

# ENGINEERING ONLINE

# Lecture Notes

**Course Number:** CSC 513

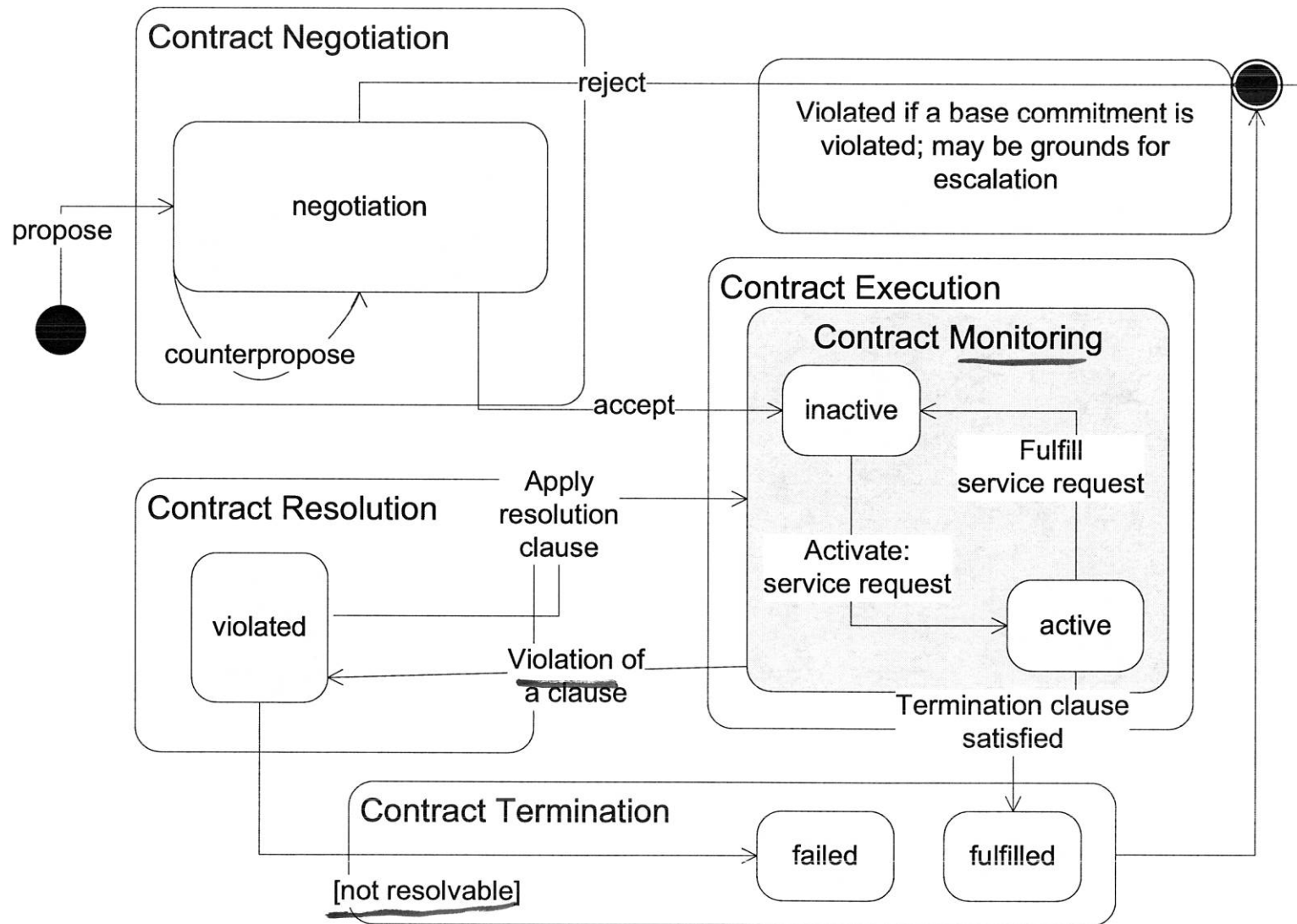
**Instructor:** Dr. Singh

**Lecture Number:** 17



# Contracts Life Cycle

Vázquez-Salceda et al. (EUROPEAN CONTRACTS PROJECT)



# NORMS IN RELATIONSHIP (SOCIAL OR BUSINESS) BETWEEN PARTIES

## ★ COMMITMENTS

OTHER KINDS OF NORMS THAT MAY BE RELEVANT IN CONTRACTS

## ★ AUTHORIZATION (AUTHENTICATION)

↑ PROCESS FOLLOWED BY ONE PARTY (WITH HELP FROM ANOTHER)

NEGOTIATION : PROCESS TO DETERMINE THE NORMS  
(COLLABORATIVE)

HOW TO HANDLE (EXCEPTIONS  
VIOLATIONS OF ANY OTHER NORMS  
: PROBLEM THAT NORMS CAN ADDRESS

SPECIFICATION OF NORMS : THIS WHAT A CONTRACT IS  
AGREEMENT

## ★ PROHIBITIONS

## ★ TRUST AS A PRECURSOR TO A CONTRACT

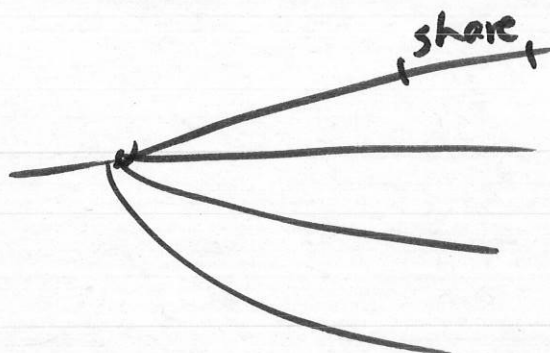


$\text{Auth } p \equiv \neg \text{Proh } p$

~~$\equiv \neg \text{Proh } p$~~

$\text{Proh } p \equiv \neg \text{Auth } p$

Generally true



COMPUTATIONAL SYSTEM (1) CAN  
EBAY: Bids  
: Password length

ENFORCE SOME NORM  
(AUTH & PROH)

(2) CANNOT ENFORCE  
: ship  
: own goods sold

ARBITRARY TERMINOLOGY:

AUTHORIZATIONS

PROHIBITIONS



## HOW CAN WE HANDLE PROHIBITIONS (IN THE ABOVE SENSE)?

① eBay: ~~be~~ if "we" detect a violation, the detecting party can give the violator a bad rating

- (i) influences future contracts
- (ii) causes eBay to suspend account
- (iii) brings in the judicial system

② Introduce some notion of certification

"Pessimistic" : ① (NOT A SANCTION)

"Optimistic" : ① Proceed without proof

Narrow commitments to If seal is sound then warranty holds

SANCTIONS

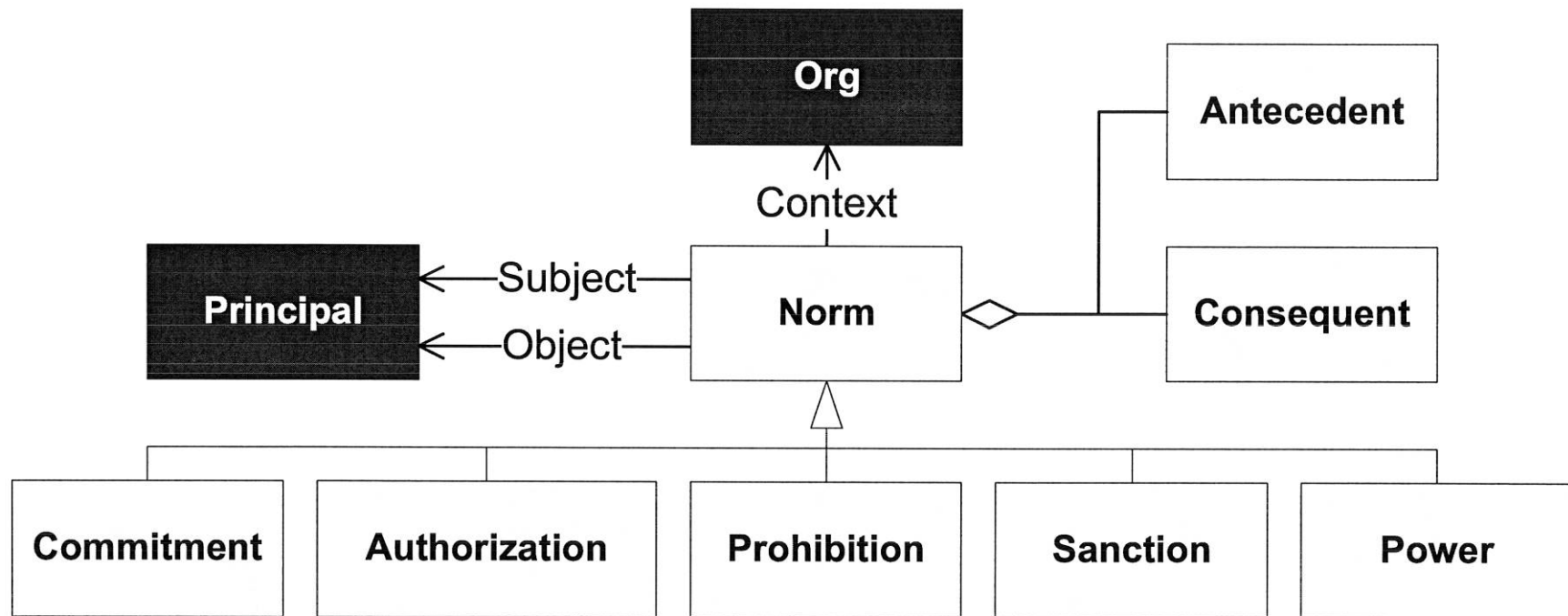
~~SANCTION~~





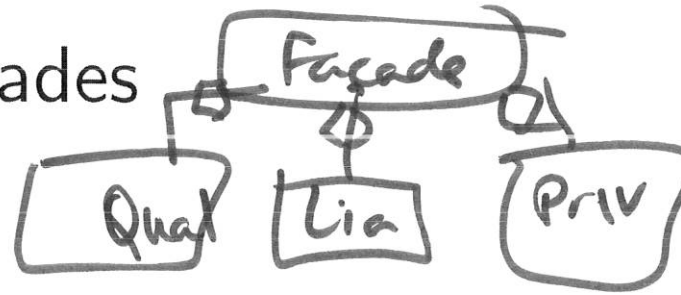
# Additional Norms

Directionality and context are key features



Permission versus prohibition and sanction

# Norms and Façades



components of a façade

Normative Concept	Subject's Façade	Object's Façade
<i>S is committed</i> Commitment	Liability	Privilege
<i>S is authorized</i> Authorization	Privilege	Liability
<i>S is empowered</i> Power	Privilege	Liability
<i>S is</i> Prohibition	Liability	Privilege
Sanction	Liability	Privilege

# Norm Life Cycle: 1

