

Farm Service Agency, USDA

§ 739.18

shrinkage and/or pickage agreed upon between the depositor and the warehouseman, in the case of nonidentity preserved beans.

(b) Every receipt, whether negotiable or nonnegotiable, issued for beans stored in a warehouse shall specify a period, not exceeding one year, for which the beans are accepted for storage under the act and the regulations in this part, but, upon demand and surrender of the old receipt by the lawful holder thereof at or before the expiration of the specified period, the warehouseman, upon such lawful terms and conditions as may be granted by him at such time to other depositors of beans in the warehouse, may issue a new receipt for a further specified period not exceeding one year: *Provided:* (1) In the case of beans stored identity preserved it is first actually determined by a licensed inspector that the beans have not deteriorated and are in proper condition for further storage; and (2) in the case of beans stored on a fungible basis that the warehouseman determines the total quantity of beans covered by outstanding receipts calling for the same grade of beans as called for by the surrendered receipt, that the licensed inspector determines that all beans of the grade in question and stored on a fungible basis are in proper condition for further storage, and that the warehouseman determines that he has sufficient quantity of beans of the proper grade as determined by the licensed inspector to cover all outstanding receipts including the surrendered receipt.

(c) The grade stated in a receipt issued for beans the identity of which is not to be preserved shall be stated as determined by the licensed grader who last graded the beans before the issuance of such receipt; and such receipt shall embody within its written or printed terms the following: (1) That the beans covered by the receipt were inspected and graded by a licensed inspector, and (2) 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 beans covered by the receipt.

(d) Whenever the grade or other class of beans is stated in a receipt issued for

beans stored in a warehouse, such grade or other class shall be stated in the receipt in accordance with §§ 739.73 through 739.75.

(e) If a warehouseman issues a receipt omitting the statement of grade on request of the depositor as permitted by section 18 of the act, such receipt shall have clearly and conspicuously stamped or written on the face thereof the words "Not graded on request of depositor."

(f) 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 by the warehouseman.

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

[10 FR 4964, May 4, 1945; 13 FR 8729, 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]

§ 739.17 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.

[29 FR 13369, Sept. 26, 1964. Redesignated at 50 FR 1814, Jan. 14, 1985]

§ 739.18 Lost or destroyed receipts; bond.

(a) In the case of a lost or destroyed receipt, 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 new or duplicate receipt, the warehouseman shall require the depositor or other person

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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 beans represented by the lost or destroyed receipt. Such bond shall be in the 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.

§ 739.19 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 the agreement under paragraph (c) of this section.

[62 FR 33541, June 20, 1997]

§ 739.20 Partial delivery of beans.

If a warehouseman delivers a part only of a lot of beans 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 these regulations for the undelivered portion of the beans. The new receipt shall show the date of issuance and also indicate the number and date of the old receipt.

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§ 739.21 Return of receipts before delivery of beans.

Except as permitted by law or by the regulations in this part, a warehouseman shall not deliver beans for which he has issued a negotiable receipt until the receipt has been returned to him and canceled, and shall not deliver beans 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 order therefor.

§ 739.22 Nonnegotiable receipts; releases.

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 beans 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 beans covered by a non-negotiable 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.

§ 739.23 Omission of grade; no compulsion by warehouseman.

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

DUTIES OF LICENSED WAREHOUSEMAN

§ 739.24 Beans must be inspected.

No warehouseman shall accept beans for storage or any other purpose until they have been inspected and approved by a licensed inspector, nor store beans the identity of which is not to be preserved until their grade has been determined by a licensed inspector.

§ 739.25 Insurance; requirements.

(a) Each warehouseman, when so requested in writing by the depositor of beans, or the lawful holder of the receipt for any beans, shall, to the extent