Thesis Title : The Liability on Defect of goods

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Degree : Master of Laws (Business Law)

Academic Year : 2010

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ABSTRACT

The seller's liability for defect in the property sold as defined in Thailand's current Civil and Commercial Code is a subject of great significance to the contract of sale. Laws related to the contract of sale in each country will define the attributes of the property which are considered defect for which the seller is liable as well as the exemptions from such liability. The Civil and Commercial Code of Thailand also has this provision. However, the current provision used in Thailand has been promulgated long time ago without any amendments made. As a result, the extent of defect under the Thai laws is still limited and buyers still receive inadequate legal protection from this. This research, therefore, aims to study the principles of liability for defect in order to make the law practical to the current circumstances, comprehensive, and effective in protecting the buyer.

Findings from this study indicate that to effectively protect the buyer, the provision must not be limited to the defect as in the content of the property only. On the contrary, it should include the property which is unsuitable to serve the buyer's ordinary or specific purpose. It should also cover appropriate packaging which can help prevent defect. In addition, for properties that require a user's manual, the seller is obligated to hand in the manual to the buyer. For hazardous properties, there need to be a label indicating ingredients, usage, warning, and other relevant details of which the buyer should be aware. In case of consumer sales, an

exemption should be made to the law in order that the seller cannot make an agreement to exempt or limit the liability for defect in consumer sales.

This study proposes guidelines for amendment to the laws regarding the seller's liability for defect. For the definition of defect under Section 472, the property is not considered a defect unless it is unsuitable to serve the ordinary purpose of the buyer or the specific purpose of which the buyer has already informed the seller. The property sold must have appropriate packaging as well as a label for hazardous matters. Should the property require an installation or operation manual, the seller has to deliver to the buyer the manual with complete and correct details. Regarding the seller's exemptions from the liability under Section 473, in case the defect is not apparent to the buyer at the time of sale, if the buyer knows of the defect later on, the buyer has to inform the seller immediately or in due course. As for the exemption from liability made as an agreement under Section 483, should the case be consumer sales, the seller cannot make an agreement to exempt or limit his lawful liability.