

Notification Issues for Warranty Claims

What warranties were given?

Examples of accounting warranties may include:

- "The Accounts show a true and fair view of the state of affairs of the Company as at the Accounts Date"
- "Since the Accounts Date there has been no material adverse change in the turnover, financial position or prospects of the Company"
- "In the period of [12] months ending on the date of this agreement the Business has not been materially affected in an adverse manner as a result of the loss of, or a reduction in trading with, any customer, client or supplier of the Company or any of the Subsidiaries, or a change in the terms on which any such customer, client or supplier does business with the Company or any of the Subsidiaries"

Is there a case for alleging a warranty has been breached? yes Have requirements in the SPA for notifying the seller(s) of the claim been met? **Service** Time Content Has the notification been given Have formalities for serving Have any qualitative requirements

been met? For example, set out the: notification been met? Check:

- "Nature" of the claim
- "Grounds" for the claim
- Matters or events giving rise
- Value of the claim

- Who must be served
- Where
- How
- Have any notices been served since SPA signed changing

in time? Check for:

- any long stop date
- any 'knowledge triggers'
- deeming provisions setting date of service

