Content:
No. I.2.1 - Standard of reasonableness

The parties always have to act according to what is reasonable in view of the particular nature of their transaction and the circumstances involved, in particular the economic interests and expectations of the parties.

Commentary:
1 The Principle is derived from the general standard of good faith and fair dealing.

2 Its application involves an objective test, taking the position of a neutral person (the "reasonable man") who has all the background knowledge which would reasonably have been available to the parties in the situation in which they were at the time of the contract. The reasonable man can be described as a fictional businessman possessing and exercising those qualities of attention, knowledge, intelligence, and judgment that international business requires of its members for the protection of its own interests and the interests of others.

3 In legal disputes, the court or arbitral tribunal personifies the reasonable man.