

to which, in the exercise of due diligence, he is able to procure such insurance, keep such beans while in his custody insured in his own name, to the extent so requested, against loss or damage by fire, lightning, or tornado. When insurance is not carried in the warehouseman's name, the receipt shall show that the beans are not insured by him. Such insurance shall be covered by lawful policies issued by one or more insurance companies authorized to do such business and subject to service of process in suits brought in the State where the warehouse is located. If the warehouseman is unable to procure such insurance to the extent requested, he shall, orally, or by telegraph or by telephone and at his own expense, immediately notify the person making the request. Nothing in this section shall be construed to prevent a warehouseman from adopting a rule that he will insure all beans.

(b) Each warehouseman shall keep exposed conspicuously in the place prescribed by §739.6 and at such other place as the Administrator or his representative may from time to time designate, a notice stating briefly the conditions under which beans will be insured against loss or damage by fire, lightning, or tornado.

(c) Each warehouseman shall take promptly such steps as may be necessary and proper to collect any moneys which may become due under contracts of insurance entered into by him for the purpose of meeting the requirements of the regulations in this part, and shall, as soon as collected, pay promptly to the persons concerned any portion of such moneys which they may be entitled to receive from him.

§ 739.26 Premiums; inspections; reports.

Each warehouseman shall, in accordance with his contracts with insurance and bonding companies for the purpose of meeting the insurance and bonding requirements of the regulations in this part, pay such premiums, permit such reasonable inspections and examinations, and make such reasonable reports as may be provided for in such contracts.

§ 739.27 Shrinkage of beans.

When beans are received for storage, the warehouseman and the depositor shall agree upon an amount to be allowed for natural shrinkage and loss caused by rodents while the beans are in storage, and the amount so agreed upon shall be clearly stated in the warehouse receipt.

§ 739.28 Care of beans in storage.

Each warehouseman shall at all times exercise such care in regard to beans in his custody as a reasonably careful owner would exercise under the same circumstances and conditions.

§ 739.29 Care of nonlicensed beans or other commodities.

If at any time a warehouseman shall handle beans other than for storage, or shall handle or store any other commodity, he shall so protect the same and otherwise exercise such care with respect to them as not to endanger the beans in his custody as a warehouseman or impair his ability to meet his obligations and perform his duties under the act and the regulations in this part. If the warehouseman shall store commodities other than those for which he is licensed, a nonlicensed receipt shall be issued, which shall contain in its terms a provision that said commodities are accepted for storage only until such time as the space which they may occupy may be needed for products for the storage of which the warehouseman is licensed. Under no circumstances shall any commodities for the storage of which the warehouseman is not licensed be stored if the storage of such commodities might adversely affect the commercial value, or the insurance on beans covered by licensed receipts.

§ 739.30 Records to be kept in safe place.

Each warehouseman shall provide a metal fireproof safe, a fireproof vault, or a fireproof compartment in which he shall keep, when not in actual use, all records, books, and papers pertaining to the warehouse, including his current receipt book, copies of receipts issued, and canceled receipts, except that with the written consent of the Administrator, or his representative, upon a