

21—90.13(203C) Cancellation of warehouse receipts. Upon delivery of the product represented by a warehouse receipt, the original receipt shall be marked “canceled,” signed or initialed, and dated upon the face thereof by the warehouse operator or an authorized agent. The warehouse operator shall then retain possession of the warehouse receipt in a separate numerical order of receipts canceled by the licensee but not yet marked with the warehouse bureau’s stamp and shall present the receipt to be canceled with the department’s stamp at the time of any inspection or examination of the warehouse records. Cancellation shall mean that the obligation is removed from the bureau’s records. The warehouse operator shall, upon request of the bureau, forward any such warehouse receipts to the bureau’s office to be canceled with the department’s stamp. Before the bureau stamps the receipt “canceled” with the department’s stamp, any negotiable receipts which have been used as collateral by the licensee shall have the lender’s release date and signature on the reverse side indicating when the receipt was released.

90.13(1) Partial delivery of negotiable warehouse receipted commodity. If only a portion of the product represented by a negotiable warehouse receipt is delivered, such warehouse receipt shall be signed or initialed, dated and marked “canceled” by the warehouse operator or an authorized agent upon the face thereof. A new (or replacement) warehouse receipt shall be issued covering the balance of the product remaining in storage the same day as the original warehouse receipt is canceled. This replacement warehouse receipt, in the space provided under the “Remarks,” shall be marked “Balance of warehouse receipt No. _____,” and the canceled warehouse receipt number shall be inserted in that space.

90.13(2) Voided warehouse receipts. Original warehouse receipts voided on the day of issuance by the warehouse operator for any reason shall be so marked, signed or initialed, and dated and held to be stamped with the department’s cancellation stamp in the same manner as any other warehouse receipt.

90.13(3) Warehouse receipt cancellation procedure.

- a. The warehouse operator shall have the original warehouse receipt in possession.
- b. The warehouse operator shall mark the face of the warehouse receipt “canceled,” sign or initial and date it.
- c. The purchase of grain from a warehouse receipt shall be recorded on a document that is numbered at the time of printing and that contains the following information:
 - (1) Seller’s name;
 - (2) Warehouse receipt number;
 - (3) Number of bushels;
 - (4) Price;
 - (5) Items deducted from gross proceeds;
 - (6) Net value; and
 - (7) Check number, invoice reference, or credit-sale contract reference number.

One copy of the document shall be maintained by the licensee for inspection, and one copy shall be given to the seller.

90.13(4) Surrender of warehouse receipts on cancellation, expiration, suspension or revocation of license. When a warehouse operator license has expired or is canceled, suspended or revoked, all unused warehouse receipts under such license shall be surrendered to the bureau.

The bureau shall notify the warehouse operator that all outstanding warehouse receipts shall be returned to the bureau’s office no later than 120 days from the date of cancellation, expiration, or revocation of the license.

90.13(5) Purchase or return of grain, replacement receipt issued, or cancellation of outstanding receipts, upon cancellation, expiration, or revocation of warehouse operator license. When a warehouse operator license has expired or is canceled or revoked, all stored grain shall be either purchased and payment made, or returned within 30 days to the holders of warehouse receipts or unpriced scale tickets, except when the warehouse is continuing operation under new ownership or when storage obligations are assumed by another licensee. Upon completion of delivery to the receipt holder or the reissuance of the receipt under a new license, the warehouse operator shall immediately mark “canceled,” sign or initial and date such receipt on the face of the original copy, and forward such receipt to the bureau’s office to be stamped with the department’s cancellation stamp. When the storage obligations are assumed by a

new licensee from a warehouse whose license is expired or has been canceled or revoked, replacement warehouse receipts shall be issued.

90.13(6) *Delivery conditioned upon return of outstanding warehouse receipt.* No product represented by an outstanding warehouse receipt shall be delivered until the original outstanding warehouse receipt is returned to the warehouse operator. The receipt shall be held by the warehouse operator as an open warehouse receipt until the delivery is completed. If periodic partial delivery is made against a nonnegotiable warehouse receipt, the delivery shall be documented on the back of the original warehouse receipt or other method of documentation approved by the bureau showing the net balance in store. Original nonnegotiable warehouse receipts may be maintained in alphabetical or numerical order. If partial delivery is made against a negotiable warehouse receipt, the warehouse receipt shall be canceled and a replacement warehouse receipt issued for the balance in store.

90.13(7) *Cancellation of warehouse receipt conditioned on removal from storage, purchase and payment, reissuance of receipt, or execution of a credit-sale contract.* No warehouse receipt shall be canceled by the warehouse operator unless:

- a. The product represented by the receipt has been removed from storage;
- b. The product has been purchased and payment made;
- c. A replacement receipt is issued at the time the receipt is canceled; or
- d. The product represented by the receipt is purchased and a credit-sale contract is properly executed.

This rule is intended to implement Iowa Code sections 203C.16, 203C.17, 203C.18, 203C.34 and 203C.35.

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