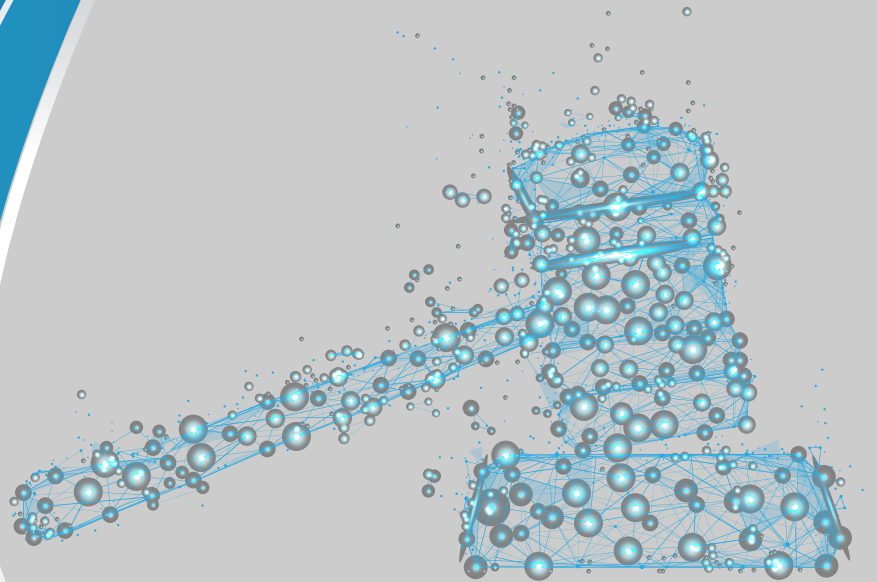




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A claim of a contractor against project owner to count already approved executed works





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This case was submitted to our office in 2015, and we were representing defendant: -
Case Summary:

The contracting company “Plaintiff”, had submitted a claim before the General Court in KSA, requiring our client “defendant” to pay financial dues resulting from contractual relation between them Contracting Agreement “, and this was after payment of financial dues under approved and certified progress reports and after counting all existing works and delivery of house to our client defendant”, and plaintiff claims that there was cheating, deceit, and complicity by an employee under his company, which lead to fake and unreal results of counting process.

Details:

The defendant had signed a contracting contract with plaintiff, stipulating to build a HOUSE within a certain period in return for a certain amount of money, but plaintiff notified defendant that plaintiff can’t complete remaining works, thus defendant asked for total inventory of construction work, and all related to house construction, with total amount due to end this contractual relation.

The total inventory resulted in the existence of Fifty One thousand Saudi Riyals remaining to be paid, and this value was paid and a Clearance Certificate was signed stating that the plaintiff had received all the financial dues in the possession of the defendant and that the inventory process has been completed, and this clearance has been documented in the Chamber of Commerce.

When filing the lawsuit by the company, their attorney said that fraud, deceit and complicity had been made by one of the company’s employees with our client, and they may exploit nonexistence of the concerned engineer and that the one who had checked out the clearance signed between them, was not the competent person and that this employee was found before committing financial irregularities and plaintiff provided doubts that the inventory was not performed in the right way, which led to errors in the calculation process and that as the proved value in the clearance certificate is (SR 51,000), while the new inventory performed by the company then proved that the value of which is supposed to claim (SR 159,000) and plaintiff claims to perform a new inventory process.

Our defense is that there is a clear clearance document concluded between the parties and documented by the competent authorities and that the inventory was made by the company and that in case of any fraud or deceit performed by one of the employees of the company then it should be proven and punished by the company itself and there is nothing to prove the exploitation of our client or the use of any fraud or deception by

our client and that the inventory process is impossible to be done now as our client has already agreed with another company to complete the remaining work and has already begun to do so.

Judgment:

In accordance with the aforementioned facts, the General Court dismissed the case as there is evidence that the defendant had received all its financial dues in the defendant's custody under a valid and authenticated document from the competent authorities, and this releases the defendant from any financial obligations to the plaintiff.



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