

party agrees that he will at his discretion either complete or not complete the sale.

See Illustration under Section 398

397. — If the other party notifies his intention to complete the sale, the promise of sale has the effect of a contract of sale as soon as the notification reaches the first party.

See Illustration under Section 398.

398. — If no time is fixed for the notification, the party who made the promise can fix a reasonable time and call upon the other party to answer within that time whether he will complete the sale or not.

If he does not answer within that time, the contract is extinguished.

ILLUSTRATION (Sections 396, 397 and 398). — A Rubber Company wants to buy the rubber plantation of A. Before submitting the scheme to the shareholders, the directors would like to know for certain which price A would ask for his plantation. They approach A. On the 1st. of May 2456 they make a contract whereby A gives the Company the option to buy A's plantation for 20,000 baht, provided that the Company shall notify A on or before the 31st. of August 2456, whether they buy the plantation or not. This is a promise of sale.

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