

## Sales Remedies

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## Sales Remedies

- Remedies of Seller
- Remedies of Buyer
- Contractual Provisions Affecting Remedies

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## Seller's Remedies I

- Withhold Delivery
  - Nonpayment, or repudiation of the contract
- Stop Delivery of Goods in Transit
  - Insolvency of Buyer-always
  - Otherwise-large shipments
  - Seller liable to carrier
- Reclaim Goods in Possession of Buyer
  - Insolvent buyer
  - 10 days
  - May have been defeated by sale to good faith purchaser

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## Seller's Remedies II

- Identify Goods to Contract
- Resell Goods
  - Good faith
  - Commercially reasonable manner
  - Recover difference between contract price and sales price, if resale price is lower
  - Not accountable for profit on resale
  - May be public or private-notice due if private, seller can purchase if public
  - Purchaser takes free of title defects

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## Seller's Remedies III

- Recover Damages
  - Difference between market price at time and place of tender, and contract price
  - Lost volume-recover profit
- Recover Price
  - Buyer has accepted goods, goods lost after risk passed to buyer, or there is no market for resale
  - Must have goods for buyer, and buyer is entitled to goods upon payment of the price

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## Seller's Remedies IV

- Recover Incidental Damages
  - Those reasonably incurred as a result of the breach; cost of stopping delivery, transportation of goods after breach, expenses associated with resale
- Cancel the Contract: Stop Performance

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### Buyer's Remedies I

- Cancel the Contract: Stop Performance
- Recover Payments made
- Cover
  - Purchase substitute goods
  - Recover difference between cost of cover and the contract price

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### Buyer's Remedies II

- Damages for Nondelivery
  - Difference between market price and contract price
    - Time buyer learned of breach
    - Place of tender
  - Damages for Accepted Goods
    - Difference between the value of the accepted goods and the value goods would have had if they had conformed to contract
    - Incidental and Consequential Damages

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### Buyer's Remedies III

- Recover Goods
  - Insolvent seller
  - At least part of contract price has been paid
  - Must tender any unpaid portion of price
- Specific Performance for Unique Goods
- Sell Goods that Remain in their Possession

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## Contractual Provisions

- Liquidations or Limitations
- Limitations of Remedy

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