

§ 742.13

regulations thereunder relating to the above-named products; and

Faithfully perform during said 1 year period and thereafter, whether or not said warehouse(s) remain(s) licensed under the Act, such delivery obligations and further obligations as a warehouseman as exist at the beginning of said 1 year period or are assumed during said period and prior to termination of said license(s) under contracts with the respective depositors of such products in the warehouse(s);

Then this obligation shall be null and void and of no effect, otherwise to remain in full force. For purposes of this bond, the aforesaid obligations under the Act and regulations and contracts shall include obligations under any and all modifications of the Act, the regulations, and the contracts that may hereafter be made, notice of which modifications to the surety being hereby waived.

[28 FR 5637, June 8, 1963. Redesignated at 50 FR 1814, Jan. 14, 1985]

§ 742.13 Basis of amount of bond; additional amounts.

(a) Exclusive of any amount which may be added in accordance with paragraphs (b) and (c) of this section, the amount of such bond shall be at the rate of \$5 per ton or fractional part thereof of the maximum number of tons that the warehouse will accommodate when stored in the manner customary to the warehouse for which such bond is required, as determined by the Administrator, but not less than \$5,000 nor more than \$50,000. If such warehouseman has applied for licenses to conduct two or more warehouses in the same State, the assets applicable to all of which shall be subject to the liabilities of each, and shall desire to give a single bond meeting the requirements of the act and the regulations in this part for said warehouses, such warehouses shall be deemed to be one warehouse for the purposes of the bond required, under §§ 742.12 through 742.16, but the maximum amount of the bond shall be raised to \$100,000.

(b) In case of a deficiency in net assets under § 742.5, there shall be added to the amount of the bond, fixed in accordance with paragraph (a) of this section, an amount equal to such deficiency.

(c) In case the Secretary finds the existence of conditions warranting such action, there shall be added to the amount fixed in accordance with para-

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graphs (a) and (b) of this section, a further amount, fixed by him, to meet such conditions.

§ 742.14 Extension bond.

In case an application is made under § 742.3 for a modification or an extension of a license and no bond previously filed by the warehouseman under §§ 742.12 through 742.16 covers obligations arising during the period of such modification or extension, the warehouseman shall, when notice has been given by the Secretary 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. In the discretion of the Secretary, 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.

§ 742.15 New bond required each year.

Whenever a continuous form of license has been issued such license shall not be effective beyond one 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 prior to the date on which that license would have expired had it been issued for but one year, subject to the provisions of § 742.14.

§ 742.16 Approval of bond.

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

WAREHOUSE RECEIPTS

§ 742.17 Form.

(a) Every receipt, whether negotiable or nonnegotiable, issued for cottonseed 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 licensed warehouseman and the designation, if any, of the warehouse; (2) the license number of the warehouse; (3) a statement whether the warehouseman is incorporated or unincorporated, and, if incorporated, under what laws; (4) the tag number given to each bag or lot of cottonseed in accordance with § 742.36; (5) a statement, conspicuously placed, whether or not the cottonseed is insured, and, if insured, to what extent, by the warehouseman against loss by fire, lightning, tornado, or flood; (6) a blank space designated for the purpose in which the condition of the cottonseed shall be stated; (7) the moisture content of the cottonseed at the time of storage; (8) the bin or compartment number in which the cottonseed is stored, if stored in bulk; (9) the words "Not Negotiable", or "Negotiable", according to the nature of the receipt, clearly and conspicuously printed or stamped thereon; and (10) a statement indicating the amount of shrinkage agreed upon between the depositor and the warehouseman.

(b) Every receipt, whether negotiable, or nonnegotiable, issued for cottonseed stored in a licensed warehouse shall specify a period, for which the cottonseed is accepted for storage under the Act and the regulations in this part not to extend beyond July 1 following the year in which harvested. Upon demand and the surrender of the old receipt by the lawful holder thereof on or before July 1, the warehouseman, upon such lawful terms and conditions as may be granted by him at such time to other depositors of cottonseed in the warehouse, if he then continues to act as a licensed warehouseman, may either extend the old receipt by making a proper notation thereon or issue a new receipt for a further specified period not exceeding 3 months: *Provided*, That receipts covering seed stored in sacks as specified in § 742.2(i) may be extended or new receipts issued for a further period not extending beyond June 30 following the second crop year in which the seeds were harvested, and provided it is actually determined in

either case that the quality of the cottonseed has not been impaired, but in no event shall cottonseed of two different crop years be stored in the same bin, lot, or compartment. If receipts are extended by endorsements, such endorsement shall be made across the face of the receipt, shall be signed and dated by the licensed warehouseman as of the date of the extension, and shall read as follows: "This receipt extended in accordance with the act and regulations not to extend beyond ——."

(c) The grade stated in a receipt issued for cottonseed, stored in a licensed warehouse, shall be stated in such receipt as determined by the licensed grader who last graded the cottonseed before the issuance of such receipt, and such receipt shall embody within its written or printed terms the following: (1) That the cottonseed was inspected by a licensed inspector, graded by a licensed grader, and weighed by a licensed weigher; (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 cottonseed covered by the receipt.

(d) Whenever the grade or other class of the cottonseed is stated in a receipt issued for cottonseed stored in a licensed warehouse, such grade or other class shall be stated in the receipt in accordance with §§ 742.77 through 742.79.

(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 0581-0027)

[SRA, BAE 102, as amended July 14, 1931, as amended at 47 FR 745, Jan. 7, 1982. Redesignated at 50 FR 1814, Jan. 14, 1985]

§ 742.18 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.

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

§ 742.19 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 receipt 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 licensed 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 cottonseed represented by the lost or destroyed receipt. Such bond shall be in a form approved for the purpose by the Secretary, 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 (i) a surety company which is authorized to do business, and is subject to service or process in a suit on the bond, in the State in which the warehouse is lo-

cated, or (ii) at least two individuals who are residents of such State and each of whom owns real property therein having a value, in excess of its exemptions and encumbrances, to the extent of double the amount of the bond.

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[SRA, BAE 102; 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]

§ 742.20 Approval of form of receipt.

No receipt shall be issued by a licensed warehouseman except it be (a) in form prescribed by the Administrator, (b) upon distinctive paper specified by him, (c) printed by a printer with whom the United States has a subsisting contract and bond for such printing, and (d) on paper manufactured by and procured from a manufacturer with whom the United States has a subsisting contract and bond for the manufacture of such paper.

§ 742.21 Partial delivery of cottonseed.

(a) If a warehouseman is requested to deliver a part only of cottonseed stored in one bin or compartment for which he has issued negotiable receipts under the act, and such delivery is made in such a manner that no accurate record of the weight of the portion delivered can be ascertained, he shall take up and cancel all receipts covering the entire contents of the bin or compartment before making such partial delivery and no receipt shall be issued for the undelivered portion until the weight of such undelivered seed has been determined.

(b) If a warehouseman is requested to deliver a part only of a lot of cottonseed for which he has issued a negotiable receipt under the act, and he can by actual accurate weight ascertain the amount to be delivered, 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 cottonseed. The new receipt shall show the date of issuance and also indicate the number and date of the old receipt.