

time it becomes effective as it applies to persons thereafter licensed under the act.

**§ 735.93 OMB control number assigned pursuant to Paperwork Reduction Act.**

The information collection requirements contained in these regulations (7 CFR part 735) have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C. Chapter 35 and have been assigned OMB control number 0560-0120.

[53 FR 27151, July 19, 1988]

**§§ 735.94—735.99 [Reserved]**

**ELECTRONIC WAREHOUSE RECEIPTS**

**§ 735.100 General statement.**

The regulations in §§ 735.100 through 735.105 give a USWA licensed warehouseman the option of issuing EWRs instead of paper warehouse receipts for the cotton stored in its facility. EWRs may only be created through a provider who is approved by the Service.

[59 FR 15038, Mar. 31, 1994, as amended at 62 FR 33540, June 20, 1997]

**§ 735.101 Electronic warehouse receipts.**

(a) EWRs issued pursuant to this part establish the same rights and obligations with respect to a bale of cotton as a paper receipt. With the exception of the requirement that warehouse receipts be issued on paper (§ 735.19), all other requirements applicable to paper warehouse receipts shall apply to EWRs, unless otherwise specified. The person identified as the "holder" of an EWR shall be entitled to the same rights and privileges as the holder of a paper warehouse receipt.

(b) EWRs must be issued as single bale receipts.

(c) EWRs may only be issued through a provider.

(d) Warehousemen must notify all holders of cotton receipted by inclusion in the CFS at least 30 calendar days before changing providers, unless otherwise required or allowed by the Secretary.

(e) Licensed warehousemen may cancel EWRs only when they are the holder of such receipts.

(f) Licensed warehousemen, only as holder, may correct information on the EWR.

(g) Only the holder of the receipt may transfer the receipt to a new holder.

(h) The identity of the holder must be included as additional information for every EWR.

(i) An EWR shall only designate one entity as a holder at any one time.

(j) An EWR shall not be issued for a bale of cotton if another receipt, paper or electronic, on such bale is outstanding. No two warehouse receipts issued by a licensed warehouse may have the same receipt number.

(k) Prior to issuing EWRs, each warehouseman shall request and receive from the Service a range of consecutive warehouse receipt numbers which the warehouseman shall use for the EWRs it issues.

(l) If a warehouseman has a contract with a provider, all warehouse receipts issued by the warehouseman shall initially be issued as EWRs.

(m) An EWR may only be issued to replace a paper receipt if the current holder of the warehouse receipt agrees.

(n) Licensed warehousemen must inform the Secretary of the identity of their approved provider 60 calendar days in advance of issuing warehouse receipts through that provider. The Secretary may waive or modify this 60 day requirement.

(o) Holders and licensed warehousemen may authorize any other user of a provider to act on their behalf with respect to their activities with such provider. Such authorization must be in writing, acknowledged, and retained by the provider.

(p) Provisions of § 735.18 shall be applicable to lost or destroyed EWRs.

[59 FR 15038, Mar. 31, 1994, as amended at 62 FR 33540, June 20, 1997]

**§ 735.102 Provider requirements and standards for applicants.**

(a) *Financial requirements.* All providers to be approved under this part must meet the following requirements:

(1) Have a net worth of at least \$25,000, and

(2) Maintain two insurance policies; one for "errors and omissions" and another for "fraud and dishonesty". Each