DISCHARGE BY FRUSTRATION

By

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CONTENTS

Title Page
Acknowledgements i
Table of Contents ii
List of Cases iii
List of Statutes iv
Abbreviations v
Chapter 1 Introduction 1
Chapter 2 Doctrine of Frustration 5
A. It's Concept
B. Ambit of Frustration
Chapter 3 Instances of Frustration 9
Chapter 4 Limitations of the Doctrine 27
Chapter 5 Effect of Subsequent Impossibility of Frustration 31
A. Time of Frustration
B. Effect of Frustration
C. The Law Reform (Frustrated Contracts Act 1943 and the Civil Law Act 1950 (Revised 1972)
Chapter 6 Force Majeure Clause 39
Chapter 7 Conclusion 41
LIST OF CASES

A

Abdul Kadir v Shaw Bros. Ltd (1940) MLJ 216
Appleby v Myers (1904) A.C 32
Associated Portland Cement Manufacturers Ltd. v William Cory & Sons Ltd (1915) 31 LTR 442

B

Bank Line Ltd. v Capel (A) & Co (1919) A.C 435
Berney v Tronoh Mines Ltd (1949) MLJ 4
Black Burn Bobbin Co Ltd v Allen (T.W) & Sons Ltd (1918) 2 K.N. 467
Blakeley v Muller & Co (1903) 2 K.B 760

C

C. Czarnikow Ltd v Centrala Handlu Zagraniczrego Rolimpex (1977) 3 WLR 677
Chandler v Webster (1904) 1 K.B 493
Cricklewood Property and Investment Trust, Ltd v Leighton's Investment Trust, Ltd. (1945) A.C. 221
A contract is an agreement that is legally binding between the parties. Under it both parties are bound to perform their respective obligation. But when a contract is said to be discharged, the contracting parties are free from performing further obligation arising from it.

A contract may be discharged by one of the following ways:

1. by performance
2. by breach
3. by consent or agreement between the parties
4. by frustration

For the purpose of this project, an attempt will be made to consider the discharge of contract by frustration.

A contract is frustrated when subsequent to the formation that there is a change in the circumstances which causes a contract to be legally or physically impossible to be performed.