

TITLE 5: UNIFORM COMMERCIAL CODE
DIVISION 7: WAREHOUSE RECEIPTS, ETC.

§ 7507. Warranties on Negotiation or Transfer of Receipt or Bill.

Where a person negotiates or transfers a document of title for value otherwise than as a mere intermediary under 5 CMC § 7508, then unless otherwise agreed he warrants to his immediate purchaser only in addition to any warranty made in selling the goods:

- (a) That the document is genuine; and
- (b) That he has no knowledge of any fact which would impair its validity or worth; and
- (c) That his negotiation or transfer is rightful and fully effective with respect to the title to the document and the goods it represents.

Source: PL 3-56, § 1 (§ 7507).