

UNIFORM COMMERCIAL CODE (EXCERPT)
Act 174 of 1962

440.2964 Rejection of goods; failure of lessee to state particular defect or reserve rights when paying consideration against documents; effect.

Sec. 2A514. (1) In rejecting goods, a lessee's failure to state a particular defect that is ascertainable by reasonable inspection precludes the lessee from relying on the defect to justify rejection or to establish default if either of the following applies:

(a) If, stated seasonably, the lessor or the supplier could have cured the defect.

(b) Between merchants, if the lessor or the supplier after rejection has made a request in writing for a full and final written statement of all defects on which the lessee proposes to rely.

(2) A lessee's failure to reserve rights when paying rent or other consideration against documents precludes recovery of the payment for defects apparent in the documents.

History: Add. 1992, Act 101, Eff. Sept. 30, 1992;—Am. 2012, Act 87, Eff. July 1, 2013.