

b) Contractual - *Stilk v Myrick*

Beyond - *Hartley v Ponsonby*

3rd Party - *Scotson v Pegg* (Good consideration, 3rd party entitled to get paid twice for doing the same thing)

Practical benefit - *Williams v Roffey Bros* (Good consideration)

Part payment of a debt

Claimant entitled to full payment even if he agreed to accept less - *Pinnel's Case*, affirmed by *Foakes v Beer*

Cannot rely on practical benefit, only for supply of goods and services - *Re Selectmove*

Exception to part payment cannot discharge full debt

a) Payment by third party - *Hirachand Purnima Das v Temple*

b) Earlier payment - *Vanbergen v St. Edmunds Properties*

Promissory Estoppel

- Only a defence in equity, no consideration, cannot pursue cause of action

Mechanism of PE was explained - *Hughes v Metropolitan Railways*

PE was mentioned in obiter - *Central London Property Trust v High Trees*

Requirements to be satisfied before relying on PE

a) Pre-existing contract which has been modified

b) Clear and unequivocal promise - *Woodhouse AC v Nigerian Produce Marketing*

c) Equitable - *D&C Builders v Rees*

d) Reliance - *Alan v El Nasr* (Change of position)

e) Shield not sword - *Combe v Combe*

Privity of Contract

GR : Only parties in a contract are bound and derive a right

Dunlop Pneumatic Tyres v Selfridge - HoL recognized the doctrine of privity

3rd party can enforce the contract if :

s1(1)(a) Contracts (Rights of Third Parties) Act 1999 - The contract expressly provides that he may

s1(1)(b) Contracts (Rights of Third Parties) Act 1999 - One of the purposes of the bargain is to confer a benefit to 3rd party

Common Law Exceptions (Allow 3rd party to bypass privity)

1) Enforcement by promisee (3rd party gets party to contract to sue for him)

i) Sue for breach of contract

ii) Get specific performance

iii) Recover on behalf of 3rd party only under limited circumstances

- *Jackson v Horizon Holidays*

iv) Promise not to sue - *Snelling v John Snelling*

2) Collateral contract - *Shanklin Pier v Detel Products* (No double liability s5)

3) Agency (Principal - 3rd Party)

4) The Eurymedon Device - *New Zealand Shipping v Satterthwaite* (3rd party can rely on exclusion clause between principal and agent if there was such a clause in place)

5) Trust

6) Tort

7) Assignment

Restraint of Trade

- Not to disclose secrets of the trade

Exception

- 1) Employment
- 2) Sale of Business
- 3) Solus Agreement

Patel v Mirza - Courts now have to consider whether enforcing the claim would harm the integrity of the legal system, public policy and whether denying the claim would be proportionate response to illegality

Frustration

- Discharge a contract

GR : Absolute obligation once entered into contract and parties should make provisions for frustrating events - **Paradine v Jane**

Theories of Frustration

a) Implied Theory

Taylor v Caldwell - Requires continued existence of subject matter

b) Just Solution Theory

Davis Contractors v Fareham UDC

- i) Root of the obligation?
- ii) Did frustrating event take place after contract was made?
- iii) Can contract be executed despite supervening event

National Carrier v Panalpina - Difficult, not impossible