

- **The Ross Hyams Perspective – Contract law essentials**

What's important?

Understand what the purpose of the contract should be between you and the other party. Is this accurately expressed in the terms of the agreement? Is the timeframe and agreed completion date for the new extension on your house correct, or are there mistakes, errors or omissions in the written terms that need to be fixed? It might also be worthwhile consulting a lawyer at this stage, in order to prevent problems happening later on.

Bargain

Because contract is a private agreement between two individuals or companies, it means they have wide scope to discuss and bargain what the terms of that agreement ought to be before they commit. Are the timeframes to pay for the good or services acceptable to you? Would you be better off with progress or instalment payments after milestones are met?

Relationships do matter

It's always best to try and maintain good relationships with everyone in your community, you never know when you might need to negotiate for a favour or some help. The same is true for contractual relationships. If you are a builder or service provider and you cannot meet a term of a contract because of some unfortunate event, then a good relationship with your client could allow you a few extra days to complete the job, without the need to resort to lawyers, disputes, courts, and of course, extra costs and delays.

Formalities and record keeping also matters

It sounds simple, but make sure you sign the contract, in pen, have an appropriate witness present at the time, and if necessary, ensure that witness also signs the agreement. Keep a paper and an electronic copy of the signed (executed) agreement should you ever need to review and act on it later.