

In a signed writing, a man contracted to purchase a 25-foot travel trailer from a dealership for \$15,000, cash on delivery, no later than June 1. The man arrived at the dealership's sales lot on Sunday, May 31, but he refused to pay for and take delivery of the trailer as contracted when he discovered that the spare tire was missing. The dealership offered to install a spare tire on Monday when its service department would open, but the man replied that he did not want the trailer and would purchase another one elsewhere.

Which of the following is accurate?

- A. The man had a right to reject the trailer and terminate the contract under the perfect-tender rule.
- B. The man had a right to reject the trailer, but the dealership was entitled to a reasonable opportunity to cure the defect.
- C. The man was required to accept the trailer, because the defect could be readily cured.
- D. The man was required to accept the trailer, because the defect did not substantially impair its value.

Explanation:

Seller's right to cure

(UCC § 2-508)

Within time for performance

Seller has right to cure by:

giving reasonable notice to buyer of intention to cure

AND

making conforming delivery within time for performance

After time for performance

If seller had reasonable grounds to believe goods were acceptable at delivery, seller has right to cure by:

giving reasonable notice to buyer of intention to cure

AND

making conforming delivery within reasonable time

UCC = Uniform Commercial Code.

Contracts for the sale of goods are governed by Article 2 of the Uniform Commercial Code (UCC). Under the **UCC perfect-tender rule**, a **buyer may reject goods** in a **single-delivery contract**—ie, a one-time bargained-for exchange—that **fail to conform** to the contract in any way. But if the **time for performance** has **not yet expired**, a **seller may cure** (ie, remedy) a defect by:

giving **reasonable notice** to the buyer of its **intention to cure** *and*

making a **conforming delivery** within the time for performance under the contract.

Here, the man contracted to purchase a 25-foot travel trailer from a dealership (single-delivery contract). The trailer was missing a spare tire (nonconforming good) when the man attempted to take delivery on May 31, so he had a right to reject the trailer. But since delivery was to occur no later than June 1, the dealership had a right to cure the defect by notifying the man of its intention to cure and then delivering a conforming trailer by June 1 (**Choices A & C**).

(Choice D) To reject nonconforming goods under an *installment* contract, the nonconformity must (1) substantially impair the value of the goods and (2) be incurable. But under a *single-delivery* contract, a buyer may reject goods that fail to conform to the contract in any way.

Educational objective:

In a single-delivery contract, the buyer may reject nonconforming goods. But if there is still time to perform under the contract, the seller has the right to cure the defect by (1) giving

the buyer reasonable notice of its intention to cure and (2) making a conforming delivery within the time for performance under the contract.

References

U.C.C. § 2-508 (Am. Law Inst. & Unif. Law Comm'n 2020) (seller's right to cure).

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