

## ARTICLE 2-A - LEASES

### Table of Contents

#### Section

2-A-101.	Short Title	1
2-A-102.	Scope	1
2-A-103.	Definitions and Index of Definitions	1
2-A-104.	Leases Subject to Other Law	5
2-A-105.	Territorial Application of Article to Goods Covered by Certificate of Title	6
2-A-106.	Limitation on Power of Parties to Consumer Lease to Choose Applicable Law and Judicial Forum	6
2-A-107.	Waiver or Renunciation of Claim or Right After Default	6
2-A-108.	Unconscionability	6
2-A-109.	Option to Accelerate at Will	7

#### PART 2. FORMATION AND CONSTRUCTION OF LEASE CONTRACT

2-A-201.	Statute of Frauds	7
2-A-202.	Final Written Expression: Parol or Extrinsic Evidence	8
2-A-203.	Seals Inoperative	9
2-A-204.	Formation in General	9
2-A-205.	Firm Offers	9
2-A-206.	Offer and Acceptance in Formation of Lease Contract	9
2-A-207.	Course of Performance or Practical Construction	9
2-A-208.	Modification, Rescission and Waiver	10
2-A-209.	Lessee Under Finance Lease as Beneficiary of Supply Contract	10
2-A-210.	Express Warranties	11
2-A-211.	Warranties Against Interference and Against Infringement; Lessee's Obligation Against Infringement	11
2-A-212.	Implied Warranty of Merchantability	12
2-A-213.	Implied Warranty of Fitness for Particular Purpose	12
2-A-214.	Exclusion or Modification of Warranties	13
2-A-215.	Cumulation and Conflict of Warranties Express or Implied	13
2-A-216.	Third-party Beneficiaries of Express or Implied Warranties	14
2-A-217.	Identification	14
2-A-218.	Insurance and Proceeds	14

2-A-219.	Risk of Loss	15
2-A-220.	Effect of Default on Risk of Loss	16
2-A-221.	Casualty to Identified Goods	16

### PART 3. EFFECT OF LEASE CONTRACT

2-A-301.	Enforceability of Lease Contract	16
2-A-302.	Title to and Possession of Goods	17
2-A-303.	Alienability of Party's Interest Under Lease Contract or of Lessor's Residual Interest in Goods; Delegation of Performance; Transfer of Rights	17
2-A-304.	Subsequent Lease of Goods by Lessor	18
2-A-305.	Sale or Sublease of Goods by Lessee	19
2-A-306.	Priority of Certain Liens Arising by Operation of Law	20
2-A-307.	Priority of Liens Arising by Attachment or Levy on, Security Interests in, and Other Claims to Goods	20
2-A-308.	Special Rights of Creditors	21
2-A-309.	Lessor's and Lessee's Rights When Goods Become Fixtures	21
2-A-310.	Lessor's and Lessee's Rights When Goods Become Accessions	23
2-A-311.	Priority Subject to Subordination.	24

### PART 4. PERFORMANCE OF LEASE CONTRACT: REPUDIATED, SUBSTITUTED AND EXCUSED

2-A-401.	Insecurity: Adequate Assurance of Performance	24
2-A-402.	Anticipatory Repudiation	25
2-A-403.	Retraction of Anticipatory Repudiation	25
2-A-404.	Substituted Performance	26
2-A-405.	Excused Performance	26
2-A-406.	Procedure on Excused Performance	27
2-A-407	Irrevocable Promises: Finance Leases	27

### PART 5. DEFAULT

#### A. IN GENERAL

2-A-501.	Default: Procedure	27
2-A-502.	Notice After Default	28
2-A-503.	Modification or Impairment of Rights and Remedies	28
2-A-504.	Liquidation of Damages	29
2-A-505.	Cancellation and Termination and Effect of Cancellation, Termination, Rescission, or Fraud on Rights and Remedies	29

2-A-506.	Statute of Limitations	30
2-A-507.	Proof of Market Rent: Time and Place	30

#### B. DEFAULT BY LESSOR

2-A-508.	Lessee's Remedies	31
2-A-509.	Lessee's Rights on Improper Delivery: Rightful Rejection	32
2-A-510.	Installment Lease Contracts: Rejection and Default	32
2-A-511.	Merchant Lessee's Duties as to Rightfully Rejected Goods	33
2-A-512.	Lessee's Duties as to Rightfully Rejected Goods	33
2-A-513.	Cure by Lessor of Improper Tender or Delivery; Replacement	34
2-A-514.	Waiver of Lessee's Objections	34
2-A-515.	Acceptance of Goods	35
2-A-516.	Effect of Acceptance of Goods; Notice of Default; Burden of Establishing Default After Acceptance; Notice of Claim or Litigation to Person Answerable Over	35
2-A-517.	Revocation of Acceptance of goods	36
2-A-518.	Cover, Substitute Goods	37
2-A-519.	Lessee's Damages for Non-delivery, Repudiation, Default, and Breach of Warranty in Regard to Accepted Goods	37
2-A-520.	Lessee's Incidental and Consequential Damages	38
2-A-521.	Lessee's Right to Specific Performance or Replevin	38
2-A-522.	Lessee's Right to Goods on Lessor's Insolvency	39

#### C. DEFAULT BY LESSEE

2-A-523.	Lessor's Remedies	39
2-A-524.	Lessor's Right to Identify Goods to Lease Contract	40
2-A-525.	Lessor's Right to Possession of Goods	40
2-A-526.	Lessor's Stoppage of Delivery in Transit or Otherwise	41
2-A-527.	Lessor's Rights to Dispose of Goods	41
2-A-528.	Lessor's Damages for Non-acceptance, Failure to Pay, Repudiation, or Other Default	42
2-A-529.	Lessor's Action for the Rent	43
2-A-530.	Lessor's Incidental Damages	44
2-A-531.	Standing to Sue Third Parties for Injury to Goods	44
2-A-532.	Lessor's Rights to Residual Interest	45