

## North Ocean Shipping Co v Hyundai Construction Co Ltd [1979] QB 705

<http://lawcasesummarries.com/knowledge-base/north-ocean-shipping-co-v-hyundai-construction-co-ltd-1979-qb-705/>

### Facts

- A company enters into an agreement to build a ship for a specified sum in American dollars
- They had to pay the amount in 5 instalments
- During this time, the American currency devalues by 10%
- The company building the ship refuses to continue building until they decide to pay the extra 10%
- The receiving company give up and pay but later say they were under economic duress

### Held

- *Mocatta J*: You don't necessarily have to protest to have a claim in economic duress
- You don't have to only recover under very specific guidelines established by English cases, in Australia
- Compulsion may be economic duress
- Australian Courts will be very reluctant to enforce a new contract made under economic duress, even when consideration exists
- However when they were free from duress, they took no action to remedy the unfairness
- It appears that the owners affirmed the contract and therefore they cannot claim back the 10%

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Law case summary from [www.lawcasesummarries.com](http://www.lawcasesummarries.com)