

HISTORICAL AND REVISION NOTES—CONTINUED

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|--|-----------------------------------|
| 80106(b) | 49 App.:112 (1st sentence). | |
| 80106(c) | 49 App.:113. 49 App.:112 (2d-last sentences). | |

In subsection (a), the words “without negotiating it” are added for clarity.

In subsection (b), the text of 49 App.:113 (last sentence) is omitted as unnecessary because of the words “the transferee may compel the transferor”.

In subsection (c)(1), before clause (A), the words “also acquires the right to notify” and “by the transferor or transferee of a straight bill” are omitted as unnecessary because of the restatement.

§ 80107. Warranties and liability

(a) GENERAL RULE.—Unless a contrary intention appears, a person negotiating or transferring a bill of lading for value warrants that—

- (1) the bill is genuine;
- (2) the person has the right to transfer the bill and the title to the goods described in the bill;
- (3) the person does not know of a fact that would affect the validity or worth of the bill; and
- (4) the goods are merchantable or fit for a particular purpose when merchantability or fitness would have been implied if the agreement of the parties had been to transfer the goods without a bill of lading.

(b) SECURITY FOR DEBT.—A person holding a bill of lading as security for a debt and in good faith demanding or receiving payment of the debt from another person does not warrant by the demand or receipt—

- (1) the genuineness of the bill; or
- (2) the quantity or quality of the goods described in the bill.

(c) DUPLICATES.—A common carrier issuing a bill of lading, on the face of which is the word “duplicate” or another word indicating that the bill is not an original bill, is liable the same as a person that represents and warrants that the bill is an accurate copy of an original bill properly issued. The carrier is not otherwise liable under the bill.

(d) INDORSER LIABILITY.—Indorsement of a bill of lading does not make the indorser liable for failure of the common carrier or a previous indorser to fulfill its obligations.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1349.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|---|
| 80107(a) | 49 App.:114. | Aug. 29, 1916, ch. 415, §§15, 34-36, 39 Stat. 541, 543. |
| 80107(b) | 49 App.:116. | |
| 80107(c) | 49 App.:95. | |
| 80107(d) | 49 App.:115. | |

In subsection (a), before clause (1), the words “by indorsement or delivery” are omitted as surplus. In clause (4), the words “merchantability or fitness” are substituted for “such warranties”, and the words “the goods without a bill of lading” are substituted for “without a bill the goods represented thereby”, for clarity.

In subsection (b), before clause (1), the words “person holding” are substituted for “mortgagee or pledgee or other holder” because they are inclusive. The words “from another person” are substituted for “whether from a party to a draft drawn for such debt or from any other person” to eliminate unnecessary words. The words “does not warrant by the demand or receipt” are substituted for “shall not be deemed by so doing to represent or warrant” for clarity.

In subsection (c), the words “A common carrier issuing . . . is liable” are substituted for “plainly shall impose upon the carrier issuing the same the liability” for clarity and to eliminate unnecessary words. The words “The carrier is not otherwise liable under the bill” are substituted for “but no other liability” for clarity.

In subsection (d), the word “respective” is omitted as unnecessary.

§ 80108. Alterations and additions

An alteration or addition to a bill of lading after its issuance by a common carrier, without authorization from the carrier in writing or noted on the bill, is void. However, the original terms of the bill are enforceable.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1349.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|--|
| 80108 | 49 App.:93. | Aug. 29, 1916, ch. 415, §13, 39 Stat. 540. |

The word “erasure” is omitted as being included in “alteration”. The words “whatever be the nature and purpose of the change” are omitted as surplus. The word “terms” is substituted for “tenor” for clarity.

§ 80109. Liens under negotiable bills

A common carrier issuing a negotiable bill of lading has a lien on the goods covered by the bill for—

- (1) charges for storage, transportation, and delivery (including demurrage and terminal charges), and expenses necessary to preserve the goods or incidental to transporting the goods after the date of the bill; and
- (2) other charges for which the bill expressly specifies a lien is claimed to the extent the charges are allowed by law and the agreement between the consignor and carrier.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1349.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|--|
| 80109 | 49 App.:105. | Aug. 29, 1916, ch. 415, §25, 39 Stat. 542. |

In this section, before clause (1), the word “If” is omitted as surplus. The words “covered by the bill” are substituted for “therein mentioned” for clarity. In clause (1), the words “charges for storage, transportation, and delivery (including demurrage and terminal charges)” are substituted for “all charges on those goods for freight, storage, demurrage and terminal charges . . . and all other charges incurred in transportation and delivery” as being inclusive and to conform to section 7-307 of the Uniform Commercial Code. In clause (2), the words “other charges for which the bill expressly specifies a lien” are substituted for “unless the bill expressly enumerates other charges for which a