

13-825. Ambiguity in term or terms; general rule of interpretation.

There is a dispute as to the meaning of the following term[s] in the contract: (*Fill in term or terms*). You shall give the term[s] that meaning which you find to be most reasonable, taking into consideration all the circumstances, including the following:

[the intentions of the parties];

[the words that the parties used];

[the purposes the parties sought to achieve];

[custom in the trade];

[the parties' course of dealing];

[the parties' course of performance];

[whether a party, at the time the contract was entered into, knew or should have known that the other party interpreted the term[s] differently].

USE NOTES

A court must make a preliminary determination as a matter of law that a contract contains an ambiguity before this instruction is given. If such a determination is made, the term(s) in dispute should be inserted after the colon in the first sentence of the instruction. The bracketed language regarding the circumstances that the jury may consider in resolving the ambiguity should be included as the evidence in the case warrants. The evidence also may warrant the giving of additional instructions, including UJI 13-804 NMRA (Contract; intention of the parties); UJI 13-826 NMRA (Custom in the trade); UJI 13-827 NMRA (Course of dealing); and UJI 13-828 NMRA (Course of performance).

[Adopted, effective November 1, 1991; as amended by Supreme Court Order No. 20-8300-006, effective for all cases pending or filed on or after December 31, 2020.]