**Exemption Clauses**

**-** exemption clauses are used to limit or exclude the liability of a party to the contract in some specified circumstances

1. **Limiting EC** – party has limited liability
2. **Excluding EC** – party has no liability

General Rules:

* Written / signed
* Part of the contract
* Plain English (written in simple way)
* Must be clear
* Must not be against any statute

- if the contract is not written or it is unsigned, there is still a possibility to apply the EC

- if the EC is unsigned, it must be brought to the other parties notice before forming the contract

Olley v Marlborough Court Hotel (1949)

- Mrs. Olley wasn’t informed before paying for the room

**Discharge of a contract**

1. **Both contractual parties fulfilled their obligations (**due performance**)**
2. **Agreement of the parties**

* Novation – an old contract is replaced by a new obligation
* Waiver – relinquishment of a right or advantage
* Dissolution
* Set – off

1. **Frustration** – during the life of the contract and without the fault of either party an event occurs that makes the performance

* Impossible
* Illegal
* Radically different

1. Force maioure – “act of god”
2. Self-induced – the person himself makes the performance impossible
3. **Breach** of the condition

**Remedies**

* **Common law remedies** – as of right - damages
* **Equitable remedies** – supplementary
  + **Specific performance** – an order by the court compelling the defendant to fulfill his obligation under the contract
  + **Recission** – the cancelation of the contract by the court
  + **Injunction** – an order of the court to stop the person from doing something that is violating the contract (that is in the breach of the contract)