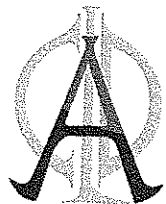


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Académie Internationale de Droit Comparé  
International Academy of Comparative Law



Başak Başoğlu

Editor

# The Effects of Financial Crises on the Binding Force of Contracts - Renegotiation, Rescission or Revision

 Springer

*Editor*

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ISSN 2214-6881                      ISSN 2214-689X (electronic)  
Ius Comparatum – Global Studies in Comparative Law  
ISBN 978-3-319-27254-2              ISBN 978-3-319-27256-6 (eBook)  
DOI 10.1007/978-3-319-27256-6

Library of Congress Control Number: 2016930394

Springer Cham Heidelberg New York Dordrecht London  
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Printed on acid-free paper

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## Preface

Growing interconnectedness of global economies facilitates the spread of the effects of the financial crises. Financial crises cause severe difficulties for persons to fulfill their contractual obligations. During the financial crises, performance of contractual obligations may become excessively onerous or may cause an extreme loss for one of the contracting parties and consequently destroy the contractual equilibrium and legitimate the interventions to the contract. But who will bear the risk arising from these circumstances?

This question, asked during the uncomfortable economic climate, leads to one of the most controversial dilemmas of the contract law: whether the binding force of the contract is absolute or not. In other words, unstable economic circumstances impose the need to devote special attention to review and perhaps to narrow the binding nature of a contract. Principle of good faith and fair dealing motivate a variety of theoretical bases in order to overcome the legal consequences of financial crises. All these theoretical bases are analyzed in this book with special focus on the available remedies, namely, renegotiation, rescission or revision, and the circumstances that enable the revocation of these remedies.

The legal approaches of various jurisdictions provide different answers and solutions to this problem. These differences seem to be determined predominantly by the frequency and intensity of financial crises in each jurisdiction and also by the influence of the financial, political, and social forces of the respective country.

The chapters in this collection are based on papers originally presented at the XIXth Congress of the International Academy of Comparative Law, held in Vienna, July 2014. I am grateful to all reporters who were willing to reformulate and submit their reports considering the debates, which aroused great interest and appreciation during the session in the Congress.

I would like to express my sincere gratitude to general reporter Prof. Dr. Rona Serozan who provided me the opportunity to edit this book. I also appreciate the unwavering support of my colleague Asst. Prof. Dr. Kadir Berk Kapanı. Also, I would like to thank the organizers of the conference, both at the Paris headquarters of the International Academy of Comparative Law and in Vienna. Last but not least, special thanks are due to Neil Olivier, Diana Nijenhuijzen, and their colleagues from Springer for their professional editorial efforts.

Istanbul 2015

Başak Başođlu

## Contents

### Part I General Report and Original Questionnaire

- 1 **General Report on the Effects of Financial Crises on the Binding Force of Contracts: Renegotiation, Rescission or Revision**..... 3  
Rona Serozan

### Part II National Reports

- 2 **From Crisis to Crisis: Weakness of Contracts in Argentina** ..... 33  
Julio César Rivera
- 3 **Keeping the Balance: The Effects of Financial Crises on Contracts Under Brazilian Law** ..... 53  
Anderson Schreiber
- 4 **Les effets exercés par les crises financières sur la force obligatoire des contrats: certitudes et incertitudes du droit québécois en matière d'imprévision** ..... 59  
Élise Charpentier and Nathalie Vézina
- 5 **Can Financial Crisis Lead to the Application of the Institute of Changed Circumstances Under Croatian Law?** ..... 83  
Maja Bukovac Puvača, Gabrijela Mihelčić, and Iva Tuhtan Grgić
- 6 **Elimination of the Impacts of Financial Crisis on Legal Relationships According to Czech Private Law** ..... 101  
Marketa Selucká
- 7 **Financial Crises and Danish Contract Law: No Room for Hardship** ..... 121  
Mads Bryde Andersen and Joseph Lookofsky

<b>8</b>	<b>Crises financières et contrats: le droit positif français refuse la révision d'un contrat devenu déséquilibré mais le projet de réforme entr'ouvre la porte à l'imprévision</b> .....	137
	Rémy Cabrillac	
<b>9</b>	<b>Financial Turmoil as a Change of Circumstances Under Greek Contract Law</b> .....	145
	Nikolaos A. Davrados	
<b>10</b>	<b>"All Roads Lead to Rome": The Multiple Grounds Under Italian Law to Challenge a Contract Due to Supervening Changes of Circumstances</b> .....	163
	Marco Torsello	
<b>11</b>	<b>Effects of a Bubble Economy on the Binding Force of Contracts: The 1990s Experience of Japan and Its Implications</b> .....	191
	Shugo Kitayama	
<b>12</b>	<b>The Effects of Crises on the Binding Force of Contracts: Polish Solutions</b> .....	207
	Wojciech Robaczyński	
<b>13</b>	<b>Discussing the (Ab)Normality of Financial Crises as a Relevant Change of Circumstances Under Portuguese Law</b> .....	221
	Manuel Carneiro da Frada and Mariana Fontes da Costa	
<b>14</b>	<b>L'imprévision dans le Nouveau Code Civil roumain enfanté par la crise économique mondiale</b> .....	243
	Dumitru Dobrev and Marilena Uliescu	
<b>15</b>	<b>The Russian Federation Legislation on the Effects of Financial Crises on the Binding Force of Contracts: Renegotiation, Rescission or Revision</b> .....	255
	Nataliya Georgievna Doronina and Natalia Gennadievna Semilyutina	
<b>16</b>	<b>The Effects of the Global Financial Crisis on the Binding Force of Contracts: A Focus on Disputes over Structured Notes in Taiwan</b> .....	265
	Chang-hsien Tsai	
<b>17</b>	<b>Certainty Over Clemency: English Contract Law in the Face of Financial Crisis</b> .....	285
	Horace Yeung and Flora Huang	
<b>18</b>	<b>Financial Crisis and the Remedy of Rescission in the United States</b> .....	307
	Aditi Bagchi	
<b>19</b>	<b>The Adaptation of the Contract in Turkish Law</b> .....	313

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