposited under No. [...]."

Accordingly, the session was adjourned to verify deposit of the award and to receive the plaintiff's attorney's answer to what the defendant's attorney had stated.

In another session, the plaintiff's attorney and the defendant's attorney appeared. When asked about his answer, the plaintiff's attorney answered as follows:

Your Honors, with reference to what the defendant's attorney submitted in the previous session, we briefly respond as follows:

First:

What the defendant's attorney termed a formal response is merely obstinacy in litigation.

When she was unable to respond to what we had presented, she resorted to encroaching upon Islamic law and statute, asserting that the request is not valid under Islamic law or under statute. This only evidences a lack of understanding of Islamic law and statute.

Moreover, it constitutes intrusion into a discretionary matter reserved to the esteemed Circuit pursuant to Article 50 (2) of the [Arbitration] Law, which

provides, “The competent court considering the nullification action shall, on its own initiative, nullify the award if it violates the provisions of Sharia and public order in the Kingdom.”

In addition, the award violates Article 40 (1) of the Law, which provides, “The arbitration tribunal shall render the final award ending the entire dispute within the period agreed upon by both parties.”

It also violates Article 41 (1) of the Law, which provides, “The arbitration proceedings shall terminate by the issuance of the award ending the dispute.”

The objective of forming the arbitral tribunal is to adjudicate the dispute arising from matters encompassed by the arbitration clause. Nevertheless, after pleadings, formal acceptance, and entry into the merits of the case, the arbitral tribunal issued its award dismissing all requests in the arbitration case.

Your Honors are aware that a ruling to dismiss must be based on valid reasons leading to it, as the purpose of a ruling to dismiss is to refrain from a determination on the request on formal grounds—including absence of a mandate, defect in one of the procedural conditions, or failure to plead the claim—as established in Article 66 of the Law of Civil Procedure.

Accordingly, a ruling to dismiss does not end the dispute after entering into the merits of the dispute.

This confirms that the arbitral tribunal did not observe the conditions required for the award in a manner affecting its substance, which requires annulment of the award in accordance with Article 50 (1) (g) of the Arbitration Law.

Your Honors, a previous judgment ruled to annul an arbitral award on the same grounds, namely the judgment in Case No. [...] of [...] (attached).

Second:

As for what the defendant’s attorney described as responses to the grounds:

(1) She stated that the dismissal is tantamount to a determination that there is no entitlement. This reflects a lack of understanding of the operative parts of awards and the formulation thereof.

(2) The rent at this point, meaning that the award is in violation of Islamic law and statute.

(3) Either the defendant's possession of the property entails rent, or it constitutes misappropriation.

(4) How did the defendant's attorney know that the award was supported by her client's arbitrator after careful consideration of the submissions to the arbitral tribunal?

Therefore, what she pointed to as constituting a dismissal of her client's requests is in fact evidence against her due to the contradiction in the award and its violation of Islamic law and statute.

Third:

The defendant's attorney conceded our argument regarding the existence of a relationship between the arbitrator and those representing the defendant by saying, "All the evidence submitted by the plaintiff relates only to the existence of a prior relationship between the defendant's attorneys, not the defendant itself." This proves a work and commercial relationship between the appointed arbitrator and the defendant's attorneys, who are [the defendant's] attorneys and act on his behalf.

Accordingly, the arbitrator is statutorily barred pursuant to Article 16 (1) of the Arbitration Law, which provides: "An arbitrator shall have no interest in the dispute.⁴ He shall also disclose to the arbitration parties in writing, from the time of his appointment and throughout the arbitration proceedings, any circumstances likely to give rise to justifiable doubts as to his impartiality or independence."

Article 16 (2) goes on to provide, "The arbitrator shall be barred from considering or hearing a case for the same reasons for which a judge is barred, even if neither arbitration party so requests."

Moreover, Article 94 of the Law of Civil Procedure provides:

A judge shall be barred from considering and hearing a case in the [following] cases, even without a petition by any of the litigants: . . .

c) If he is an agent . . . of a litigant . . .;

⁴ The official English translation of Article 16 (1) of the current law states: "An arbitrator shall have no vested interest in the dispute." However, this is an error, as the equivalent to the word "vested" does not appear in the Arabic versions of either the current law or the Draft Law. It is thus deleted here.

d) If he . . . or a person for whom he is an agent . . . has an interest in the case.

Thus, it is established and manifest before the esteemed Circuit that a violation of Article 94 occurred on the part of the defendant's attorney and the arbitrator it appointed, due to the existence of lawful powers of attorney, a work relationship, and an interest between them, as the article also refers to an agent.

In addition, there exists a work relationship between the defendant's arbitrator and its lawyer, as the arbitrator works as a supervisor over her work. Consideration of this case is part of that work which he supervises and awaits the results and the benefits that may arise therefrom for the firm and for its supervisor, who is the defendant's arbitrator.

The Circuit has been provided with proof of this, and the defendant's lawyer has not denied it. Silence where [a statement] is required is a statement.

Furthermore, the tweet in question is still on the feed as of the date of drafting this brief.

Thus, it is apparent to Your Honors that the award was issued by an arbitrator who is statutorily barred from arbitration in this case by statutory provision, which renders the arbitration defective and necessitates annulment pursuant to Article 95 [of the Law of Civil Procedure], which provides, "An action or decision by a judge in any of the circumstances set forth in Article 94 of this Law shall be null and void even with the agreement of the litigants."

Accordingly, we request the esteemed Circuit to apply Article 95 and annul the award.

Based on all of the foregoing, my client requests a ruling annulling the arbitral award due to the defects and deficiencies tainting it, which require its annulment in accordance with statute on the grounds previously stated.

Upon presentation of the above to the defendant's attorney, she answered as follows:

We ask that judgment be pronounced.

The parties have exhausted their submissions, as the arbitration applicant's last brief is a repetition of the prior submissions. In its essence, it constitutes interference in the core work of the court-appointed arbitral tribunal, the formation of which the parties accepted throughout the consideration of the case without objection.

This is not negated by what the plaintiff attempts to raise relating to the profession of one of the arbitrators after having had prior knowledge thereof and having accepted it.

It has no connection to the parties to arbitration. The supervision referred to in the tweet is honorary and in appreciation of a leader in the profession and a person of merit, like other people of high standing, and it has no connection or relationship to the arbitration case subject of the annulment action.

All the arbitration sessions were held publicly and in person, and discussions and exchanges took place therein in the presence of all parties and in full view of everyone, in application of the highest levels of professionalism. They were convened under the chairmanship and in the presence of the presiding arbitrator, also the casting arbitrator appointed by the court. They were not marred by any breach of virtue, let alone anything prohibited by public policy as determined by the Ruler.

The ultimate objective of the plaintiff, in his personal capacity, in this action is to undermine the jurisdiction of the arbitral tribunal, its procedures, and the subject matter of the dispute, which is not permissible under statute after the matter has been concluded with the determination made by the esteemed arbitral tribunal. The tribunal decided not to grant the parties' requests, having exercised its independent reasoning to arrive at the truth as settled in the tribunal's conscience following diligent effort and independent reasoning. They are presumed to be knowledgeable and capable, and we do not know God's judgment of anyone.

The plaintiff has expressed his acceptance of the award and has begun implementing it by obtaining a building permit through an engineering firm and sending the invoice to my client, which is evidence of his contentment with the award.

May God preserve and protect you.

When asked whether they had anything they wished to add, both parties stated that they were satisfied with their submissions. Accordingly, pleadings were closed and the session was adjourned.

In another session, the parties appeared and a judgment was pronounced.

Reasoning

As the annulment action was filed within the statutory time limit prescribed in Article 51 (1) of the Arbitration Law, it is admissible as to form.

As to the merits, the plaintiff's attorney seeks annulment of the arbitral award issued in the dispute between his client, [...], dated [...].

Reference is made to Article 50 of the Arbitration Law (Royal Decree No. M/34 dated April 16, 2012 (24/5/1433H), which provides:

1. An action to nullify an arbitration award shall not be admitted except in the following cases:

- a) If no arbitration agreement exists, or if such agreement is void, voidable, or terminated due to expiry of its term.
- b) If either party, at the time of concluding the arbitration agreement, lacks legal capacity, pursuant to the law governing his capacity.
- c) If either arbitration party fails to present his defense due to lack of proper notification of the appointment of an arbitrator or of the arbitration proceedings, or for any other reason beyond his control.
- d) If the arbitration award excludes the application of any rules which the parties to arbitration agreed to apply to the subject matter of the dispute.
- e) If the composition of the Arbitral Tribunal or the appointment of arbitrators was carried out in a manner that violates this Law or the agreement of the parties.
- f) If the arbitration award rules on matters not included in the arbitration agreement. Nevertheless, if the sections of the award relating to matters subject to arbitration can be separated from those not subject thereto, then nullification shall apply only to the sections not subject to arbitration.
- g) If the arbitration tribunal fails to observe the conditions required for the award in a manner that affects its substance, or if the award is based on void arbitration proceedings that affect it.

2. The competent court considering the nullification action shall, on its own initiative, nullify the award if it violates the provisions of Sharia and public order in the Kingdom or the agreement of the arbitration parties, or if the subject matter of the dispute cannot be referred to arbitration under this Law.

3. The arbitration agreement shall not terminate with the issuance of the competent court's decision nullifying the arbitration award unless the arbitration parties agree thereto or a decision nullifying the arbitration agreement is issued.

4. The competent court shall consider the action for nullification in cases referred to in this Article without inspecting the facts and subject matter of the dispute.

What the plaintiff has stated does not fall within the exhaustively enumerated circumstances set out in the referenced article and would require entering into the facts. As the court is not permitted to enter into and examine the facts and subject matter of the dispute, and as the arbitral award includes consideration of all aspects of the dispute between the parties arising under the arbitration agreement, the Circuit concludes that what the plaintiff has stated is unsupported by any valid basis.

Thus, the action must be rejected on the merits, the arbitral tribunal's award upheld, and enforcement thereof ordered in accordance with Article 51 (2) and Article 55 of the Arbitration Law.

As no impediment to upholding the arbitral award has appeared to the Circuit, the Circuit concludes its judgment as follows.

Ruling

The Circuit rules as follows:

First: To accept the annulment action in form and reject it on the merits.

Second: To uphold the arbitral award dated [...] issued in the dispute between [...] and [...] Company and order the enforcement thereof insofar as it ruled:

First: To dismiss the plaintiff's request to compel the defendant to hand over SAR 2,685,000 (two million six hundred eighty-five thousand Saudi riyals) as rent for the leased property for the period from January 1, 2020, to December 31, 2022.

Second: To dismiss the plaintiff's request to compel the defendant to pay value-added tax.

Third: To dismiss the plaintiff's request to compel the defendant to make the remaining rent payments on their specified due dates in accordance with the schedule attached to the statement of claim, and to inform him that he may do

so once he grants the defendant a lawful power of attorney or obtains the required permits himself.

Fourth: To dismiss the plaintiff's request to compel the defendant to pay the arbitration costs and the lawyer fees.

Fifth: To dismiss the defendant's request to compel the plaintiff, in his personal capacity, to return the payments he received for the entire period from the date of signing the main contract until the date of the last payment he received, being rent for nine years in the amount of SAR 7,425,000 (seven million four hundred twenty-five thousand Saudi riyals).

Sixth: To order the plaintiff to renew the permits by executing a lawful power of attorney for the defendant enabling it to obtain and renew the permits, or to obtain and renew the permits himself, and to inform him that he is not entitled to the rent except after doing so.

Seventh: To dismiss the defendant's request to extend the term of the contract, and to inform it that it may only claim a percentage of the construction equivalent to the years during which it did not have beneficial use, namely the three years for which the plaintiff claims rent, being the years 2020, 2021, and 2022. It may make such claim through a separate action, as it is a claim requiring an expert opinion and one that is permissible only after this award acquires finality and is upheld by the Court of Appeal, unless the parties reach an agreement to extend the contract through a settlement and through an award. This is because the rent is for a defined period and not an indefinite period, beginning on January 1, 2011, and ending on December 31, 2035, and thus constitutes an assignment of utility for this defined period only.

Eighth: To dismiss the defendant's request to add a free period to the term of the contract, as this request has no basis in Islamic law.

Ninth: To dismiss the defendant's request to compel the plaintiff, in his personal capacity, to issue a unified electronic contract.

Tenth: To dismiss the defendant's request to compel the plaintiff, in his personal capacity, to bear the full costs of litigation and arbitration.

Eleventh: To inform the plaintiff, in his personal capacity, that he may demand an oath from the defendant whenever he requests it after the award is upheld.

Thus rules the tribunal by majority.

This appellate judgment is not subject to challenge by any means of appeal.

God grants success. May and prayer and peace be upon His Servant and Messenger, Muhammad, and upon all his family and companions.