

HOW TO MANAGE THE EARLY STAGES OF CONTRACTUAL DISPUTES?

Contracts are an essential part of any business relationship, but unfortunately, contract dispute can happen for a number of reasons. If you are dealing with disagreements in the contract you might wondering what steps you should take to resolve the situation.

Carefully review the contract. It is important way to make sure that you fully understand all of your rights and responsibilities under it and estimate your position to deal with disputes. There are a few things it is important to check when you are reviewing the contract to decide how best to move forward with the dispute.

NOTICE

One of the most important area, which unfortunately is often not appreciated properly. Notice is a requirement in many contracts and specific clauses are drafted where the parties to a contract are obligated to notify one another in certain circumstances. Observe notice provision strictly. Pay attention on contractual notice requirements to the letter such as:

- the use of specific words in the notice;
- acceptable methods for sending notices such as by email, fax, or mailphrases;
- who to send notices to (address);
- time limit.

While giving a notice, you should adhere to all requirements in a contractual notice provision. Otherwise, you may forfeit your rights to make a claim.

DISPUTE RESOLUTION PROVISIONS

The contract should contain provisions which set out the processes the parties must follow to seek to resolve disputes. Those provisions may require the parties to enter into informal discussions and/or mediation before commencing formal proceedings such as litigation or arbitration.

LIMITATION PERIODS

A limitation period is the period of time within which a party to a contract must bring a claim. The limitation period commences when the cause of action accrues and runs for the period set out in the written law. In Kazakhstan, limitation periods are set out in the Civil Code of Kazakhstan. You need strictly comply with the limitation period provided by written law and not something to leave until the last minute. Remember that once this time limit is expired, the right to commence proceedings is lost.

KEEPING RECORDS IS IMPORTANT

Unfortunately, parties seldom fully appreciate the importance of record keeping until they have been involved in a formal dispute. Having complete and accurate records is vital to enforcing your agreements and determine the strength of your position. Remember that keeping records will allow you to deal quickly and confidently with a dispute and therefore may avoid any dispute arising.