

# MANAGING CONTRACTUAL LIABILITIES

## PRM016

### COURSE DESCRIPTION

All commercial transactions carry risk: all organisation can manage risk by contractually determining the nature, content and consequences of all parties' 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 course in considers how organisation 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 potential exposure to both the financial consequences and damage to reputation.

### COURSE GOAL

To enhance the participants' knowledge, skills, and abilities necessary to manage the contractual liabilities and how to deal with claims and disputes.

### COURSE OBJECTIVES

By the end of this course, participant will be able to:

- Identify when to legally enforce the contract.
- Assess and manage key contractual liabilities.
- Analyze how indemnities operate across industries.
- Evaluate the need and use of different types of insurance.
- Deal with claims and disputes.

### WHO SHOULD ATTEND

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

### COURSE DURATION

5 Working Days

## **COURSE OUTLINES**

### **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

### **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

### **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

### **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

### **5. Contractual Dispute Management**

- Tiered Dispute Resolution Mechanisms
- Negotiation – Tools and Techniques

- Alternative Dispute Resolution
- Litigation and Arbitration
- Enforcement
- Course Review and Learning Outcomes

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