

Law of Contract

Contents

Contract is a mutual and wilful consent between two or more people to create, modify or terminate one or more rights and obligations related to them.

- **Validity of Contract**

A contract is considered valid only if it is:

- Real;
- Made by capable parties (recognized at law); and
- Specified free agreement of subject matter that is achievable and consistent with custom and public policy.

Law of Contract

- **Void and Voidable Contract**

Void contracts are any contract that is:

- Against law, public order or custom;
- Against public interest or social morality;
- Whose obligations cannot be performed.

Voidable contract refers to any kind of contract that has:

- No real agreement or free consent;
- Incapacitation of one or more parties.

It is worth noting that a contract will be considered as no-real agreement if it contains:

- Misrepresentation;
- Violence; or
- Fraud.

Law of Contract

- **Contract & Insurance**

Insurance is a commercial contract between insured and insurer where consideration of premium paid and indemnification has been made. Besides, insurance contract shall follow the principle of Fairness, Mutual Benefit and no harm to social interest.

Law of Employment and Labor

- **A. Work-related Accident**

An accident is considered to be work related, regardless of the cause, if it happens to a worker during the working hours, whether or not the worker was at fault. It is the accidents inflicted on the body of the worker or on an apprentice with or without wage, who is working in whatever capacity or whatever place for an employer or a manager of an enterprise.

Equally, accidents happening to the worker during the direct commute from his residence to the work place and home are also considered to be work-related accidents as long as the trip was not interrupted nor a detour made for a personal or non-work-related reason.

All occupational diseases, as defined by law, shall be considered a work-related accident and shall be remedied in the same manner.

Law of Employment and Labor

The victim or his beneficiaries are entitled to compensation from the manager of enterprise or the employer in the event of work-related accidents inflicting on him and resulting in temporary incapacitation.

Compensation for fatal accidents or for accidents causing permanent disability is paid to the victim or his beneficiaries as an annuity. Supplementary compensation is granted to victim who requires constant care from another. In the event of incapacitation, compensation shall be paid no later than the fifth day after the accident.

Law of Employment and Labor

- **Strike**

A strike is a concerted work stoppage by a group of workers that takes place within an enterprise or establishment for the purpose of pressuring their employer into meeting their demands as a condition for their return to work.

- **Prior notice**

A strike must be preceded by prior notice of at least seven working days and be filed with the enterprise or establishment.

- **Minimum Service**

During the notice period, the parties to dispute are required to attend a meeting in order to arrange the minimum service in the enterprise for protection of the facility installations and equipment of the enterprise will be assured.

- **Essential Services**

If the strike affects an essential service, of which an interruption would endanger or be harmful to the life, safety, or health of all or some of the public, the prior notice shall be extended to a minimum of 15 working days.

Law of Employment and Labor

- **Lockout**

A lockout is a total or partial closure of an enterprise or establishment by the employer during a labour dispute.

The right to a lockout shall be exercised under the same provisions as the right to strike.

A lockout undertaken in violation of labour law obligates the employer to pay the workers for each day of work lost.

- **National Insurance**

A general insurance system required for work-related accidents shall be set up. This system shall be managed under the insurance of the National Social Security Fund.

Traffic Law

All kind of vehicles driving in Cambodia must be on the right-hand side. There must be a driver driving in the vehicle traveling on the road.

- **The Traffic Rules for Vehicle Drivers**

- Drivers and passengers who are on the front seats of motor vehicles must wear the safety belt.
- Drivers of motorcycles, tricycles, towing motorcycles must wear helmet.
- No people Or goods allowed in front of the drivers.
- No drinking of alcohol that has alcoholic degree from 0.25 milligram per air liter or from 0.5 gram per liter of blood or over

Traffic Law

- **Vehicle Speed**

Driving speed must follow the guidelines as following:

- **Downtown**

- For motorcycles and tricycles, the maximum speed is 30 km/h.
- For general automobile, the maximum speed is 40 km/h.

- **Out of Town**

The maximum speed is 90 km/h for general vehicles. An exception is for goods-carrying vehicles whose total weight is over 3.5 tonnages. The maximum speed of such vehicle is limited to 70 km/h and 60 km/h for towing vehicles.

Drivers must maintain a safe distance with the vehicles in front to minimize the risk of collision. The safety distance depends on the speed of the vehicles – the faster the speed, the longer the distance. Out of town, vehicles whose laden weight is over 3.5 tons or whose width is longer than 7m and traveling at the same speed must maintain a safety distance of at least 50m.

Traffic Law

- **Driving License**

All drivers of motor vehicles must have a driving license. Drivers of motorcycles with a cubic capacity of 49cc and above must have driving license according to the kind of vehicle.

The national and international driving license for all kinds of vehicles must be issued by the Ministry of Public affair and Transportation. For special vehicles such as tanks, war vehicles, armed vehicles, motor tricycles, and escorting vehicles belonging to the state, the licenses are issued by the Ministry of Interior and the Ministry of National Defense. There are 5 kinds of land driving license of Cambodia:

- Class A
- Class B
- Class C
- Class D
- Class E

Traffic Law

- **Age of Drivers**

The age of the drivers according to the Class of driving licenses are as following:

- At least 16 years of age for Driving license Class A1;
- At least 18 years of age for Driving license Class A2 and B;
- At least 22 years of age for Driving license Class C and D1;
- At least 24 years of age for Driving license Class D2 and E.

- **Validity of Driving License**

The time limit of validity of driving licenses is the following:

- Driving license Class A and B have the validity till the drivers reach the age of 65 but their health has to be checked and the driving licenses have to be renewed once in 5 years.
- The driving license of Class C, D, and E have the validity of 3 years. The drivers have to submit for license renewal once every 3 years after health check-up before being permitted to drive.
- Drivers aged of 65 or over, the health of drivers using all kinds of license must be checked once every 2 years. The driving license must be renewed once 2 years.

- **Driving License Scoring**

All driving licenses have a scoring note which consists of a total of 12 points and the score will be reduced once there's a traffic offence.

- **The Traffic Regarding Diplomatic Agent**

For traffic accident involving foreign diplomats or envoys, traffic police must record the incident and submit a report to the Ministry of Foreign Affairs and International Cooperation who in turn arrange a representative to cooperate with traffic police, examine the case and take necessary action.

- **The National Committee on Traffic Safety**

National Committee on Land Traffic Safety will be set up in order to take measures to reduce traffic accidents.

Q & A