

as may be necessary to adapt the forms to the type of legal entity involved:

Now, therefore, if the said license(s) or any amendments thereto be granted and said principal, and its successors and assigns operating said warehouse(s), shall:

Faithfully perform during the period of 1 year commencing _____, or until the termination of said license(s) in the event of termination prior to the end of the 1-year period, all obligations of a licensed warehouseman under the terms of the Act and 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]

§ 737.12 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 1,000 pounds of the maximum number of pounds of tobacco that the warehouse will accommodate when stored in the manner customary to the warehouse, as determined by the Administrator, but not less than \$5,000 nor more than \$50,000. In case a 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 the said warehouses, such warehouses shall be deemed to be one warehouse for the purposes of the bond required under §§ 737.11 through 737.15.

(b) In case of a deficiency in net assets under § 737.5 there shall be added

to the amount ascertained in accordance with paragraph (a) of this section an amount equal to such deficiency.

(c) If the Secretary, or his designated representative finds the existence of conditions warranting such action, there shall be added to the amount 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