

# EWR Legal Definition

Copyright 1999, EWR, Inc. EWR Legal Definition Page: 1 of 1 Contents of an EWR, Inc. "electronic warehouse receipt". UCC &7-202 (1) provides that a warehouse receipt need not be in any particular form. All EWR, Inc. electronic warehouse receipts are negotiable, except those multiple bale block receipts which may be identified as not negotiable in accordance with USDA rules. An EWR, Inc. electronic warehouse receipt consists of the following statements and the below-listed information with respect to any given bale of cotton wherever that information is located within the EWR, Inc. system and regardless of the steps necessary to access such information (items [1] through [11] are the required terms of an electronic warehouse receipt, all other information with respect to a given bale is an optional term) (1) the location of the warehouse where the cotton is stored, (2) the date of issue of the receipt, (3) the consecutive number of the receipt, (4) a statement that the cotton will be delivered to the order of the holder. Any terms stated or omitted by the warehouseman that result in a failure to comply the requirements of law for a negotiable electronic warehouse receipt shall be void and of no effect and shall be superseded and supplanted with the statement: "the cotton will be delivered to the order of holder". Terms requiring delivery to "bearer" if otherwise appearing in any electronic warehouse receipt shall mean "delivery to the order of the holder". "Holder" means that person initially designated as the holder by the warehouseman incidental to the issuance of an electronic warehouse receipt, or any successor holder recorded in the files of EWR, Inc. with respect to the electronic warehouse receipt. The giving of electronic transfer instructions verified by the holder's confidential identifying code and password shall constitute a signature and endorsement. (5) the rate of storage and handling charges, (6) a description of the goods which may, in the case of cotton put up in bales, be a description of such bales by marks, numbers or other means of identification and the weight of such bales, or of the packages containing them, (7) the signature of the warehouseman, which may be made by his authorized agent, the act of the warehouseman in providing the information necessary to create an electronic warehouse receipt and affixing or authorizing the affixing of the warehouseman's name thereto shall constitute and an adoption of such name as his "signature", (8) if the receipt is issued for goods for which the warehouseman is owner, either solely or jointly or in common with others the fact of such ownership, (9) a statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien or security interest, 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, provided however, that if the warehouseman fails to expressly assert a claim of lien for its services or charges it will be deemed to have incorporated into its electronic warehouse receipt the following statement: "the warehouseman claims a lien for this services requested and other charges in accordance with its tariff in effect on the date such services are performed or such charges are incurred", (10) in the case of a federally licensed warehouse if the grade or other class is not provided, a statement that the grade or other class has been omitted at the request of the depositor, (11) any other information that is necessary to meet the requirements of applicable law and regulations, including but not limited to, the Uniform Commercial Code Section 7-104 and 7-202, and when applicable, 7 U.S.C. Sections 259 and 260 and 7 C. F. R. part 735, and (12) any other information, not legally required, which may from time to time be made available with respect to the particular bale of cotton. All users, warehouses, holders, and subholders sending instructions to EWR, Inc. accompanied by their EWR, Inc. - assigned password in tend the password to constitute a signature and authentication. ( C ) copyright EWR, Inc. 1999.