

554.2326 Sale on approval and sale or return — rights of creditors.

1. Unless otherwise agreed, if delivered goods may be returned by the buyer even though they conform to the contract, the transaction is

- a. a “sale on approval” if the goods are delivered primarily for use, and
- b. a “sale or return” if the goods are delivered primarily for resale.

2. Goods held on approval are not subject to the claims of the buyer’s creditors until acceptance; goods held on sale or return are subject to such claims while in the buyer’s possession.

3. Any “or return” term of a contract for sale is to be treated as a separate contract for sale within the statute of frauds section of [this Article \(section 554.2201\)](#) and as contradicting the sale aspect of the contract within the provisions of [this Article](#) on parol or extrinsic evidence ([section 554.2202](#)).

[C24, 27, 31, 35, 39, §9948; C46, 50, 54, 58, 62, §554.20; C66, 71, 73, 75, 77, 79, 81, §554.2326]
2000 Acts, ch 1149, §143, 187

Referred to in [§554.2103](#), [554.13103](#)