

Selling by mistake: good faith as an impediment to avoiding the contract

A Seller who fails to clarify a point of essence and mention it to the Buyer(s) prior to concluding a contract cannot rely on its mistake in order to avoid the contract or to refuse its performance.

A party acting as a representative once, may not be a representative twice.

In the absence of a validly conferred power of attorney, the principal shall only be bound if the third party can rely on its own legitimate representation of the situation.

Bona fides in negotiating: how disingenuous can one be?

Swiss law provides for a special basis of liability for conduct contrary to the rules of good faith in the context of pre-contractual negotiations. The more unreasonable the position adopted by a negotiating party, the more difficult it is for that party to successfully claim that the other party who broke off the negotiation is liable.

Contract management: the risks of not reacting to annotations made by the other party at the time of signing of the contract

Company found contractually liable for the act of an employee as a result of a handwritten statement made by the other party on the contract.

Obligation of a contracting party to act against its own interests?

The general principle of good faith does not establish an ancillary obligation requiring the seller in a real estate transaction to act against his or her own interests or prevent the buyer from needing to pay tax on the sale.