

Farm Service Agency, USDA

§ 737.19

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

§ 737.20

the agreement under paragraph (c) of this section.

[62 FR 33540, June 20, 1997]

§ 737.20 Partial delivery of tobacco.

If a warehouseman delivers a part only of a lot of tobacco for which he has issued a negotiable receipt under the act, he shall take up and cancel such receipt and issue a new receipt in accordance with the regulations in this part for the undelivered portion of the tobacco. The new receipt shall show the date of issuance and also indicate the number and date of the receipt first issued.

§ 737.21 Return of receipts before delivery of tobacco.

Except as permitted by law or by the regulations in this part, a warehouseman shall not deliver tobacco for which he has issued a negotiable receipt until the receipt has been returned to him and canceled; and shall not deliver tobacco for which he has issued a non-negotiable receipt until such receipt has been returned to him or he has obtained from the person lawfully entitled to such delivery, or his authorized agent, a written acknowledgment thereof. Before delivery is made of the last portion of a lot of tobacco covered by a nonnegotiable receipt, the receipt itself shall be surrendered.

§ 737.22 Nonnegotiable receipts.

Each person to whom a nonnegotiable receipt is issued shall furnish the warehouseman with a statement in writing indicating the person or persons having power to authorize delivery of tobacco covered by such receipt, together with the bona fide signature of such person or persons. No licensed warehouseman shall honor an order for the release of tobacco covered by a nonnegotiable receipt until he has first ascertained that the person issuing the order has authority to order such release, and that the signature of the releasing party is genuine.

§ 737.23 Persons authorized to sign receipts.

Each warehouseman shall file with the Department the name and genuine signature of each person authorized to sign warehouse receipts for the ware-

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

houseman, and shall promptly notify the Department of any changes as to persons authorized to sign and shall file the signatures of such persons, and each warehouseman shall be bound by such signatures the same as if he had personally signed the receipt.

§ 737.24 Receipts; basis for issuance.

Before issuing any receipt under the act each warehouseman shall, unless he has personally weighed, inspected and graded, if graded, a lot of tobacco, first obtain either a copy of or the original weight certificate, and inspection and/or grade certificate, if any, covering said lot of tobacco and said weight, inspection and grade certificate shall be filed as a permanent record in the warehouseman's office when the receipt is issued. The number of the warehouse receipt issued for the tobacco covered by such certificate or certificates shall be written on the certificate or certificates before filing. Such certificates shall be retained, as a part of the records of the warehouse, for a period of three years after December 31 of the year in which the certificates are issued.

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

§ 737.25 Omission of grade; no compulsion by warehouseman.

No licensed warehouseman shall, directly or indirectly, by any means whatsoever compel or attempt to compel the depositor of any tobacco stored in his licensed warehouse to request the issuance of a receipt omitting the statement of grade.

DUTIES OF LICENSED WAREHOUSEMAN

§ 737.26 Insurance; requirements.

(a) Each warehouseman, when so requested in writing by the depositor of or the lawful holder of the receipt for any tobacco, shall, to the extent to which, in the exercise of due diligence, he is able to procure such insurance, keep such tobacco while in his custody insured in his own name, or arrange for