Title:
I.1.3 - Forfeiture of rights

Content:
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A party that has not raised voluntarily a right to which it is entitled under the law for a certain period of time is precluded from asserting that right against another party that has justifiably relied on such conduct and will suffer injury if the former party is allowed to repudiate its conduct.

Commentary:
The Principle is derived from the Principle of good faith and the prohibition of inconsistent behavior. A party may not claim the invalidity of a contract after it has performed its contractual obligations over a period of several months and has impliedly acknowledged the legal validity of the contract, provided the other party had reasons to believe in the fact that the first party would not object to the validity of the contract. The question whether the second party has such reasons must be decided against the background of the standard of reasonableness.