

# Who is liable under a shipment or destination contract

Law



Shipment and Destination Contracts of Affiliation: Shipment and Destination Contracts Under legal systems, contracts are agreements, into which two or more parties enter voluntarily for the creation of a legal obligation between or among them. Ideally, contracts are agreements made in various environments, aiming for the creation of some liability against a party in the event that a party or any other goes against the agreed terms. In the business environment, two common contracts are mostly involved shipment and destination contracts. Such are important in determining which party is held responsible or takes the burden of damage or loss that occurs to goods after the completion of the sale, but before their delivery (McNett, 2005). As it is with most contracts involving the transportation of goods, contracts are presumed to be shipment contracts unless stated (McNett, 2005). In the scenario provided; therefore, the contract involved is a shipment contract. Shipment contract is a type of business contract whereby the tender of performance is reached at the time when goods are surrendered to the carrier, which is then responsible for delivery of the goods to the owner. However, the buyer remains responsible for the goods as the owner immediately the seller surrenders the goods to the carrier. Under the destination contacts, the seller of the goods tenders the goods to the carrier, who is then responsible for the delivery the goods to the buyer. However, the buyer is neither responsible for any damage or loss of goods nor the owner of the goods until the carrier directly delivers the goods to the buyer (Beatty, Bredeson and Samuelson, 2013). In the scenario given, the contract falls under shipment contract, whereby the seller is only responsible for the goods sold until it renders them to the

carrier.

In the situation therefore, it is identified that the person responsible for the loss of the computer in the scenario is me the buyer and not Dell Computers, Inc., as the charge that had been taken from my credit card only included the purchase of the computer and not shipment costs as the contract could have stated that so. In order to answer to the question accurately, one requires more information pertaining to the terms in the contract between Dell Computers, Inc. and I. Since such information is not available, the conclusion remains that Dell Computers, Inc. was only responsible for the loss of the computer until it rendered them to the carrier for the delivery to me. I would, therefore, remain fully responsible for the goods from the time Dell Computers, Inc. delivered the computer to the carrier. Additionally, information pertaining to the agreement between the types of contract involved is also essential in determining the person responsible for the loss of the computer, however, such has not been indicated.

In support of the stand indicated above, it is clear that the delivery of the computer was by a common carrier rather than Dell Computers, Inc., the seller of the computer, and, therefore, the risk of loss of the computer shifts from the seller to the buyer. The location of the seller has been indicated while that of the buyer has not been stated in determining whether the shipping of the computer was on a free on board basis from area within the location of the seller, and therefore the seller remains liable for any loss of the goods (Beatty, Bredeson and Samuelson, 2013).

#### References

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