

# Business law

Law



Business Law In general terms, breach of contract refers to an act of not honoring a legal cause of action in a contract or a binding agreement. One party or more to a contract can fail to honor a cause of action in a contract either by interference by the performance of the other party or by non-performance (Stone 23). In other words, a party can be said to have breached a contract when and if he or she has not perform the duty as had been mentioned in the contract or if by his or her conduct and action he seems not to be able to perform the contract.

Whereas in the scenario Abigail has no actual financial or other damages as a result of the contract, she might have been awarded damages if she had sued and won against the seller. Since the seller had failed to deliver the new car to Abigail as agreed in the contract, he would have been liable for material breach which would have permitted Abigail to either compel him to performance or collect damages as a result (Stone 25). Abigail would have been awarded special damages; special damages are awarded to a claimant as a result of a breach for the quantifiable monetary losses that he or she may suffered as a result of the breach. This would have included compensation for direct loss or consequential losses if she would have proved that failure by the seller to deliver the car had caused her economic loss. Basically, the damages would have either sought to compensate her for direct loss or to place her in the position she would have been if the contract had not been breached (Stone 26).

#### Works Cited

Stone, Richard. *The Modern Law of Contract*. Taylor & Francis, 2009. Print