554.2106 Definitions: "contract" "agreement" "contract for sale" "sale" "present sale" "conforming" to contract "termination" "cancellation".

1. In this Article unless the context otherwise requires "contract" and "agreement" are limited to those relating to the present or future sale of goods. *"Contract for sale"* includes both a present sale of goods and a contract to sell goods at a future time. A "sale" consists in the passing of title from the seller to the buyer for a price (section 554.2401). A "present sale" means a sale which is accomplished by the making of the contract.

2. Goods or conduct including any part of a performance are *"conforming"* or conform to the contract when they are in accordance with the obligations under the contract.

3. *"Termination"* occurs when either party pursuant to a power created by agreement or law puts an end to the contract otherwise than for its breach. On "termination" all obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

4. *"Cancellation"* occurs when either party puts an end to the contract for breach by the other and its effect is the same as that of "termination" except that the canceling party also retains any remedy for breach of the whole contract or any unperformed balance.

[C24, 27, 31, 35, 39, § **9930, 9940;** C46, 50, 54, 58, 62, § 554.1, 554.12; C66, 71, 73, 75, 77, 79, 81, § 554.2106]