

§ 738.12

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]

§ 738.12 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 \$15 per 1,000 pounds or fraction thereof of the maximum number of pounds of wool 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 the said warehouses, such warehouses shall be deemed to be one warehouse for the purposes of the bond required under §§ 738.11 through 738.15.

(b) In case of a deficiency in net assets as required by § 738.5, 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) If the Secretary or his designated representative finds the existence of conditions warranting such action, there shall be added to the amount fixed in accordance with paragraphs (a) and (b) of this section a further amount fixed by him to meet such conditions.

§ 738.13 Amendment of license.

If application is made under § 738.3 for an amendment of a license, and no bond previously filed by the warehouseman under §§ 738.11 through 738.15 covers obligations arising under such amendment, the warehouseman shall, when notice has been given by the Secretary, or his designated representative, that such amendment will be

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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.

§ 738.14 New bond required each year.

Whenever a license has been issued for a period longer 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 § 738.13.

§ 738.15 Approval of bond.

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

WAREHOUSE RECEIPTS

§ 738.16 Form.

(a) Every receipt, whether negotiable or nonnegotiable, issued for wool stored in a warehouse, shall, in addition to complying with the requirements of section 18 of the act, embody within its written or printed terms of the following:

(1) The name of the warehouseman and the designation, if any, of the warehouse; (2) the number of the license issued to the warehouseman (3) a statement whether the warehouseman is incorporated or unincorporated, and, if incorporated, under what laws; (4) in