

SEC. 2. This act is necessary for the immediate support of the state government and its existing public institutions, and shall take effect April first, 1913. Emergency.

Passed the House March 5, 1913.

Passed the Senate March 11, 1913.

Approved by the Governor March 17, 1913.

CHAPTER 99.

[H. B. 209.]

UNIFORM WAREHOUSE RECEIPTS.

AN ACT relating to warehouse receipts, the rights, obligations and liabilities of persons under such receipts, creating liens thereunder and providing for the enforcement of the same, and providing penalties for the violation thereof.

(This is the act recommended by the Conference of Uniform State Laws and the Am. Bar Association. The majority of the states have passed this act.)

Be it enacted by the Legislature of the State of Washington:

ARTICLE I—THE ISSUE OF WAREHOUSE RECEIPTS.

SECTION 1. *Persons Who May Issue Receipts.*

Warehouse receipts may be issued by any warehouseman, and must be issued in manner and form as provided by this act.

Who may use receipts.

SEC. 2. *Form of Receipts—Essential Terms.*

Warehouse receipts need not be in any particular form, but every such receipt must embody within its written or printed terms:

Form.

(a) The location of the warehouse where the goods are 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 delivered to the bearer, to a specified person or to a specified person or his order.

(e) The rate of storage charges.

(f) A description of the goods or of the packages containing them. If the same be issued for wheat it shall specifically state the variety of wheat by name.

(g) The signature of the warehouseman, which may be made by his authorized agent.

(h) If the receipt is issued for goods of which the warehouseman is owner, either solely or jointly or in common with others, the fact of such ownership; and

Amount
of claim.

(i) A statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien. If the precise amount of such advances made or of such liabilities incurred is, at the time of the issue of the receipt unknown to the warehouseman or to his agent who issues it, a statement of the fact that advances have been made, or liabilities incurred and the purpose thereof is sufficient.

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

SEC. 3. *Form of Receipt—What Terms May Be Inserted.*

Special
contract.

A warehouseman may insert in a receipt, issued by him, any other terms and conditions: *Provided*, That such terms, and conditions shall not:

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

(b) In any wise impair his obligation to exercise that degree of care in the safe keeping of the goods entrusted to him which a reasonably careful man would exercise in regard to similar goods of his own; and any provisions so inserted contrary to the provisions of this act, shall, so far as they conflict with the provisions thereof, be void.

SEC. 4. *Definition of a Non-Negotiable Receipt.*

Non-negoti-
able receipt.

A receipt in which it is stated that the goods received will be delivered to the depositor, or to any other specified person, is a non-negotiable receipt.

SEC. 5. *Definition of a Negotiable Receipt.*

Negotiable
Receipt.

A receipt in which it is stated that the goods received will be delivered to the bearer, or to the order of any person named in such receipt is a negotiable receipt.

No provision shall be inserted in a negotiable receipt

that it is non-negotiable. Such provision, if inserted, shall be void.

SEC. 6. *Duplicate Receipts Must Be So Marked.*

When more than one negotiable receipt is issued for the same goods, the word "duplicate" shall be plainly placed upon the face of every such receipt, except the one first issued. A warehouseman shall be liable for all damage caused by his failure so to do to any one who purchased the subsequent receipt for value supposing it to be an original, even though the purchase be after the delivery of the goods by the warehouseman to the holder of the original receipt. Duplicate.

SEC. 7. *Failure to Mark "Not Negotiable."*

A non-negotiable receipt shall have plainly placed upon its face by the warehouseman issuing it "non-negotiable" or "not negotiable." In case of the warehouseman's failure to do so, a holder of the receipt who purchased it for value, supposing it to be negotiable, may, at his option, treat such receipt as imposing upon the warehouseman the same liabilities he would have incurred had the receipt been negotiable. This section shall not apply, however, to letters, memoranda, or written acknowledgment of an informal character. Receipt negotiable unless marked.

ARTICLE II—OBLIGATIONS AND RIGHTS OF WAREHOUSEMEN
UPON THEIR RECEIPTS.

SEC. 8. *Obligation of Warehouseman to Deliver.*

A warehouseman, in the absence of some lawful excuse provided by this act, is bound to deliver the goods upon a demand made either by the holder of a receipt for the goods or by the depositor, if such demand is accompanied with: Warehouseman's duty.

- (a) An offer to satisfy the warehouseman's lien.
- (b) An offer to surrender the receipt if negotiable, with such endorsements as would be necessary for the negotiation of the receipt; and
- (c) A readiness and willingness to sign, when the goods are delivered, an acknowledgment that they have

been delivered, if such signature is requested by the warehouseman. In case the warehouseman refuses or fails to deliver the goods in compliance with a demand by the holder or depositor so accompanied, the burden shall be upon the warehouseman to establish the existence of a lawful excuse for such refusal.

SEC. 9. *Justification of Warehouseman in Delivering.*

Exoneraton
of ware-
houseman.

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

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

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

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

SEC. 10. *Warehouseman's Liability for Misdelivery.*

Liability for
misdelivery.

Where a warehouseman delivers the goods to one who is not in fact lawfully entitled to the possession of them, the warehouseman shall be liable as for conversion to all having a right of property or possession in the goods if he delivered the goods otherwise than is authorized by sub-division (b) and (c) of the preceding section and though he delivered the goods as authorized by said subdivisions he shall be so liable, if prior to such delivery he had either,

(a) Been requested, by or on behalf of the person lawfully entitled to right of property or possession in the goods, not to make such delivery; or

(b) Had information that the delivery about to be

made was to one not lawfully entitled to the possession of the goods.

SEC. 11. *Negotiable Receipts Must Be Cancelled When Goods Delivered.*

Except as provided in section 36, where a warehouseman delivers goods for which he had issued a negotiable receipt, the negotiation of which would transfer the right to the possession of the goods, and fails to take up and cancel the receipt, he shall be liable to any one who purchases for value in good faith such receipt, for failure to deliver the goods to him, whether such purchaser acquired title to the receipt before or after the delivery of the goods by the warehouseman.

Receipts
to be
cancelled.

SEC. 12. *Negotiable Receipts Must Be Cancelled or Marked When Part of Goods Delivered.*

Except as provided in section 36, where a warehouseman delivers part of the goods for which he had issued a negotiable receipt and fails either to take up and cancel such receipt, or to place plainly upon it a statement of what goods or packages have been delivered he shall be liable, to any one who purchases for value in good faith such receipt, for failure, to deliver all the goods specified in the receipt, whether such purchaser acquired title to the receipt before or after the delivery of any portion of the goods by the warehouseman.

Part
delivery.

SEC. 13. *Altered Receipts.*

The alteration of a receipt shall not excuse the warehouseman who issued it from any liability if such alteration was:

Altered
receipts.

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

If the alteration was authorized, the warehouseman shall be liable according to the terms of the receipt as altered. If the alteration was unauthorized, but made without fraudulent intent, the warehouseman shall be liable according to the terms of the receipt, as they were before alteration.

Material and fraudulent alteration of a receipt shall not excuse the warehouseman who issued it from liability to deliver, according to the terms of the receipt as originally issued, the goods for which it was issued, but shall excuse him from any other liability to the person who made the alteration and to any person who took with notice of the alteration. Any purchaser of the receipt for value without notice of the alteration shall acquire the same rights against the warehouseman which such purchaser would have acquired if the receipt had not been altered at the time of the purchase.

SEC. 14. *Lost or Destroyed Receipts.*

Lost
receipts.

Where a negotiable receipt has been lost or destroyed, a court of competent jurisdiction may order the delivery of the goods upon satisfactory proof of such loss or destruction and upon the giving of a bond with sufficient sureties to be approved by the court to protect the warehouseman from any liability or expense, which he or any person injured by such delivery may incur by reason of the original receipt remaining outstanding. The court may also in its discretion order the payment of the warehouseman's reasonable costs and counsel fees.

The delivery of the goods under an order of the court, as provided in this section, shall not relieve the warehouseman from liability to a person to whom the negotiable receipt has been or shall be negotiated for value without notice of the proceedings or of the delivery of the goods.

SEC. 15. *Effect of Duplicate Receipts.*

Duplicate.

A receipt upon the face of which the word "duplicate" is plainly placed is a representation and warranty by the warehouseman that such receipt is an accurate copy of an original receipt properly issued and uncanceled at the date of the issue of the duplicate, but shall impose upon him no other liability.

SEC. 16. *Warehouseman Cannot Set Up Title in Himself.*

No title or right to the possession of the goods, on the part of the warehouseman, unless such title or right is

derived directly or indirectly from a transfer made by the depositor at the time of or subsequent to the deposit for storage, or from the warehouseman's lien, shall excuse the warehouseman from liability for refusing to deliver the goods according to the terms of the receipt.

Warehouseman must deliver.

SEC. 17. *Interpleader of Adverse Claimants.*

If more than one person claim the title or possession of the goods, the warehouseman may, either as a defense to an action brought against him for non-delivery of the goods, or as an original suit, whichever is appropriate, require all known claimants to interplead.

Adverse claimants.

SEC. 18. *Warehouseman Has Reasonable Time to Determine Validity of Claims.*

If some one other than the depositor or person claiming under him has a claim to the title or possession of the goods, and the warehouseman has information of such claim, the warehouseman shall be excused from liability for refusing to deliver the goods, either to the depositor or person claiming under him, or to the adverse claimant, until the warehouseman has had a reasonable time to ascertain the validity of the adverse claim or to bring legal proceedings to compel all claimants to interplead.

Investigation of claim.

SEC. 19. *Adverse Title No Defense, Except as Above Provided.*

Except as provided in the two preceding sections and in sections 9 and 36, no right or title of a third person shall be a defense to an action brought by the depositor or person claiming under him against the warehouseman for failure to deliver the goods according to the terms of the receipt.

Adverse title.

SEC. 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

Liability for goods.

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.

SEC. 21. *Liability for Care of Goods.*

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.

SEC. 22. *Goods Must Be Kept Separate.*

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

SEC. 23. *Fungible Goods May Be Commingled, If Warehouseman Authorized.*

Fungible
goods com-
mingled.

If authorized by agreement or by custom, a warehouseman may mingle fungible goods with other goods of the same kind and grade. In such case the various depositors of the mingled goods shall own the entire mass in common, and each depositor shall be entitled to such portion thereof as the amount deposited by him bears to the whole.

SEC. 24. *Liability of Warehouseman to Depositors of Commingled Goods.*

Liability for
commingled
goods.

The warehouseman shall be severally liable to each depositor for the care and redelivery of his share of such mass to the same extent and under the same circumstances as if the goods had been kept separate.

SEC. 25. *Attachment or Levy Upon Goods for Which a Negotiable Receipt Has Been Issued.*

If goods are delivered to a warehouseman by the owner or by a person whose act in conveying the title to them to a purchaser in good faith for value would bind the owner, and a negotiable receipt is issued for them, they cannot thereafter, while in the possession of the warehouseman, be attached by garnishment or otherwise, or be levied upon under an execution unless the receipt be first surrendered to the warehouseman, or its negotiation enjoined. The warehouseman shall in no case be compelled to deliver up the actual possession of the goods until the receipt is surrendered to him or impounded by the courts.

Attachment.

SEC. 26. *Creditors' Remedies to Reach Negotiable Receipts.*

A creditor whose debtor is the owner of a negotiable receipt shall be entitled to such aid from courts of appropriate jurisdiction, by injunction and otherwise, in attaching such receipts or in satisfying the claim by means thereof, as is allowed at law or in equity, in regard to property which cannot readily be attached or levied upon by ordinary legal process.

Remedies.

SEC. 27. *What Claims Are Included in the Warehouseman's Lien.*

Subject to the provisions of section 30, a warehouseman shall have a lien on goods deposited or on the proceeds thereof in his hands, for all lawful charges for storage and preservation of the goods; also for all lawful claims for money advanced, interest, insurance, transportation, labor, weighing, cooping and other charges and expenses in relation to such goods; also for all reasonable charges and expenses for notice, and advertisements of sale, and for sale of the goods, where default has been made in satisfying the warehouseman's lien.

Lien.

SEC. 28. *Against What Property the Lien May Be Enforced.*

Subject to the provisions of section 30, a warehouseman's lien may be enforced.

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

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

SEC. 29. *How the Lien May Be Lost.*

A warehouseman loses his lien upon goods,

Abolishment of lien.

(a) By surrendering possession thereof, or

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

SEC. 30. *Negotiable Receipt Must State Charges for Which Lien Is Claimed.*

Storage lien.

If a negotiable receipt is issued for goods, the warehouseman shall have no lien thereon, except for charges for storage of those goods subsequent to the date of the receipt, unless the receipt expressly enumerates other charges for which a lien is claimed. In such case there shall be a lien for the charges enumerated so far as they are within the terms of section 27, although the amount of the charges so enumerated is not stated in the receipt.

SEC. 31. *Warehouseman Need Not Deliver Until Lien Is Satisfied.*

Non-delivery until lien is satisfied.

A warehouseman having a lien valid against the person demanding the goods, may refuse to deliver the goods to him until the lien is satisfied.

SEC. 32. *Warehouseman's Lien Does Not Preclude Other Remedies.*

Other remedies.

Whether a warehouseman has or has not a lien upon the goods, he is entitled to all remedies allowed by law to a creditor against his debtor, for the collection from the depositor of all charges and advances which the depositor

has expressly or impliedly contracted with the warehouseman to pay.

SEC. 33. *Satisfaction of Lien by Sale.*

A warehouseman's lien for a claim which has become due may be satisfied as follows: Sale of property.

The warehouseman shall give a written notice to the person on whose account the goods are held, and to any other person known by the warehouseman to claim an interest in the goods. Such notice shall be given by delivery in person or by registered letter addressed to the last known place of business or abode of the person to be notified. The notice shall contain:

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

(b) A brief description of the goods against which the lien exists. Pleadings.

(c) A demand that the amount of the claim as stated in the notice, and of such further claim as shall accrue, shall be paid on or before a day mentioned, not less than ten days from the delivery of the notice, if it is personally delivered, or from the time when the notice should reach its destination, according to the due course of post, if the notice is sent by mail; and

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

In accordance with the terms of a notice so given, a sale of the goods by auction may be had to satisfy any valid claim of the warehouseman for which he has a lien on the goods. Auction. The sale shall be had in the place where the lien was acquired, or, if such place is manifestly unsuitable for the purpose, at the nearest suitable place. After the time for the payment of the claim specified in the notice to the depositor has elapsed, an advertisement of the sale, describing the goods to be sold, and stating the name of the owner or person on whose account the goods are

held, and the time and place of the sale, shall be published once a week for two consecutive weeks in a newspaper published in the place where such sale is to be held. The sale shall not be held less than fifteen days from the time of the first publication. If there is no newspaper published in such place, the advertisement shall be posted at least ten days before such sale in not less than six conspicuous places therein.

Proceeds. From the proceeds of such sale the warehouseman shall satisfy his lien, including the reasonable charges of notice, advertisement, and sale. The balance, if any, of such proceeds shall be held by the warehouseman, and delivered on demand to the person to whom he would have been bound to deliver or justified in delivering the goods.

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

Perishable goods. SEC. 34. *Perishable and Hazardous Goods.* If goods are of a perishable nature, or by keeping will deteriorate greatly in value, or by their odor, leakage, inflammability, or explosive nature, will be liable to injure other property, the warehouseman may give such notice to the owner, or to the person in whose name the goods are stored, as is reasonable and possible under the circumstances, to satisfy the lien upon such goods, and to remove them from the warehouse, and in the event of the failure of such person to satisfy the lien and to remove the goods within the time so specified, the warehouseman may sell the goods at public or private sale without advertising. If the warehouse-

man after a reasonable effort, is unable to sell such goods, he may dispose of them in any lawful manner, and shall incur no liability by reason thereof. The proceeds of any sale made under the terms of this section shall be disposed of in the same way as the proceeds of sales made under the terms of the preceding section.

SEC. 35. *Other Methods of Enforcing Liens.* The remedy for enforcing a lien herein provided does not preclude any other remedies allowed by law for the enforcement of a lien against personal property nor bar the right to recover so much of the warehouseman's claim as shall not be paid by the proceeds of the sale of the property.

Liens enforced by other means:

SEC. 36. *Effect of Sale.* After goods have been lawfully sold to satisfy a warehouseman's lien, or have been lawfully sold or disposed of because of their perishable or hazardous nature, the warehouseman shall not thereafter be liable for failure to deliver the goods to the depositor or owner of the goods, or to a holder of the receipt given for the goods when they were deposited, even if such receipt be negotiable.

Effect of sale.

ARTICLE III—NEGOTIATION AND TRANSFER OF RECEIPTS.

SEC. 37. *Negotiation of Negotiable Receipts by Delivery.*

A negotiable receipt may be negotiated by delivery,

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

Delivery.

(b) Where, by the terms of the receipt, the warehouseman undertakes to deliver the goods to the order of a specified person, and such person or a subsequent indorsee of the receipt has indorsed it in blank to the bearer.

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

SEC. 38. *Negotiation of Negotiable Receipts by Indorsement.*

Indorsement. A negotiable receipt may be negotiated by the indorsement of the person to whose order the goods are, by the terms of the receipt, deliverable. Such indorsement may be in blank, to bearer or to a specified person. If indorsed to a specified person, it may be again negotiated by the indorsement of such person in blank, to bearer or to another specified person. Subsequent negotiation may be made in like manner.

SEC. 39. *Transfer of Receipts.*

Transfer. A receipt which is not in such form that it can be negotiated by delivery may be transferred by the holder by delivery to a purchaser or donee.

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

SEC. 40. *Who May Negotiate a Receipt.*

Who may negotiate. A negotiable receipt may be negotiated,

(a) By the owner thereof, or

(b) By any person to whom the possession or custody of the receipt has been entrusted by the owner, if, by the terms of the receipt, the warehouseman undertakes to deliver the goods to the order of the person to whom the possession or custody of the receipt has been entrusted, or if at the time of such entrusting the receipt is in such form that it may be negotiated by delivery.

SEC. 41. *Rights of Person to Whom a Receipt Has Been Negotiated.*

Rights of indorsee. A person to whom a negotiable receipt has been duly negotiated acquires thereby,

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

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

SEC. 42. Rights of Persons to Whom a Receipt Has Been Transferred.

A person to whom a receipt has been transferred but not negotiated, acquires thereby, as against the transferor, the title to the goods, subject to the terms of any agreement with the transferor.

Rights of transferee.

If the receipt is non-negotiable such person also acquires the right to notify the warehouseman of the transfer to him of such receipt, and thereby to acquire the direct obligation of the warehouseman to hold possession of the goods, for him according to the terms of the receipt.

Prior to the notification of the warehouseman by the transferor or transferee of a non-negotiable receipt, the title of the transferee to the goods and the right to acquire the obligation of the warehouseman may be defeated by the levy of an attachment or execution upon the goods by a creditor of the transferor, or by a notification to the warehouseman by the transferor or a subsequent purchaser from the transferor of a subsequent sale of the goods by the transferor.

SEC. 43. Transfer of Negotiable Receipt Without Indorsement.

Where a negotiable receipt is transferred for value by delivery, and the indorsement of the transferor is essential for negotiation, the transferee acquires a right against the transferor to compel him to indorse the receipt, unless a contrary intention appears. The negotiation shall take effect as of the time when the indorsement is actually made.

Transfer without indorsement.

SEC. 44. Warranties on Sale of Receipt.

A person who for value negotiates or transfers a receipt by indorsement or delivery, including one who assigns for value a claim secured by a receipt, unless a contrary intention appears, warrants,

Warranties.

(a) That the receipt be genuine.

(b) That he has a legal right to negotiate or transfer it.

(c) That he has knowledge of no fact which would impair the validity or worth of the receipt, and

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

Indorser
does not
guarantee.

SEC. 45. *Indorser Not a Guarantor.* The indorsement of a receipt shall not make the indorser liable for any failure on the part of the warehouseman or previous indorsers of the receipt to fulfill their respective obligations.

SEC. 46. *No Warranty Implied from Accepting Payment of a Debt.*

Warranties
not implied.

A mortgagee, pledgee, or holder for security of a receipt who in good faith demands or receives payment of the debt for which such receipt is security, whether from a party to a draft drawn for such debt or from any other person, shall not by so doing be deemed to represent or to warrant the genuineness of such receipt or the quantity or quality of the goods therein described.

SEC. 47. *When Negotiation not Impaired by Fraud, Mistake or Duress.*

Fraud or
mistake.

The validity of the negotiation of a receipt is not impaired by the fact that such negotiation was a breach of duty on the part of the person making the negotiation, or by the fact that the owner of the receipt was induced by fraud, mistake or duress to entrust the possession or custody of the receipt to such person, if the person to whom the receipt was negotiated, or a person to whom the receipt was subsequently negotiated, paid value therefor, without notice of the breach of duty, or fraud, mistake or duress.

Subsequent
negotiation.

SEC. 48. *Subsequent Negotiation.* Where a person having sold, mortgaged or pledged goods which are in a warehouse and for which a negotiable receipt has been issued, or having sold, mortgaged, or pledged the nego-

tiable receipt representing such goods, continues in possession of the negotiable receipt, the subsequent negotiation thereof by that person under any sale, or other disposition thereof to any person receiving the same in good faith, for value and without notice of the previous sale, mortgage or pledge, shall have the same effect as if the first purchaser of the goods or receipt had expressly authorized the subsequent negotiation.

SEC. 49. *Negotiation Defeats Vendor's Lien.*

Where a negotiable receipt has been issued for goods, no seller's lien or right of stoppage in transit shall defeat the rights of any purchaser for value in good faith to whom such receipt has been negotiated, whether such negotiations be prior or subsequent to the notification to the warehouseman who issued such receipt of the seller's claim to a lien or right of stoppage in transit. Nor shall the warehouseman be obliged to deliver or justified in delivering the goods to an unpaid seller unless the receipt is first surrendered for cancellation.

Lien
defeated by
negotiation.

ARTICLE IV—CRIMINAL OFFENSES.

SEC. 50. *Issue of Receipt for Goods not Received.*

A warehouseman, or any officer, agent, or servant of a warehouseman, who issues or aids in issuing a receipt knowing that the goods for which such receipt is issued have not been actually received by such warehouseman, or are not under his actual control at the time of issuing such receipt, shall be guilty of a gross misdemeanor.

False
receipts.

SEC. 51. *Issue of Receipt Containing False Statement.*

A warehouseman or any officer, agent, or servant of a warehouseman, who fraudulently issues or aids in fraudulently issuing a receipt for goods knowing that it contains any false statement, shall be guilty of a gross misdemeanor.

False
statement.

SEC. 52. *Issue of Duplicate Receipts Not so Marked.*

A warehouseman or any officer, agent, or servant of a warehouseman, who issues or aids in issuing a duplicate or additional negotiable receipt for goods knowing that a

Duplicate
receipts not
marked.

former negotiable receipt for the same goods or any part of them is outstanding and uncanceled, without plainly placing upon the face thereof the word "duplicate" except in the case of lost or destroyed receipt after proceedings as provided for in section 14, shall be guilty of a gross misdemeanor.

SEC. 53. Issue for Warehouseman's Goods of Receipts Which Do Not State That Fact.

Misleading receipts.

Where there are deposited with or held by a warehouseman goods of which he is the owner, either solely or jointly, or in common with others, such warehouseman or any of his officers, agents, or servants who, knowing this ownership issues or aids in issuing a negotiable receipt for such goods, which does not state such ownership, shall be guilty of a gross misdemeanor.

SEC. 54. Delivery of Goods Without Obtaining Negotiable Receipt.

Delivery without receipt.

A warehouseman, or any officer, agent, or servant of a warehouseman who delivers goods out of the possession of such warehouseman, knowing that a negotiable receipt the negotiation of which would transfer the right to the possession of such goods is outstanding and uncanceled, without obtaining the possession of such receipt at or before the time of such delivery, shall, except in the cases provided for in sections 14 and 36, be found guilty of a gross misdemeanor.

SEC. 55. Negotiation of Receipt for Mortgaged Goods.

Mortgaged goods.

Any person who deposits goods to which he has not title, or upon which there is a lien or mortgage, and who takes for such goods a negotiable receipt which he afterwards negotiates for value with intent to deceive and without disclosing his want of title or the existence of the lien or mortgage shall be guilty of a gross misdemeanor.

ARTICLE V—INTERPRETATION.

SEC. 56. When Rules of Common Law Still Applicable.

In any case not provided for in this act, the rules of law and equity, including the law merchant, and in particular

the rules relating to the law of principal and agent and to the effect of fraud, misrepresentation, duress or coercion, mistake, bankruptcy, or other invalidating cause shall govern.

Common law
applicable.

SEC. 57. *Interpretation Shall Give Effect to Purpose of Uniformity.*

This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Purpose
should
govern.

SEC. 58. *Definitions.*

(1) In this act, unless the context or subject matter otherwise requires, "Action" includes counterclaim, set-off, and suit in equity.

"Action."

"Delivery" means voluntary transfer of possession from one person to another.

"Delivery."

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

"Fungible
goods."

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

"Goods."

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

"Holder."

"Order" means an order by endorsement on the receipt.

"Order."

"Owner" does not include mortgagee or pledgee.

"Owner."

"Person" includes a corporation or partnership or two or more persons having a joint or common interest.

"Person."

To "purchase" includes to take as mortgagee or pledgee.

"Purchase."

"Purchaser" includes mortgagee and pledgee.

"Purchaser."

"Receipt" means a warehouse receipt.

"Receipt."

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

"Value."

"Warehouseman" means a person lawfully engaged in the business of storing goods for profit.

"Warehouse-
man."

(2) A thing is done "in good faith" within the mean-

"In good
faith."

ing of this act, when it is in fact done honestly, whether it be done negligently or not.

SEC. 59. *Act Does Not Apply to Existing Receipts.*

Existing receipts.

The provisions of this act do not apply to receipts made and delivered prior to the taking effect of this act.

SEC. 60. *Inconsistent Legislation Repealed.*

Repeal.

All acts or parts of acts inconsistent with this act are hereby repealed.

SEC. 61. *Name of Act.*

"Title."

This act may be cited as the "Uniform Warehouse Receipts Act."

Passed the House February 21, 1913.

Passed the Senate March 12, 1913.

Approved by the Governor March 17, 1913.

CHAPTER 100.

[H. B. 21.]

ABOLISHING NECESSITY OF CORROBORATIVE EVIDENCE IN RAPE, SEDUCTION, ETC.

AN ACT repealing section 2443 of Remington & Ballinger's Annotated Codes and Statutes of Washington, relating to the rule of evidence in the case of certain crimes against morality and decency.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. That section 2443 of Remington & Ballinger's Annotated Codes and Statutes of Washington, relating to the rule of evidence in the case of certain crimes against morality and decency, be repealed.

Repeals Rem.-Bal., § 2443; Pierce's Code, 1912, 135 § 381.

Passed the House February 28, 1913.

Passed the Senate March 7, 1913.

Approved by the Governor March 17, 1913.