KOVÁCS RÉTI SZEGHEŐ
ÜGYVÉDI IRODA

Statutes of limitation are not negotiable

The Supreme Court of Hungary (Kúria) has ruled that the grounds for interrupting the period of limitation cannot be expanded by contract.

A recent decision by the Kúria has once again drawn attention to the boundaries that the Civil Code (Ptk.) sets for the parties' freedom of contract regarding periods of limitation. The case centered on whether a claim of limitation could be validly raised in a lawsuit that had originated from a payment order procedure — when the parties had previously agreed otherwise in their contract.

The contract in question stated that any payment demand sent by one party to the other would interrupt the limitation period.

However, under the Civil Code, **a payment demand is not listed among the events that interrupt limitation.**
The claimant argued that since the law does not expressly prohibit the parties from defining additional grounds for interruption, they should be free to agree on such terms themselves.

The Kúria therefore had to decide **whether the provisions on limitation are dispositive** (i.e. may be freely modified by the parties) or **mandatory** (i.e. cannot be altered by agreement).

According to the Kúria, while the Civil Code generally allows parties to deviate by mutual consent from the rules governing obligations, this freedom applies only to provisions that regulate the parties' rights and duties within their contractual relationship.
The rules on limitation, however, go beyond that: they concern the enforceability of a subjective right itself — in other words, how long a claim may be brought before a court.

For this reason, limitation is not a "contractual matter" but a fundamental institution of civil law, the details of which can be determined only by statute.

The Kúria explained that allowing parties to freely redefine the grounds for interrupting limitation would undermine the consistency of the civil law system and the legal certainty surrounding the enforcement of claims.

In summary:

Parties cannot override, supplement, or omit the statutory provisions governing limitation periods in their contracts.