

# ASPECTS OF CONTRACT AND NEGLIGENCE FOR BUSINESS



Lecturer: Judith Robb-Walters

Lesson 10-11



- **ASPECTS OF CONTRACT AND NEGLIGENCE FOR BUSINESS**

- LO 4: Be able to apply principles of liability in negligence in business situations.

- September – November 2014

# The Basic Syllabus



- Understand the essential elements of a valid contract in a business context.
- Be able to apply the elements of a contract in business situations.
- Understand principles of liability in negligence in business activities
- Be able to apply principles of liability in negligence in business situations.

# LEARNING OBJECTIVES



- At the end of the class, students should be able to:
  - Apply the elements of vicarious liability in given business situations

# OVERVIEW



The essential aim of the law of torts is to compensate persons harmed by the wrongful conduct of others, and the substantive law of torts consists of those principles which have been developed to determine when the law will and when it will not grant redress for damage suffered. Such damage may take any of several different forms, such as physical injury to persons; physical damage to property; injury to reputation; and damage to economic interests.

# PERSONAL INJURIES



Cornilliac v St Louis (1965) 7 WIR 491, Court of Appeal, Trinidad and Tobago

The appellant was seriously injured as a result of the respondent's negligent driving of a vehicle. After pointing out that, in order to succeed in his appeal against the trial judge's assessment of damages, 'the appellant must show that the amount awarded was so inordinately low as to be a wholly erroneous estimate of the damage sustained',

Explain how the court may rule in this situation.

.

•

•

# DAMAGE TO PROPERTY



‘Seller Ltd. Used the services of Transport Ltd. Ten times in the past year. On this occasion, the managing Director of seller Ltd. Telephoned the offices of Transport Ltd. and arranged for the transportation of some expensive machinery to a customer. Transport Ltd. Confirmed the order by sending a notice to this effect. Unfortunately due to driver error, the vehicle carrying Seller’s Ltd equipment crashed and the equipment was badly damaged . Transport Ltd. Has advised Seller Ltd that it intends to rely on the following clause;



# DAMAGE TO PROPERTY



- “Transport Ltd. Will not accept liability for any loss or damage caused to customers property during transporting, no ,matter ho w the loss or damage was caused. Customers are advised to take out their own insurance”.
- Transport Ltd. Pointed that the clause appears in notice prominently displayed outside the entrance to the company’s offices, and is reproduced on the back of all invoices, receipts and confirmation of order notices issued by the company.



# DAMAGE TO PROPERTY



- Required;
- In the context of the law contract, advise seller Ltd. Whether transport Ltd. Will be able to rely on the clause to avoid liability for the damaged goods.

# ECONOMIC LOSS



## Evans v Triples Safety Glass Co Ltd. (1936)

The manufacturer of a car windscreen was liable in negligence when the windscreen shattered causing injury and shock to the occupants of the car because there was a number of possible causes of the accident. The claimants were unable to prove that the disintegration of the windscreen had been caused by the glass manufacturer's failure to take reasonable care.

Advice if there can be claim for economic loss.

# OCCUPIER LIABILITY



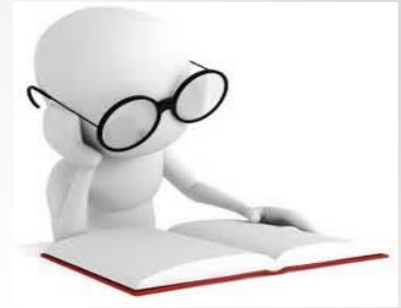
- **Harripersad v Mini Max Ltd (1978) High Court, Trinidad and Tobago, No 654 of 1973 (unreported)**
- The plaintiff was shopping in the defendants' supermarket when she slipped and fell to the ground, injuring her knee. It was proved that the plaintiff had fallen in a part of the store where water, dripping from an air conditioner, had collected on the floor. The defendants had placed sheets of newspaper on the floor to absorb the water but, after some time, the paper became saturated and the water continued to collect there. The floor itself was made of terrazzo tiles, which were known to have a very smooth surface, and the presence of the water made it 'slippery and potentially dangerous to customers'
- Explain how the court may rule in this situation.

# OCCUPIER LIABILITY



- **McSweeney v Super Value Food Store Ltd (1980)**  
**Supreme Court,**
- The Bahamas, No 481 of 1979 (unreported)
- The plaintiff slipped on some liquid and fell whilst shopping at the defendant's supermarket, sustaining injuries. She brought an action for damages against the
- defendant, claiming that the defendant, as occupier of the premises, had failed to exercise reasonable care to prevent damage to her, an invitee, from an unusual
- danger known to it or of which it ought to have known.
- Explain how the court may rule in this situation.

# Further readings



- The law of obligations 4: Formation of contracts I  
ACCA BPP F4
- Contract Law - Catherine Elliott and Frances Quinn
- COMMONWEALTH CARIBBEAN TORT LAW - Gilbert  
Kodilinye, MA (Oxon), LLM (Lond), Barrister
- Professor of Property Law University of the West  
Indies