acceptance (see also offer and acceptance)

auctions: 51, 52

"battle of the forms": 60, 61

(by) conduct: 69, 70

communication requirement: 62-65

conditional: 56-58

corresponding with offer: 56 (or) counter-offer: 59–61, 72

cross-offers as: 72 faxed: 4, 62, 67

(in) ignorance: 70–72, 91 method of: 46, 65, 66, 68 multiple offers and: 62 (when) not required: 4, 44, 45

postal: 68, 69 provisional: 58, 59

requirement of: 4, 43-45, 127, 153

silence and: 64, 65

"subject to contract": 56-58

tenders: 55, 56 time of: 66–69

unilateral contracts and: 52-54, 74, 75

unqualified: 43, 56

"waiver" of communication: 64, 65

accord and satisfaction

meaning: 363, 365, 366 part-payment: 363, 365, 366 requirement of: 363, 365, 366

advertisements

bilateral and unilateral contracts: 52–54 intention and: 136, 137, 226, 227

"mere puffs": 136, 137, 226, 227

(as) offers: 52-54

affirmation

breach of contract and: 370, 378–382 duress and undue in Auence and: 298, 313

meaning: 232,513

misrepresentation and: 231–233

mitigation and: 381-383

agency

creation of: 155

exemption clauses and: 205

in operation: 175 privity and: 443, 450 undue influence and: 308

agreement (see also offer and acceptance)

certainty: 76-85

collateral: 56, 171–173, 343 commercial: 127, 134–136

conditional: 56–58 domestic: 127, 131–134 enforceability of: 6, 20–22

formal requirements: 2, 51, 152-163

"lock-out": 84, 85, 102

neither social nor commercial: 135, 136

objective nature: 1, 3, 4, 45, 85

postal rule: 67-69

significance of: 1, 3, 4, 44

time of: 4, 5

written agreements: the "parol evidence" rule: 170–172, 191, 249, 252, 275

anticipatory breach (see also breach of contract)

acceptance of: 371, 376, 378, 380–383, 430, 432

definition: 371, 375

innocent party's election: 378-381, 430

mitigation and: 381, 429, 430

rejection of: 378-383

right to sue immediately: 376–380 termination of contract via: 371, 375–378

time of assessment of damages: 432

auctions

legislation: 51, 52,

offer and acceptance and: 51, 52

"without reserve": 51, 52

Basic Law

Chinese customary law and: 32, 38

declaratory theory and: 39, 40

equity and: 13, 32, 433

preservation of common law system under:

23, 31–35, 402

reference to other common law jurisdic-

tions: 26, 30, 37

source of Hong Kong law: 31–33

breach of contract (see also articipatory breach)

actual: 372-374

anticipatory: 371, 375-383, 429, 430

condition: 165, 183–186, 372–374

damages for: 2, 5, 6, 20, 401–432

equitable remedies for: 402, 432–440 excluding liability for: 199, 202–204,

211-213

frustration and: 364, 371, 383, 384

fundamental: 202, 204 (no) imprisonment for: 32

inducing: 146, 330, 353, 439

innominate term: 165, 187-189, 364, 370,

374

minors not liable for: 143–144 performance and: 363, 366–370

promise of marriage: 110, 337

termination of contract via: 183, 184, 363,

370-374

warranty: 165, 168, 184, 185, 364, 374

business liability

definition: 207

collateral contracts

consideration and: 171, 172

meaning: 172

parol evidence rule and: 171-173

common law

Basic Law preservation of: 26, 31–34

Chinese customary law and: 29, 37

civil law and: Preface x, 5, 31, 34, 86

consideration and: 1, 2, 5, 86

declaratory theory of: 58–40

English (influence et 19, 29–31, 40–42

equity and: 13, 14, 26, 27, 29, 32–37, 118,

123, 125, 152, 155, 159–161, 252,

259-263, 402

flexibility of: 15, 16

intention at: 128-130

judicial precedent: 34, 35

legislation and: 8, 34 local law and: 34

meaning: 15, 29, 34

other jurisdictions: 26, 30, 35, 37, 41

remedies of: 21, 22, 218, 401-432

source of Hong Kong law: 26, 32, 33, 35

conditional

acceptance: 56-58

gifts: 90, 91

conditions (*see also* innominate terms, terms and warranties)

definition: 165, 181, 183-185, 372-374

description: 181, 182, 213, 214

fitness for purpose: 181–183, 213, 214 merchantability: 181, 183, 213, 214

sale by sample and: 183, 213, 214

significance: 165, 181, 183–185, 372–374

"time of the essence": 186, 372–374

title: 181, 213, 214

consideration (see also accord and satisfaction)

adequacy: 86, 94, 95

benefit/detriment as: 87-95, 98-100, 111, damage 123 causation of: 401, 403, 404 collateral contracts and: 171, 172 remoteness of: 401, 404-410 common mistake and: 263, 264 damages conditional gifts and: 90, 91 "as of right": 401 contracts under seal not requiring: 5, 6, 86, (for) breach of warranty: 165, 184, 364, 374 154 common law: 29, 192, 358 criticism of: 86, 97, 98 contributory negligence effect: 247, 430, economic duress and: 104-108, 295, 296 executed: 53, 92, 365 cost of cure/difference in value: 417-419 executory: 52, 86, 92, 364 deceit: 237-239 forbearance to sue: 99, 100 distress and disappointment: 410-414 illegal: 346, 347 equitable: 415, 416 intention and: 127-131 fiction of fraud: 242-244 invented: 97-99 in lieu of rescission: 218 232, 235, legal detriment: 88, 89 244-247 meaning: 2, 86-90 indemnity contrasted with: 235, 236 natural love and affection: 95, 96, 110 liquidated: 5, 41, 401, 422–427 part-payment: 89, 111–116 loss of baryain: 401, 417–419 past: 87, 91–93 loss of reputation: 414, 415 performance of existing duty: 100-111 marke, rule: 401, 427, 428 practical benefit: 88, 104-109 meaning: 2, 401 price of promise: 87, 90, 91, 93 measure (quantum) of: 242–246, 401, privity and: 94, 205, 444, 454-456 415-431 promisee (must move from): 86, 93, 94 misrepresentation: 5, 8, 169, 235-247 444, 445 mitigation: 381, 401, 428–430 promissory estoppel and: 89, 99, 116-126 negligence: 239, 240 purpose: 86, 87, 128 nominal: 6, 401, 403, 404, 415, 422, 428, requirement of: 2, 5, 6, 86 restraint of trade and: 351 purpose of: 241, 401, 415, 417 sufficiency: 86, 94–97 reliance loss: 256, 257, 401, 419-421 termination by agreement requiring: restitutionary: 403, 416, 421 363-366 speculative: 421, 422 total failure of: 148, 263, 264, 395, 421 time of assessment: 432 unilateral contracts and: 52, 53, 92 valuable: 89, 92, 100, 102 death (see personal injury and death) debt contractual capacity limitation and: 440, 441 corporations: 10, 121, 122 part-payment: 89, 99, 102, 111–116 drunkards: 10, 121 promissory estoppel and: 123-126 mental incapacity: 10, 121 written acknowledgement of: 440 minors: 10, 122-131 requirements: 6, 10, 119, 151 deceit (see also fraud)

corporations

contractual capacity: 10, 139, 141, 142

contributory negligence and: 247

damages for: 237-239, 242-244

meaning: 237

minors and: 150, 151 preservation of under basic law: 13, 32 proof of fraud required: 237, 238 rectification in: 174, 252, 273-277 remedies for breach in: 402, 432–441 detriment (see consideration) rescission in: 218, 231, 234, 255, 259–263, 284, 296, 313–316 distress and disappointment (see restitution for minor's fraud in: 142, 150, damages) contractual capacity: 2, 6, 10, 139–151 restrictive covenants in: 452-454 drunkards 139, 141 source of Hong Kong law: 35-37 specific performance in: 37, 402, 433-438 duress (see also duress and undue influence) trusts and: 35, 37 coercion of the will: 286-291 unconscionability and: 323, 324 consideration and (economic): 103, undue influence in: 10, 282-284, 296-316 105–108, 295, 296 estoppel (see also promissory estoppel) economic 10, 105-108, 282, 286-296 meaning of: 117 expansion of doctrine: 10, 285 proprietary: 121 (of) goods: 282, 286 types of: 117 illegitimate pressure: 291–295 lawful act: 293-295 exemption clauses meaning: 282, 285–295 construction of: 199-204 physical: 10, 285, 286 consumer protection and: 9, 11 12, 19, 165, undue influence overlap: 285, 294, 296 191, 206 contra proferentem: 165, 199-202, 204 economic duress (see duress) freedom of contract and: 11-13, 191 employment (see also restraint of trade) incorporation of: 191–198 beneficial contracts of: 139, 140, 145-147 judicial controls: 165, 191, 199-204, 206 contracts of: 7, 12, 348–355, 361, 362 legislative control of: 165, 191, 206–216 implied terms and: 179, 180 meaning: 191 injunctions and: 438–440 misrepresentation and: 205, 205, 211, 247-250 equity (see also promissory estoppel) privity and: 204, 205, 445, 446, 458 common law and: 27, 32–35, 36, 37, 118, formality 123, 125, 218, 255, 260–263, 402, 433, 434 land transactions: 2, 51, 141, 152, 153, 156-159 court of conscience: 13, 35, 36, 284, 314, need for: 2, 152-163 315, 402, 433, 434 development of: 13, 35, 432, 433 fraud (see also deceit) discretionary nature of: 36, 37, 273, 402, auctions and: 52 434 contributory negligence and: 247 indemnity in: 218, 235, 236 fiction of: 242-244 injunction in: 37, 349, 402, 438–440 limitation and: 440 "laches" and: 233, 441 minor's: 150, 151 maxims of: 13, 36, 337, 402, 433, 434

meaning: 35, 36, 433, 434

mistake in: 252, 259-263

part performance and: 152, 153, 159-162

rescission for: 232, 234

signature and: 191

statute of frauds: 10, 64, 153, 155, 157, 159, 160

unconscionability and: 323–327 unilateral mistake and: 266–272

frustration

definition: 5, 280, 364, 383

development of doctrine: 383-385

effect of: 364, 394–399 events provided for: 389, 390

foreseen and foreseeable events: 390, 391 implied term approach to: 253, 384, 385

leases and: 393, 394

mistake and: 251, 261, 264, 280, 281, 385

sanctity and: 6, 7, 20, 383, 384 self-induced: 389, 391–393 termination by: 364, 383–400

gaming contracts (see illegal contracts)

hire purchase

exemption clauses and: 214, 215

passing of title: 269, 270

illegal contracts (see also restraint of trade)

classification: 329–334 effect: 334, 334–347

enforcement of: 329, 335-344

ex turpi causa: 328, 335, 336, 342, 343

frustration and: 20, 383, 383 illegal formation: 329, 334–336

illegal performance: 329, 334, 342-344

need for reform: 347, 348 passing of property via: 342

restraint of trade: 329, 329, 348–362 severance: 329, 335, 346, 347, 361, 362

implied terms (see terms)

indemnity

for misrepresentation: 218, 235, 236

meaning: 235, 236

infants (see minors)

injunctions (see also equity)

enforcement of restrictive covenants by: 349, 402, 416, 436, 438–440

equity and: 37, 402, 438 limitation and: 441 mandatory: 402, 416, 438 prohibitive: 402, 438

purpose: 402, 438

(to) restrain employee: 349-355

(as) specific performance: 436, 438–440

innominate terms (see terms)

insurance

CECO and: 210, 212 frustration and: 399

marine insurance formality: 163

privity and: 449

relevance to criterion of reasonableness:

203, 210, 212 uberrimae fidei: 221–223

intention

commercial agreements: 127, 134, 135

consideration and: 127–129 exemption clauses and: 204, 205 honour" clauses: 134, 135 implied terms and: 11, 175–179

"mere puffs": 136, 137

objective basis of determining: 6, 127–130

privity and: 205, 443, 456, 457 rectification and: 252, 273, 275–277

requirement of: 128-131

social or domestic agreements: 127,

131–134 statements of: 225

to create legal relations: 6, 127-138

laches (see equity)

land (see also leases and formality)

CECO and: 215 minors and: 148

new territories: 37, 330, 338, 339 privity and: 442, 446–448

sale of by auction: 52

specific performance and: 402, 435, 436

transfer of: 2, 152, 154–161 unconscionability and: 325, 326

leases signature and: 205, 206 formal requirements: 154, 156 silence and: 217, 219-223 frustration and: 393, 394 statement of intention: 225 privity and: 446, 447 statement of law: 225, 226 statement of opinion: 223-225 liquidated damages (see damages and tortious damages for: 8, 237-244 penalties) undue influence and: 273–280, 308, 309 vitiating element of: 6, 43, 217 loans for gaming: 333 mistake formal requirements: 162 common: 5, 251, 252, 255-264 (to) minors: 140, 149 consideration and: 263, 264 unconscionable: 321-323 documents signed by: 252, 273-280 effect of on third parties: 271, 272 mental patients (see contractual equitable: 252, 259-263 capacity) frustration and: 251, 254, 261, 264, 280, minors (see also contractual capacity) 281, 385 beneficial contracts of service: 139, 143, inoperative: 251, 262, 264, 266 145-147 limitation and 440 capacity to make contracts: 6, 139, 143-147 misrepresentation and: 231, 234, 245, 253, 259, 267–272, 280 contracts for necessaries: 139, 140, 143-145 mistaken identity: 232, 234, 267-272, 280, enforceable contracts: 139, 143-147 281, 283, 307 mistaken rescission for breach: 185-188, liability in tort: 149, 150 mutuality: 139, 147, 402, 436 375-378 restitution against: 150, 151 mutual: 251, 253, 254, 264-266 voidable contracts: 139, 140, 148 need for mistake doctrine questioned: 253, 254 misrepresentation (see also negativing consent: 254 representation) non est factum: 252, 277-280 breach and: 164-170, 217 nullifying consent: 254 contributory negligence and: 247 objective assessment: 3, 4, 251, 264-267, damages for: 5, 8, 169, 218, 236-247 274, 277 damages in lieu of rescission for: 244-247 of law: 38, 39, 226, 260 definition: 217, 219-230 proposals for reform: 280, 281 exemption of liability for: 211, 247–250 rectification for: 174, 273-277 fiction of fraud in: 242-244 unilateral: 251, 253, 254, 266-272, fraudulent: 218, 236-239 274-277 indemnity for: 235, 236 vitiating element of: 6, 255 inducement requirement: 8, 217, 227-230 voidness via: 10, 234, 251, 255-260 limitation and: 441 "mere puffs": 226, 227 necessaries mistake and: 231, 234, 245, 253, 259, (for) drunkards: 141 loans for: 149 267-272, 280

(for) mental patients: 141

(for) minors: 139, 140, 142-145

requirement of "statement": 217, 219-221

rescission for: 217, 218, 231-234

negligence

CECO definition: 207

contributory: 247, 271, 430, 431

excluding liability for: 198–202, 207–209

misrepresentation and: 218, 236, 240-244

remoteness rules: 401, 406–408 self-induced frustration and: 392, 393

offer (see also agreement and acceptance)

advertisements as: 52-54

automatic machines and: 50, 195, 196

counter-offer: 59-61, 69, 70, 73

cross-offers: 72 definition: 45, 46

invitation to treat and: 46–56 made to the world: 54, 74

multiple offers: 62

objective test for: 3, 4, 45, 46 promise to keep open: 46, 73

(and acceptance) requirement: 4, 43-45

"subject to contract": 57, 84, 85

termination of: 46, 72–76 unilateral contracts and: 52–54

parol evidence rule

definition: 170

exceptions to: 170-173, 252

operation of: 191, 249, 265

purpose: 170

rectification and: 252

penalties

effect of: 423-426

liquidated damages and: 423-427

meaning: 423, 424, 426

performance

acceptance by: 69, 70

complete (precise) performance rule: 3, 20,

363, 366–370, 383, 384 illegal: 20, 328, 334, 342, 344

impossible: 3, 5, 20, 364, 375, 383-388

of existing duty: 100-111

partial: 10, 152, 153, 159–161, 363,

367-369

prevention of by other party: 368, 369 right to cease: 165, 183, 184, 364, 370

substantial: 364, 369

substantially different: 212

tender of: 369, 370

termination by: 363, 364, 366-370

time for: 372-374

personal injury and death

exemption of negligence liability for: 207,

208

limitation and: 390, 440

price-fixing

illegality and: 360

privity of contract

action by promise on behalf of third party:

449-451

benefits to third parties: 442-449, 456-458

burdens to third parties: 442, 443, 452-454

consideration and 80, 394, 395, 404

exemption clauses and: 146, 178, 179 meaning: 7, 393, 413

reform proposals: 394, 404-410

reliance loss and: 374

significance: 393-404, 413

promisee

consideration must move from: 86, 94, 109,

444, 445, 454, 455 definition: 93, 94, 454

detriment to as consideration: 87–95,

98-100, 111

privity and consideration from promisee

rule: 80, 394, 395, 404

promisor

benefit to as consideration: 87-92

duty owed to and consideration: 103-110

promissory estoppel

acting on the promise: 122, 123

consideration and: 89, 118, 120, 122,

124-126

equity and: 89, 116–118, 121, 122, 125

meaning: 116-118

other estoppels compared: 117, 121

part-payment and: 123–126 "shield not a sword": 119–121

suspension and abrogation of rights: repudiation 123 - 126anticipatory: 378-383 implied: 375 waiver and: 89, 122 (of contract by) minor: 140, 145, 148 quantum rejection of: 165, 184, 364, 370, 371, (measure of) damages for breach: 401, 403, 378-383 415-431 termination of contract and: 165, 184, 364, (measure of) damages for misrepresenta-370 tion: 218, 236-246 wrongful: 185, 375, 376, 382, 451 effect of subsequent events in assessing: 44, 380, 432 rescission (see also equity) meaning: 403 bars to: 218, 232–235, 282, 313 quantum meruit: 341, 356, 363, 367-369 common law: 218 time of assessment: 432 damages in lieu of: 218, 235, 244-247 damages plus: 240 quasi-contract duress and undue influence: 282, 283, frustration and: 395. 313–316 minors' liability: 140, 143 equitable: 218, 232, 255, 259–263, 284, 314-316 rectification indemn'ty plus: 218, 235, 236 equitable remedy of: 174, 273-277 meaning: 218, 314, 315 mistake: 273-277 misrepresentation: 217, 218, 231–236 requirements: 273-277 mistake: 252, 259–263 remedies (see also breach, damages, unconscionability: 326 equity, injunction, rectification, restitution rescission, restitution, and specific breach of contract and: 403, 415-417, 421 performance) minors: 140, 142, 150, 151 breach: 401-441 misrepresentation: 232, 234 misrepresentation: 8, 217, 218, 231-247 mistake of law: 39, 260 mistake, rectification: 252, 273-277 undue influence: 313, 314 (effect of) privity. 457, 458 unconscionability: 319, 320, 326 restraint of trade (see also illegal undue influence: 313-316 contracts) basis of doctrine: 329, 348, 349 remoteness contracts in: 328, 329, 348-358 breach: 401, 404-410 effect of: 361, 362 contract and tort: 8, 401, 405-409 severance: 335, 346, 361, 362 fraud: 237-239 meaning: 404 restrictive covenants misrepresentation: 237-239, 242-244 (in) employment contracts: 349–355 land law: 452-454

privity: 452-454

73-75

before acceptance complete: 46, 51, 52,

revocation

representation (see also misrepresentation)

meaning: 164, 166–170 promissory estoppel and: 119 term contrasted: 164, 166–170

(of) offer: 46, 51, 52, 69, 73–75

third party: 73, 74 unilateral offers: 74, 75

sale of goods

bilateral contracts for: 52

certainty: 77-79

commercial law and: 7 contract law and: 7, 8

exemption clauses: 213, 214

implied terms: 164, 181–183, 213, 214

innominate terms: 188, 189 market rule: 401, 427, 428 mistaken identity: 232, 234 necessaries: 139–141, 143–145 part-performance: 367, 368 res extincta: 253, 255–258 specific performance: 435, 436 unconscionability: 318–320

severance

"blue pencil" test: 361, 362

frustration and: 399

illegality: 329, 335, 346, 347, 361, 362

meaning: 329, 346 meaningless words: 79

restraint of trade: 329, 335, 347, 361, 352

shares

purchase of by minor: 140, 148

shop displays

as invitation to treat: 48-50

signature (see also parol evidence rule)

incorporation of exemption clause by: 191, 192

memorandum in writing: 152, 155, 157–159

misrepresentation and: 205, 206 non est factum: 252, 277–280

specific performance (see also equity)

constant supervision: 402, 436–438 damages in lieu: 383, 415, 416, 432 discretionary nature: 37, 433–435 disposition of land: 160, 402, 436 equity and: 37, 402, 434–441

exceptional nature: 2, 20, 402, 434–436 injunctions and: 402, 436, 438–440

limitation: 441

meaning: 2, 6, 402, 434

minors and: 139, 147, 402, 436 mutuality: 139, 147, 402, 436 personal service contracts: 349, 402,

436-440

privity and: 448, 449 sale of goods: 435, 436

tenders

invitation to treat, offer: 54–56 (of) performance: 369, 370

unrealistic: 109

withdrawal of before performance: 54–56,

terms (see also conditions, innominate terms, and varranties)

certainty of: 76–85

classification of: 165, 183–190, 370 conditions: 165, 183–186, 189, 190,

372-374

contractual: 164-216

evidence in writing: 152, 155–159 exemption clauses: 11, 165, 191–216

express: 164, 170-174, 199

implied: 10, 11, 164, 174-183, 213, 214

innominate: 165, 184, 187–189

mistake as to: 251, 266 onerous: 196, 197, 215

purpose of: 21

representations contrasted: 164, 166-170,

217

rescission on: 262, 263, 314–316 standard: 3, 60, 61, 212, 356

unconscionable: 317–327

warranties: 165, 184, 185, 370, 374 written, and parol evidence rule: 170–173

third parties (see also privity of contract)

exemption clauses: 204, 205, 456

mistake and: 231, 232, 234, 245, 246, 271,

272

undue influence and: 18, 307-313

tort

contracts to commit: 328, 330

conversion: 268-270

damages in: 8, 236–244, 406–409 deceit: 150, 236–239, 241, 242

exemption of liability for: 165, 191, 201,

202, 206-209, 215

inducing breach of contract: 146, 330, 353,

439, 440

liability in contract and: 422

minors' liability in: 140, 149, 150

misrepresentation damages and: 218, 236–244

misrepresentation liability in: 8, 237-244

negligence: 239, 240

remoteness rules in: 8, 242-244, 406-409

trusts

equity and: 35

illegal contracts and: 337

presumed undue influence and: 283, 299

privity and: 443

unconscionability

as vitiating element: 14, 317–327 common law: 318, 323–327

definition: 319, 320, 323-325

effects: 318, 319, 321, 322, 326 fairness and: 14, 318–320, 323–325

statutory: 317-323

undue influence

actual: 282, 283, 296-298

as vitiating element: 10, 282, 317

bars to rescission for: 284, 313, 314

definition: 282, 296

equity and: 10, 282, 284, 296, 314, 315

presumed: 282, 283, 296, 298–301 proof of: 282, 283, 296, 301–305

rebutting the presumption of: 283, 305-307

relationship with duress: 285, 296

remedies for: 284, 313-316

special relationships and: 283, 299, 300 third parties and: 283, 284, 307–313 trust and confidence relationships: 283,

298–301

unconscionability and: 317, 319, 324

•

unfair terms (see terms)

unilateral contracts

bilateral contracts distinguished: 52, 53

meaning: 53, 92

revocation and: 74, 75

waiver or communication of acceptance:

64, 65

waiver (see also promissory estoppel)

of communication of acceptance: 64, 65

warranty (see also terms, conditions and innominate terms)

alternative meanings: 167, 168, 185

effect of breach of: 165, 184, 187, 188, 364,

370, 374

meaning: 165, 167, 168, 184, 185