

## OBLIGATIONS AND PROBLEMS

In the eye of the law, a sales contract arises when there is an offer, the acceptance of that offer, and the parties' mutual agreement to respect and perform their side of the contract.

The duties of seller and buyer do not exist separately and independently from each other, but are mutual, since both assume responsibilities before the performance promised by the other party. Their obligations must be performed, in general, at the same time, unless the parties agree otherwise. The law in matter of contract term disputes changes from country to country, but everywhere it protects the time sequence agreed upon by the parties by allowing a party to refuse its own performance as long as the other party's performance has not been made. However, many types of contract disputes may arise such as:

- issues with drafting and reviewing a contract
- offer and acceptance disputes arising after the accepting party has already agreed to the terms of the offer
- mistakes and errors concerning the contract terms
- disagreements as to the meaning or definition of a technical term
- fraud and coercion, if a person is forced or tricked into signing the contract.

Even if a contract is properly formed, there may be reasons for disputes too, when one party claims the breaching of its terms and accuses the other of not fulfilling the clauses and conditions stated and signed in the contract. When a breach is alleged, the parties may have the contract enforced on its terms, or may try to recover for any financial harm caused by the breach. If informal attempts to a solution fail, the parties may ask an arbitrator to review the contract dispute, or they resort to expensive lawsuits to solve it in court. Disputes may be caused by problems with:

- **delivery:** delayed, to the wrong place, blocked at customs or on board;
- **goods:** below quality standard, damaged, missing, wrong quantity or type, not ordered;
- **payment:** not made, wrong amount charged or paid.