

**554.13512 Lessee's duties as to rightfully rejected goods.**

1. Except as otherwise provided with respect to goods that threaten to decline in value speedily (section 554.13511) and subject to any security interest of a lessee (section 554.13508, subsection 5):

*a.* the lessee, after rejection of goods in the lessee's possession, shall hold them with reasonable care at the lessor's or the supplier's disposition for a reasonable time after the lessee's seasonable notification of rejection;

*b.* if the lessor or the supplier gives no instructions within a reasonable time after notification of rejection, the lessee may store the rejected goods for the lessor's or the supplier's account or ship them to the lessor or the supplier or dispose of them for the lessor's or the supplier's account with reimbursement in the manner provided in section 554.13511; but

*c.* the lessee has no further obligations with regard to goods rightfully rejected.

2. Action by the lessee pursuant to subsection 1 is not acceptance or conversion.

94 Acts, ch 1052, §64