

Table of Contents

<i>Preface</i>		v
<i>Table of Cases</i>		xiii
<i>Chapter 1</i>	The Sources of the Law	1
	1. Statutory	1
	2. Non-statutory	6
<i>Chapter 2</i>	The Contract of Sale of Goods	9
	1. Definition	9
	(1) Purchase	10
	(2) Property	12
	(3) Goods	13
	(4) Money	21
	2. Absolute and Conditional Sales	23
	(1) Absolute sales	23
	(2) Conditional sales	25
	3. Sales and Agreements to Sell	28
	4. The Effects of a Contract of Sale	29
<i>Chapter 3</i>	Creation of the Contract	31
	1. Capacity	31
	2. Formation of the Contract	33
	3. Settlement and Construction of Terms	37
	4. Consideration	39
	5. Writing	41
	6. Legality	43
<i>Chapter 4</i>	Subject-Matter of the Contract	47
	1. Goods	47
	(1) Statutory definition	47
	(2) Categories of goods	47
	2. The Different Categories	48
	(1) Existing and future goods	48
	(2) Sales of future goods	48
	(3) Potential property	51
	(4) Contingent sales	52
	(5) Specific, ascertained and unascertained goods	53
	(6) Future specific goods	55
	(7) Relevance of distinction between specific and unascertained goods	56
	3. Perishing of Goods	57
	(1) Statutory provisions	57
	(2) Non-existent and perished goods	58
	(3) The Scope of “Perish”	59
<i>Chapter 5</i>	The Transfer of Property	61

viii TABLE OF CONTENTS

	1. Basis and consequences	61
	2. Specific Goods	62
	(1) Intention of the parties	62
	(2) Unconditional sales	66
	(a) Specific goods	67
	(b) Deliverable state	68
	(c) An unconditional contract	70
	(3) Sales subject to a condition	72
	(a) In a deliverable state	73
	(b) Ascertaining the price	75
	(c) Sales on approval or on sale or return	76
	3. Unascertained and Future Goods	80
	(1) Ascertainment	80
	(2) Appropriation	81
	4. The Right of Disposal	86
	(1) A conditional sale	86
	(2) Basis and working of the rule	87
	(3) Bills of exchange	88
	5. Invalid Contracts	89
<i>Chapter 6</i>	The Title of the Seller	91
	1. What the Seller is Selling	91
	2. The Statutory Obligations	93
	(1) The right to sell the goods	93
	(a) The nature of the obligation	94
	(b) Title as consideration	95
	(c) The scope of the obligation	97
	(d) Implied exclusion	98
	(e) Express exclusion	99
	(f) The effect of acceptance of the goods	100
	(2) Quiet possession and freedom from encumbrances	101
<i>Chapter 7</i>	Sales Without Title	107
	1. The General Rule	107
	2. Exceptions Common To All Provinces	109
	(1) Estoppel	109
	(2) Sales by mercantile agents	113
	(3) Sales under voidable title	118
	(4) Sellers and buyers in possession	120
	(i) Sellers in possession	121
	(ii) Buyers in possession	123
	(5) Common law and statutory powers of sale	126
	3. Exceptions Applicable only in Certain Provinces	127
	(1) Market overt	127
	(2) Grain and sugar beet	128
<i>Chapter 8</i>	Express Undertakings as to the Character and Quality of Goods	129
	1. Statements About Goods	129
	2. Representations	132
	3. Contractual Terms	134
	4. Collateral Contracts	139
	5. Statutory Provisions	143

<i>Chapter 9</i>	Implied Undertakings as to the Character and Quality of Goods	147
	1. Terms Implied by Custom or from Tacit Agreement	147
	2. Terms Implied by the Sale of Goods Act	149
	(1) Description	150
	(a) Sales by description	151
	(b) Correspondence with description	156
	(2) Quality and fitness	158
	(a) Fitness for purpose	160
	(i) Contracts within the scope of the provision	160
	(ii) Contents of the implied condition	170
	(iii) Exclusion of the condition	175
	(b) Merchantable quality	177
	(i) Contracts within the scope of the provision	177
	(ii) Contents of the implied condition	178
	(iii) Exclusion of the condition	187
	(3) Sales by sample	188
	(a) Application of the Act	188
	(b) Conditions implied by the Act	189
	3. Undertakings Implied under Other Statutes	191
	(1) Farm machinery	191
	(2) Consumer sales	191
<i>Chapter 10</i>	Delivery	195
	1. The Duty to Deliver and its Content	195
	2. When Delivery Becomes Obligatory	197
	3. Rules as to Delivery	199
	4. Delivery of Wrong Quality or Quantity	201
	5. Instalment Deliveries	204
	6. Delivery to a Carrier	208
	7. Delivery Involving Transportation by Sea or Rail	212
	(1) C.I.F. Sales	212
	2. F.O.B. Sales	215
	3. Ex-ship Sales	217
	4. F.A.S. and F.O.R. Sales	217
<i>Chapter 11</i>	Acceptance	219
	1. The Buyer's Duty	219
	2. Acceptance and Examination	221
	3. Acts Inconsistent with the Seller's Ownership	223
	4. Retention of the Goods	227
	5. The Effect of Acceptance	229
<i>Chapter 12</i>	Payment	231
	1. The Duty to Pay	231
	2. Performance of the Duty	232
	3. Deposit and Forfeiture	236
	4. Financing of Sales	236
<i>Chapter 13</i>	Waiver and Exclusion	239
	1. Waiver	239
	(1) At common law	239
	(a) Possibility of waiver	239

x TABLE OF CONTENTS

	(b) Waiver and variation	240
	(c) Waiver and estoppel	240
	(d) Waiver, repudiation and abandonment	241
	(2) Under the Act	243
2.	Exclusion	247
	(1) The possibility of exclusion	247
	(2) The effect of exclusion	248
	(3) Collateral terms	252
	(4) Misrepresentation	252
<i>Chapter 14</i>	Risk and Frustration	255
	1. Compared and Differentiated	255
	2. Risk	255
	(1) Common law	255
	(2) Statutory provisions	256
	(3) Agreement between the parties	257
	(4) Statutory exceptions	260
	3. Frustration	261
	(1) What the doctrine involves	261
	(2) When the doctrine is applicable	262
	(a) Supervening illegality	262
	(b) Destruction of goods	262
	(i) Specific goods	262
	(ii) Unascertained goods	263
	(a) Impossibility of physical performance	264
	(b) Change of circumstances rendering performance pointless	265
	(3) Effects of frustration	266
<i>Chapter 15</i>	Rights of an Unpaid Seller Against the Goods	269
	1. Under the Sale of Goods Act	269
	(1) “Real” remedies	269
	(a) Their nature	269
	(b) When they arise	269
	(c) Their scope	270
	(2) The unpaid seller’s lien	272
	(a) Its nature	272
	(b) When it arises	273
	(c) Special instances of lien	275
	(d) How it is lost	276
	(e) Its effects	280
	(3) Stoppage <i>in transitu</i>	280
	(a) The right to stop goods	280
	(b) When it may be exercised	281
	(c) When it is lost	284
	(d) Its exercise and effects	285
	(4) Resale by the seller	286
	(a) The right to resell	286
	(b) The effects of a resale	288
	2. Apart from the Sale of Goods Act	291
<i>Chapter 16</i>	The Seller’s Personal Remedies for Breach of Contract	293
	1. Statutory and Common Law Remedies	293

2.	Action for the Price	294
(1)	When maintainable	294
(2)	What may be claimed	297
(3)	Buyer's right of set-off	297
(4)	The problem of foreign currencies	298
3.	Damages for Non-Acceptance	301
(1)	When an action may be brought	301
(2)	Measure of damages	302
(3)	The meaning of "available market"	303
(4)	The relevance of an available market	307
(5)	The exclusion of the market test	309
(6)	Mitigation of damages	312
4.	Other Remedies	313
<i>Chapter 17</i>	Remedies of the Buyer Against the Seller	319
1.	Sources	319
2.	Remedies Under the Sale of Goods Act	320
(1)	Rejection of the goods	320
(a)	When it is exercisable	320
(b)	The effect of rejection	322
(c)	Loss of the right to reject	322
(2)	Action for damages	324
(a)	When it is maintainable	324
(i)	Breach of warranty	324
(ii)	Non-delivery	327
(iii)	Delayed delivery	328
(b)	What may be recovered	329
(i)	General principles of remoteness	329
(ii)	Measure of damages in particular instances	331
A.	Terms as to title	331
B.	Terms as to character and quality of the goods	334
(i)	Apart from sub-sales	334
(ii)	Where there are sub-sales	339
C.	Terms as to Delivery	343
(i)	Non-Delivery	343
(a)	Application of the market price test	343
(b)	The relevance of sub-sales	345
(c)	The relevant date	346
(d)	No available market	347
(ii)	Delayed delivery	348
(c)	Factors affecting damages	349
(i)	Exemption clauses	349
(ii)	Liquidated damages and penalties	349
(iii)	Mitigation	349
(3)	Specific performance	351
3.	Common Law and Equitable Remedies	353
(1)	Recovery of money	353
(2)	Rescission of contract	356
(a)	Fraud	356

xii TABLE OF CONTENTS

	(b) Innocent misrepresentation	357
	(c) Unconscionable conduct	360
	(d) Fundamental breach	361
	(3) Rectification	362
	(4) Injunction	363
	(5) Actions in tort	364
	(a) Misrepresentation	364
	(b) Conversion and detinue	366
	(c) Negligence	366
	4. Other Statutory Remedies	368
	(1) For defective goods	368
	(2) For unfair trade practices	370
<i>Chapter 18</i>	The Position of Third Parties	373
	1. Their Liabilities	373
	(1) To a buyer	373
	(2) To a seller	378
	2. Their Rights	380
<i>Chapter 19</i>	Auction Sales	383
	1. Special Statutory Provisions	383
	2. Purchases by the Seller	384
	3. Fraud by Buyers	386
<i>Chapter 20</i>	Assignment in Relation to Contracts of Sale of Goods	387
	1. A Matter for the General Law	387
	2. When Assignment is Permitted	387
	3. Assignment of the Rights or Benefits of a Contract of Sale of Goods	388
	4. Assignment of the Liabilities or Burdens of a Contract of Sale of Goods	390
	5. How an Assignment is Effected	392
	(1) Under statute	392
	(2) In equity	393
	6. Equities and Priorities	393
<i>Chapter 21</i>	Sale of Goods in the Conflict of Laws	395
	1. The Law Governing International Sales	395
	2. Contracts not Within the Convention	397
	(1) Sale as a Contract	397
	(2) Proprietary Effects of a Sale	398
	3. Contracts Within the Convention	401
	(1) Scope of the Convention	401
	(2) General provisions	401
	(3) Formation of the contract	403
	(4) Provisions relating to sale of goods	403
<i>Index</i>	407