

CONCISE COLLEGE TEXTS

INTRODUCTION
TO
COMMERCIAL LAW

By

C. HAMBLIN, LL.B. (Hons)

and

F. B. WRIGHT, B.A. (Law) (Hons)

CONCISE COLLEGE TEXTS

INTRODUCTION TO COMMERCIAL LAW

By

C. HAMBLIN, LL.B. (Hons)

Senior Lecturer in Law, Exeter College, Devon

and

F. B. WRIGHT, B.A. (Law) (Hons)

of the Middle Temple, Barrister

Principal Lecturer in Law, Southampton College of Higher Education

LONDON

SWEET & MAXWELL

1982

*Published in 1982 by
Sweet and Maxwell Limited of
11 New Fetter Lane, London
and printed in Scotland.*

British Library Cataloguing in Publication Data

Hamblin, C.

Introduction to commercial law.—2nd ed.

1. Commercial law—England

I. Title II. Wright, F. B. III. Hamblin, C. ONC—OND
commercial law

344.2067 KD1629

ISBN 0-421-30260-7

ISBN 0-421-28510-9 Pbk

All rights reserved.

*No part of this publication may be
reproduced or transmitted, in any form
or by any means, electronic, mechanical, photocopying,
recording or otherwise, or stored in any retrieval
system of any nature, without the written permission
of the copyright holder and the publisher, application
for which shall be made to the publisher.*

©
SWEET & MAXWELL
1982

PREFACE TO SECOND EDITION

IN preparing this edition we have taken the opportunity to enlarge our treatment of a number of the topics dealt with in the first edition; in particular the Chapters on *Mistake*, *Voidable Contracts* and *Negotiable Instruments* have been given much fuller treatment. We have also incorporated changes in the law which have taken place since the first edition, including the Insolvency Act 1976, the Restrictive Practices Act 1976, the Resale Prices Act 1976, the Unfair Contract Terms Act 1977, the Competition Act 1980 and the Companies Acts of 1980 and 1981.

We hope that this work will prove useful to those students preparing for professional examinations requiring a study of Commercial Law and also to those students studying Business Law on Business Educational Council Courses.

We acknowledge the help and assistance given to us by the publishers.

All errors and omissions remain entirely our own.

C.H.
F.B.W.

March 1982

TABLE OF CASES

ADLER <i>v.</i> Dickson [1955] 1 Q.B. 158	51
Affréteurs Réunis S.A., Les <i>v.</i> Walford [1919] A.C. 801	125
Ailion <i>v.</i> Spiekermann [1976] Ch. 158	98
Ajayi (E.A.) <i>v.</i> Briscoe (Nigeria) Ltd. [1964] 1 W.L.R. 1326	31
Alan (W.J.) & Co. <i>v.</i> El Nasr Export and Import Co. [1972] 2 Q.B. 189	31
Allcard <i>v.</i> Skinner (1887) 36 Ch.D. 145	77, 123
Alpha Trading <i>v.</i> Dunnshaw-Patten (1980) 2 Lloyd's Rep. 284	196
Aluminium Industrie Vaasen <i>v.</i> Romalpa Aluminium Ltd. [1976] 1 W.L.R. 676	153, 154, 282
Amoco Australia Property Ltd. <i>v.</i> Rocca Bros. Motor Engineering Co. Property Ltd. [1975] A.C. 561	95
Applegate <i>v.</i> Moss [1971] 1 Q.B. 406	123
Appleson <i>v.</i> Littlewood [1939] 1 All E.R. 464	20
Avery <i>v.</i> Bowden (1856) 26 L.J.Q.B. 3	103
Avon Finance Co. Ltd. <i>v.</i> Bridger and Another (1979) 123 S.J. 705	78
BADELEY <i>v.</i> Consolidated Bank (1888) 38 Ch.D. 238	204
Baily <i>v.</i> DeCrespigny (1869) L.R. 4 Q.B. 180	105
Baker <i>v.</i> Barclays Bank Ltd. [1955] 1 W.L.R. 822	240
— <i>v.</i> Jones [1954] 1 W.L.R. 1005	20, 89
Balfour <i>v.</i> Balfour [1919] 2 K.B. 571	18, 19
Ballett <i>v.</i> Mingay [1943] 1 K.B. 281	37
Bankers Trust Co. <i>v.</i> Shapira and Others [1980] 1 W.L.R. 1274	235
Barclays Bank Ltd. <i>v.</i> Astley Industrial Trust Ltd. [1970] 2 Q.B. 527	242
— <i>v.</i> Simms (W.J.) [1980] 2 W.L.R. 218	234
Barker <i>v.</i> Bell (Ness, Third Party) [1971] 1 W.L.R. 983	159
— <i>v.</i> Wilson [1980] 1 W.L.R. 884	235
Barton <i>v.</i> Armstrong [1976] A.C. 104	74, 75
Bavins Junior and Sims <i>v.</i> London and South Western Bank [1900] 1 Q.B. 270	216
Bell <i>v.</i> Lever Bros. Ltd. [1932] A.C. 161	68, 84
Bell Houses Ltd. <i>v.</i> City Wall Properties Ltd. [1966] 2 Q.B. 656	38
Bentley <i>v.</i> Craven (1853) 18 Beav. 75	207
Beresford <i>v.</i> Royal Insurance Co. [1938] A.C. 586	250
Beswick <i>v.</i> Beswick [1968] A.C. 58	120, 124
Bettini <i>v.</i> Gye (1876) 1 Q.B.D. 183	44
Bishopgate Motor Finance Corporation <i>v.</i> Transport Brakes Ltd. [1949] 1 K.B. 322	157
Bisset <i>v.</i> Wilkinson [1927] A.C. 177	67
Bolton <i>v.</i> Mahadeva [1972] 1 W.L.R. 1009	101, 119
Bolton Partners <i>v.</i> Lambert (1889) 41 Ch.D. 295	194
Bond Worth Ltd., Re [1980] Ch. 228	153, 154
Boulton <i>v.</i> Jones (1857) 27 L.J.Ex. 117	5
Borden (U.K.) Ltd. <i>v.</i> Scottish Timber [1979] 3 W.L.R. 672	154
Bournemouth & Boscombe Athletic F.C. Co. Ltd. <i>v.</i> Manchester United F.C. (1980) <i>The Times</i> , May 22, 1980, C.A.	40
Bowmakers Ltd. <i>v.</i> Barnet Instruments Ltd. [1945] K.B. 65	98
Branca <i>v.</i> Cobarro [1947] K.B. 854	9
Brandt <i>v.</i> Dunlop Rubber Co. Ltd. [1905] A.C. 454	130

Brasserie de Haecht S.A. (No. 1) v. Wilkie [1968] C.M.L.R. 26	96
British Crane Hire Corporation Ltd. v. Ipswich Plant Hire Ltd. (1974) 2 W.L.R. 856	42
B.P. Exploration Co. (Libya) Ltd. v. Hunt (No. 2) [1979] 1 W.L.R. 783	108
British Reinforced Concrete Engineering Co. Ltd. v. Schelff [1921] 2 Ch. 563	90
British Transport Commission v. Gourley [1956] A.C. 185	115
Brogden v. Metropolitan Railway Co. (1877) 2 App.Cas. 666	15
Brown v. Westminster Bank Ltd. [1964] 2 Lloyd's Rep. 187	228,
	234, 236, 238
Bunge Corporation New York v. Tradax Export S.A. Panama [1981] 1 W.L.R. 711	46
Burnett v. Westminster Bank Ltd. [1966] 1 Q.B. 742	233
Bute (Marquess) v. Barclays Bank Ltd. [1955] 1 Q.B. 202	241
Butler Machine Tool Co. Ltd. v. Ex-Cell-O Corporation (England) Ltd [1979] 1 W.L.R. 401	2
Butterworth v. Kingsway Motors Ltd. [1954] 1 W.L.R. 1286	142
CAR AND UNIVERSAL FINANCE CO. v. Caldwell [1965] 1 Q.B. 525	69, 158
Carlill v. The Carbolic Smoke Ball Co. [1893] 1 Q.B. 256	6, 10
Casey's Patents, Re, Stewart v. Casey [1892] 1 Ch. 104	27, 28
Castellain v. Preston (1883) 11 Q.B.D. 380	246, 247
Cehave N.V. v. Bremer Handelsgesellschaft m.b.H. (The Hansa Nord) [1976] Q.B. 44	44
Cellulose Acetate Silk Co. Ltd. v. Widnes Foundry Ltd. [1933] A.C. 20	118
Central London Property Trust Ltd. v. High Trees House Ltd. [1947] K.B. 130	29, 31
Chapleton v. Barry U.D.C. [1940] 1 K.B. 532	48
Chappell & Co. Ltd. v. Nestlé Co. Ltd. [1960] A.C. 87	23
City & Westminster Properties (1934) Ltd. v. Mudd [1959] Ch. 129	57
City Equitable Fire Insurance Co. Ltd., Re [1925] 1 Ch. 407	282
Clarkson Booker Ltd. v. Andjel [1964] 2 Q.B. 775	200
Cleveland Petroleum Co. Ltd. v. Dartstone Ltd. [1969] 1 W.L.R. 116	95
Clutton v. Attenborough [1897] A.C. 90	217
Collins v. Godefroy (1831) 1 B. & Ad. 950	24
Combe v. Combe [1951] 2 K.B. 215	30
Condor v. Barron Knights Ltd. [1966] 1 W.L.R. 87	105
Constantine (J.) Steamship Line Ltd. v. Imperial Smelting Corporation Ltd. [1942] A.C. 154	107
Coutts v. Browne-Lecky [1946] 2 All E.R. 207	35
Couturier v. Hastie (1852) 8 Exch. 40	80
Cox v. Philips Industries Ltd. [1976] 1 W.L.R. 638	115
Craig, Re [1971] Ch. 95	76
Craven-Ellis v. Canons Ltd. (1936) 2 K.B. 403	119
Creative Press Ltd. v. Harman and Harman [1973] I.R. 313	218
Cundy v. Lindsay (1878) L.R. 3 App.Cas. 459	82, 158
Currie v. Misa (1875) L.R. 10 Exch. 153	21
Curtis v. Chemical Cleaning and Dyeing Co. [1951] 1 K.B. 805	47
Cutter v. Powell (1795) 101 E.R. 573	100
D. & C. BUILDERS LTD. v. Rees [1966] 2 Q.B. 617	26, 31
Dalbly v. India & London Life Assurance Co. (1854) 24 L.J.C.P. 2	249
Darbishire v. Warran [1963] 1 W.L.R. 1067	116
Daulia Ltd. v. Four Millbank Nominees [1978] Ch. 231	61, 63, 64
Davis v. Davis [1894] 1 Ch. 393	206
Davis Contractors Ltd. v. Fareham U.D.C. [1956] A.C. 696	104, 119
Dawsons Ltd. v. Bonnin [1922] 2 A.C. 413	245
De Lassalle v. Guildford [1901] 2 K.B. 215	56
Denny, Mott & Dickson Ltd. v. Fraser (James B.) & Co. Ltd. [1944] A.C. 265	105

Table of Cases

xiii

Derry v. Peek (1889) 14 App.Cas. 337	69
Dickinson v. Dodds (1876) 2 Ch.D. 463	6
Diesen v. Samson (1971) S.L.T. 49	115
Doble v. Greig (David) Ltd. [1972] 1 W.L.R. 703	4
Doyle v. White City Stadium Ltd. [1935] 1 K.B. 110	33
Dunlop Pneumatic Tyre Co. Ltd. v. New Garage and Motor Co. Ltd. [1915] A.C. 79	118
EAGLEHILL LTD. v. Needham Builders Ltd. [1973] A.C. 992	221
Eastern Distributors v. Goldring [1957] 2 Q.B. 600	155
Eastham v. Newcastle United Football Club [1964] Ch. 413	94
Eccles v. Bryant (1947) 2 All E.R. 865	9
Edgington v. Fitzmaurice (1885) 29 Ch.D. 459	67
Edwards v. Ddin [1976] 1 W.L.R. 942	152
— v. Skywrys [1964] 1 W.L.R. 349	19
Elliott and another v. Director General of Fair Trading [1980] 1 W.L.R. 977	169
Entores Ltd. v. Miles Far East Corporation [1955] 2 Q.B. 327	10
Esso Petroleum Co. Ltd. v. Commissioners for Customs and Excise [1976] 1 W.L.R. 1	140
— v. Harper's Garage (Stourport) Ltd. [1967] 2 W.L.R. 871	94
— v. Mardon [1976] Q.B. 801	72
Evans (J.) & Son (Portsmouth) Ltd. v. Merzario (Andrea) Ltd. [1976] 1 W.L.R. 1078	50, 57
FELTHOUSE v. Bindley (1862) 6 L.T. 157	11
Fibrosa Spolka Akcyjna v. Fairbairn Lawson Combe Barbour Ltd. [1942] 2 All E.R. 122	108
Fielding and Platt v. Najjar [1969] 1 W.L.R. 357	87
Fisher v. Bell [1961] 1 Q.B. 394	3, 4
Fitch v. Dewes [1921] 2 A.C. 158	91
Fitzgerald v. Dressler (1859) L.J.C.P. 113	60
Foakes v. Beer (1884) 9 App.Cas. 605	35
Foster v. Driscoll [1929] 1 K.B. 470	89, 205
Frost v. Aylesbury Dairy Co. [1905] 1 K.B. 608	147
GALLOWAY v. Galloway (1914) 30 T.L.R. 531	80
Garner v. Murray (1904) 1 Ch. 57	213
Gedding v. Marsh [1920] 1 K.B. 668	145
Gibson v. Manchester City Council [1978] 1 W.L.R. 520	15
Glasbrook Bros. v. Glamorgan County Council [1925] A.C. 270	25
Goldsohl v. Goldman [1915] 1 Ch. 292	97
Gonin, dec'd, Re [1979] Ch. 16	83
Gordon v. Gordon (1821) 3 Swan. 400	74
Great Northern Railway Co. v. Swaffield (1874) L.R. 9 Ex. 132	195
— v. Witham (1873) L.R. 9 C.P. 16	17
Greer v. Sketchley Ltd. [1979] F.S.R. 197	92
Greig and Others v. Insole and Others [1978] 1 W.L.R. 302	94
Griffiths v. Fleming [1909] 1 K.B. 805	249
Grist v. Bailey [1967] Ch. 532	85
HADLEY v. Baxendale (1854) 9 Ex. 341	112, 163
Hamilton Finance Co. Ltd. v. Coverley Westray Walbaum and Tosetti Ltd. [1969] 1 Lloyd's Rep. 53	221
Hamlyn v. Houston and Co. (1902) 87 L.T. 500	209
Hare v. Murphy Brothers Ltd. [1974] 3 All E.R. 940	106
Harris v. Nickerson (1873) L.R. 8 Q.B. 286	4
— v. Poland [1941] 1 K.B. 462	251
Hartley v. Ponsonby (1857) 26 L.J.Q.B. 322	23
Hartog v. Colin & Shields [1939] 3 All E.R. 566	84

Harvey v. Facey [1893] A.C. 552	5
Hawkins v. Price [1947] Ch. 645	61
Hedley Byrne and Co. Ltd. v. Heller and Partners Ltd. [1964] A.C. 465	72, 236
Herne Bay Steamboat Co. v. Hutton [1903] 2 K.B. 683	106
Hill v. Ashington Piggeries [1971] 2 W.L.R. 1051	144
Hillas v. Arcos (1932) 147 L.T. 503	13
Hirachand Punamchand v. Temple [1911] 2 K.B. 330	26
Hochster v. De La Tour (1853) 2 E. & B. 678	103
Hoenig v. Isaac [1952] 1 T.L.R. 1360	101, 119
Holwell Securities Ltd. v. Hughes [1974] 1 W.L.R. 155	10, 11
Hong Kong and Shanghai Bank v. Lo Lee Shi [1928] A.C. 181	231
Hong Kong Fir Shipping Co. Ltd. v. Kawasaki Kisen Kaisha Ltd. [1962] 2 Q.B. 26	44
House Property Co. v. London County and Westminster Bank (1915) 84 L.J.K.B. 1846	237
Household Fire Insurance Co. v. Grant (1879) 4 Ex.D. 215	10
Howard Marine and Dredging Co. Ltd. v. Ogdan (A.) and Sons (Excavations) Ltd. [1978] Q.B. 574	71
Hughes v. Metropolitan Railway Co. (1877) 2 App.Cas. 439	29, 31
Hutton v. Warren (1836) 5 L.J.Ex. 234	41, 43
Hyde v. Wrench (1840) 3 Beav. 334	7
INSTONE v. Schroeder Music Publishing Co. Ltd. [1974] 1 W.L.R. 1308	93
JACKSON v. Horizon Holidays Ltd. [1975] 1 W.L.R. 1468	115, 126
Janmohamed v. Hassan (1976) 241 E.G. 609	14
Jarvis v. Swan s Tours Ltd. [1972] 3 W.L.R. 954	115
Jones v. Padavatton [1969] 1 W.L.R. 328	18
Jones (R.E.) Ltd. v. Waring and Gillow Ltd. [1926] A.C. 670	225
Joscelyne v. Nissen [1970] 2 Q.B. 86	86
KAUFMAN v. Gerson [1904] 1 K.B. 591	74
Keighley, Maxsted & Co. v. Durant [1901] A.C. 240	194
Kelner v. Baxter (1866) L.R. 2 C.P. 174	194, 273
Kendall v. Hamilton (1879) 4 App.Cas. 504	210
Keppel v. Wheeler [1927] 1 K.B. 577	197
Kingswood Estate Co. Ltd. v. Anderson [1963] 2 Q.B. 169	64
Kirkham v. Attenborough [1897] 1 Q.B. 201	151
Kores Manufacturing Co. Ltd. v. Kolok Manufacturing Co. Ltd. [1959] Ch. 108	94
Koufos v. Czarnikow (The Heron II) [1969] 1 A.C. 350	113
Krell v. Henry [1903] 2 K.B. 740	106
LAMPLEIGH v. Braithwait (1615) Hob. 105	27
Leaf v. International Galleries [1950] 2 K.B. 86	70
Lee-Parker v. Izzet No. 1 [1971] 1 W.L.R. 1688	14
— v. Izzet No. 2 [1972] 1 W.L.R. 775	14
Leslie (R.) Ltd. v. Shiell [1914] 3 K.B. 607	37
L'Estrange v. Graucob [1934] 2 K.B. 394	47
Lewis v. Averay [1972] 1 Q.B. 198	82
Littlewoods Organisation Ltd. v. Harris [1978] 1 All E.R. 1026	92, 93, 97
Lloyds Bank Ltd. v. Bundy [1975] Q.B. 326	76, 77
— v. Savory (E.B.) and Co. [1933] A.C. 201	241
London Assurance Co. v. Mansel (1879) 11 Ch.D. 363	244
London Joint Stock Bank v. Macmillan & Arthur [1918] A.C. 777	233, 236
Lord Strathcona Steamship Co. Ltd. v. Dominion Coal Co. [1926] A.C. 108	127
Luxor (Eastbourne) Ltd. v. Cooper [1941] A.C. 108	196

Table of Cases

xv

MCCANN (JOHN) AND CO. v. Pow [1975] 1 All E.R. 129, C.A.	197
McCutcheon v. MacBrayne (David) Ltd. [1964] 1 W.L.R. 125	42
McPherson v. Watt (1977)	198
Manchester Diocesan Council for Education v. Commercial & General Investments Ltd. [1970] 1 W.L.R. 241	12
Maritime National Fish Ltd. v. Ocean Trawlers Ltd. [1935] A.C. 524	107
Mason v. Provident Clothing Co. [1913] A.C. 724	91
Mercantile Union Guarantee Corporation v. Ball [1937] 2 K.B. 498	34
Merritt v. Merritt [1970] 1 W.L.R. 1211	19
Metropolitan Water Board v. Dick, Kerr & Co. [1918] A.C. 119	106
Microbeads v. Vinhurst Road Markings Ltd. [1975] 1 W.L.R. 218	143
Midland Bank Ltd. v. Reckitt [1933] A.C. 1	241
Monk v. Warbey [1935] 1 K.B. 75	252
Monolithic Building Co., Re [1915] 2 Ch. 643	282
Moorcock, The (1889) 14 P.D. 64	40
Moore and Landauer, Re [1921] 2 K.B. 519	144, 162
Moorgate Mercantile Co. Ltd. v. Twitchings [1976] 3 W.L.R. 66	160
Morgan v. Manser [1948] 1 K.B. 184	202
Morris v. Ford Motor Co. Ltd. [1973] 1 Q.B. 792	248
NAPIER v. National Business Agency Ltd. [1951] 2 All E.R. 264	88, 97
Nash v. Inman [1908] 2 K.B. 1	33
Nathan v. Ogdens Ltd. (1905) 93 L.T. 553	216
National Bank v. Silke [1891] 1 Q.B. 435	237
National Carriers Ltd. v. Panalpina (Northern) Ltd. [1981] 2 W.L.R. 45	107
National Westminster Bank Ltd. v. Barclays International [1975] Q.B. 654	234
Nicolene Ltd. v. Simmonds [1953] 1 Q.B. 543	14
Nordenfellt v. Maxim-Nordenfellt Gun Co. [1894] A.C. 535	91
Nottingham Patent Brick and Tile Co. v. Butler (1886) 16 Q.B.D. 778	68
OLIVER v. Davis [1949] 2 K.B. 727	27
Olley v. Marlborough Court Ltd. [1949] 1 K.B. 532	47
Owen v. Tate [1975] 3 W.L.R. 369	60
PAO ON AND OTHERS v. Lau Yin Long and Another [1979] 3 W.L.R. 435	27, 75
Paradine v. Jane (1647) Aleyn 26	104, 107
Parker v. Clark [1960] 1 W.L.R. 286	18
Parkinson v. The Royal College of Ambulance Ltd. [1925] 2 K.B. 1	88
Parsons (H.) (Livestock) Ltd. v. Uttley Ingham & Co. Ltd. [1978] Q.B. 791	113
Partridge v. Crittenden [1968] 1 W.L.R. 1204	4, 6
Payne v. Cave (1789) 3 Term.Rep. 148	4
Pearce v. Brain [1929] 2 K.B. 310	35
— v. Brooks (1866) L.R. 1 Ex. 213	88
— v. Gardner [1897] 1 Q.B. 688	62
Pearson v. Rose & Young [1951] 1 K.B. 275	156
Petrofina (Gt. Britain) Ltd. v. Martin [1966] Ch. 146	90, 94
Pharmaceutical Society of Great Britain v. Boots Cash Chemists (South- ern) Ltd. [1953] 1 Q.B. 401	3
Phillips v. Brooks Ltd. [1919] 2 K.B. 243	82, 158
Phoenix Assurance v. Spooner [1905] 2 K.B. 753	247
Photo Production Ltd. v. Securicor Transport Ltd. [1980] 2 W.L.R. 283	50, 55
Pignatoro v. Gilroy [1919] 1 K.B. 459	152
Pilling v. Pilling (1865) 3 De G. J. & Son 162	206
Pinnel's Case (1602) 5 Co.Rep. 117a	25
Planché v. Colburn (1831) 8 Bing. 14	102, 119
Port Line Ltd. v. Ben Line Ltd. [1958] 2 Q.B. 146	128
Poussard v. Spiers (1876) 1 Q.B.D. 410	44
Powell v. Lee (1908) 99 L.T. 284	10

R. v. Grossman [1981] Crim.L.R. 396	235
— v. Kysant [1932] 1 K.B. 442	73
Raffles v. Wichelhaus (1864) 2 H. & C. 906	79
Ramsgate Victoria Hotel Co. Ltd. v. Montefiore (1866) L.R. 1 Ex. 109	7
Reading v. Att.-Gen. [1951] A.C. 507	197
Redgrave v. Hurd (1881) 20 Ch.D. 1	68
Reid v. Metropolitan Police Commissioners [1973] 1 Q.B. 551	157
Rickards (Charles) Ltd. v. Oppenheim [1950] 1 K.B. 616	102
Roberts v. Gray [1913] 1 K.B. 520	33
Robinson v. Graves [1935] 1 K.B. 579	141
Roscorla v. Thomas (1842) 3 Q.B. 234	27
Rose & Frank Co. v. Crompton [1923] 2 K.B. 261	19
Roselodge Ltd. v. Castle [1966] 2 Lloyd's Rep. 105	252
Ross v. London County Westminster and Parr's Bank [1919] 1 K.B. 678	241
Rowland v. Divall [1923] 2 K.B. 500	142
Royal British Bank v. Turquand (1856) 6 E. & B. 327	283
SALOMON v. Salomon & Co. Ltd. [1897] A.C. 22	271
Saunders v. Anglia Building Society [1970] 3 W.L.R. 1078	80
Scammell v. Ouston [1941] A.C. 251	13
Schroeder (A.) Music Publishing Co. Ltd. v. Macauley [1974] 1 W.L.R. 1308	78
Shadwell v. Shadwell (1860) L.J.C.P. 145	24
Shanklin Pier Ltd. v. Detel Products Ltd. [1951] 2 K.B. 854	57
Sheffield Corporation v. Barclay [1905] A.C. 392	279
Shell U.K. Ltd. v. Lostock Garages Ltd. [1976] 1 W.L.R. 1187	95
Shipton v. Cardiff Corporation (1917) 87 L.J.K.B. 51	6
Smith v. Land & House Property Corporation (1884) 28 Ch.D. 7	66
Smith and Snipes Hall Farm Ltd. v. River Douglas Catchment Board [1949] 2 K.B. 500	127
Solle v. Butcher [1950] 1 K.B. 671	85
Spiro v. Lintern [1973] 1 W.L.R. 1002	193
Springer v. Great Western Railway Co. [1921] 1 K.B. 257	195
Spurling v. Bradshaw [1956] 1 W.L.R. 461	41
Stanton (F. and E.), Re [1929] 1 Ch. 180	281
Starkey v. Bank of England [1903] A.C. 114	199
Steadman v. Steadman [1973] 3 W.L.R. 695	64, 65
Steinberg v. Scala (Leeds) Ltd. [1923] 2 Ch. 452	35
Stevenson v. Beverley Bentinck Ltd. (1976) 1 W.L.R. 483	160
— v. McLean (1880) 5 Q.B.D. 346	8
Stilk v. Myrick (1809) 2 Camp. 317	23
Stocks v. Wilson [1913] 2 K.B. 235	35
Strickland v. Turner (1852) 7 Exch. 208	80
Strutt v. Whitnell & Another [1975] 1 W.L.R. 870	117
Sumpter v. Hedges [1898] 1 Q.B. 673	101, 119
Sutton & Co. v. Grey [1894] 1 Q.B. 285	60
TAYLOR v. Caldwell (1863) 32 L.J.Q.B. 164	105
Thompson v. L.M.S. Railway [1930] 1 K.B. 41	49
Thompson (W.L.) Ltd. v. Robinson (Gunmakers) Ltd. [1955] Ch. 177	114
Thornton v. Shoe Lane Parking [1971] 2 Q.B. 163	48
Timmins v. Moreland Street Property Co. Ltd. [1958] Ch. 110	62
Tinn v. Hoffman & Co. (1873) 29 L.T. 271	11
Tiverton Estates Ltd. v. Wearwell Ltd. [1974] 2 W.L.R. 176	62
Tool Metal Manufacturing Co. Ltd. v. Tungsten Electric Co. Ltd. [1955] 1 W.L.R. 761	31
Tournier v. National Provincial & Union Bank of England [1924] 1 K.B. 461	235
Tower Cabinet Co. v. Ingram [1949] 2 K.B. 397	210, 211
Tulk v. Moxhay (1848) 18 L.J.Ch. 83	127, 128

Tweddle <i>v.</i> Atkinson (1861) 1 B. & S. 393	124
UNDERWOOD (A.L.) LTD. <i>v.</i> Bank of Liverpool and Martins Ltd. [1924] 1 K.B. 775	240
United Dominions Trust <i>v.</i> Taylor 1980 S.L.T. (Sh.Ct.) 28	175
— <i>v.</i> Western [1976] Q.B. 513	81
Universal Guarantee Pty. Ltd. <i>v.</i> National Bank of Australasia Ltd. [1965] 1 W.L.R. 691	237
VALENTINI <i>v.</i> Canali (1889) Q.B.D. 166	34, 36
Victoria Laundry (Windsor) Ltd. <i>v.</i> Newman Industries Ltd. [1949] 2 K.B. 528	113
Vinden <i>v.</i> Hughes [1905] 1 K.B. 795	217
WARLOW <i>v.</i> Harrison (1859) 1 E. & E. 309	5
Warner Bros. Pictures Inc. <i>v.</i> Nelson [1937] 1 K.B. 209	120
Watteau <i>v.</i> Fenwick [1893] 1 Q.B. 346	199
Westminster Bank Ltd. <i>v.</i> Zang [1966] A.C. 182	242
White & Carter (Council) Ltd. <i>v.</i> McGregor [1962] A.C. 413	117
Whittington <i>v.</i> Seal-Hayne (1900) 82 L.T. 49	70
Williams <i>v.</i> Bayley (1866) L.R. 1 H.L. 200	77
— <i>v.</i> Carwardine (1833) 4 B. & Ad. 621	12
Williamson and Others <i>v.</i> Rider [1963] 1 Q.B. 89	218
Wilson <i>v.</i> Cockerell and Co. (1954)	145
Wilson and Meeson <i>v.</i> Pickering [1946] K.B. 422	237
Winn <i>v.</i> Bull (1877) 7 Ch.D. 29	9
With <i>v.</i> O'Flanagan [1936] 1 Ch. 575	68
Woodar Investment Development Ltd. <i>v.</i> George Wimpey and Co. Ltd. (1980) 1 W.L.R. 277	126
Woods <i>v.</i> Martins Bank [1959] 1 Q.B. 55	236
YONGE <i>v.</i> Toynbee [1910] 1 K.B. 215	199

TABLE OF STATUTES

1677 Statute of Frauds (29 Cha. 2, c. 3)—		1882 Bills of Exchange Act— <i>cont.</i>	
s. 4.....	58, 59, 60	s. 31.....	223
1774 Life Assurance Act (14 Geo. 3, c. 48).....	248, 249	(4).....	223
Fires Prevention (Metro- polis) Act (14 Geo. 3, c. 78).....	251	s. 32.....	224
1831 Truck Act (1 & 2 Will. 4, c. 37).....	87	s. 33.....	224
1845 Gaming Act (8 & 9 Vict., c. 109).....	248	s. 34(4).....	224
1856 Mercantile Law Amend- ment Act (19 & 20 Vict., c. 60)—		s. 41(1).....	220
s. 5.....	60	s. 44.....	221
1867 Policies of Assurance Act (30 & 31 Vict., c. 144).....	249	s. 45.....	226
1874 Infants' Relief Act (37 & 38 Vict., c. 62).....	32, 254	s. 46(2).....	227
s. 1.....	35, 36, 37	s. 49(12).....	221
s. 2.....	36	s. 50(2).....	222
1879 Bankers Book Evidence Act (42 & 43 Vict., c. 11)—		(a).....	222
s. 7.....	235	(c).....	222
1882 Bills of Exchange Act (45 & 46 Vict., c. 61).....	58, 127, 132	s. 51(2).....	223
s. 2.....	225	(9).....	223
s. 3.....	215	s. 53.....	228
s. 5(2).....	217	s. 54.....	228
s. 7(3).....	217	s. 55(1).....	228
s. 9(1).....	218	(2).....	228
(2).....	218	s. 56.....	229
s. 10.....	218	s. 58.....	229
s. 17.....	219	s. 59.....	230
s. 19.....	220	s. 60.....	238
s. 21(1).....	225	s. 62.....	230
(2).....	225	s. 63.....	230
(3).....	225	s. 64.....	230
s. 23.....	227	s. 73.....	231
s. 24.....	228	s. 75(i).....	232
s. 27.....	27	s. 76(1).....	236
(3).....	243	(2).....	237
s. 28.....	229	s. 77.....	238
s. 29.....	225	s. 80.....	239
(1).....	243	s. 81.....	237
(3).....	226	s. 82.....	241
		s. 83.....	243
		s. 84.....	243
		Married Women's Proper- ty Act (45 & 46 Vict., c. 75).....	127, 249
		1889 Factors Act (52 & 53 Vict., c. 45).....	156, 192
		1890 Partnership Act (53 & 54 Vict., c. 39).....	203, 268
		s. 5.....	209
		s. 10.....	209
		s. 11.....	209
		s. 14.....	211
		s. 20.....	206

1890	Partnership Act— <i>cont.</i>		1935	Law Reform (Married Women and Joint Tortfeasors) Act (25 & 26 Geo. 5, c. 30)	210
	s. 22	207			
	s. 24	207, 208	1939	Limitation Act (2 & 3 Geo. 6, c. 21)—	
	s. 26	212		s. 26	123
	s. 28	207		Trading with the Enemy Act (2 & 3 Geo. 6, c. 89)	87, 89
	s. 31	208	1940	Truck Act (3 & 4 Geo. 6, c. 38)	87
	s. 32	212	1943	Law Reform (Frustrated Contracts) Act (6 & 7 Geo. 6, c. 40)	100, 108, 109
	s. 33	212			
	s. 34	212	1944	Education Act (7 & 8 Geo. 6, c. 31)	136
	s. 35	211	1946	Coal Industry Nationalisation Act (9 & 10 Geo. 6, c. 59)	38
	s. 36	210	1948	Companies Act (11 & 12 Geo. 6, c. 38)	38, 58, 132, 271, 273, 274, 275, 278, 284
	s. 37	212		s. 5(1)	274
	s. 38	212		s. 38	73
	s. 44(6)	213		s. 58	278
1893	Sale of Goods Act (56 & 57 Vict., c. 71)	4, 140		s. 95	281, 282
	s. 14(2)	45		s. 322	281
	s. 61(2)	45		s. 434	204
1906	Marine Insurance Act (6 Edw. 7, c. 41)	58	1956	Copyright Act (4 & 5 Eliz. 2, c. 74)	23
1907	Limited Partnership Act (7 Edw. 7, c. 24)	213	1957	Cheques Act (5 & 6 Eliz. 2, c. 36)	238
1914	Deeds of Arrangement Act (4 & 5 Geo. 5, c. 47)	270		s. 1	239
	Bankruptcy Act (4 & 5 Geo. 5, c. 59)	254, 264, 268		s. 2	242
	s. 1	255		s. 4	241, 242
	s. 15(10)	259		(1)	240
	s. 38	262		s. 27(3)	243
	(c)	263		s. 29(1)	243
	s. 132	259	1959	Restriction of Offensive Weapons Act (7 & 8 Eliz. 2, c. 37)	3
1916	Registration of Business Names Act (6 & 7 Geo. 5, c. 58)	205		Mental Health Act (7 & 8 Eliz. 2, c. 72)	211
1925	Trustee Act (15 & 16 Geo. 5, c. 19)	270	1960	Road Traffic Act (8 & 9 Eliz. 2, c. 16)	252
	Law of Property Act (15 & 16 Geo. 5, c. 20)	202, 251		Pawnbrokers Act (8 & 9 Eliz. 2, c. 24)	166
	s. 40	59, 61, 62, 63, 64, 65, 120		Payment of Wages Act (8 & 9 Eliz. 2, c. 37)	87
	(3)	62		Corporate Bodies (Contracts) Act (8 & 9 Eliz. 2, c. 46)	39
	s. 53(1)	130	1961	Suicide Act (9 & 10 Eliz. 2, c. 60)	250
	s. 56(1)	125	1963	Stock Transfer Act (c. 18)	279
	s. 136	129, 130	1964	Hire-Purchase Act (c. 53)	160
	s. 172	264			
	s. 205(1)	125			
	Judicature Act (15 & 16 Geo. 5, c. 49)—				
	s. 47	223			
1927	Moneylenders Act (17 & 18 Geo. 5, c. 21)	166			
1930	Third Parties (Rights against Insurers) Act (20 & 21 Geo. 5, c. 25)	250			
	Road Traffic Act (20 & 21 Geo. 5, c. 43)	252			

1964	Hire Purchase Act— <i>cont.</i>	1974	Consumer Credit Act— <i>cont.</i>
	s. 27(2) 159		s. 39 186
	s. 29(3) 161		s. 40 186
1965	Hire-Purchase Act (c. 66) 166		s. 51 169, 170
1967	Misrepresentation Act		s. 55 173
	(c. 7) 69		s. 60 173
	s. 2(1) 71, 72		s. 61 173
	(2) 72		s. 62(2) 174
	s. 3 73		s. 63(2) 174, 182
	Companies Act (c. 81) 284		(b) 174
	s. 119 204		(3) 175
	s. 120 204		(4) 174
1968	Trades Descriptions Act		s. 64(1)(b) 175, 182
	(c. 29)—		(4) 182
	s. 6 4		s. 67 182
	s. 11(2) 4		s. 68 182
1969	Family Law Reform Act		s. 69(1) 182
	(c. 46) 32		(2) 183
	Employer's Liability		(7) 183
	(Compulsory Insurance)		s. 70 183
	Act (c. 57) 250		s. 71 183
1970	Income and Corporation		s. 72 183
	Taxes Act (c. 10)—		(6) 184
	ss. 187, 188 116		s. 73 184
	Law Reform (Miscellaneous Provisions)		s. 75(1) 175, 176
	Act (c. 33) 24		(2) 176
1971	Powers of Attorney Act		s. 76 176
	(c. 27) 191		(1) 187
	s. 5 202		s. 77 177
	Unsolicited Goods & Services Act (c. 30) 11		s. 78(4) 177
1972	Road Traffic Act (c. 20) 126, 252, 253		s. 79 177
	European Communities		s. 81 177
	Act (c. 68) 275		s. 82 177
	s. 9(1) 38, 283		s. 83 178
	(2) 194, 273		s. 86 178
1973	Supply of Goods (Implied Terms) Act (c. 13) 145		s. 87 178, 179
	ss. 8–11 149		s. 88 179
	Fair Trading Act (c. 41) 56, 135, 166		s. 89 179
	s. 14 56		s. 90 179
	s. 17 56		s. 91 179
1974	Consumer Credit Act		s. 92 179
	(c. 39) 58, 146, 159, 166, 171		s. 94 181
	s. 10 167		s. 95 181
	s. 11 167		s. 97(1) 182
	s. 12 168		s. 98(1) 187
	(ii) 175		s. 99 180
	(iii) 175		s. 100 180
	s. 13 168		s. 101 180, 181
	s. 14 168		s. 103 181
	s. 15 168		s. 127 186
	s. 16 172, 173		(3) 187
	s. 17(3) 172		(4) 187
	s. 20 172		s. 128 178
			s. 129 187
			s. 131 187
			s. 132 187
			s. 133 187
			s. 135(1) 188
			(2) 188
			(3) 188

1974	Consumer Credit Act—cont.		1977	Unfair Contract Terms Act—cont.	
	s. 136	188		s. 4	55
	s. 137	189		s. 5	53, 148, 149
	s. 138	189		(1)	149
	s. 139	190		s. 6	53, 149
	s. 171	190		(2)	147
	s. 173	190		(3)	148
	(3)	179		(4)	149
	s. 185	174		s. 7	53
	s. 189	172		s. 8	73
	(4)	173		s. 9(1)	55
	Trade Union & Labour Relations Act (c. 52)—			(2)	55
	s. 18	20		s. 10	53
1976	Restrictive Trade Practices Act (c. 34)	137		s. 11	54
	s. 1	133		(1)	54, 73
	s. 2	135		(4)	54
	s. 6(1)	133		(5)	54
	s. 7	133		s. 12	54, 147
	s. 9	135		(2)	55
	s. 10	134		(3)	55
	s. 11	135		s. 13	52
	(2)	136		(2)	53
	s. 12	136		Sched. 1	53
	s. 13	136		Sched. 2	148
	(3)	136	1979	Banking Act (c. 37)—	
	s. 20	136		s. 47	242
	s. 43	136		Civil Liability (Contribution) Act (c. 47)	210
	(1)	133		Sale of Goods Act (c. 54)	43,
	Sched. 1	136		110, 140, 141, 156	
	Sched. 3	135		s. 2(i)	140
	Part III	135		s. 3	32
	Resale Prices Act			s. 12	142
	(c. 53)	137		(1)	142, 143
	s. 1	139		(2)(a)	142
	s. 9	137		(b)	143
	(1)	139		(3)	143
	(2)	138		(4)	143
	s. 11	139		ss. 12–15	147, 148
	s. 13	139		s. 13	144
	s. 14	138		(1)–(2)	144
	Insolvency Act (c. 60)	254,		(3)	144
	269			s. 14	144, 145, 147
	s. 6(1)	259		(1)	145
	(2)	259		(2)	145, 146
	(4)	259		(3)	146, 147
				(6)	145
1977	Torts (Interference with Goods) Act (c. 32)	161		s. 15	145, 147
	Unfair Contract Terms Act (c. 50)	51, 55,		s. 16	151
	56, 78, 142, 236			s. 17(1)	150
	s. 1(3)	52		s. 18	150
	(4)	55		r. 1	150, 154
	(a)	54		r. 2	151
	s. 2	52, 148, 149		r. 3	151
	(1)	53		r. 4	151
	(2)	53		r. 5	152
	s. 3	54, 148		s. 19(1)	152
				s. 20	154
				(2)	155

1979	Sale of Goods Act— <i>cont.</i>	1980	Competition Act (c. 21)	137
	s. 22		s. 2	137
	s. 23		s. 3	137
	s. 24		s. 4	137
	s. 25		s. 5	137
	(1)		s. 8	137
	s. 27		Companies Act (c. 22)	272,
	s. 29			274, 282
	ss. 34, 35		s. 4	276
	s. 37		s. 15	273, 275
	s. 38		Transport Act (c. 34)	253
	s. 45(1)		Limitation Act (c. 58)	122,
	s. 48			267
	s. 49		s. 29(5)	123
	s. 50		s. 30(1)	123
	s. 51		s. 32	122
	s. 52		s. 36(1)	123
	s. 54			
	s. 57(2)	1981	Companies Act (c. 62)	205,
	s. 61(5)			271, 290
	s. 62			

CONTENTS

<i>Preface</i>	vii
<i>Table of Cases</i>	xi
<i>Table of Statutes</i>	xix
1 FORMATION OF A CONTRACT	1
Definition	1
Classification of Contracts	1
Essentials of a Valid Simple Contract	2
2 OFFER AND ACCEPTANCE	3
The Offer	3
Acceptance	7
Problems Associated with Offer and Acceptance	13
3 INTENTION TO CREATE LEGAL RELATIONS	18
4 CONSIDERATION	21
Rules Relating to Consideration	22
The Doctrine of Equitable Estoppel	29
5 CONTRACTUAL CAPACITY	32
Minors	32
Mentally Disordered and Drunken Persons	37
Corporations	38
6 TERMS OF THE CONTRACT	40
Express and Implied Terms	40
Exemption Clauses	46
7 FORM OF THE CONTRACT	58
The Doctrine of Part Performance	63
8 VOIDABLE CONTRACTS	66
Misrepresentation	66
Duress	74
Undue Influence	75
Inequality of Bargaining Power	77
9 MISTAKE IN RELATION TO CONTRACT	79
Effects of Mistake at Common Law	79
Effects of Mistake in Equity	84