

554.2327 Special incidents of sale on approval and sale or return.

1. Under a sale on approval unless otherwise agreed

a. although the goods are identified to the contract the risk of loss and the title do not pass to the buyer until acceptance; and

b. use of the goods consistent with the purpose of trial is not acceptance but failure seasonably to notify the seller of election to return the goods is acceptance, and if the goods conform to the contract acceptance of any part is acceptance of the whole; and

c. after due notification of election to return, the return is at the seller's risk and expense but a merchant buyer must follow any reasonable instructions.

2. Under a sale or return unless otherwise agreed

a. the option to return extends to the whole or any commercial unit of the goods while in substantially their original condition, but must be exercised seasonably; and

b. the return is at the buyer's risk and expense.

[C24, 27, 31, 35, 39, § **9948**; C46, 50, 54, 58, 62, § 554.20; C66, 71, 73, 75, 77, 79, 81, § 554.2327]