

City University of Hong Kong
Course Syllabus

offered by School of Law
with effect from Semester A 2024/25

Part I Course Overview

Course Title:	<u>Law of Contract II</u>
Course Code:	<u>LW5602B</u>
Course Duration:	<u>One Semester</u>
Credit Units:	<u>3</u>
Level:	<u>P5</u>
Medium of Instruction:	<u>English</u>
Medium of Assessment:	<u>English</u>
Prerequisites: <i>(Course Code and Title)</i>	<u>LW5602A Law of Contract I</u>
Precursors: <i>(Course Code and Title)</i>	<u>Nil</u> LW2602 Law of Contract (LLB) LW2602B Law of Contract II (LLB) LW5602 Law of Contract (JD)
Equivalent Courses: <i>(Course Code and Title)</i>	<u>LW6164E Law of Contract (only applicable to students who completed LW6164E before Sem A 2019/20)</u>
Exclusive Courses: <i>(Course Code and Title)</i>	<u>LW6564E Law of Contract</u>

Part II Course Details

1. Abstract

This course aims to:

- provide student a strong foundation in the principles and doctrines of contract law;
- critically analyse the doctrinal and policy tensions which shape contract law;
- introduce various grounds which may vitiate a contract;
- equip students to use contract law to resolve disputes and solve problems; and
- prepare students for further study of obligations, whether arising in contract, tort or otherwise.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Alignm ent with PILOs	DEC related learning outcomes		
				A1	A2	A3
1.	➤ Describe and explain the basic principles of contract and the different components of the law of contract.	35%	1	✓		
2.	➤ Apply the principles of contract law to solve legal problems by: <ul style="list-style-type: none"> ✧ reading and interpreting cases ✧ interpreting statutes ✧ dealing with facts ✧ conducting legal research ✧ solving problems ✧ developing persuasive arguments ✧ using legal authorities ✧ writing and communicating orally. 	35%	1,2,5	✓	✓	
3.	➤ Critically analyse and evaluate legal principles and doctrines in the law of contract in the light of doctrinal coherence and the policy objectives of the law.	30%	1,2,3,4	✓	✓	✓
		100%				

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Learning and Teaching Activities (LTAs)

(LTAs designed to facilitate students' achievement of the CILOs.)

LTA	Brief Description	CILO No.			Hours/week (if applicable)
		1	2	3	
<i>Lectures</i>	Students will be introduced to the basic principles of contract law, including through interactions (in the form of discussions, debates or student presentations) with the lecturer and amongst themselves in the course of lectures.	✓			2
	Students will read cases to prepare for lectures, interpret statutes and develop persuasive arguments in class discussion.		✓		
	Students will explore relevant issues of law and address the theoretical underpinnings of various topics, including through interactive modes of teaching during lectures.			✓	
<i>Tutorials</i>	Students will be given the opportunity to clarify or raise further questions with regard to the basic principles of contract taught in the lectures.	✓			1
	Students will apply legal principles to the solution of problems. This may be done in the form of discussions, debate or presentations		✓		
	Students will critically analyse and evaluate legal principles and doctrines.			✓	

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.			Weigh ting	Remarks
	1	2	3		
Continuous Assessment:				50%	
<i>Coursework: 30%</i>					
Students' ability to describe and explain the basic principles and the basic components of the law of contract will be tested.	✓				
Students' ability to conduct legal research, collect data and decipher primary and secondary materials in order to solve problems will be tested.		✓			
In the process of attempting the coursework, students' ability to conduct legal research, collect data and decipher primary and secondary materials in order to critically analyse evaluate legal principles and doctrines will be tested.			✓		
<i>Participation in tutorial sessions: 20%</i>					
Students' ability to understand rules and principles will be tested in forms such as presentations, debates and client counselling.	✓				
Students' ability to apply rules and principles will be tested in forms such as presentations, debates and client counselling.		✓			
Students' ability to critically analyse and evaluate rules and principles will be tested in forms such as presentations, debates and client counselling.			✓		
Examination: (duration: 2 – 2.5 hours, TBC)				50%	
Students' ability to describe and explain the basic principles and the basic components of the law of contract will be tested.	✓				
Students' ability to apply legal rules and principles to particular sets of hypothetical circumstances will be tested.		✓			
students' ability to apply legal rules and principles to particular sets of hypothetical circumstances in order to critically analyse evaluate legal principles and doctrines will be tested.			✓		

The use of Generative AI tools is not allowed.

Grading of Student Achievement: Standard (A+, A, A-...F). Grading is based on student performance in assessment tasks / activities.

Applicable to students admitted in Semester A 2022/23 and 2023/24

To pass this course, student must obtain an aggregate mark of 50% and a minimum of 50% in each of the continuous assessment and the examination elements of the assessment. Coursework for this purpose means those ways in which students are assessed otherwise than by the end of session examination.

Applicable to students admitted before Semester A 2022/23 and Semester A 2024/25 and thereafter

To pass this course, student must obtain an aggregate mark of 40% and a minimum of 40% in each of the coursework and the examination elements of the assessment. Coursework for this purpose means those ways in which students are assessed otherwise than by the end of session examination.

Assessment will be (i) formative to enable students to demonstrate their capacity to understand, analyse and apply rules and principles, and (ii) summative to assess their ability to synthesise primary and secondary material to solve novel problems.

The participation in interactive activities during tutorials will be assessed on the basis of the quality of participation. Further details, if necessary, will be provided by the course leader or the tutor.

The duration of the examination will be 2 – 2.5 hours (TBC). The examination will be an open book.

To enable the full benefit to be obtained from this course, students should attend all of the classes and activities.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Applicable to students admitted in Semester A 2022/23 and 2023/24

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B)	Marginal (B-, C+, C)	Failure (F)
Assignment	Ability to identify issues, conduct research, provide a reasoned analysis, and use supporting authorities	High	Significant	Moderate	Inadequate
Class participation	Ability to identify issues, demonstrate an understanding of the relevant legal principles, apply principles to real or hypothetical scenarios, and articulate one's views orally	High	Significant	Moderate	Inadequate
Examination	Ability to analyse facts, identify relevant issues, apply legal principles, and communicate one's reasoned views in writing	High	Significant	Moderate	Inadequate

Applicable to students admitted before Semester A 2022/23 and Semester A 2024/25 and thereafter

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
1. Assignment	Ability to identify issues, conduct research, provide a reasoned analysis, and use supporting authorities	Excellent identification of issues, evidence of research, and reflection of views supported by authorities	Good identification of issues, evidence of research, and reflection of views supported by authorities	Adequate identification of issues, evidence of research, and reflection of views supported by authorities	Barely adequate identification of issues, evidence of research, and reflection of views supported by authorities	Poor identification of issues, evidence of research, and reflection of views supported by authorities
2. Class participation	Ability to identify issues, demonstrate an understanding of the relevant legal principles, apply principles to real or hypothetical scenarios, and articulate one's views orally	Excellent identification of issues, evidence of understanding legal principles, application of principles to hypothetical scenarios, and articulation of one's views in a coherent	Good identification of issues, evidence of understanding legal principles, application of principles to hypothetical scenarios, and articulation of one's views in somewhat coherent and	Adequate identification of issues, evidence of understanding legal principles, application of principles to hypothetical scenarios, and articulation of one's views	Barely adequate identification of issues, evidence of understanding legal principles, application of principles to hypothetical scenarios, and articulation of one's views	Poor identification of issues, evidence of understanding legal principles, application of principles to hypothetical scenarios, and articulation of one's views

		and persuasive manner	persuasive manner			
3. Examination	Ability to analyse facts, identify relevant issues, apply legal principles, and communicate one's reasoned views in writing	Excellent analysis of facts, identification of issues, application of legal principles, and communication of one's reasoned views	Good analysis of facts, identification of issues, application of legal principles, and communication of one's views	Adequate analysis of facts, identification of issues, application of legal principles, and communication of one's views	Barely adequate analysis of facts, identification of issues, application of legal principles, and communication of one's views	Poor analysis of facts, identification of issues, application of legal principles, and communication of one's views

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

(An indication of the key topics of the course.)

Mistake; misrepresentation; duress (including economic duress); undue influence; unconscionability; privity; comparing contract law principles in Hong Kong and mainland China.

Detailed Syllabus

The following topics are studied in detail:

1. Mistakes: meaning; mistake at common law and equity; types of mistakes; common mistake; mutual mistake; unilateral mistake; equitable reliefs

2. Misrepresentation: meaning; how to rescind a contract; limitations on the right to rescission; right to indemnity; statement as a 'warranty'; misrepresentation in a collateral contract; damages for negligent misrepresentation; implications of the Misrepresentation Ordinance

3. Privity: meaning and historical evolution; justifications for the doctrine; protecting interests of third parties; exemption clauses and third parties; ways to bypass the privity doctrine; statutory exception of the privity doctrine, i.e., Contracts (Rights of Third Parties) Ordinance 2014

4. Frustration: meaning and scope, relationship with force majeure, legal test and effects, the Law Reform (Frustrated Contracts) Ordinance

5. Duress: meaning; differences with undue influence; effect on the contract entered

6. Undue influence: concept; differences with duress; remedy for the innocent party

7. Unconscionability: meaning; differences with duress and undue influence; position at common law and under the Unconscionable Contracts Ordinance

8. Illegality, illegal contracts, and protecting the public interests

9. The capacity to contract

10. Where appropriate, linking the above topics with topics taught in Contract I course at the City University; comparing contract law principles in Hong Kong, mainland China and the UN Convention on Contracts for the International Sale of Goods (CISG)

2. Reading List

Recommended Reading

Text(s)

McKendrick, *Contract Law*, 15th ed (Hart Publishing. 2023)

E McKendrick, *Contract Law: Text, Cases, and Materials*, 10th ed (Oxford University Press. 2022)

Additional readings

Edwin Peel, *Treitel, The Law of Contract*, 15th ed (London: Sweet & Maxwell. 2020)

Hall, Stephen, *Foundations of Contract Law in Hong Kong*, 8th Ed (LexisNexis 2023)

See, TT Arvind, *Contract Law*. Oxford University Press. Third Edition. 2022
R Brownsword, *Smith & Thomas: A Casebook on Contract*, Sweet & Maxwell, 14th edn., 2021.
Robert Merkin QC and Séverine Saintier, *Poole's Textbook on Contract Law*, Oxford University Press, 15th edn., 2021.
M P Furmston, *Cheshire, Fifoot and Furmston's Law of Contract*, 17th edn., OUP, 2017.
J Beatson, A Burrows and J Cartwright, *Anson's Law of Contract*, OUP, 31st edn., 2020.
M J Fisher and D G Greenwood, *Contract Law in Hong Kong*, 3rd edn, HKU Press, 2018

Hong Kong Ordinances

Sale of Goods Ordinance (Cap 26).
Supply of Services (Implied Terms) Ordinance (Cap 457).
Contracts (Rights of Third Parties) Ordinance (Cap 623).
Misrepresentation Ordinance (Cap 284).
Unconscionable Contracts Ordinance (Cap 458).
Law Amendment and Reform (Consolidation) Ordinance (Cap 23).

Other Legal Instruments

Civil Code of the People's Republic of China 2020
United Nations Convention on Contracts for the International Sale of Goods 1980

Online Resources

Bilingual Laws Information System at www.legislation.gov.hk.