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ascertained in accordance with paragraphs (a) and (b) of this section a further amount, fixed by him to meet such conditions.

§ 737.13 Amendment to license.

If an application is made under § 737.3 for an amendment to a license and no bond previously filed by the warehouseman under §§ 737.11 through 737.15 covers obligations arising during the period of such amendment, the warehouseman shall, when notice has been given by the Secretary, or his designated representative that his application for such modification or extension will be granted upon compliance by such warehouseman with the act, file with the Secretary, within a time, if any, fixed in such notice, a bond complying with the act, unless bond in sufficient amount has been filed since the filing of such application. In the discretion of the Secretary, or his designated representative, a properly executed instrument in form approved by him, amending, extending, or continuing in force and effect the obligations of a valid bond previously filed by the warehouseman and otherwise complying with the act and the regulations in this part, may be filed in lieu of a new bond.

§ 737.14 New bond required each year.

Whenever, a license has been issued for a longer period than 1 year, such license shall not be effective beyond 1 year from its effective date unless the warehouseman shall have filed a new bond in the required amount with, and such bond shall have been approved by the Secretary or his designated representative prior to the date on which that license would have expired had it been issued for but 1 year, subject to the provisions of § 737.13.

§ 737.15 Approval of bond.

No bond, amendment, or continuation thereof shall be deemed accepted for the purposes of the act and the regulations in this part until it has been approved by the Secretary or his designated representative.

7 CFR Ch. VII (1-1-02 Edition)

WAREHOUSE RECEIPTS

§ 737.16 Form.

(a) Every receipt, whether negotiable or nonnegotiable, issued for tobacco stored in a licensed warehouse shall, in addition to complying with the requirements of section 18 of the act, embody within its written or printed terms the following: (1) The name of the warehouseman and the designation, if any, of the warehouse, (2) the license number of the warehouseman, (3) the number of the bonded compartment, if any, in which the tobacco is stored, (4) a statement whether the warehouseman is incorporated or unincorporated, and if incorporated, under what laws, (5) in the event the relationship existing between the warehouseman and any depositor is not that of strictly disinterested custodianship, a statement setting forth the actual relationship, (6) the identification number given to each package in accordance with § 737.33, (7) a statement, conspicuously placed, indicating whether the tobacco is insured by the warehouseman, and, if insured, to what extent against loss or damage by fire, lightning, or tornado, and (8) the words "Negotiable" or "Not negotiable", according to the nature of the receipt, clearly and conspicuously printed or stamped thereon.

(b) Every receipt, whether negotiable or nonnegotiable, issued for tobacco stored in a warehouse shall specify a period, not exceeding 3 years, for which the tobacco is accepted for storage under the act and the regulations in this part, but upon demand and the surrender of the receipt by the lawful holder thereof at or before the expiration of the specified period, the warehouseman, so far as the available capacity of his warehouse then permits and upon such lawful terms and conditions as may be granted by him at such time to other depositors of tobacco in the warehouse, if he then continues to act as a licensed warehouseman, may either extend the original receipt by making an appropriate notation thereon or issue a new receipt for a further specified period not exceeding 3 years, provided it is actually determined by a licensed inspector that the tobacco has

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not deteriorated and that it is in proper condition for further storage.

(c) Every negotiable receipt issued for tobacco stored in a licensed warehouse shall, in addition to complying with the requirements of paragraphs (a) and (b) of this section, embody within its written or printed terms a form of indorsement which may be used by the depositor, or his authorized agent, for showing the ownership of, and liens, mortgages, or other encumbrances on the tobacco covered by the receipt.

(d) Whenever the type, grade, form, or condition is required to be or is stated in a receipt for tobacco stored in a licensed warehouse, it shall be stated in accordance with § 737.69. Whenever the grade is stated in such receipt, the type, form, and condition also must be stated.

(e) If a warehouseman issues a receipt under the act omitting any information, not required to be stated, for which a blank space is provided in the form of the receipt, a line shall be drawn through such space to show that such omission has been made.

(Approved by the Office of Management and Budget under control number 0560-0120)

[SRA, BAE 129, rev.; 7 FR 6806, Aug. 29, 1942; 13 FR 8731, Dec. 30, 1948; 19 FR 57, Jan. 6, 1954, as amended at 47 FR 745, Jan. 7, 1982. Redesignated at 50 FR 1814, Jan. 14, 1985]

§ 737.17 Copies of receipts.

At least one actual or skeleton copy of all receipts shall be made, and all copies, except skeleton copies, shall have clearly and conspicuously printed or stamped thereon the words "Copy—Not Negotiable." A copy of each receipt issued shall be retained by the warehouseman for a period of one year after December 31 of the year in which the corresponding original receipt is canceled.

(Approved by the Office of Management and Budget under control number 0560-0120)

[29 FR 13369, Sept. 26, 1964, as amended at 47 FR 745, Jan. 7, 1982. Redesignated at 50 FR 1814, Jan. 14, 1985]

§ 737.18 Lost or destroyed receipts; bond.

(a) In the case of a lost or destroyed receipt, if there be no statute of the

United States or law of a State applicable thereto, a new receipt upon the same terms, subject to the same conditions, and bearing on its face the number and the date of the receipt in lieu of which it is issued and a plain and conspicuous statement that it is a duplicate issued in lieu of a lost or destroyed receipt, may be issued upon compliance with the conditions set out in paragraph (b) of this section.

(b) Before issuing such duplicate receipt the warehouseman shall require the depositor or other person applying therefor to make and file with the warehouseman: (1) An affidavit showing that he is lawfully entitled to the possession of the original receipt, that he has not negotiated or assigned it, how the original receipt was lost or destroyed, and, if lost, that diligent effort has been made to find the receipt without success, and (2) a bond in an amount double the value, at the time the bond is given, of the tobacco represented by the lost or destroyed receipt. Such bond shall be in a form approved for the purpose by the Secretary, or his designated representative, shall be conditioned to indemnify the warehouseman against any loss sustained by reason of the issuance of such duplicate receipt, and shall have as surety thereon preferably a surety company which is authorized to do business and is subject to service of process in a suit on the bond in the State in which the warehouse is located, or at least two individuals who are residents of such State and each of whom owns real property therein having a value in excess of all exemptions and encumbrances, equal to the amount of the bond.

§ 737.19 Printing of receipts.

No receipt shall be issued by a licensed warehouseman unless it is:

(a) In a form prescribed by the Administrator,

(b) Upon distinctive paper or card stock specified by the Administrator,

(c) Printed by a printer with whom the United States has a subsisting agreement and bond for such printing, and

(d) On paper and/or card stock tinted with ink in the manner prescribed by