336.2-509 RISK OF LOSS IN THE ABSENCE OF BREACH.

(1) Where the contract requires or authorizes the seller to ship the goods by carrier

(a) if it does not require the seller to deliver them at a particular destination, the risk of loss passes to the buyer when the goods are duly delivered to the carrier even though the shipment is under reservation (section 336.2-505); but

(b) if it does require the seller to deliver them at a particular destination and the goods are there duly tendered while in the possession of the carrier, the risk of loss passes to the buyer when the goods are there duly so tendered as to enable the buyer to take delivery.

(2) Where the goods are held by a bailee to be delivered without being moved, the risk of loss passes to the buyer

(a) on the buyer's receipt of possession or control of a negotiable document of title covering the goods; or

(b) on acknowledgment by the bailee of the buyer's right to possession of the goods; or

(c) after the buyer's receipt of possession or control of a nonnegotiable document of title or other direction to deliver in a record, as provided in subsection (4)(b) of section 336.2-503.

(3) In any case not within subsection (1) or (2), the risk of loss passes to the buyer on receipt of the goods if the seller is a merchant; otherwise the risk passes to the buyer on tender of delivery.

(4) The provisions of this section are subject to contrary agreement of the parties and to the provisions of this article on sale on approval (section 336.2-327) and on effect of breach on risk of loss (section 336.2-510).

History: *1965 c 811 s 336.2-509; 1986 c 444; 2004 c 162 art 5 s 9*