

UNIFORM COMMERCIAL CODE ANNOTATIONS

This section contains annotations of all decisions interpreting provisions of the Uniform Commercial Code published from March 21, 1962, through August 15, 1962, in the National Reporter System, Pennsylvania District and County Reports, 2d series, and Pennsylvania county reports. Appropriate notation is made concerning those decisions which are based upon language contained in the 1953 version of the Code to the extent that such language differs from the 1958 Official Text. Case citations preceded by an asterisk (*) indicate decisions construing or interpreting provisions of the Code even though the Code did not govern the decisions.

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ARTICLE 1: GENERAL PROVISIONS

SECTION 1-201. General Definitions.

Subject to additional definitions contained in the subsequent Articles of this Act which are applicable to specific Articles or Parts thereof, and unless the context otherwise requires, in this Act:

(19) "Good faith" means honesty in fact in the conduct or transaction concerned.

Perfect Market, Inc. v. Serro, 42 West Co. L.J. 35 (Pa. 1960).

See the Annotation to Section 3-302, *infra*.

ARTICLE 2: SALES

SECTION 2-314. Implied Warranty: Merchantability; Usage of Trade.

(1) Unless excluded or modified (Section 2-316), a warranty that the goods shall be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods of that kind. Under this section the serving for value of food or drink to be consumed either on the premises or elsewhere is a sale.

(2) Goods to be merchantable must be at least such as

(a) pass without objection in the trade under the contract description; and

(b) in the case of fungible goods, are of fair average quality within the description; and

(c) are fit for the ordinary purposes for which such goods are used; and

(d) run, within the variations permitted by the agreement, of even kind, quality and quantity within each unit and among all units involved; and

(e) are adequately contained, packaged, and labeled as the agreement may require; and