

Limitation period for claims from commercial transactions

On 1st of January 2010 a section of Commercial Law on commercial transactions entered into force. Respective regulation has been adopted in order to establish rules which would fit specific needs of companies and businessmen. Before that moment the agreements signed by individuals as well as the contracts concluded by companies have been governed by the same provisions of law which did not pay sufficient attention to the difference between business and private transactions, inter alia, to the necessity to create higher certainty in the relationships between businessmen. Due to this reason the lawmaker has considerably reduced the limitation period: from 10 years to 3 years. This new regulation applies also to the transactions which have been entered into before the section on commercial transactions entered into force. According to the transition rules claims arising from commercial transactions shall be barred either within 3 years from 1st of January 2010 or within 10 years from the day when respective claim became due depending on which of these two events enters earlier. It means that contractual claims of companies or businessmen shall be limited on 1st January 2013 the latest.

It shall be emphasised that the Commercial Law applies not only to the agreements signed between two companies, but to any contract where one of the parties is a company or a businessman provided that respective transaction is related to their business. Thus, reduced prescription period refers also to claims arising from the contracts according to which an individual renders services to a company, e.g. owner leases premises for a shop or an office. Furthermore, the Commercial Law is applicable to both parties in the agreement, i.e. to the company and an individual (non-businessman). The law provides for some exceptions from this rule, e.g. with regard to the consumers and employees whose claims shall be barred within a shorter period of time (2 years).

In order to interrupt the running of limitation period a reminder to the debtor or debt acknowledgement is sufficient. Thus, the creditor does not need to file a claim to the court in order to prevent prescription. After successful interruption the limitation period begins to run for subsequent 3 years term.

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