



Managing Contractual Liabilities



# Managing Contractual Liabilities

## Introduction:

Every commercial transaction carries risk: your organization can manage risk by contractually determining the nature, content, and consequences of both yours and the other party's actions and omissions. Contracts give rise to a range of liabilities by parties assuming rights, responsibilities, duties, and obligations, but which can be managed through contractual mechanisms.

This highly interactive Managing Contractual Liabilities training course considers how your organization can identify and manage key contractual risks and liabilities - what are they, what do they mean, what are the consequences, who takes the risk, and who pays? It focuses on how best to deal with key contractual liability issues to minimize your potential exposure to both the financial consequences and damage to your reputation

## Targeted Groups:

- Contracts Engineers
- Project Managers
- Procurement and Purchasing Staff
- Finance and Audit Professionals
- Anyone involved in the management of risk

## Course Objectives:

At the end of this course the participants will be able to:

- Identify when a contract becomes legally enforceable
- Assess and manage key contractual liabilities
- Analyze the way indemnities operate across industries
- Evaluate the need and use of different types of insurance
- Compare ways of dealing with claims and disputes

## Targeted Competencies:

- Nature of contracts and contracting structures
- Principal contractual liabilities
- Managing risk through indemnities
- The purpose of insurance, types and limitations
- Using contract provisions to reduce the risk of disputes

## Course Content:

## **Unit 1: Contract Formation, Structure, and Risk:**

- How and When is it Legally Enforceable
- Key Contractual Elements and Structure
- Ancillary Documents and Issues
- Different Legal Environments
- Defining Risk - Identification and Impact
- Key Contractual Risks

## **Unit 2: Managing Contractual Risks and Liabilities:**

- Performance - Quality and Time
- Ownership and Risk of Loss or Damage
- External Events
- Pricing and Payment
- Limiting and Excluding Liability
- Breach of Contract

## **Unit 3: Indemnities Unmasked:**

- What Are They, How Do They Work?
- Negligence - Simple or Gross?
- Operation in Different Legal Systems
- People and Property
- Cross Indemnities
- Catastrophe Risk

## **Unit 4: Insurance: Purpose, Types, Limitations:**

- Why Insure and What It Covers
- People, Property and Product Liability
- Motor, Aviation, and Marine Insurance
- Environmental Liability
- Who Arranges, For Whose Benefit?
- Claims Handling

## **Unit 5: Contractual Dispute Management:**

- Tiered Dispute Resolution Mechanisms
- Negotiation - Tools and Techniques
- Alternative Dispute Resolution
- Litigation and Arbitration
- Enforcement