

MAINE STATE LEGISLATURE

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SEVENTY-FOURTH LEGISLATURE

SENATE.

No. 186

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND NINE.

AN ACT to make uniform the Law of Warehouse Receipts.

*Be it enacted by the Senate and House of Representatives
in Legislature assembled, as follows:*

PART I.

THE ISSUE OF WAREHOUSE RECEIPTS.

Section 1. (*Persons who may issue receipts.*)—Ware-
2 house receipts may be issued by any warehouseman.

Sect. 2. (*Form of receipts. Essential terms.*)—Ware-
2 house receipts need not be in any particular form, but every
3 such receipt must embody within its written or printed
4 terms—

(a) The location of the warehouse where the goods are
6 stored,

- (b) The date of issue of the receipt,
- (c) The consecutive number of the receipt,
- (d) A statement whether the goods received will be de-
10 livered to the bearer, to a specified person, or to a specified
11 person or his order.
- (e) The rate of storage charges,
- (f) A description of the goods or of the packages con-
14 taining them,
- (g) The signature of the warehouseman, which may be
16 made by his authorized agent,
- (h) If the receipt is issued for goods of which the ware-
18 houseman is owner, either solely or jointly or in common
19 with others, the fact of such ownership, and
- (i) A statement of the amount of advances made and of
21 liabilities incurred for which the warehouseman claims a
22 lien. If the precise amount of such advances made or of
23 such liabilities incurred is, at the time of the issue of the
24 receipt, unknown to the warehouseman or to his agent who
25 issues it, a statement of the fact that advances have been
26 made or liabilities incurred and the purpose thereof is suffi-
27 cient.

A warehouseman shall be liable to any person injured
29 thereby, for all damage caused by the omission from a
30 negotiable receipt of any of the terms herein required.

Sect. 3. (*Form of receipts. What terms may be in-*
2 *serted.*)—A warehouseman may insert in a receipt, issued

3 by him, any other terms and conditions, provided that such
4 terms and conditions shall not—

(a) Be contrary to the provisions of this act.

(b) In any wise impair his obligation to exercise that
7 degree of care in the safe-keeping of the goods entrusted
8 to him which a reasonably careful man would exercise in
9 regard to similar goods of his own.

Sect. 4. (*Definition of non-negotiable receipt.*)—A re-
2 ceipt in which it is stated that the goods received will be
3 delivered to the depositor, or to any other specified person,
4 is a non-negotiable receipt.

Sect. 5. (*Definition of negotiable receipt.*)—A receipt in
2 which it is stated that the goods received will be delivered
3 to the bearer, or to the order of any person named in such
4 receipt is a negotiable receipt.

No provision shall be inserted in a negotiable receipt that
6 it is non-negotiable. Such provision, if inserted, shall be
7 void.

Sect. 6. (*Duplicate receipts must be so marked.*)—When
2 more than one negotiable receipt is issued for the same
3 goods, the word “duplicate” shall be plainly placed upon
4 the face of every such receipt, except the one first issued.
5 A warehouseman shall be liable for all damage caused by
6 his failure so to do to any one who purchased the subse-
7 quent receipt for value supposing it to be an original, even
8 though the purchase be after the delivery of the goods by
9 the warehouseman to the holder of the original receipt.

Sect. 7. (*Failure to mark "not negotiable."*)—A non-
2 negotiable receipt shall have plainly placed upon its face
3 by the warehouseman issuing it "non-negotiable," or "not
4 negotiable." In case of the warehouseman's failure so to
5 do, a holder of the receipt who purchased it for value sup-
6 posing it to be negotiable, may, at his option, treat such
7 receipt as imposing upon the warehouseman the same lia-
8 bilities he would have incurred had the receipt been nego-
9 tiable.

This section shall not apply, however, to letters, memo-
11 randa, or written acknowledgments of an informal char-
12 acter.

PART II.

OBLIGATIONS AND RIGHTS OF WAREHOUSEMEN UPON THEIR RECEIPTS.

Sect. 8. (*Obligation of warehouseman to deliver.*)—A
2 warehouseman, in the absence of some lawful excuse pro-
3 vided by this act, is bound to deliver the goods upon a de-
4 mand made either by the holder of a receipt for the goods
5 or by a depositor, if such demand is accompanied with—

(a) An offer to satisfy the warehouseman's lien,

(b) An offer to surrender the receipt if negotiable, with
8 such indorsements as would be necessary for the negotia-
9 tion of the receipt, and

(c) A readiness and willingness to sign, when the goods
11 are delivered, an acknowledgment that they have been de-
12 livered, if such signature is requested by the warehouse-
13 man.

In case the warehouseman refuses or fails to deliver the
15 goods in compliance with a demand by the holder or de-
16 positor so accompanied, the burden shall be upon the ware-
17 houseman to establish the existence of a lawful excuse for
18 such refusal.

Sect. 9. (*Justification of warehouseman in delivering.*)—

2 A warehouseman is justified in delivering the goods, subject
3 to the provisions of the three following sections, to one
4 who is—

(a) The person lawfully entitled to the possession of the
6 goods, or his agent,

(b) A person who is either himself entitled to delivery by
8 the terms of a non-negotiable receipt issued for the goods,
9 or who has written authority from the person so entitled
10 either indorsed upon the receipt or written upon another
11 paper, or

(c) A person in possession of a negotiable receipt by the
13 terms of which the goods are deliverable to him or order or
14 to bearer, or which has been indorsed to him or in blank
15 by the person to whom delivery was promised by the terms
16 of the receipt or by his mediate or immediate indorsee.

Sect. 10. (*Warehouseman's liability for misdelivery.*)—

2 Where a warehouseman delivers the goods to one who is
3 not in fact lawfully entitled to the possession of them, the
4 warehouseman shall be liable as for conversion to all hav-
5 ing a right of property or possession in the goods if he
6 delivered the goods otherwise than as authorized by sub-

7 divisions (b) and (c) of the preceding section and though
8 he delivered the goods as authorized by said subdivisions
9 he shall be so liable, if prior to such delivery he had either

(a) Been requested, by or on behalf of the person law-
11 fully entitled to a right of property or possession in the
12 goods, not to make such delivery, or

(b) Had information that the delivery about to be made
14 was to one not lawfully entitled to the possession of the
15 goods.

Sect. 11. (*Negotiable receipts must be cancelled when*
2 *goods delivered.*)—Except as provided in Section 36, where
3 a warehouseman delivers goods for which he had issued
4 a negotiable receipt, the negotiation of which would trans-
5 fer the right to the possession of the goods, and fails to
6 take up and cancel the receipt, he shall be liable to any one
7 who purchases for value in good faith such receipt, for
8 failure to deliver the goods to him, whether such purchaser
9 acquired title to the receipt before or after the delivery of
10 the goods by the warehouseman.

Sect. 12. (*Negotiable receipts must be cancelled or*
2 *marked when part of goods delivered.*)—Except as provided
3 in Section 36, where a warehouseman delivers part of the
4 goods for which he had issued a negotiable receipt and fails
5 either to take up and cancel such receipt, or to place plainly
6 upon it a statement of what goods or packages have been
7 delivered he shall be liable, to any one who purchases for
8 value in good faith such receipt, for failure to deliver all

9 the goods specified in the receipt, whether such purchaser
10 acquired title to the receipt before or after the delivery of
11 any portion of the goods by the warehouseman.

Sect. 13. (*Altered receipts.*)—The alteration of a receipt
2 shall not excuse the warehouseman who issued it from any
3 liability if such alteration was

- (a) Immaterial,
- (b) Authorized, or
- (c) Made without fraudulent intent.

If the alteration was authorized, the warehouseman shall
8 be liable according to the terms of the receipt as altered.
9 If the alteration was unauthorized, but made without fraud-
10 ulent intent, the warehouseman shall be liable according to
11 the terms of the receipt, as they were before alteration.

Material and fraudulent alteration of a receipt shall not
13 excuse the warehouseman who issued it from liability to de-
14 liver, according to the terms of the receipt as originally
15 issued, the goods for which it was issued, but shall excuse
16 him from any other liability to the person who made the
17 alteration and to any person who took with notice of the
18 alteration. Any purchaser of the receipt for value without
19 notice of the alteration shall acquire the same rights against
20 the warehouseman which such purchaser would have ac-
21 quired if the receipt had not been altered at the time of
22 the purchase.

Sect. 14. (*Lost or destroyed receipts.*)—Where a nego-
2 tiable receipt has been lost or destroyed, a court of com-

3 petent jurisdiction may order the delivery of the goods
4 upon satisfactory proof of such loss or destruction and
5 upon the giving of a bond with sufficient sureties to be
6 approved by the court to protect the warehouseman from
7 any liability or expense, which he or any person injured
8 by such delivery may incur by reason of the original re-
9 ceipt remaining outstanding. The court may also in its
10 discretion order the payment of the warehouseman's rea-
11 sonable costs and counsel fees.

The delivery of the goods under an order of the court as
13 provided in this section, shall not relieve the warehouse-
14 man from liability to a person to whom the negotiable re-
15 ceipt has been or shall be negotiated for value without
16 notice of the proceedings or of the delivery of the goods.

Sect. 15. (*Effect of duplicate receipts.*)—A receipt upon
2 the face of which the word "duplicate" is plainly placed
3 is a representation and warranty by the warehouseman that
4 such receipt is an accurate copy of an original receipt prop-
5 erly issued and uncanceled at the date of the issue of the
6 duplicate, but shall impose upon him no other liability.

Sect. 16. (*Warehouseman can not set up title in him-
2 self.*)—No title or right to the possession of the goods, on
3 the part of the warehouseman, unless such title or right is
4 derived directly or indirectly from a transfer made by the
5 depositor at the time of or subsequent to the deposit for stor-
6 age, or from the warehouseman's lien, shall excuse the

7 warehouseman from liability for refusing to deliver the
8 goods according to the terms of the receipt.

Sect. 17. (*Interpleader of adverse claimants.*)—If more
2 than one person claim the title or possession of the goods,
3 the warehouseman may, either as a defence to an action
4 brought against him for non-delivery of the goods, or as
5 an original suit, whichever is appropriate, require all known
6 claimants to interplead.

Sect. 18. (*Warehouseman has reasonable time to deter-*
2 *mine validity of claims.*)—If some one other than the de-
3 positor or person claiming under him has a claim to the
4 title or possession of the goods, and the warehouseman has
5 information of such claim, the warehouseman shall be ex-
6 cused from liability for refusing to deliver the goods, either
7 to the depositor or person claiming under him or to the
8 adverse claimant, until the warehouseman has had a reason-
9 able time to ascertain the validity of the adverse claim or
10 to bring legal proceedings to compel all claimants to inter-
11 plead.

Sect. 19. (*Adverse title is no defence, except as above*
2 *provided.*)—Except as provided in the two preceding sec-
3 tions and in sections 9 and 36, no right or title of a third
4 person shall be a defence to an action brought by the de-
5 positor or person claiming under him against the warehouse-
6 man for failure to deliver the goods according to the terms
7 of the receipt.

Sect. 20. (*Liability for non-existence or misdescription of goods.*)—A warehouseman shall be liable to the holder of a receipt for damages caused by the non-existence of the goods or by the failure of the goods to correspond with the description thereof in the receipt at the time of its issue. If, however, the goods are described in a receipt merely by a statement of marks or labels upon them, or upon packages containing them, or by a statement that the goods are said to be goods of a certain kind, or that packages containing the goods are said to contain goods of a certain kind, or by words of like purport, such statements, if true, shall not make liable the warehouseman issuing the receipt, although the goods are not of the kind which the marks or labels upon them indicate, or of the kind they were said to be by the depositor.

Sect. 21. (*Liability for care of goods.*)—A warehouseman shall be liable for any loss or injury to the goods caused by his failure to exercise such care in regard to them as a reasonably careful owner of similar goods would exercise, but he shall not be liable, in the absence of an agreement to the contrary, for any loss or injury to the goods which could not have been avoided by the exercise of such care.

Sect. 22. (*Goods must be kept separate.*)—Except as provided in the following section, a warehouseman shall keep the goods so far separate from goods of other depositors, and from other goods of the same depositor for which

5 a separate receipt has been issued, as to permit at all times
6 the identification and re-delivery of the goods deposited.

Sect. 23. (*Fungible goods may be commingled, if ware-*
2 *houseman authorized.*)—If authorized by agreement or by
3 custom, a warehouseman may mingle fungible goods with
4 other goods of the same kind and grade. In such case the
5 various depositors of the mingled goods shall own the entire
6 mass in common, and each depositor shall be entitled to
7 such portion thereof as the amount deposited by him bears
8 to the whole.

Sect. 24. (*Liability of warehouseman to depositors of*
2 *commingled goods.*)—The warehouseman shall be severally
3 liable to each depositor for the care and re-delivery of his
4 share of such mass to the same extent and under the same
5 circumstances as if the goods had been kept separate.

Sect. 25. (*Attachment or levy upon goods for which a*
2 *negotiable receipt has been issued.*)—If goods are deliv-
3 ered to a warehouseman by the owner or by a person whose
4 act in conveying the title to them to a purchaser in good
5 faith for value would bind the owner, and a negotiable
6 receipt is issued for them, they can not thereafter, while
7 in the possession of the warehouseman, be attached by
8 garnishment or otherwise, or be levied upon under an
9 execution, unless the receipt be first surrendered to the
10 warehouseman, or its negotiation enjoined. The warehous-
11 man shall in no case be compelled to deliver up the actual

12 possession of the goods until the receipt is surrendered to
13 him or impounded by the court.

Sect. 26. (*Creditors' remedies to reach negotiable re-*
2 *ceipts.*)—A creditor whose debtor is the owner of a nego-
3 tiable receipt shall be entitled to such aid from courts of
4 appropriate jurisdiction, by injunction and otherwise, in
5 attaching such receipt or in satisfying the claim by means
6 thereof as is allowed at law or in equity, in regard to prop-
7 erty which can not readily be attached or levied upon by
8 ordinary legal process.

Sect. 27. (*What claims are included in the warehouse-*
2 *man's lien.*)—Subject to the provisions of Section 30, a
3 warehouseman shall have a lien on goods deposited or on
4 the proceeds thereof in his hands, for all lawful charges
5 for storage and preservation of the goods; also for all law-
6 ful claims for money advanced, interest, insurance, trans-
7 portation, labor, weighing, coopering and other charges and
8 expenses in relation to such goods; also for all reasonable
9 charges and expenses for notice, and advertisements of sale,
10 and for sale of the goods where default has been made in
11 satisfying the warehouseman's lien.

Sect. 28. (*Against what property the lien may be en-*
2 *forced.*)—Subject to the provisions of Section 30, a ware-
3 houseman's lien may be enforced—

(a) Against all goods, whenever deposited, belonging to
5 the person who is liable as debtor for the claims in regard
6 to which the lien is asserted, and

(b) Against all goods belonging to others which have
8 been deposited at any time by the person who is liable as
9 debtor for the claims in regard to which the lien is asserted,
10 if such person had been so entrusted with the possession of
11 the goods that a pledge of the same by him at the time of
12 the deposit to one who took the goods in good faith for
13 value would have been valid.

Sect. 29. (*How the lien may be lost.*)—A warehouseman
2 loses his lien upon goods—

(a) By surrendering possession thereof, or

(b) By refusing to deliver the goods when a demand is
5 made with which he is bound to comply under the pro-
6 visions of this act.

Sect. 30. (*Negotiable receipt must state charges for which*
2 *lien is claimed.*)—If a negotiable receipt is issued for goods,
3 the warehouseman shall have no lien thereon, except for
4 charges for storage of those goods subsequent to the date
5 of the receipt, unless the receipt expressly enumerates other
6 charges for which a lien is claimed. In such case there shall
7 be a lien for the charges enumerated so far as they are
8 within the terms of Section 27, although the amount of the
9 charges so enumerated is not stated in the receipt.

Sect. 31. (*Warehouseman need not deliver until lien is*
2 *satisfied.*)—A warehouseman having a lien valid against
3 the person demanding the goods may refuse to deliver the
4 goods to him until the lien is satisfied.

Sect. 32. (*Warehouseman's lien does not preclude other*

2 *remedies.*)—Whether a warehouseman has or has not a
3 lien upon the goods, he is entitled to all remedies allowed
4 by law to a creditor against his debtor, for the collection
5 from the depositor of all charges and advances which the
6 depositor has expressly or impliedly contracted with the
7 warehouseman to pay.

Sect. 33. (*Satisfaction of lien by sale.*)—A warehouse-
2 man's lien for a claim which has become due may be satis-
3 fied as follows:

The warehouseman shall give a written notice to the per-
5 son on whose account the goods are held, and to any other
6 person known by the warehouseman to claim an interest in
7 the goods. Such notice shall be given by delivery in per-
8 son or by registered letter addressed to the last known place
9 of business or abode of the person to be notified. The notice
10 shall contain—

(a) An itemized statement of the warehouseman's claim,
12 showing the sum due at the time of the notice and the date
13 or dates when it became due,

(b) A brief description of the goods against which the
15 lien exists,

(c) A demand that the amount of the claim as stated in
17 the notice, and of such further claim as shall accrue, shall
18 be paid on or before a day mentioned, not less than ten days
19 from the delivery of the notice if it is personally delivered,
20 or from the time when the notice should reach its destination,

21 according to the due course of post, if the notice is sent by
22 mail, and

(d) A statement that unless the claim is paid within the
24 time specified the goods will be advertised for sale and sold
25 by auction at a specified time and place.

In accordance with the terms of a notice so given, a sale
27 of the goods by auction may be had to satisfy any valid
28 claim of the warehouseman for which he has a lien on the
29 goods. The sale shall be had in the place where the lien
30 was acquired, or, if such place is manifestly unsuitable for
31 the purpose, at the nearest suitable place. After the time
32 for the payment of the claim specified in the notice to the
33 depositor has elapsed, an advertisement of the sale, describ-
34 ing the goods to be sold, and stating the name of the owner
35 or person on whose account the goods are held, and the
36 time and place of the sale, shall be published once a week
37 for two consecutive weeks in a newspaper published in the
38 place where such sale is to be held. The sale shall not be
39 held less than fifteen days from the time of the first pub-
40 lication. If there is no newspaper published in such place,
41 the advertisement shall be posted at least ten days before
42 such sale in not less than six conspicuous places therein.

From the proceeds of such sale the warehouseman shall
44 satisfy his lien, including the reasonable charges of notice,
45 advertisement, and sale. The balance, if any, of such pro-
46 ceeds shall be held by the warehouseman, and delivered on

47 demand to the person to whom he would have been bound
48 to deliver or justified in delivering the goods.

At any time before the goods are so sold any person claim-
50 ing a right of property or possession therein may pay the
51 warehouseman the amount necessary to satisfy his lien and
52 to pay the reasonable expenses and liabilities incurred in
53 serving notices and advertising and preparing for the sale
54 up to the time of such payment. The warehouseman shall
55 deliver the goods to the person making such payment if he
56 is a person entitled, under the provisions of this act, to the
57 possession of the goods on payment of charges thereon.
58 Otherwise the warehouseman shall retain possession of the
59 goods according to the terms of the original contract of
60 deposit.

Sect. 34. (*Perishable and hazardous goods.*)—If goods
2 are of a perishable nature, or by keeping will deteriorate
3 greatly in value, or by their odor, leakage, inflammability,
4 or explosive nature, will be liable to injure other property,
5 the warehouseman may give such notice to the owner, or to
6 the person in whose name the goods are stored, as is reason-
7 able and possible under the circumstances, to satisfy the
8 lien upon such goods, and to remove them from the ware-
9 house, and in the event of the failure of such person to
10 satisfy the lien and to remove the goods within the time so
11 specified, the warehouseman may sell the goods at public
12 or private sale without advertising. If the warehouseman
13 after a reasonable effort is unable to sell such goods, he

14 may dispose of them in any lawful manner, and shall incur
15 no liability by reason thereof.

The proceeds of any sale made under the terms of this
17 section shall be disposed of in the same way as the pro-
18 ceeds of sales made under the terms of the preceding section.

Sect. 35. (*Other methods of enforcing liens.*)—The rem-
2 edy for enforcing a lien herein provided does not preclude
3 any other remedies allowed by law for the enforcement of
4 a lien against personal property nor bar the right to recover
5 so much of the warehouseman's claim as shall not be paid
6 by the proceeds of the sale of the property.

Sect. 36. (*Effect of sale.*)—After goods have been law-
2 fully sold to satisfy a warehouseman's lien, or have been
3 lawfully sold or disposed of because of their perishable or
4 hazardous nature, the warehouseman shall not thereafter be
5 liable for failure to deliver the goods to the depositor, or
6 owner of the goods, or to a holder of the receipt given for
7 the goods when they were deposited, even if such receipt
8 be negotiable.

PART III.

NEGOTIATION AND TRANSFER OF RECEIPTS.

Sect. 37. (*Negotiation of negotiable receipts by delivery.*)
2 —A negotiable receipt may be negotiated by delivery—

(a) Where, by the terms of the receipt, the warehouseman
4 undertakes to deliver the goods to the bearer, or

(b) Where, by the terms of the receipt, the warehouseman
6 undertakes to deliver the goods to the order of a specified

7 person, and such person or a subsequent indorsee of the
8 receipt has indorsed it in blank or to bearer.

Where, by the terms of a negotiable receipt, the goods are
10 deliverable to bearer or where a negotiable receipt has been
11 indorsed in blank or to bearer, any holder may indorse the
12 same to himself or to any other specified person, and in such
13 case the receipt shall thereafter be negotiated only by the
14 indorsement of such indorsee.

Sect. 38. (*Negotiation of negotiable receipts by indorse-*
2 *ment.*)—A negotiable receipt may be negotiated by the in-
3 dorsement of the person to whose order the goods are, by
4 the terms of the receipt, deliverable. Such indorsement
5 may be in blank, to bearer or to a specified person. If in-
6 dorsed to a specified person, it may be again negotiated by
7 the indorsement of such person in blank, to bearer or to
8 another specified person. Subsequent negotiation may be
9 made in like manner.

Sect. 39. (*Transfer of receipts.*)—A receipt which is not
2 in such form that it can be negotiated by delivery may be
3 transferred by the holder by delivery to a purchaser or donee.

A non-negotiable receipt cannot be negotiated, and the
5 indorsement of such a receipt gives the transferee no addi-
6 tional right.

Sect. 40.—(*Who may negotiate a receipt.*)—A negotiable
2 receipt may be negotiated—

(a) By the owner thereof, or

(b) By any person to whom the possession or custody of

5 the receipt has been entrusted by the owner, if, by the
6 terms of the receipt, the warehouseman undertakes to deliver
7 the goods to the order of the person to whom the possession
8 or custody of the receipt has been entrusted, or if at the
9 time of such entrusting the receipt is in such form that it
10 may be negotiated by delivery.

Sect. 41. (*Rights of person to whom a receipt has been*
2 *negotiated.*)—A person to whom a negotiable receipt has
3 been duly negotiated acquires thereby—

(a) Such title to the goods as the person negotiating the
5 receipt to him had or had ability to convey to a purchaser
6 in good faith for value, and also such title to the goods as
7 the depositor or person to whose order the goods were to
8 be delivered by the terms of the receipt had or had ability
9 to convey to a purchaser in good faith for value, and

(b) The direct obligation of the warehouseman to hold
11 possession of the goods for him according to the terms of
12 the receipt as fully as if the warehouseman had contracted
13 directly with him.

Sect. 42. (*Rights of person to whom a receipt has been*
2 *transferred.*)—A person to whom a receipt has been trans-
3 ferred but not negotiated, acquires thereby, as against the
4 transferor, the title to the goods, subject to the terms of any
5 agreement with the transferor.

If the receipt is non-negotiable such person also acquires
7 the right to notify the warehouseman of the transfer to him
8 of such receipt, and thereby to acquire the direct obligation

9 of the warehouseman to hold possession of the goods for him
10 according to the terms of the receipt.

Prior to the notification of the warehouseman by the trans-
12 feror or transferee of a non-negotiable receipt, the title of
13 the transferee to the goods and the right to acquire the
14 obligation of the warehouseman may be defeated by the
15 levy of an attachment or execution upon the goods by a
16 creditor of the transferor, or by a notification to the ware-
17 houseman by the transferor or a subsequent purchaser from
18 the transferor of a subsequent sale of the goods by the
19 transferor.

Sect. 43. (*Transfer of negotiable receipt without indorse-*
2 *ment.*)—Where a negotiable receipt is transferred for value
3 by delivery, and the indorsement of the transferor is essen-
4 tial for negotiation, the transferee acquires a right against
5 the transferor to compel him to indorse the receipt, unless
6 a contrary intention appears. The negotiation shall take
7 effect as of the time when the indorsement is actually made.

Sect. 44. (*Warranties on sale of receipt.*)—A person who
2 for value negotiates or transfers a receipt by indorsement
3 or delivery, including one who assigns for value a claim
4 secured by a receipt, unless a contrary intention appears,
5 warrants—

- (a) That the receipt is genuine,
- (b) That he has a legal right to negotiate or transfer it,
- (c) That he has knowledge of no fact which would im-
9 pair the validity or worth of the receipt, and

(d) That he has a right to transfer the title to the goods,
11 and that the goods are merchantable or fit for a particular
12 purpose whenever such warranties would have been implied,
13 if the contract of the parties had been to transfer without a
14 receipt the goods represented thereby.

Sect. 45. (*Indorser not a guarantor.*)—The indorsement
2 of a receipt shall not make the indorser liable for any failure
3 on the part of the warehouseman or previous indorsers of the
4 receipt to fulfil their respective obligations.

Sect. 46. (*No warranty implied from accepting payment
2 of a debt.*)—A mortgagee, pledgee or holder for security
3 of a receipt who in good faith demands or receives payment
4 of the debt for which such receipt is security, whether from
5 a party to a draft drawn for such debt or from any other
6 person, shall not by so doing be deemed to represent or to
7 warrant the genuineness of such receipt or the quantity or
8 quality of the goods therein described.

Sect. 47. (*When negotiation not impaired by fraud, mis-
2 take, or duress.*)—The validity of the negotiation of a re-
3 ceipt is not impaired by the fact that such negotiation was
4 a breach of duty on the part of the person making the nego-
5 tiation, or by the fact that the owner of the receipt was
6 induced by fraud, mistake, or duress to entrust the posses-
7 sion or custody of the receipt to such person, if the person
8 to whom the receipt was negotiated, or a person to whom
9 the receipt was subsequently negotiated, paid value therefor,

10 without notice of the breach of duty, or fraud, mistake, or
11 duress.

Sect. 48. (*Subsequent negotiation.*)—Where a person
2 having sold, mortgaged, or pledged goods which are in a
3 warehouse and for which a negotiable receipt has been issued,
4 or having sold, mortgaged, or pledged the negotiable receipt
5 representing such goods, continues in possession of the nego-
6 tiable receipt, the subsequent negotiation thereof by that
7 person under any sale, or other disposition thereof to any
8 person receiving the same in good faith, for value and with-
9 out notice of the previous sale, mortgage or pledge, shall
10 have the same effect as if the first purchaser of the goods
11 or receipt had expressly authorized the subsequent nego-
12 tiation.

Sect. 49. (*Negotiation defeats vendor's lien.*)—Where a
2 negotiable receipt has been issued for goods, no seller's lien
3 or right of stoppage in transitu shall defeat the rights of
4 any purchaser for value in good faith to whom such receipt
5 has been negotiated, whether such negotiation be prior or
6 subsequent to the notification to the warehouseman who
7 issued such receipt of the seller's claim to a lien or right
8 of stoppage in transitu. Nor shall the warehouseman be
9 obliged to deliver or justified in delivering the goods to an
10 unpaid seller unless the receipt is first surrendered for can-
11 cellation.

PART IV.

CRIMINAL OFFENSES.

Sect. 50. (*Issue of receipt for goods not received.*)—A
2 warehouseman, or any officer, agent, or servant of a ware-
3 houseman, who issues or aids in issuing a receipt knowing
4 that the goods for which such receipt is issued have not been
5 actually received by such warehouseman, or are not under
6 his actual control at the time of issuing such receipt, shall
7 be guilty of a crime, and upon conviction shall be punished
8 for each offence by imprisonment not exceeding five years,
9 or by a fine not exceeding five thousand dollars, or by both.

Sect. 51. (*Issue of receipt containing false statement.*)—
2 A warehouseman, or any officer, agent, or servant of a ware-
3 houseman, who fraudulently issues or aids in fraudulently
4 issuing a receipt for goods knowing that it contains any
5 false statement, shall be guilty of a crime, and upon con-
6 viction shall be punished for each offence by imprisonment
7 not exceeding one year, or by a fine not exceeding one thou-
8 sand dollars, or by both.

Sect. 52. (*Issue of duplicate receipts not so marked.*)—
2 A warehouseman, or any officer, agent, or servant of a ware-
3 houseman, who issues or aids in issuing a duplicate or addi-
4 tional negotiable receipt for goods knowing that a former
5 negotiable receipt for the same goods or any part of them
6 is outstanding and uncanceled, without plainly placing upon
7 the face thereof the word "Duplicate," except in the case
8 of a lost or destroyed receipt after proceedings as provided

9 for in Section 14, shall be guilty of a crime, and upon con-
10 viction shall be punished for each offence by imprisonment
11 not exceeding five years, or by a fine not exceeding five thou-
12 sand dollars, or by both.

Sect. 53. (*Issue for warehouseman's goods of receipts*
2 *which do not state that fact.*)—Where there are deposited
3 with or held by a warehouseman goods of which he is owner,
4 either solely or jointly or in common with others, such ware-
5 houseman, or any of his officers, agents, or servants who,
6 knowing this ownership, issues or aids in issuing a nego-
7 tiable receipt for such goods which does not state such own-
8 ership, shall be guilty of a crime, and upon conviction shall
9 be punished for each offence by imprisonment not exceeding
10 one year, or by a fine not exceeding one thousand dollars,
11 or by both.

Sect. 54. (*Delivery of goods without obtaining negotiable*
2 *receipt.*)—A warehouseman, or any officer, agent, or servant
3 of a warehouseman who delivers goods out of the possession
4 of such warehouseman, knowing that a negotiable receipt
5 the negotiation of which would transfer the right to the pos-
6 session of such goods is outstanding and uncanceled, with-
7 out obtaining the possession of such receipt at or before the
8 time of such delivery, shall, except in the cases provided for
9 in Sections 14 and 36, be found guilty of a crime, and upon
10 conviction shall be punished for each offence by imprison-
11 ment not exceeding one year, or by a fine not exceeding one
12 thousand dollars, or by both.

Sect. 55. (*Negotiation of receipt for mortgaged goods.*)—
2 Any person who deposits goods to which he has not title,
3 or upon which there is a lien or mortgage, and who takes
4 for such goods a negotiable receipt which he afterwards
5 negotiates for value with intent to deceive and without dis-
6 closing his want of title or the existence of the lien or mort-
7 gage shall be guilty of a crime, and upon conviction shall
8 be punished for each offence by imprisonment not exceeding
9 one year, or by a fine not exceeding one thousand dollars,
10 or by both.

PART V.

INTERPRETATION.

Sect. 56. (*When rules of common law still applicable.*)—
2 In any case not provided for in this act, the rules of law
3 and equity, including the law merchant, and in particular
4 the rules relating to the law of principal and agent and to
5 the effect of fraud, misrepresentation, duress or coercion,
6 mistake, bankruptcy, or other invalidating cause, shall
7 govern.

Sect. 57. (*Interpretation shall give effect to purpose of*
2 *uniformity.*)—This act shall be so interpreted and construed
3 as to effectuate its general purpose to make uniform the law
4 of those states which enact it.

Sect. 58. (*Definitions.*)—(1) In this act, unless the con-
2 text or subject matter otherwise requires—

“Action” includes counter claim, set-off, and suit in equity.

“Delivery” means voluntary transfer of possession from
5 one person to another.

“Fungible goods” means goods of which any unit is, from
7 its nature or by mercantile custom, treated as the equivalent
8 of any other unit.

“Goods” means chattels or merchandise in storage, or which
10 has been or is about to be stored.

“Holder” of a receipt means a person who has both actual
12 possession of such receipt and a right of property therein.

“Order” means an order by indorsement on the receipt.

“Owner” does not include mortgagee or pledgee.

“Person” includes a corporation or partnership or two or
16 more persons having a joint or common interest.

To “purchase” includes to take as mortgagee or as pledgee.

“Purchaser” includes mortgagee and pledgee.

“Receipt” means a warehouse receipt.

“Value” is any consideration sufficient to support a simple
21 contract. An antecedent or pre-existing obligation, whether
22 for money or not, constitutes value where a receipt is taken
23 either in satisfaction thereof or as security therefor.

“Warehouseman” means a person lawfully engaged in the
25 business of storing goods for profit.

(2) A thing is done “in good faith” within the meaning
27 of this act, when it is in fact done honestly, whether it be
28 done negligently or not.

Sect. 59. (*Act does not apply to existing receipts.*)—The
2 provisions of this act do not apply to receipts made and

3 delivered prior to the taking effect of this act.

Sect. 60. (*Inconsistent legislation repealed.*)—All acts or
2 parts of acts inconsistent with this act are hereby repealed.

Sect. 61. (*Time when the act takes effect.*)—This act shall
2 take effect on the first day of July, one thousand nine hun-
3 dred and nine.

Sect. 62. (*Name of act.*)—This act may be cited as the
2 Warehouse Receipts Act.

STATE OF MAINE.

IN SENATE,

February 15, 1909.

Reported by Mr. BAXTER from Committee on Judiciary
and ordered printed and recommitted.

F. G. FARRINGTON, *Secretary*.