

GRAIN DEALERS ACT (EXCERPT)
Act 141 of 1939

285.80 Warehouse receipt.

Sec. 20.

(1) If the licensee and depositor agree, a licensee shall issue a warehouse receipt for any farm produce received from a depositor for storage.

(2) If a grain dealer issues a warehouse receipt for a deposit, the warehouse receipt must be on a form approved by the department that includes spaces for inserting all of the following information and statements, as applicable:

(a) The location of the facility.

(b) The date the warehouse receipt is issued.

(c) The grain dealer's storage rate and the calculation of the depositor's storage charge.

(d) The net weight and grade factors of the farm produce.

(e) Whether the warehouse receipt is negotiable or nonnegotiable, which shall be conspicuously printed on the form.

(f) The signature of the grain dealer or his or her authorized agent.

(g) An expiration date. At the expiration date, the grain dealer and holder shall renegotiate the terms of storage or settle at market price.

(h) A statement of the amount of advances made or liability incurred for which the grain dealer claims a lien. If the exact amount of advances made or liabilities incurred at the time of issuance of the warehouse receipt is unknown to the grain dealer, the warehouse receipt shall include a statement of the fact that advances have been made or liabilities incurred.

(i) A statement that the warehouse receipt is issued subject to this act and rules promulgated under this act.

(3) The holder of a warehouse receipt has legal title to farm produce held under the warehouse receipt.

(4) A grain dealer shall sequentially number its warehouse receipts and issue them in numerical sequence and retain any voided warehouse receipts.

(5) If a grain dealer's license is revoked or terminated, the grain dealer shall deliver all unused warehouse receipts to the department.

(6) A person shall not do any of the following:

(a) Issue a warehouse receipt for farm produce except on a form approved by the director under this section.

(b) Falsely make, alter, forge, or counterfeit a warehouse receipt.

(c) Knowingly deposit farm produce under a warehouse receipt without disclosing any lien or lack of title.

(7) If a grain dealer delivers from storage a portion of the farm produce for which he or she has issued a negotiable warehouse receipt, the grain dealer shall cancel the original warehouse receipt and issue a new warehouse receipt for the remainder of the farm produce still in storage. The new warehouse receipt shall contain the number and date of the original warehouse receipt in addition to meeting the other requirements of this section.

(8) A warehouse receipt issued for farm produce identified and stored separately shall describe the storage location of the farm produce.

(9) A licensee may issue a collateral warehouse receipt only against farm produce owned and unencumbered by the licensee at the time of issuance.

(10) A grain dealer shall place farm produce held in a grain bank or feed bank on a warehouse receipt.

History: 1939, Act 141, Eff. Sept. 29, 1939 ;-- CL 1948, 285.80 ;-- Am. 1949, Act 133, Imd. Eff. May 20, 1949 ;-- Am. 1955, Act 179, Eff. Oct. 14, 1955 ;-- Am. 1976, Act 259, Imd. Eff. Aug. 12, 1976 ;-- Am. 2002, Act 80, Eff. Mar. 31, 2003