

## **STATEMENT FROM STUART S. ZISHOLTZ**

Many of you are aware that there are specific time frames associated with bringing a lawsuit. A typical breach of contract lawsuit must be instituted within six (6) years from the breach. A negligence claim must be commenced within three years from the accident.

There are, however, exceptions to the rule. These exceptions occur when the parties agree to a reduced Statute of Limitations. Sometimes these terms are incorporated in a contract in small language without you realizing the repercussions.

For instance, many public entities contain clauses reducing the Statute of Limitations to one year from substantial completion. Personal injury claims, such as those which occur on a cruise ship, are reduced to six months.

In a recent decision decided by the Appellate Court, a subcontractor's lawsuit was reinstated when it was determined that the one year contractual limitation provision in the contract was unreasonable. The Appellate Court indicated that while a contractual provision which shortens the Statute of Limitations is enforceable, the period of time within which an action must be brought should be fair and reasonable in view of the circumstances of each particular case.

The subcontractor was fortunate in this particular instance because the time frame when the Statute of Limitations started was ambiguous. While substantial completion may have occurred years earlier, there were multiple instances in the interim which kept the project open including, but not limited to, finalizing extras and various change orders.

The key to any particular claim is to know your rights and obligations under the terms of the contract. You do not want to be left out in the cold without any ability to pursue a claim. Never let your lien time run out

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