January 1939

Sales—Construction of Contract Terms as to Time of Delivery—“On or Before at Buyer's Option”

Follow this and additional works at: https://openscholarship.wustl.edu/law_lawreview

Part of the Commercial Law Commons, and the Contracts Commons

Recommended Citation
Available at: https://openscholarship.wustl.edu/law_lawreview/vol24/iss3/13

This Comment on Recent Decisions is brought to you for free and open access by the Law School at Washington University Open Scholarship. It has been accepted for inclusion in Washington University Law Review by an authorized administrator of Washington University Open Scholarship. For more information, please contact digital@wumail.wustl.edu.
charges the public for using the pool has not influenced the courts' classification of swimming pool operation as governmental or ministerial. In line with the majority view of municipal liability for nuisances, recovery in tort has been allowed against a municipal corporation where the injury resulted from a nuisance connected with the pool.

The *ratio decidendi* of the instant case is not impressive. The court maintained that "Furnishing water to the inhabitants of a municipality for domestic purposes, and furnishing water to inhabitants for the purpose of public swimming are closely allied activities"; that, since municipal waterworks are universally classed as ministerial enterprises, municipal swimming pools must be ministerial and not governmental.

In spite of the court's questionable rationalization, the decision is in harmony with the modern and desirable trend toward greater liability of municipal corporations for their agents' torts. The possibility that increased liability may lead municipal corporations to increased inspection and care in the administration of public facilities makes this decision socially justifiable.

---

SALES—CONSTRUCTION OF CONTRACT TERMS AS TO TIME OF DELIVERY—"ON OR BEFORE AT BUYER'S OPTION"—[ARKANSAS].—A contract to sell goods called for immediate shipment of a part of the goods to a designated place, "balance as ordered within six months." A year after the stated period had expired, the seller sued the buyer, who had failed to order, for breach of contract. Held, for defendant, the buyer's right to order being construed as an option whereby he might advance the time for delivery, and the seller's duty to deliver during the period being absolute and not conditional on the buyer's order.

The question confronting the courts in the construction of contracts of sale calling for delivery during a specified period "as ordered" or calling for delivery "on or before—at buyer's option" is whether an order or notice by the buyer is a condition precedent or a mere privilege of demanding delivery before the end of the period. The decision turns on the court's view of what the parties intended as deduced from the words of the contract and the circumstances surrounding the transaction. In the few cases construing contracts similar to the one involved in the instant case, where the


7. See cases cited supra, note 5.

8. Note (1931) 75 A. L. R. 1196.


11. Id. at 615.


COMMENT ON RECENT DECISIONS

nature of the article sold is determined and the place of delivery indicated, with only the time indefinite but fixed within a period certain, the courts have generally held that the buyer's right to order within the interval is an option which, if not exercised, leaves the duty on the seller to perform on the last day of the period to avoid being in default and to hold the buyer on the contract.2 Similarly, where the seller has the option to deliver at any time during a period upon giving notice, failure to give notice does not relieve the buyer of the duty of accepting delivery on the last day.3 Where the place of delivery is not stipulated, contracts with this same proviso as to time of delivery are construed to require an order and shipping directions as conditions precedent to the seller's duty to deliver, and a failure to order is a breach of contract.4

The difference in result seems justifiable. Whereas in the absence of a stipulation as to place, delivery is impossible without further instructions, in contracts like that in the instant case the undertaking by the seller to deliver within the period is unequivocal and dependent on no other factors. It is well established that, absent special circumstances, a stipulated time for performance is of the essence of a contract and the other party's duty is conditioned on performance in or by that time.5 It seems reasonable that the rule should apply in construing "on or before" and buyer's option contracts.

S. F. T.

WILLS—FORGERY—ADMISSIBILITY OF TESTATOR’S DECLARATIONS MANIFESTING FRIENDSHIP—[Arkansas].—Proponent offered the testimony of himself and others to show the special regard of testatrix for himself as contrasted with the heirs. He opposed the admission in evidence of declarations of testatrix, outside the res gestae, which showed her friendly feeling toward contestants and were offered in corroboration of additional substantial evi-


