

TABLE OF CONTENTS

<i>Table of Cases</i>	xvii
<i>Table of Legislation</i>	xxiii
<i>List of Abbreviations</i>	xxv

Prologue

A. The Nature of the Interpretative Process	Pr.01
B. The Purpose of this Book	Pr.06
C. Why is It Important?	Pr.10
D. The Principles	Pr.22
E. Principles, Rules, and Precedent	Pr.25
F. Recent Developments	Pr.27
G. The Two Opposing Views	Pr.32

I THE GUIDING PRINCIPLE

1. Principle 1: Objective Intention	
A. Intention	1.01
B. Objectivity	1.04
C. Is Intention Still Relevant?	1.10
D. Why an Objective Approach?	1.15
E. Freedom of Contract and its Limits	1.29
F. The Guiding Principle	1.38

II TEXT AND CONTEXT

2. Principle 2: The Text	
A. The Primacy of the Text	2.01
B. What is the Contract?	2.08

C. The Parol Evidence Rule	2.14
D. Entire Agreement Clauses	2.25
E. Parol Evidence, Entire Agreement Clauses, and Interpretation	2.32
F. Categorization and Shams	2.34
3. Principle 3: The Whole Text	
A. Two Concepts	3.01
B. The Contract as a Whole	3.03
C. Limiting Words	3.08
D. Extending Words	3.21
E. The Transaction as a Whole	3.24
F. Dealing with Conflicting Provisions	3.29
G. Giving Effect to Each Part of the Contract	3.43
H. Deleted Words	3.47
I. When Contracts Are Not Read as a Whole	3.48
4. Principle 4: The Context	
A. The Issue	4.01
B. One View: Stick to the Contract	4.09
C. The Other View: Use the Context	4.16
D. Where Are We Now?	4.20
E. No Need for Ambiguity	4.26
F. What are the Relevant Background Facts?	4.33
G. Limitations Based on Principle	4.36
H. Limitations Based on Pragmatism	4.49
I. Summary of Limitations	4.63
J. The Knowledge of the Parties	4.65
K. Declarations of Subjective Intention	4.67
L. Prior Negotiations	4.69
M. Deleted Words	4.92
N. Subsequent Conduct	4.96
O. Third Parties	4.109
P. What Background Facts Should be Admissible?	4.114

III UNDERSTANDING WORDS

5. Principle 5: Natural Meanings	
A. Do Words Have an Ordinary Meaning?	5.01
B. The Context	5.10
C. The Context at the Time of the Contract	5.13
D. The Ordinary Meaning in Context, However Odd the Result	5.19
E. Definitions Clauses	5.28
F. Private Dictionaries	5.30
G. Technical Terms	5.37
H. Common Expressions	5.41
I. Standard Form Contracts	5.44
J. Canons of Construction	5.49
K. <i>Eiusdem Generis</i>	5.64
L. Distinguishing Interpretation from Categorization	5.76
6. Principle 6: Ambiguities	
A. The Principle	6.01
B. Is Ambiguity Still Important?	6.02
C. When are Words Ambiguous?	6.10
D. How is Ambiguity Resolved?	6.21
E. Examples	6.24
F. The <i>Contra Proferentem</i> Rule	6.35
7. Principle 7: Unnatural Meanings	
A. The Issue	7.01
B. The Expansive View	7.06
C. The Restrictive View	7.12
D. So Where Are We?	7.18
E. Requirements	7.24
F. Something Has Gone Wrong	7.26
G. It is Clear What Was Intended	7.34
H. Correcting Clear Drafting Errors	7.39
I. Going Beyond Correcting Clear Drafting Errors	7.48

J. Fraud	7.49
K. Taking Advantage of One's Own Breach of Contract	7.50
L. Exclusion and Limitation Clauses	7.52
M. Liability for Negligence	7.69
N. Guarantees	7.84
O. Termination for Minor Breach	7.90
P. Recent Cases	7.95
Q. Resisting the Temptation to Rewrite the Contract	7.121
R. Conclusion	7.134

IV ADDING WORDS

8. Principle 8: Implied Terms

A. The Principle	8.01
B. Distinguishing Express Terms	8.11
C. Terms are Rarely Implied	8.12
D. The Traditional Tests for Implication of Terms	8.15
E. Other Potential Requirements	8.26
F. What Needs to be Established?	8.31
G. Examples	8.36
H. Terms Implied in Law	8.54
I. Which Side of the Line?	8.57

V CHANGING WORDS

9. Principle 9: Rectification

A. Types of Rectification	9.01
B. Common Intention Rectification	9.07
C. The Requirements	9.11
D. Common Intention at the Time of the Contract	9.16
E. The Subjective View	9.20
F. The Objective View	9.25
G. Where Are We Now?	9.28
H. Objective or Subjective: the Pros and Cons	9.38

I. The Nature of the Mistake	9.52
J. A Continuing Intention	9.58
K. Available Materials	9.60
L. Third Party Rights	9.62
M. Unilateral Mistake Rectification	9.67
 10. Principle 10: Estoppel by Convention	
A. Estoppel	10.01
B. The Authorities	10.05
C. The Principles	10.12
D. Examples	10.20
 Epilogue	
A. Drafting Contracts	Ep.01
B. Using the Interpretation Principles when Drafting	Ep.04
C. Principles of Drafting	Ep.39
 Principles of Drafting	179
An Interpretation Clause	181
 <i>Index</i>	183