DISPUTE RESOLUTION ALERT

IN THIS

COVID-19

Can you cancel a contract because of COVID-19?

Yes you can if it is objectively impossible to perform your contractual obligations and even in the absence of a *force majeure* clause in the contract.

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Claiming impossibility or force majeure incorrectly could be a breach of contract and could give rise to a damages claim against you.

Can you cancel a contract because of COVID-19?

Yes you can if it is objectively impossible to perform your contractual obligations and even in the absence of a *force majeure* clause in the contract. Importantly, each situation will depend on its own facts and the wording of the contract. Also, in the COVID-19 crisis specifically, developments must be considered carefully before concluding that there is an impossibility of performance or the triggering of a *force majeure* clause. Claiming impossibility or *force majeure* incorrectly could be a breach of contract and could give rise to a damages claim against you. In particular any impossibility of performance must be absolute and it is any event, including COVID-19 and its consequences, that could bring about an impossibility or *force majeure* provided it is unforeseeable with reasonable foresight, unavoidable with reasonable care and not the fault of either party.

A force majeure clause in a contract will take precedence over the common law and care must be taken to comply with any agreed time limits or process requirements set out in the contract.



CDH is a Level 1 BEE contributor – our clients will benefit by virtue of the recognition of 135% of their legal services spend with our firm for purposes of their own BEE scorecards.





Julian Jones ranked by CHAMBERS GLOBAL 2017 - 2020 in Band 3: Restructuring/Insolvency.

Tobie Jordaan ranked by CHAMBERS GLOBAL 2020 as an up and coming Restructuring/Insolvency lawyer.

Jonathan Witts-Hewinson ranked by CHAMBERS GLOBAL 2017 - 2020 in Band 2: Dispute Resolution.

Willie van Wyk ranked by CHAMBERS GLOBAL 2020 in Band 3: Insurance.



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2020

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BBBEE STATUS: LEVEL ONE CONTRIBUTOR

Cliffe Dekker Hofmeyr is very pleased to have achieved a Level 1 BBBEE verification under the new BBBEE Codes of Good Practice. Our BBBEE verification is one of several components of our transformation strategy and we continue to seek ways of improving it in a meaningful manner.

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