

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

SEVENTY-EIGHTH LEGISLATURE

SENATE

NO. 109

In Senate, Feb. 6, 1917.

Presented by Mr. Gillin of Penobscot and on motion by same Senator laid on the table for printing pending reference to a committee.

L. ERNEST THORNTON, Secretary pro tem.

Presented by Mr. Gillin of Penobscot.

STATE OF MAINE

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

AN ACT to make Uniform the Law of Bills of Lading.

Be it enacted by the People of the State of Maine, as follows:

PART I.

THE ISSUE OF BILLS OF LADING.

Section 1.—[BILLS GOVERNED BY THIS ACT.]

2 Bills of Lading issued by any common carrier shall be gov-
3 erned by this Act.

Sect. 2.—[FORM OF BILLS. ESSENTIAL TERMS.]

2 Every bill must embody within its written or printed
3 terms—

(a) The date of its issue,

(b) The name of the person from whom the goods have
2 been received,

(c) The place where the goods have been received,

(d) The place to which the goods are to be transported,

(e) A statement whether the goods received will be de-
2 livered to a specified person, or to the order of a specified
3 person,

(f) A description of the goods or of the packages con-
2 taining them which may, however, be in such general terms
3 as are referred to in Section 23, and

(g) The signature of the carrier.

A negotiable bill shall have the words "order of" printed
2 thereon immediately before the name of the person upon
3 whose order the goods received are deliverable.

A carrier shall be liable to any person injured thereby for
2 the damage caused by the omission from a negotiable bill of
3 any of the provisions required in this section.

Sect. 3.—[FORM OF BILLS. WHAT TERMS MAY
2 BE INSERTED.] A carrier may insert in a bill; issued by
3 him, any other terms and conditions, provided that such
4 terms and conditions shall not—

(a) Be contrary to law or public policy, or

(b) In any wise impair his obligation to exercise at least
2 that degree of care in the transportation and safe-keeping
3 of the goods entrusted to him which a reasonable careful
4 man would exercise in regard to similar goods of his own.

Sect. 4.—[DEFINITION OF NON-NEGOTIABLE OR
2 STRAIGHT BILL.] A bill in which it is stated that the
3 goods are consigned or destined to a specified person, is a
4 non-negotiable or straight bill.

Sect. 5.—[DEFINITION OF NEGOTIABLE OR OR-
2 DER BILL.] A bill in which it is stated that the goods
3 are consigned or destined to the order of any person named
4 in such bill, is a negotiable or order bill.

Any provision in such a bill that it is non-negotiable shall
2 not affect its negotiability within the meaning of this act.

Sect. 6.—[NEGOTIABLE BILLS MUST NOT BE IS-
2 SUED IN SETS.] Negotiable bills issued in this State for
3 the transportation of goods to any place in the United States
4 on the continent of North America, except Alaska, shall not
5 be issued in parts or sets.

If so issued the carrier issuing them shall be liable for
2 failure to deliver the goods described therein to any one who
3 purchases a part for value in good faith, even though the
4 purchase be after the delivery of the goods by the carrier
5 to a holder of one of the other parts.

Sect. 7.—[DUPLICATE NEGOTIABLE BILLS MUST
2 BE SO MARKED.] When more than one negotiable bill
3 is issued in this State for the same goods to be transported
4 to any place in the United States on the continent of North
5 America, except Alaska, the word "duplicate" or some other
6 word or words indicating that the document is not an orig-
7 inal bill shall be placed plainly upon the face of every such

8 bill, except the one first issued. A carrier shall be liable
9 for the damage caused by his failure so to do to any one
10 who has purchased the bill for value in good faith as an
11 original, even though the purchase be after the delivery of
12 the goods by the carrier to the holder of the original bill.

Sect. 8.—[NON-NEGOTIABLE BILLS SHALL BE
2 SO MARKED.] A non-negotiable bill shall have placed
3 plainly upon its face by the carrier issuing it “non-negoti-
4 able” or “not negotiable.”

This section shall not apply, however, to memoranda or
2 acknowledgments of an informal character.

Sect. 9.—[INSERTION OF NAME OF PERSON TO
2 BE NOTIFIED.] The insertion in a negotiable bill of the
3 name of a person to be notified of the arrival of the goods
4 shall not limit the negotiability of the bill, or constitute
5 notice to a purchaser thereof of any rights or equities of such
6 person in the goods.

Sect. 10.—[ACCEPTANCE OF BILL INDICATES
2 ASSENT TO ITS TERMS.] Except as otherwise provided
3 in this act, where a consignor receives a bill and makes no
4 objection to its terms or conditions at the time he receives it,
5 neither the consignor nor any person who accepts delivery of
6 the goods, nor any person who seeks to enforce any pro-
7 vision of the bill, shall be allowed to deny that he is bound by
8 such terms and conditions, so far as they are not contrary to
9 law or public policy.

PART II.

OBLIGATIONS AND RIGHTS OF CARRIERS UPON
THEIR BILLS OF LADING.

Sect. 11.—[OBLIGATION OF CARRIER TO DE-
2 LIVER.] A carrier, in the absence of some lawful excuse,
3 is bound to deliver goods upon a demand made either by the
4 consignee named in the bill for the goods, or if the bill is
5 negotiable, by the holder thereof, if such demand is accom-
6 panied by—

(a) An offer in good faith to satisfy the carrier's lawful
2 lien upon the goods,

(b) An offer in good faith to surrender, properly in-
2 dorsed, the bill which was issued for the goods, if the bill is
3 negotiable, and

(c) A readiness and willingness to sign, when the goods
2 are delivered, an acknowledgment that they have been
3 delivered, if such signature is requested by the carrier.

In case the carrier refuses or fails to deliver the goods in
2 compliance with a demand by the consignee or holder so
3 accompanied, the burden shall be upon the carrier to establish
4 the existence of a lawful excuse for such refusal or failure.

Sect. 12.—[JUSTIFICATION OF CARRIER IN DE-
2 LIVERING.] A carrier is justified, subject to the pro-
3 visions of the three following sections, in delivering goods
4 to one who is

(a) A person lawfully entitled to the possession of the
2 goods, or

(b) The consignee named in a non-negotiable bill for the
2 goods, or

(c) A person in possession of a negotiable bill for the
2 goods by the terms of which the goods are deliverable to his
3 order, or which has been indorsed to him or in blank by the
4 consignee or by the mediate or immediate indorsee of the
5 consignee.

Sect. 13.—[CARRIER'S LIABILITY FOR MISDELIV-
2 ERY.] Where a carrier delivers goods to one who is not
3 lawfully entitled to the possession of them, the carrier shall
4 be liable to any one having a right of property or possession
5 in the goods if he delivered the goods otherwise than as
6 authorized by subdivisions (b) and (c) of the preceding
7 section; and, though he delivered the goods as authorized by
8 either of said subdivisions, he shall be so liable if prior to
9 such delivery he—

(a) Had been requested, by or on behalf of a person hav-
2 ing a right of property or possession in the goods, not to
3 make such delivery, or

(b) Had information at the time of the delivery that it
2 was to a person not lawfully entitled to the possession of the
3 goods.

A request or information to be effective within the meaning
2 of this section must be given to an officer or agent of the
3 carrier, the actual or apparent scope of whose duties includes
4 action upon such a request or information, and must be given
5 in time to enable the officer or agent to whom it is given, act-

6 ing with reasonable diligence, to stop delivery of the goods.

Sect. 14.—[NEGOTIABLE BILLS MUST BE CAN-
2 CELLED WHEN GOODS DELIVERED.] Except as
3 provided in Section 27, and except when compelled by legal
4 process, if a carrier delivers goods for which a negotiable
5 bill had been issued, the negotiation of which would trans-
6 fer the right to the possession of the goods, and fails to
7 take up and cancel the bill, such carrier shall be liable for
8 failure to deliver the goods to any one who for value and
9 in good faith purchases such bill, whether such purchaser
10 acquired title to the bill before or after the delivery of the
11 goods by the carrier, and notwithstanding delivery was made
12 to the person entitled thereto.

Sect. 15.—[NEGOTIABLE BILLS MUST BE CAN-
2 CELLED OR MARKED WHEN PARTS OF GOODS
3 DELIVERED.] Except as provided in Section 27, and
4 except when compelled by legal process, if a carrier de-
5 livers part of the goods for which a negotiable bill had been
6 issued and fails either—

(a) To take up and cancel the bill, or

(b) To place plainly upon it a statement that a portion
2 of the goods has been delivered, with a description, which
3 may be in general terms, either of the goods or packages
4 that have been so delivered or of the goods or packages
5 which still remain in the carrier's possession, he shall be
6 liable for failure to deliver all the goods specified in the
7 bill, to any one who for value and in good faith purchases

8 it, whether such purchaser acquired title to it before or
9 after the delivery of any portion of the goods by the car-
10 rier, and notwithstanding such delivery was made to the
11 person entitled thereto.

Sect. 16.—[ALTERED BILLS.] Any alteration, addition
2 or erasure in a bill after its issue without authority from
3 the carrier issuing the same either in writing or noted on
4 the bill shall be void, whatever be the nature and purpose
5 of the change, and the bill shall be enforceable according
6 to its original tenor.

Sect. 17.—[LOST OR DESTROYED BILLS.] Where
2 a negotiable bill 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 surety to be ap-
6 proved by the court to protect the carrier or any person
7 injured by such delivery from any liability or loss, incurred
8 by reason of the original bill remaining outstanding. The
9 court may also in its discretion order the payment of the
10 carrier's reasonable costs and counsel fees.

The delivery of the goods under an order of the court as
2 provided in this section, shall not relieve the carrier from
3 liability to a person to whom the negotiable bill has been or
4 shall be negotiated for value without notice of the proceed-
5 ings or of the delivery of the goods.

Sect. 18.—[EFFECT OF DUPLICATE BILLS.] A bill
2 upon the face of which the word "duplicate" or some other

3 word or words indicating that the document is not an orig-
4 inal bill is placed plainly shall impose upon the carrier issu-
5 ing the same the liability of one who represents and war-
6 rants that such bill is an accurate copy of an original bill
7 properly issued, but no other liability.

Sect. 19.—[CARRIER CAN NOT SET UP TITLE IN
2 HIMSELF.] No title to goods or right to their posses-
3 sion, asserted by a carrier for his own benefit, shall excuse
4 him from liability for refusing to deliver the goods accord-
5 ing to the terms of a bill issued for them, unless such title
6 or right is derived directly or indirectly from a transfer
7 made by the consignor or consignee after the shipment, or
8 from the carrier's lien.

Sect. 20.—[INTERPLEADER OF ADVERSE CLAIM-
2 ANTS.] If more than one person claims the title or pos-
3 session of goods, the carrier may require all known claim-
4 ants to interplead, either as a defence to an action brought
5 against him for non-delivery of goods, or as an original
6 suit, whichever is appropriate.

Sect. 21.—[CARRIER HAS REASONABLE TIME TO
2 DETERMINE VALIDITY OF CLAIMS.] If some one
3 other than the consignee or person in possession of the bill,
4 has a claim to the title or possession of the goods, and the
5 carrier has information of such claim, the carrier shall be
6 excused from liability for refusing to deliver the goods
7 either to the consignee or person in possession of the bill,
8 or to the adverse claimant, until the carrier has had a rea-

9 sonable time to ascertain the validity of the adverse claim
10 or to bring legal proceedings to compel all claimants to
11 interplead.

Sect. 22.—[ADVERSE TITLE IS NO DEFENCE, EX-
2 CEPT AS ABOVE PROVIDED.] Except as provided
3 in the two preceding sections and in Section 12, no right
4 or title of a third person unless enforced by legal process
5 shall be a defence to an action brought by the consignee
6 of a non-negotiable bill or by the holder of a negotiable
7 bill against the carrier for failure to deliver the goods on
8 demand.

Sect. 23.—[LIABILITY FOR NON-RECEIPT OR
2 MISDESCRIPTION OF GOODS.] If a bill of lading
3 has been issued by a carrier or on his behalf by an agent
4 or employee the scope of whose actual or apparent authority
5 includes the issuing of bills of lading, the carrier shall be
6 liable to

- (a) The consignee named in a non-negotiable bill, or
- (b) The holder of a negotiable bill,

Who has given value in good faith relying upon the de-
2 scription therein of the goods, for damages caused by the
3 non-receipt by the carrier or a connecting carrier of all or
4 part of the goods or their failure to correspond with the
5 description thereof in the bill at the time of its issue.

If, however, the goods are described in a bill merely by a
2 statement of marks or labels upon them or upon packages
3 containing them, or by a statement that the goods are said

4 to be goods of a certain kind or quantity, or in a certain
5 condition, or it is stated in the bill that packages are said
6 to contain goods of a certain kind or quantity or in a cer-
7 tain condition, or that the contents or condition of the con-
8 tents of packages are unknown, or words of like purport
9 are contained in the bill, such statements, if true, shall not
10 make liable the carrier issuing the bill, although the goods
11 are not of the kind or quantity or in the condition which
12 the marks or labels upon them indicate, or of the kind or
13 quantity or in the condition they were said to be by the
14 consignor. The carrier may, also, by inserting in the bill
15 the words "shipper's load and count" or other words of
16 like purport indicate that the goods were loaded by the
17 shipper and the description of them made by him; and if
18 such statement be true, the carrier shall not be liable for
19 damages caused by the improper loading or by the non-
20 receipt or by the misdescription of the goods described in
21 the bill.

Sect. 24.—[ATTACHMENT OR LEVY UPON GOODS
2 FOR WHICH A NEGOTIABLE BILL HAS BEEN
3 ISSUED.] If goods are delivered to a carrier by the owner
4 or by a person whose act in conveying the title to them to
5 a purchaser for value in good faith would bind the owner
6 and a negotiable bill is issued for them, they can not there-
7 after, while in the possession of the carrier, be attached
8 by garnishment or otherwise, or be levied upon under an
9 execution, unless the bill be first surrendered to the carrier

10 or its negotiation enjoined. The carrier shall in no such
11 case be compelled to deliver the actual possession of the
12 goods until the bill is surrendered to him or impounded by
13 the court.

Sect. 25.—[CREDITOR'S REMEDIES TO REACH
2 NEGOTIABLE BILLS.] A creditor whose debtor is the
3 owner of a negotiable bill shall be entitled to such aid from
4 courts of appropriate jurisdiction by injunction and other-
5 wise in attaching such bill, or in satisfying the claim by
6 means thereof as is allowed at law or in equity in regard
7 to property which can not readily be attached or levied
8 upon by ordinary legal process.

Sect. 26.—[NEGOTIABLE BILL MUST STATE
2 CHARGES FOR WHICH LIEN IS CLAIMED.] If a
3 negotiable bill is issued the carrier shall have no lien on the
4 goods therein mentioned, except for charges on those goods
5 for freight, storage, demurrage and terminal charges, and
6 expenses necessary for the preservation of the goods or
7 incident to their transportation subsequent to the date of
8 the bill, unless the bill expressly enumerates other charges
9 for which a lien is claimed. In such case there shall also
10 be a lien for the charges enumerated so far as they are
11 allowed by law and the contract between the consignor and
12 the carrier.

Sect. 27.—[EFFECT OF SALE.] After goods have
2 been lawfully sold to satisfy a carrier's lien, or because they
3 have not been claimed, or because they are perishable or

4 hazardous, the carrier shall not thereafter be liable for fail-
5 ure to deliver the goods to the consignee or owner of the
6 goods, or to a holder of the bill given for the goods when
7 they were shipped, even if such bill be negotiable.

PART II.

NEGOTIATION AND TRANSFER OF BILLS.

Sect. 28.—[NEGOTIATION OF NEGOTIABLE BILLS
2 BY DELIVERY.] A negotiable bill may be negotiated by
3 delivery where, by the terms of the bill, the carrier under-
4 takes to deliver the goods to the order of a specified per-
5 son, and such person or a subsequent indorsee of the bill
6 has indorsed it in blank.

Sect. 29.—[NEGOTIATION OF NEGOTIABLE BILLS
2 BY INDORSEMENT.] A negotiable bill may be nego-
3 tiated by the indorsement of the person to whose order the
4 goods are deliverable by the tenor of the bill. Such in-
5 dorsement may be in blank or to a specified person. If
6 indorsed to a specified person, it may be negotiated again
7 by the indorsement of such person in blank or to another
8 specified person. Subsequent negotiation may be made in
9 like manner.

Sect. 30.—[TRANSFER OF BILLS.] A bill may be
2 transferred by the holder by delivery, accompanied with an
3 agreement, express or implied, to transfer the title to the
4 bill or to the goods represented thereby.

A non-negotiable bill can not be negotiated, and the ind-

2 dorsement of such a bill gives the transferee no additional
3 right.

Sect. 31.—[WHO MAY NEGOTIATE A BILL.] A
2 negotiable bill may be negotiated by any person in posses-
3 sion of the same, however such possession may have been
4 acquired if, by the terms of the bill, the carrier undertakes
5 to deliver the goods to the order of such person, or if at
6 the time of negotiation the bill is in such form that it may
7 be negotiated by delivery.

Sect. 32.—[RIGHTS OF PERSON TO WHOM A BILL,
2 HAS BEEN NEGOTIATED.] A person to whom a nego-
3 tiable bill has been duly negotiated acquires thereby—

(a) Such title to the goods as the person negotiating the
2 bill to him had or had ability to convey to a purchaser in
3 good faith for value, and also such title to the goods as
4 the consignee and consignor had or had power to convey
5 to a purchaser in good faith for value, and

(b) The direct obligation of the carrier to hold posses-
2 sion of the goods for him according to the terms of the
3 bill as fully as if the carrier had contracted directly with
4 him.

Sect. 33.—[RIGHTS OF PERSON TO WHOM A BILL,
2 HAS BEEN TRANSFERRED.] A person to whom a
3 bill has been transferred but not negotiated acquires there-
4 by as against the transferor, the title to the goods, subject
5 to the terms of any agreement with the transferor. If the
6 bill is non-negotiable, such person also acquires the right

7 to notify the carrier of the transfer to him of such bill, and
8 thereby to become the direct obligee of whatever obliga-
9 tions the carrier owed to the transferor of the bill imme-
10 diately before the notification.

Prior to the notification of the carrier by the transferor
2 or transferee of a non-negotiable bill, the title of the trans-
3 feree to the goods and the right to acquire the obligation
4 of the carrier may be defeated by garnishment or by at-
5 tachment or execution upon the goods by a creditor of the
6 transferor, or by a notification to the carrier by the trans-
7 feror or a subsequent purchaser from the transferor of a
8 subsequent sale of the goods by the transferor.

A carrier has not received notification within the mean-
2 ing of this section unless an officer or agent of the carrier,
3 the actual or apparent scope of whose duties includes action
4 upon such a notification, has been notified; and no notifi-
5 cation shall be effective until the officer or agent to whom
6 it is given has had time with the exercise of reasonable
7 diligence to communicate with the agent or agents having
8 actual possession or control of the goods.

Sect. 34.—[TRANSFER OF NEGOTIABLE BILL,
2 WITHOUT INDORSEMENT.] Where a negotiable bill
3 is transferred for value by delivery, and the indorsement
4 of the transferor is essential for negotiation, the transferee
5 acquires a right against the transferor to compel him to
6 indorse the bill, unless a contrary intention appears. The
7 negotiation shall take effect as of the time when the in-

8 dorsement is actually made. This obligation may be speci-
9 fically enforced.

Sect. 35.—[WARRANTIES ON SALE OF BILL.] A
2 person who negotiates or transfers for value a bill by in-
3 dorsement or delivery, including one who assigns for value
4 a claim secured by a bill, unless a contrary intention ap-
5 pears, warrants—

(a) That the bill is genuine,

(b) That he has a legal right to transfer it,

(c) That he has knowledge of no fact which would im-
2 pair the validity or worth of the bill, and

(d) That he has a right to transfer the title to the goods,
2 and that the goods are merchantable or fit for a particular
3 purpose whenever such warranties would have been im-
4 plied, if the contract of the parties had been to transfer
5 without a bill the goods represented thereby.

In the case of an assignment of a claim secured by a bill,
2 the liability of the assignor shall not exceed the amount of
3 the claim.

Sect. 36.—[INDORSER NOT A GUARANTOR.] The
2 indorsement of a bill shall not make the indorser liable for
3 any failure on the part of the carrier or previous indorsers
4 of the bill to fulfill their respective obligations.

Sect. 37.—[NO WARRANTY IMPLIED FROM AC-
2 CEPTING PAYMENT OF A DEBT.] A mortgagee or
3 pledgee, or other holder of a bill for security who in good
4 faith demands or receives payment of the debt for which

5 such bill is security, whether from a party to a draft drawn
6 for such debt or from any other person, shall not be deemed
7 by so doing to represent or to warrant the genuineness of
8 such bill or the quantity or quality of the goods therein
9 described.

Sect. 38.—[WHEN NEGOTIATION NOT IMPAIRED
2 BY FRAUD, ACCIDENT, MISTAKE, DURESS OR
3 CONVERSION.] The validity of the negotiation of a
4 bill is not impaired by the fact that such negotiation was
5 a breach of duty on the part of the person making the
6 negotiation, or by the fact that the owner of the bill was
7 deprived of the possession of the same by fraud, accident,
8 mistake, duress or conversion, if the person to whom the
9 bill was negotiated, or a person to whom the bill was sub-
10 sequently negotiated, gave value therefor, in good faith,
11 without notice of the breach of duty, or fraud, accident,
12 mistake, duress or conversion.

Sect. 39.—[SUBSEQUENT NEGOTIATION.] Where
2 a person having sold, mortgaged, or pledged goods which
3 are in a carrier's possession and for which a negotiable bill
4 has been issued, or having sold, mortgaged, or pledged the
5 negotiable bill representing such goods, continues in pos-
6 session of the negotiable bill, the subsequent negotiation
7 thereof by that person under any sale, pledge, or other dis-
8 position thereof to any person receiving the same in good
9 faith, for value and without notice of the previous sale,
10 shall have the same effect as if the first purchaser of the

11 goods or bill had expressly authorized the subsequent nego-
12 tiation.

Sect. 40.—[FORM OF THE BILL AS INDICATING
2 RIGHTS OF BUYER AND SELLER.] Where goods
3 are shipped by the consignor in accordance with a contract
4 or order for their purchase, the form in which the bill is
5 taken by the consignor shall indicate the transfer or reten-
6 tion of the property or right to the possession of the goods
7 as follows:

(a) Where by the bill the goods are deliverable to the
2 buyer or to his agent, or to the order of the buyer or of
3 his agent, the consignor thereby transfers the property in
4 the goods to the buyer.

(b) Where by the bill the goods are deliverable to the
2 seller or to his agent, or to the order of the seller or of
3 his agent, the seller thereby reserves the property in the
4 goods. But if, except for the form of the bill, the property
5 would have passed to the buyer on shipment of the goods,
6 the seller's property in the goods shall be deemed to be only
7 for the purpose of securing performance by the buyer of his
8 obligations under the contract.

(c) Where by the bill the goods are deliverable to the
2 order of the buyer or of his agent, but possession of the
3 bill is retained by the seller or his agent, the seller thereby
4 reserves a right to the possession of the goods, as against
5 the buyer.

(d) Where the seller draws on the buyer for the price

2 and transmits the draft and bill together to the buyer to
3 secure acceptance or payment of the draft, the buyer is
4 bound to return the bill if he does not honor the draft, and
5 if he wrongfully retains the bill he acquires no added right
6 thereby. If, however, the bill provides that the goods are
7 deliverable to the buyer, or to the order of the buyer, or
8 is endorsed in blank or to the buyer by the consignee named
9 therein, one who purchases in good faith, for value, the bill
10 or goods from the buyer, shall obtain the title to the goods,
11 although the draft has not been honored, if such purchaser
12 has received delivery of the bill indorsed by the consignee
13 named therein, or of the goods, without notice of the facts
14 making the transfer wrongful.

Sect. 41.—[DEMAND, PRESENTATION OR SIGHT
2 DRAFT MUST BE PAID, BUT DRAFT ON MORE
3 THAN THREE DAYS TIME MERELY ACCEPTED
4 BEFORE BUYER IS ENTITLED TO THE ACCOM-
5 PANYING BILL.] Where the seller of goods draws on
6 the buyer for the price of the goods and transmits the draft
7 and a bill of lading for the goods either directly to the
8 buyer or through a bank or other agency, unless a different
9 intention on the part of the seller appears, the buyer and
10 all other parties interested shall be justified in assuming:

(a) If the draft is by its terms or legal effect payable on
2 demand or presentation or at sight, or not more than three
3 days thereafter (whether such three days be termed days
4 of grace or not), that the seller intended to require pay-

5 ment of the draft before the buyer should be entitled to
6 receive or retain the bill.

(b) If the draft is by its terms payable on time, extend-
2 ing beyond three days after demand, presentation or sight
3 (whether such three days be termed days or grace or not),
4 that the seller intended to require acceptance, but not pay-
5 ment of the draft before the buyer should be entitled to
6 receive or retain the bill.

The provisions of this section are applicable whether by
2 the terms of the bill the goods are consigned to the seller,
3 or to his order, or to the buyer, or to his order, or to a
4 third person, or to his order.

Sect. 42.—[NEGOTIATION DEFEATS VENDOR'S
2 LIEN.] Where a negotiable bill has been issued for goods,
3 no seller's lien or right of stoppage in transitu shall defeat
4 the rights of any purchaser for value in good faith to whom
5 such bill has been negotiated, whether such negotiation be
6 prior or subsequent to the notification to the carrier who
7 issued such bill of the seller's claim to a lien or right of
8 stoppage in transitu. Nor shall the carrier be obliged to
9 deliver or justified in delivering the goods to an unpaid
10 seller unless such bill is first surrendered for cancellation.

Sect. 43.—[WHEN RIGHTS AND REMEDIES UN-
2 DER MORTGAGES AND LIENS ARE NOT LIM-
3 ITED.] Except as provided in Section 42, nothing in this
4 act shall limit the rights and remedies of a mortgagee or
5 lienholder whose mortgage or lien on goods would be valid,

6 apart from this act, as against one who for value and in
7 good faith purchased from the owner, immediately prior
8 to the time of their delivery to the carrier, the goods which
9 are subject to the mortgage or lien and obtained possession
10 of them.

PART IV.

CRIMINAL OFFENCES.

Sect. 44.—[ISSUE OF BILL FOR GOODS NOT RE-
2 CEIVED.] Any officer, agent, or servant of a carrier,
3 who with intent to defraud issues or aids in issuing a bill
4 knowing that all or any part of the goods for which such
5 bill is issued have not been received by such carrier, or by
6 an agent of such carrier or by a connecting carrier, or are
7 not under the carrier's control at the time of issuing such
8 bill, shall be guilty of a crime, and upon conviction shall
9 be punished for each offence by imprisonment not exceed-
10 ing five years, or by a fine not exceeding five thousand dol-
11 lars, or by both.

Sect. 45.—[ISSUE OF BILL CONTAINING FALSE
2 STATEMENT.] Any officer, agent, or servant of a car-
3 rier, who with intent to defraud issues or aids in issuing
4 a bill for goods knowing that it contains any false state-
5 ment, shall be guilty of a crime, and upon conviction shall
6 be punished for each offence by imprisonment not exceed-
7 ing one year, or by a fine not exceeding one thousand dol-
8 lars, or by both.

Sect. 46.—[ISSUE OF DUPLICATE BILLS NOT SO
2 MARKED.] Any officer, agent, or servant of a carrier,
3 who with intent to defraud issues or aids in issuing a dupli-
4 cate or additional negotiable bill for goods in violation of
5 the provisions of Section 7, knowing that a former nego-
6 tiable bill for the same goods or any part of them is out-
7 standing and uncanceled, shall be guilty of a crime, and
8 upon conviction shall be punished for each offence by im-
9 prisonment not exceeding five years, or by a fine not ex-
10 ceeding five thousand dollars, or by both.

Sect. 47. [NEGOTIATION OF BILL FOR MORT-
2 GAGED GOODS.] Any person who ships goods to which
3 he has not title, or upon which there is a lien or mortgage,
4 and who takes for such goods a negotiable bill which he
5 afterwards negotiates for value with intent to deceive and
6 without disclosing his want of title or the existence of the
7 lien or mortgage, shall be guilty of a crime, and upon con-
8 viction shall be punished for each offence by imprisonment
9 not exceeding one year, or by a fine not exceeding one
10 thousand dollars or by both.

Sect. 48.—[NEGOTIATION OF BILL WHEN GOODS
2 ARE NOT IN CARRIER'S POSSESSION.] Any per-
3 son who with intent to deceive negotiates or transfers for
4 value a bill knowing that any or all of the goods which by
5 the terms of such bill appear to have been received for
6 transportation by the carrier which issued the bill, are not
7 in the possession or control of such carrier, or of a con-

8 necting carrier, without disclosing this fact, shall be guilty
9 of a crime, and upon conviction shall be punished for each
10 offence by imprisonment not exceeding five years, or by a
11 fine not exceeding five thousand dollars, or by both.

Sect. 49.—[INDUCING CARRIER TO ISSUE BILL,
2 WHEN GOODS HAVE NOT BEEN RECEIVED.]
3 Any person who with intent to defraud secures the issue
4 by a carrier of a bill knowing that at the time of such issue,
5 any or all of the goods described in such bill as received
6 for transportation have not been received by such carrier,
7 or an agent of such carrier or a connecting carrier, or are
8 not under the carrier's control, by inducing an officer, agent,
9 or servant of such carrier falsely to believe that such goods
10 have been received by such carrier, or are under its con-
11 trol, shall be guilty of a crime, and upon conviction shall
12 be punished for each offence by imprisonment not exceed-
13 ing five years, or by a fine not exceeding five thousand dol-
14 lars, or by both.

Sect. 50.—[ISSUE OF NON-NEGOTIABLE BILL
2 NOT SO MARKED.] Any person who with intent to
3 defraud issues or aids in issuing a non-negotiable bill with-
4 out the words "not negotiable" placed plainly upon the face
5 thereof, shall be guilty of a crime, and upon conviction
6 shall be punished for each offence by imprisonment not
7 exceeding five years or by a fine not exceeding five thou-
8 sand dollars, or by both.

PART V.

INTERPRETATION.

Sect. 51.—[RULE FOR CASES NOT PROVIDED
2 FOR IN THIS ACT.] In any case not provided for in
3 this act, the rules of law and equity including the law mer-
4 chant, and in particular the rules relating to the law of
5 principal and agent, executors, administrators and trustees,
6 and to the effect of fraud, misrepresentation, duress or co-
7 ercion, accident, mistake, bankruptcy, or other invalidating
8 cause, shall govern.

Sect. 52.—[INTERPRETATION SHALL GIVE EF-
2 FECT TO PURPOSE OF UNIFORMITY.] This act
3 shall be so interpreted and construed as to effectuate its
4 general purpose to make uniform the law of those states
5 which enact it.

Sect. 53.—[DEFINITIONS.] (1) In this act, unless the
2 context or subject matter otherwise requires—

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

“Bill” means bill of lading.

“Consignee” means the person named in the bill as the
2 person to whom delivery of the goods is to be made.

“Consignor” means the person named in the bill as the
2 person from whom the goods have been received for ship-
3 ment.

“Goods” means merchandise or chattels in course of trans-
2 portation, or which have been or are about to be trans-
3 ported.

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

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

“Owner” does not include mortgagee or pledgee.

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

To “purchase” includes to take as mortgagee and to take as
2 pledgee.

“Purchaser” includes mortgagee and pledgee.

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

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

Sect. 54.—[ACT DOES NOT APPLY TO EXISTING
2 BILLS.] The provisions of this act do not apply to bills
3 made and delivered prior to the taking effect thereof.

Sect. 55.—[INCONSISTENT LEGISLATION RE-
2 PEALD.] All acts or parts of acts inconsistent with this
3 act are hereby repealed.

Sect. 56.—[NAME OF ACT.] This act may be cited as
2 the Uniform Bills of Lading Act.