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Legal Consequences Of Default In The Lease Agreement Through A Court Decision (Study Of Decision Number 130/Pdt.G/2023/Pn Mdn)

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Abstract

A lease agreement is an obligatory agreement between the debtor and the creditor, in which each party has responsibilities in the form of rights and obligations. If one of the parties fails to fulfill the agreed rights and obligations, a breach of contract (wanprestasi) occurs, resulting in legal consequences, one of which is the obligation to pay compensation. An interesting legal case to examine is Decision Number 130/Pdt.G/2023/PN Mdn, concerning a breach of contract in a lease agreement. This study aims to analyze the legal consequences of breach of contract in a lease agreement based on Decision Number 130/Pdt.G/2023/PN Mdn and to examine the judge's legal considerations in rendering the decision. This research employs a normative legal research method using statutory and case approaches. The results indicate that the defendant was proven to have committed a breach of contract by failing to carry out renovation obligations as stipulated in the agreement. As a legal consequence, the defendant was declared in breach of contract, ordered to carry out the renovations in accordance with the agreement, the lease agreement remained valid for 15 years and took effect from the date Decision Number 130/Pdt.G/2023/PN Mdn became final and legally binding, and the defendant was also ordered to pay court costs. The judge's considerations were based on the existence of a valid legal relationship, the defendant's breach of contract, the plaintiff's warning letter (somasi), and the application of Articles 1238, 1243, and 1338 of the Indonesian Civil Code. Therefore, every party is obliged to perform contractual obligations in good faith because a breach of contract gives rise to legal consequences in accordance with the applicable laws.

Keywords: Breach Of Contract, Lease Agreement, Legal Consequences.

A. Introduction

Agreements are one of the legal instruments that have an important position in regulating civil law relations, including in various economic activities of the community. One of the most common types of agreements found in daily life is a lease agreement.[1] Based on Article 1548 of the Civil Code, a lease is defined as an agreement that binds one party to

[1] Marthanis Badul Hay, *Material Civil Law (Volume II),* Bandung: Paramita, 1984, p.91

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provide enjoyment of an object to the other party within a certain period of time, in exchange for payment of a mutually agreed price. As an agreement, the implementation of a lease agreement must adhere to the principle of pacta sunt servanda contained in Article 1338 of the Civil Code, which emphasizes that agreements made legally bind the parties according to the law.[2]

In the lease-tenant legal relationship, default can be manifested in various forms, such as late payment of rent, failure to carry out obligations that have been agreed upon the rental object, misuse of the rental object, or not returning the rental object after the agreement period ends. These actions have the potential to cause losses to other parties and disrupt the balance of rights and obligations that have been agreed upon in the agreement. In addition, default also poses legal risks and economic risks.[3] However, in its implementation, it is not uncommon for agreements not to run as agreed. One of the problems that often arise is default, Setiawan defines default as a situation in which the debtor does not fulfill his obligations or fulfill but not as he should, thus harming the creditor. The result of the default is the onset of an obligation for the negligent party to provide compensation to the aggrieved party. [4]Namely a condition in which one of the parties fails to fulfill its obligations, is late in carrying out the achievements, or carries out the achievement in an inconsistent manner with the provisions of the agreement. A default in a lease agreement has the potential to cause losses to other parties and give rise to legal consequences, either in the form of an obligation to fulfill the achievement, an obligation to pay compensation, cancellation of the agreement, or other forms of legal consequences as stipulated in the Civil Code.

One of the interesting cases to be studied further is the Medan District Court Decision Number 130/Pdt.G/2023/PN Mdn, which has different characteristics from default cases in general. In the decision, the panel of judges determined that the defendant had committed a default because he neglected to carry out the renovation obligation on the rental object as stated in the agreement. However, the judge did not grant the lawsuit for damages in the form of payment of a sum of money, but instead ordered the defendant to carry out his obligations according to the content of the agreement, in addition to charging him the cost of the case. This decision shows that the legal consequences for default are not always in the form of material damages, but can also be in the form of an order to fulfill the achievements that have been agreed upon previously.

A number of previous studies have discussed the issue of default in lease agreements. Sri Mega Susanti Viadolorosa Ninu, Mardi Candra, and Gatut Hendro Tri Widodo (2023) examined the legal consequences of default in building lease agreements. Angeline and Ariawan Gunadi (2022) reviewed the legal consequences of default in land and building lease agreements, while Jefri Alzamzami and Leli Joko Suryono (2021) raised the topic of

[2] Rahmat Wira Nanda & Mhd. Yadi Harahap, "Dispute Resolution of Debtor's Default in Car Rental Rental Agreements (Case Study of Rent Car Professional)." Unes Law Review 6 No.2, (2023):6082-6092

[3] Purnama Manda Sari Sitorus & Mhd. Yadi Harahap, "The Existence of the Basis of Consensualism in Coconut Plantation Revenue Sharing Cooperation Agreements Based on the Civil Code" Rewang Rencang: Lex Generalis Legal Journal 5no.10,(2024):1-12

[4] R. Setiawan, *Principles of the Law of Engagement*, Bandung: Putra Bardin, 1999, P.90

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implementing tenancy agreements for renting flats and their legal consequences in the event of default. The three studies generally focus more on the various forms of default and their legal consequences, both in the form of compensation and dispute resolution, but have not specifically examined the consequences of default law in Decision Number 130/Pdt.G/2023/PN Mdn which actually highlights the fulfillment of achievements as a form of legal accountability, what distinguishes previous research from this research is that previous research focused on compensation and general dispute resolution, while this study analyzes specific decisions where the plaintiff chooses to demand the fulfillment of renovation achievements and the initial shift from the rental period.

Referring to the above explanation, this study offers an element of novelty because it examines specifically the consequences of default law and judges' considerations in Decision Number 130/Pdt.G/2023/PN Mdn, which shows that the settlement of default disputes is not always directed at the provision of compensation, but can also be in the form of an order to carry out obligations as agreed. Thus, this study aims to examine the consequences of default laws in the lease agreement based on Decision Number 130/Pdt.G/2023/PN Mdn, as well as analyze the judge's considerations in imposing the decision.

B. Research Methods

This research uses a type of normative legal research with a statute approach and a case approach. The statutory approach is carried out by examining the legal provisions that regulate defaults in lease agreements, especially the Civil Code, while the case approach is carried out through an analysis of the Medan District Court Decision Number 130/Pdt.G/2023/PN Mdn as the object of research. The legal materials used consist of primary legal materials, namely the Civil Code and the Medan District Court Decision Number 130/Pdt.G/2023/PN Mdn, secondary legal materials in the form of books, scientific journals, and research results related to defaults in lease agreements, as well as tertiary legal materials in the form of legal dictionaries and other relevant sources. The collection of legal materials is carried out through literature studies, while the analysis of legal materials uses a qualitative analysis method by reviewing and interpreting laws and regulations, doctrines, and court decisions to obtain conclusions about the legal consequences of default and judges' considerations in the case.

C. Results and Discussion

1. Legal Consequences of the Tenant Defaulting in the Lease Agreement whose Object is a Building

According to Subekti, an agreement is an event in which a person makes a promise to another person or in which two people promise each other to do something.[5]A lease agreement is a legal relationship that gives rise to rights and obligations for the parties. Based on Article 1338 of the Civil Code, every agreement made legally binds the parties as a law. Therefore, the parties are obliged to carry out

[5] R.Subekti, *Hukum Perikatan*, (Jakarta: Pt Intermasa, 2005), p.1

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the contents of the agreement in good faith. However, in practice, the implementation of the agreement does not always run as it should. The non-fulfillment of obligations by one of the parties to an agreement is known as default.

Default is often also matched with the word default or alpa, breach of promise.[6] If one of the parties does not fulfill the achievement as agreed, then it can be said that it has committed a default. According to Soedjono Dirdjosisworo, legal consequences are consequences that arise and are given by law due to the existence of a legal relationship between two or more parties. [7] Purwahid Patrik emphasized the three consequences of default, namely the debtor's obligation to compensate for losses, the transfer of responsibility/risk on the object of the agreement since the negligence occurred, and the creditor's right to request the cancellation of the agreement through a judge's decision on a reciprocal contract.[8] The legal consequences of default can basically harm parties whose rights are not fulfilled in an agreement. The aggrieved party can demand the fulfillment of achievements, cancellation of the agreement, or compensation in accordance with the provisions stipulated in the Civil Code. In the Medan District Court Decision Number 130/Pdt.G/2023/PN Mdn, Case Number 130/Pdt.G/2023/PN Mdn is a civil dispute regarding default in relation to the lease agreement which was examined and decided by the Panel of Judges of the Medan District Court. This dispute involves Hundjaja Tiopan as the Plaintiff against Tan Suliana as the Defendant. The legal relationship between the two parties began when the lease agreement was made for an object in the form of a 6-storey shophouse building in a vacant state (not yet ready for occupancy) located on Jalan Haji Misbah, Multatuli Indah Complex, Block CC Number 1-A, with a rental value of Rp. 250,000,000 as renovation money that will be converted into rental money when the renovation has been completed by the defendant, amounting to Rp. 3,500,000,000 as repayment of rent for a period of 15 years. Based on the facts revealed at the trial, the form of default committed by the Defendant is not to renovate the object of the case until the end of the agreed time limit. The Plaintiff has made two reprimands (summons) to make the Defendant fulfill its obligations, but because there was no good faith from the Defendant, the Plaintiff finally filed a lawsuit with the Medan District Court to obtain legal certainty. Thus, every party bound by an agreement must understand that negligence in carrying out its obligations will not only harm the other party, but will also cause legal consequences that must be accounted for.[9] The first legal consequence of default is the obligation of the negligent party to continue to fulfill its achievements as agreed. In this context, the aggrieved party has the right to demand that the party who committed the default carry out its obligations in accordance

[6] Harnia Agustin and Ana Silviana, "Default in the Agreement on the Binding of the Sale and Purchase of Vacant Rice Fields Land (Case Study of the North Jakarta District Court Decision Number 711/Pdt.G/2023/Pn Jkt. Utr)", Journal of Law, Humanities and Politics 5, No. 4, 3347-3354

[7] Soedjono Dirdjosisworo, *Introduction to Law*, (Jakarta: Pt Raja Grafindo Persada, 2010),P.142

[8] Purwahid Patrik, *The Legal Basis of the Alliance (The Alliance Born from the Agreement and from the Law),(*Bandung: Mandar Maju, 1994),p.14

[9] Linda Natalia, "The Consequences of Legal Default Not Fulfilling the Force Majuere Clause in the Shop Lease Agreement (Study of Decision No.186/Pdt.G/2018/Pn-LBP)", Journal of Notarius of the Postgraduate Notary Study Program Umsu 2, No.1 (2023):188-198.

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with the content of the mutually agreed agreement. This is based on the principle of pacta sunt servanda as stipulated in Article 1338 of the Civil Code, which emphasizes that every legally made agreement is valid as a law for the parties who make it. In Decision Number 130/Pdt.G/2023/PN Mdn, this legal effect is reflected in the decision of the panel of judges that sentenced the defendant to carry out his obligation to renovate the rental object as agreed. The decision emphasizes that even if the defendant does not carry out his obligations within the specified period of time, the legal obligation remains inherent and must be fulfilled by the defendant as the renting party. The second legal consequence of default is the obligation to pay compensation to the aggrieved party as stipulated in Article 1243 of the Civil Code. However, in Decision Number 130/Pdt.G/2023/PN Mdn, the panel of judges did not grant the claim for compensation in the form of a sum of money submitted by the plaintiff. This is because the judge considered that the most appropriate form of accountability in this case is the fulfillment of achievements in the form of the implementation of renovations as agreed, not compensation in the form of damages. form of money. In addition, the defendant was also sentenced to pay the costs of the case arising from the filing of the lawsuit to the court.

Such a judge's attitude reflects the principle that compensation in civil law must be proportionate and based on losses that are truly proven and have a strong legal basis, so that not all claims for compensation submitted by the aggrieved party can be granted automatically just because it is proven that there is a default. The third legal consequence is the transfer of risk to the party who committed the default. According to Purwahid Patrik, one of the consequences of default is the transfer of responsibility or risk to the object of the engagement since the negligence occurred. This means that since the defendant is declared negligent in carrying out his obligations, all risks related to the rental object shift to the defendant's responsibility. In Decision Number 130/Pdt.G/2023/PN Mdn, this risk transfer becomes relevant because as a result of the non-implementation of the renovation by the defendant, the plaintiff bears losses in the form of the inability to use the rental object to carry out its business activities.

Thus, all losses arising from the defendant's negligence are the responsibility of the defendant as the party who committed the default. In addition to the three legal consequences above, default can also cause legal consequences in the form of rejection of some claims that do not have a strong legal basis. In Decision Number 130/Pdt.G/2023/PN Mdn, even though the defendant was proven to have committed a default, the panel of judges still rejected the plaintiff's claim regarding forced money or dwangsom. This rejection shows that the legal consequences of default do not necessarily grant all the claims of the aggrieved party, but are still limited by the applicable legal provisions and the judge's assessment of the feasibility and legal basis of each claim submitted. This reflects the principle of balance in civil law, where legal protection is provided proportionately in accordance with the losses that are actually proven to be experienced by the aggrieved party.

Based on the description above, it can be concluded that a default in a lease

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agreement as occurred in Decision Number 130/Pdt.G/2023/PN Mdn causes real and complex legal consequences for the party who commits the default. These legal consequences include the obligation to continue to fulfill achievements, the obligation to pay compensation, and the transfer of risks to the negligent party. This decision also emphasizes that any party who has entered into an agreement cannot unilaterally ignore its obligations, because a legally made agreement has the same binding force as the law for the parties who make it. Thus, the implementation of the agreement in good faith and full of responsibility is a legal obligation that cannot be ignored for the sake of creating legal certainty and justice in every civil relationship.[10]

2. Judge's Considerations in Resolving Disputes of Defaulting Rental Parties in Building Lease Agreement

According to Jimly Asshiddiqie, consideration is part of the judge's juridical and academic duties. Here, judges are obliged to explore, follow, and understand the values of law and justice that live in society, not just apply the text of the law.[11] The judge's consideration is a fundamental element in every civil court decision because it is the logical and juridical basis for the judgment rendered. In the context of civil dispute resolution, the judge's consideration not only serves as a formal explanation for the acceptance or rejection of a lawsuit, but also reflects the legal reasoning process carried out by the judge in assessing the legal relationship between the parties. Therefore, the existence of the judge's consideration is the main indicator of the quality of a civil decision.[12]

Law Number 48 of 2009 concerning Judicial Power in article 5 paragraph (1) states that "constitutional judges and judges are obliged to explore, follow, and understand the legal values and sense of justice that live in society" and also in paragraphs (2) and (3) also explains that "(2) constitutional judges and judges must have integrity and personality that is irreproachable, honest, fair, professional, and experienced in the field of law. (3) constitutional judges and judges are obliged to obey the Code of Ethics and the Code of Conduct for Judges".

The judge's consideration is a fundamental element in every civil court decision because it is the logical and juridical basis for the judgment rendered. In the context of civil dispute resolution, the judge's consideration not only serves as a formal explanation for the acceptance or rejection of a lawsuit, but also reflects the legal reasoning process carried out by the judge in assessing the legal relationship of the parties. The legal considerations of the panel of judges in this case are as follows.

First, the panel of judges considered that the purpose and purpose of the plaintiff's lawsuit was essentially about the demand for the implementation of the lease agreement between the plaintiff and the defendant. In this case, the panel of judges noted that the

[10] Manda Afyan Nugraha and H. Zaenal Arifin Dilaga, "Legal Consequences of Default in the Lease Agreement for Renting a Kiosk Building Between Traders and Disperindag (Study in West Lombok Regency), Journal of Private Law, Faculty of Law, University of Mataram 1, No.3, 446-454

[11] Jimly Asshiddiqie, *Indonesian Constitution and Constitutionalism*, (Jakarta : Sinar Grafika, 2010), p.125

[12] Arci Agwan, et al., "Normative Juridical Analysis of Judges' Considerations in Civil Dispute Resolution", *Journal of Educational Multidisciplinary Research* 2, No. 12 (2025): 155-156

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defendant in its answer had justified the postulates of the plaintiff's lawsuit and stated that it would accept and comply with the decision given by the panel of judges. The defendant's confession is an important starting point in the judge's consideration because based on the confession, according to the law, three main things must be considered proven, namely that between the plaintiff and the defendant have entered into a Lease Agreement Number 191/PDPSDBT/VII/2016 dated July 20, 2016 for one door of a 6-storey shophouse building located on Jalan Haji Misbah Multatuli Indah Complex Block CC Number 1-A, that in the agreement the plaintiff had handed over Rp250,000,000.00 to the defendant for renovation costs which were compensated into rent when the renovation had been completed, and that until the trial of the case took place the defendant had not renovated the agreed shophouse building.

Second, the panel of judges considered the element of default committed by the defendant. In its consideration, the panel of judges referred to the provisions of Article 1548 of the Civil Code regarding lease agreements and explained that one of the parties to the agreement was in a state of negligence or injury to the promise if it did not carry out the content of the agreement, did not carry out the agreement as agreed, was late in carrying out the achievements, or did something that should not be done based on the agreement. Based on evidence P-1/T-1 in the form of a Lease Agreement Number 191/PDPSDBT/VII/2016, the panel of judges stated that the defendant was required to first renovate the 6-storey shophouse with funds from the plaintiff in the amount of Rp250,000,000.00. However, until the agreed deadline, the defendant did not complete the renovation. Although the plaintiff had filed a summons twice, namely on May 20, 2018 and June 5, 2018 as evidenced in evidence P-2, P-3, T-2, and T-3, the defendant still did not carry out his obligations due to financial difficulties due to the Covid-19 pandemic so that the funds received from the plaintiff were used for other business purposes. Based on these considerations, the panel of judges stated that the defendant was proven to have committed an act of default or breach of promise because he did not carry out the contents of the agreement as agreed.

Third, the panel of judges considered the validity and binding force of the lease agreement between the parties. In this case, the panel of judges based its consideration on the provisions of Article 1338 of the Civil Code which states that all agreements made in accordance with the law are valid as laws for those who make them, the agreement cannot be revoked other than by the agreement of both parties, and the agreement must be carried out in good faith. The provisions of Article 1338 of the Civil Code were further referred to by the panel of judges as a general norm in an agreement that reflects the principle of pacta sunt servanda, namely that every agreement made legally is valid as a law for the parties who made it. Based on this legal principle, the panel of judges stated that the lease agreement between the plaintiff and the defendant is binding and valid according to law so that the plaintiff's claim in petitum number 3 can be granted.

Fourth, the panel of judges considered the demand for the implementation of the renovation obligation by the defendant. In this case, the panel of judges referred to the provisions of Article 1267 of the Civil Code which states that the party to whom the

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agreement is not fulfilled can choose between demanding the fulfillment of the agreement or cancellation of the agreement accompanied by reimbursement of costs, losses and interest. Based on these provisions, because the defendant has been declared to have committed a default, the plaintiff has the juridical right to demand the implementation of the content of the agreement, in this case it is the defendant's obligation to renovate the object of the case. Thus, the panel of judges stated that the plaintiff's demand in petitum number 4 that the defendant be punished to renovate the object of the case in good faith and hand it over to the plaintiff as the tenant is based on the law and can be granted.

Fifth, the panel of judges considered the validity of the lease period for 15 years from the date of the decision having permanent legal force. In its consideration, the panel of judges referred to Article 6 of the Lease Agreement which states that the lease is valid for 15 years from the time the renovation of the building is completed by the first party, namely on January 20, 2018. Because until the time of the trial the defendant has not renovated the building to completion, the panel of judges stated that the plaintiff's demand that the lease agreement be valid for 15 years from the time the case decision was pronounced and has permanent legal force is legally valid so it should also be granted.

Sixth, the panel of judges considered the demand for forced money or dwangsom of Rp10,000,000.00 per day submitted by the plaintiff. In this case, the panel of judges based its consideration on the provisions of Article 606a RV and stated that the claim regarding forced money or dwangsom was not legally justified and must be rejected. The rejection of the dwangsom claim shows that the judge in examining the case was selective and careful in assessing each claim submitted, not necessarily granting all lawsuits just because it was proven that there was a default. This reflects the principle that every lawsuit must have a clear legal basis and meet the conditions determined by the applicable laws and regulations.

Seventh, the panel of judges considered the demand for uitvoerbaar bij vorrad or a request for the verdict to be carried out first despite the opposition of appeal or cassation. The panel of judges rejected this claim on the grounds that the petitum did not meet the conditions as stipulated limitatively in the provisions of Article 191 of the Criminal Code. In addition, the panel of judges also stated that the defendant as the losing party was sentenced to pay all the costs of the case which until then had been estimated at Rp1,520,000.00 based on the provisions of Article 193 of the RBg jo. RI. Number 4 of 2008.

3. Analysis of Court Decision Number. 130/Pdt.G/2023/PN. Mdn

Decision Number 130/Pdt.G/2023/PN Mdn is a case between Hundjaja Tiopan as the plaintiff and Tan Suliana as the defendant who disputed the non-implementation of the renovation obligation in the lease agreement for a 6-storey shophouse on Jalan Haji Misbah, Multatuli Indah Complex, Block CC Number 1-A Medan. When analyzed judicially, this decision is interesting to be studied not only in terms of proving the default, but also in terms of the legal consequences caused and the accuracy of the judge

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in applying the applicable legal provisions to the facts revealed at the trial. When analyzed from the perspective of proving default, this decision shows the proper application of the law. The panel of judges carefully used the defendant's own confession in its answer as the basis for proof. The defendant did not deny that he had not carried out the renovation as promised, but instead justified the postulates of the plaintiff's lawsuit and only stated the reason for economic difficulties due to the Covid-19 pandemic as a defense. This shows that the judge did not solely rely on the letter evidence, but also considered the confession of the parties as stipulated in Article 283 of the Criminal Code.

Examined in terms of the legal consequences caused by the defendant's default, this decision reflects the proper application of the provisions of Article 1267 of the Civil Code. This article gives the aggrieved party the right to choose between demanding the fulfillment of the agreement or canceling the agreement accompanied by compensation. In this case, the plaintiff chose to demand the fulfillment of achievements in the form of the implementation of the renovation of the rental object, not the cancellation of the agreement. This choice is considered appropriate considering that the main goal of the plaintiff is to be able to enjoy and use the rental object to carry out its business activities for 15 years as agreed. The panel of judges also granted the claim so that the legal consequence born from this decision is the obligation of the defendant to immediately carry out the renovation and hand over the rental object to the plaintiff as the tenant. This shows that the legal consequences of default in this case are not in the form of payment of a certain amount of compensation, but in the form of obligations to fulfill achievements that have not been implemented.

Regarding the defendant's defense reasons for stating economic difficulties due to the Covid-19 pandemic, if analyzed juridically, these reasons cannot be justified as a basis for avoiding legal obligations in the agreement. In civil law, the circumstances that can exempt a person from the obligation to perform the agreement are forced majeure as referred to in Article 1244 and Article 1245 of the Civil Code. However, force majeure can only be applied if the non-fulfillment of the achievement is caused by circumstances that are completely beyond the debtor's ability and not due to his fault. In this case, the defendant admitted that the funds received from the plaintiff were actually used for other business purposes, so that the renovation obligation was not fulfilled not solely because of the Covid-19 pandemic but also because of the defendant's own negligence in managing the funds. Therefore, the panel of judges was right in rejecting the defendant's defense reasons and still stated that the defendant had committed default.

The Defendant's rejection of the Defendant's reasons regarding economic difficulties due to the COVID-19 pandemic can be analyzed based on Article 1244 and Article 1245 of the Civil Code regarding force majeure. A situation can be categorized as force majeure if the non-fulfillment of the achievement is really caused by circumstances beyond the debtor's fault and ability. In this case, the reason for the pandemic cannot exempt the Defendant from liability because the Defendant admitted that the funds of Rp250,000,000.00 given for renovation were actually used for other business purposes.

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Thus, the non-implementation of the renovation was not solely caused by the pandemic, but also due to the Defendant's own actions.

In addition, the renovation obligation has been specified in the agreement and the deadline has passed before the pandemic reason is presented. Therefore, there is no sufficient causal relationship between the COVID-19 pandemic and the Defendant's failure to fulfill its obligations. These considerations are in line with Article 1338 of the Civil Code which requires the parties to execute the agreement in good faith.[13] Thus, the judge's rejection of the force majeure ground can be considered appropriate because financial difficulties or business risks do not necessarily remove the obligations that have been agreed upon in the agreement.

An interesting thing to study further is the consideration of the panel of judges regarding the lease period which was declared to have been in effect for 15 years since the case decision was pronounced and has permanent legal force. This consideration is considered very appropriate and fair because it takes into account the fact that the plaintiff for many years has not been able to enjoy the rental object due to the negligence of the defendant. If the lease period is still calculated from the original agreed date, namely January 20, 2018, then the plaintiff will be greatly disadvantaged because the lease period has run without the plaintiff being able to enjoy the rental object at all. The judge's decision that stipulates the lease period to take effect since the decision has legal force still reflects the application of the principle of proportional justice for the party aggrieved by default. As for the rejection of the dwangsom claim by the panel of judges based on Article 606a RV, this also needs to be analyzed critically. The rejection of the dwangsom shows that the judge is selective in assessing each claim submitted and does not necessarily grant all claims just because there is evidence of default. Although this rejection can be seen as less favorable for the plaintiff in terms of guaranteeing the implementation of the judgment, from a legal point of view, the rejection is in accordance with the applicable provisions because the conditions specified in Article 606a of the RV to grant the dwangsom are not met in this case. Similarly, the rejection of the claim uitvoerbaar bij vorrad based on Article 191 of the RBg, which shows that the judge cannot grant a claim that does not meet the conditions that have been determined limitatively by the laws and regulations even if it is requested by one of the parties.

The decision under review shows that the legal consequences of default are not always formulated in the form of material damages as stipulated in Article 1243 of the Civil Code. In this case, the plaintiff from the beginning constructed his petition on the fulfillment of achievements accompanied by a coercive instrument in the form of dwangsom, not on a demand for financial compensation. This confirms that in judicial practice, the selection of the form of the legal consequences of default is highly dependent on the plaintiff's litigation strategy in formulating the petitum of the lawsuit, as limited by the principle of ultra petita which prohibits the judge from granting more than what is demanded. Applyingthe principle of pacta sunt servanda, this decision

[13] Ni Made Cahya Kirana Dewi, et al., "Violation of the Principle of Good Faith Article 1338 of the Civil Code by the First Party in a Lease Contract", *Al-Zayn Journal of Social and Legal Sciences 3*, No. 6 (2025):10712-10718

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provides an important affirmation that every legally made agreement has the binding force of law for the parties who make it as stipulated in Article 1338 of the Civil Code. The lease agreement between the plaintiff and the defendant has been legally made and stated in a deed that has been secured by a notary, has legal force that cannot be ignored by one party unilaterally. The panel of judges declared the agreement binding and valid according to the law, providing legal certainty for the plaintiff that his rights as a tenant are still protected even if the defendant does not carry out his obligations.

D. Conclusions and Recommendations

Based on the results of the research on the legal consequences of default in the lease agreement through Decision Number 130/Pdt.G/2023/PN Mdn, several conclusions can be drawn: First, the legal consequences of default in this decision occur in three forms (1) The obligation of the defendant to continue to carry out the renovation of the rental object and hand it over to the plaintiff; (2) The determination of the rental period for 15 years from the date of the decree with permanent legal force, as a form of protection for the plaintiff who has not been able to enjoy the rental object; (3) The imposition of a case fee of Rp.1,520,000.00 to the defendant as the losing party. Second, the judge's consideration is based on legal facts and evidence that a legal relationship has been established that is valid through the lease agreement Number 191/PDPSDBT/VII/2016. The judge considered that the defendant was proven to have been negligent in renovating the rental object even though it had been summoned twice, and the reason for economic difficulties due to the Covid-19 pandemic was rejected because the defendant actually used the renovation funds for other business purposes. The judge based the decision on Articles 1267, 1238, and 1338 of the Civil Code, and rejected the demands of dwangsom (Article 606a RV) and uitvoerbaar bij voorraad (Article 191 RBg) because they did not meet the requirements. Third, this decision reflects the proper application of treaty law and emphasizes that the implementation of the agreement must be based on good faith, while showing the role of judges not only as enforcers of formal norms but also as guarantors of justice based on the facts of the trial.

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