

Course: Contracts: From trust to promise to contract
Assignment 3: The sawmill
Name: Klaas Joris Schut

The reason why this agreement is not a bargain is that only the price is fixed in this agreement, not whether or not the distributor will buy anything at all from you. The lumber mill is the only party that binds itself to something (selling the lumber at a fixed price when asked to deliver) but the other party (the distributor) does not (it is free to order from other mills). Therefore, only one side gives up something (the mill its right to use a flexible price) and the agreement can be considered a gift and not a bargain.