

1 A bill to be entitled
2 An act relating to the Uniform Commercial Code; amending
3 ss. 668.50 and 671.304, F.S.; correcting cross-references;
4 amending ss. 671.201, 672.103, 672.104, 674.104, 677.102,
5 and 679.1021, F.S.; revising and providing definitions;
6 revising provisions pertaining to definitions applicable
7 to certain provisions of the code, to conform cross-
8 references to revisions made by this act; amending s.
9 672.310, F.S.; revising time when certain delivery
10 payments are due; amending ss. 559.9232, 672.323, 672.401,
11 672.503, 672.505, 672.506, 672.509, 672.605, 672.705,
12 674.2101, 677.201, 677.202, 677.203, 677.205, 677.206,
13 677.207, 677.208, 677.301, 677.302, 677.304, 677.305,
14 677.401, 677.402, 677.403, 677.404, 677.502, 677.503,
15 677.505, 677.506, 677.507, 677.508, 677.509, 677.602,
16 677.603, 679.2031, 679.2071, 679.3011, 679.3101, 679.3121,
17 679.3131, 679.3141, 679.3171, 679.338, 680.1031, 680.514,
18 and 680.526, F.S.; revising provisions to conform to
19 changes made by this act; making editorial changes;
20 amending s. 677.103, F.S.; revising and providing
21 application in relation of chapter to treaty, statute,
22 classification, or regulation; amending s. 677.104, F.S.;
23 providing when certain documents of title are
24 nonnegotiable; amending s. 677.105, F.S.; authorizing an
25 issuer of the electronic document to issue a tangible
26 document of title as a substitute for the electronic
27 document under certain conditions; authorizing an issuer
28 of a tangible document to issue an electronic document of

29 title as a substitute for the tangible document under
30 certain conditions; creating s. 677.106, F.S.; providing
31 when certain persons have control of an electronic
32 document of title; amending s. 677.204, F.S.; revising
33 liability of certain damages; authorizing a warehouse
34 receipt or storage agreement to provide certain
35 requirements; amending s. 677.209, F.S.; revising
36 conditions for a warehouse to establish a lien against a
37 bailor; providing when and against whom the lien is
38 effective; amending s. 677.210, F.S.; revising provisions
39 relating to the enforcement of warehouse's liens; amending
40 s. 677.303, F.S.; prohibiting liability for certain
41 carriers; amending s. 677.307, F.S.; revising conditions
42 under which a carrier has a lien on goods covered by a
43 bill of lading; amending s. 677.308, F.S.; revising
44 provisions relating to the enforcement of a carrier's
45 lien; amending s. 677.309, F.S.; revising provisions
46 relating to the contractual limitation of a carrier's
47 liability; amending s. 677.501, F.S.; providing
48 requirements for negotiable tangible documents of title
49 and negotiable electronic documents of title; amending s.
50 677.504, F.S.; providing condition under which the rights
51 of the transferee may be defeated; amending s. 677.601,
52 F.S.; revising provisions relating to lost, stolen, or
53 destroyed documents of title; amending s. 678.1031, F.S.;
54 providing that certain documents of title are not
55 financial assets; amending s. 679.2081, F.S.; providing
56 requirements for secured parties having control of an

57 | electronic document; providing an effective date.

58 |

59 | Be It Enacted by the Legislature of the State of Florida:

60 |

61 | Section 1. Paragraph (f) of subsection (2) of section
62 | 559.9232, Florida Statutes, is amended to read:

63 | 559.9232 Definitions; exclusion of rental-purchase
64 | agreements from certain regulations.—

65 | (2) A rental-purchase agreement that complies with this
66 | act shall not be construed to be, nor be governed by, any of the
67 | following:

68 | (f) A security interest as defined in s. 671.201(38)~~(35)~~.

69 | Section 2. Paragraph (d) of subsection (16) of section
70 | 668.50, Florida Statutes, is amended to read:

71 | 668.50 Uniform Electronic Transaction Act.—

72 | (16) TRANSFERABLE RECORDS.—

73 | (d) Except as otherwise agreed, a person having control of
74 | a transferable record is the holder, as defined in s.

75 | 671.201(21), of the transferable record and has the same rights
76 | and defenses as a holder of an equivalent record or writing

77 | under the Uniform Commercial Code, including, if the applicable
78 | statutory requirements under s. 673.3021, s. 677.501, or s.

79 | 679.330 ~~679.308~~ are satisfied, the rights and defenses of a

80 | holder in due course, a holder to which a negotiable document of
81 | title has been duly negotiated, or a purchaser, respectively.

82 | Delivery, possession, and indorsement are not required to obtain
83 | or exercise any of the rights under this paragraph.

84 Section 3. Present subsections (25) through (43) of
 85 section 671.201, Florida Statutes, are renumbered as subsections
 86 (28) through (46), respectively, new subsections (25), (26), and
 87 (27) are added to that section, and present subsections (5),
 88 (6), (10), (15), (16), (21), and (42) are amended, to read:

89 671.201 General definitions.—Unless the context otherwise
 90 requires, words or phrases defined in this section, or in the
 91 additional definitions contained in other chapters of this code
 92 which apply to particular chapters or parts thereof, have the
 93 meanings stated. Subject to definitions contained in other
 94 chapters of this code which apply to particular chapters or
 95 parts thereof, the term:

96 (5) "Bearer" means a person in control of a negotiable
 97 electronic document of title or a person in possession of a
 98 negotiable instrument, a negotiable tangible document of title,
 99 or a certificated security that is payable to bearer or indorsed
 100 in blank.

101 (6) "Bill of lading" means a document of title evidencing
 102 the receipt of goods for shipment issued by a person engaged in
 103 the business of directly or indirectly transporting or
 104 forwarding goods. The term does not include a warehouse receipt.

105 (10) "Conspicuous," with reference to a term, means so
 106 written, displayed, or presented that a reasonable person
 107 against which ~~whom~~ it is to operate ought to have noticed it.
 108 Whether a term is "conspicuous" is a decision for the court.
 109 Conspicuous terms include the following:

110 (a) A heading in capitals ~~in a size~~ equal to or greater in
 111 size larger than ~~that of~~ the surrounding text, or in contrasting

112 a type, font, or color ~~in contrast~~ to the surrounding text of
113 the same or lesser size; and.

114 (b) Language in the body of a record or display in larger
115 type ~~larger~~ than ~~that of~~ the surrounding text; ~~in a type, font,~~
116 ~~or color in contrast to the surrounding text of the same size;~~
117 or set off from surrounding text of the same size by symbols or
118 other marks that call attention to the language.

119 (15) "Delivery," with respect to an electronic document of
120 title, means voluntary transfer of control and "delivery," with
121 respect to instruments ~~instrument, tangible~~ document of title,
122 ~~or~~ chattel paper, or certificated securities, means voluntary
123 transfer of possession.

124 (16) "Document of title" means a record:

125 (a) ~~includes bill of lading, dock warrant, dock receipt,~~
126 ~~warehouse receipt or order for the delivery of goods, and any~~
127 ~~other document~~ That in the regular course of business or
128 financing is treated as adequately evidencing that the person in
129 possession or control of the record ~~it~~ is entitled to receive,
130 control, hold, and dispose of the record ~~document~~ and the goods
131 the record ~~it~~ covers; and

132 (b) That purports to be issued by or addressed to a bailee
133 and to cover goods in the bailee's possession which are either
134 identified or are fungible portions of an identified mass. The
135 term includes a bill of lading, transport document, dock
136 warrant, dock receipt, warehouse receipt, and order for delivery
137 of goods. An electronic document of title means a document of
138 title evidenced by a record consisting of information stored in
139 an electronic medium. A tangible document of title means a

140 document of title evidenced by a record consisting of
141 information that is inscribed on a tangible medium. ~~To be a~~
142 ~~document of title, a document must purport to be issued by or~~
143 ~~addressed to a bailee and purport to cover goods in the bailee's~~
144 ~~possession which are either identified or are fungible portions~~
145 ~~of an identified mass.~~

146 (21) "Holder" means:

147 (a) The person in possession of a negotiable instrument
148 that is payable either to bearer or to an identified person that
149 is the person in possession; ~~or~~

150 (b) The person in possession of a negotiable tangible
151 document of title if the goods are deliverable either to bearer
152 or to the order of the person in possession; ~~or-~~

153 (c) The person in control of a negotiable electronic
154 document of title.

155 (25) Subject to subsection (27), a person has "notice" of
156 a fact if the person:

157 (a) Has actual knowledge of it;

158 (b) Has received a notice or notification of it; or

159 (c) From all the facts and circumstances known to the
160 person at the time in question, has reason to know that it
161 exists. A person "knows" or has "knowledge" of a fact when the
162 person has actual knowledge of it. "Discover" or "learn" or a
163 word or phrase of similar import refers to knowledge rather than
164 to reason to know. The time and circumstances under which a
165 notice or notification may cease to be effective are not
166 determined by this section.

167 (26) A person "notifies" or "gives" a notice or

168 notification to another person by taking such steps as may be
 169 reasonably required to inform the other person in ordinary
 170 course, whether or not the other person actually comes to know
 171 of it. Subject to subsection (27), a person "receives" a notice
 172 or notification when:

173 (a) It comes to that person's attention; or

174 (b) It is duly delivered in a form reasonable under the
 175 circumstances at the place of business through which the
 176 contract was made or at another location held out by that person
 177 as the place for receipt of such communications.

178 (27) Notice, knowledge, or a notice or notification
 179 received by an organization is effective for a particular
 180 transaction from the time when it is brought to the attention of
 181 the individual conducting that transaction, and, in any event,
 182 from the time when it would have been brought to the
 183 individual's attention if the organization had exercised due
 184 diligence. An organization exercises due diligence if it
 185 maintains reasonable routines for communicating significant
 186 information to the person conducting the transaction and there
 187 is reasonable compliance with the routines. Due diligence does
 188 not require an individual acting for the organization to
 189 communicate information unless such communication is part of the
 190 individual's regular duties or the individual has reason to know
 191 of the transaction and that the transaction would be materially
 192 affected by the information.

193 (45)-(42) "Warehouse receipt" means a document of title
 194 receipt issued by a person engaged in the business of storing
 195 goods for hire.

196 Section 4. Subsection (5) of section 671.304, Florida
 197 Statutes, is amended to read:

198 671.304 Laws not repealed; precedence where code
 199 provisions in conflict with other laws; certain statutory
 200 remedies retained.—

201 (5) The effectiveness of any financing statement or
 202 continuation statement filed prior to January 1, 1980, or any
 203 continuation statement filed on or after October 1, 1984, which
 204 states that the debtor is a transmitting utility as provided in
 205 s. 679.515(6) ~~679.403(6)~~ shall continue until a termination
 206 statement is filed, except that if this act requires a filing in
 207 an office where there was no previous financing statement, a new
 208 financing statement conforming to s. 680.109(4), Florida
 209 Statutes 1979, shall be filed in that office.

210 Section 5. Subsection (3) of section 672.103, Florida
 211 Statutes, is amended to read:

212 672.103 Definitions and index of definitions.—

213 (3) The following definitions in other chapters apply to
 214 this chapter:

- 215 "Check," s. 673.1041.
- 216 "Consignee," s. 677.102.
- 217 "Consignor," s. 677.102.
- 218 "Consumer goods," s. 679.1021.
- 219 "Control," s. 677.106.
- 220 "Dishonor," s. 673.5021.
- 221 "Draft," s. 673.1041.

222 Section 6. Subsection (2) of section 672.104, Florida
 223 Statutes, is amended to read:

224 672.104 Definitions: "merchant"; "between merchants";
 225 "financing agency."—

226 (2) "Financing agency" means a bank, finance company or
 227 other person who in the ordinary course of business makes
 228 advances against goods or documents of title or who by
 229 arrangement with either the seller or the buyer intervenes in
 230 ordinary course to make or collect payment due or claimed under
 231 the contract for sale, as by purchasing or paying the seller's
 232 draft or making advances against it or by merely taking it for
 233 collection whether or not documents of title accompany or are
 234 associated with the draft. "Financing agency" includes also a
 235 bank or other person who similarly intervenes between persons
 236 who are in the position of seller and buyer in respect to the
 237 goods (s. 672.707).

238 Section 7. Subsection (3) of section 672.310, Florida
 239 Statutes, is amended to read:

240 672.310 Open time for payment or running of credit;
 241 authority to ship under reservation.—Unless otherwise agreed:

242 (3) If delivery is authorized and made by way of documents
 243 of title otherwise than by subsection (2) then payment is due
 244 regardless of where the goods are to be received at the time and
 245 place at which the buyer is to receive delivery of the tangible
 246 documents or at the time the buyer is to receive delivery of the
 247 electronic documents and at the seller's place of business or,
 248 if none, the seller's residence ~~regardless of where the goods~~
 249 ~~are to be received;~~ and

250 Section 8. Section 672.323, Florida Statutes, is amended
 251 to read:

252 672.323 Form of bill of lading required in overseas
253 shipment; "overseas."—

254 (1) Where the contract contemplates overseas shipment and
255 contains a term "C.I.F." or "C. & F. or F.O.B. vessel," the
256 seller unless otherwise agreed shall ~~must~~ obtain a negotiable
257 bill of lading stating that the goods have been loaded in ~~on~~
258 board or, in the case of a term "C.I.F." or "C. & F.," received
259 for shipment.

260 (2) Where in a case within subsection (1) a tangible bill
261 of lading has been issued in a set of parts, unless otherwise
262 agreed if the documents are not to be sent from abroad the buyer
263 may demand tender of the full set; otherwise only one part of
264 the bill of lading need be tendered. Even if the agreement
265 expressly requires a full set:

266 (a) Due tender of a single part is acceptable within the
267 provisions of this chapter on cure of improper delivery (s.
268 672.508(1)); and

269 (b) Even though the full set is demanded, if the documents
270 are sent from abroad the person tendering an incomplete set may
271 nevertheless require payment upon furnishing an indemnity which
272 the buyer in good faith deems adequate.

273 (3) A shipment by water or by air or a contract
274 contemplating such shipment is "overseas" insofar as by usage of
275 trade or agreement it is subject to the commercial, financing or
276 shipping practices characteristic of international deepwater
277 commerce.

278 Section 9. Subsections (2) and (3) of section 672.401,
279 Florida Statutes, are amended to read:

280 672.401 Passing of title; reservation for security;
 281 limited application of this section.—Each provision of this
 282 chapter with regard to the rights, obligations and remedies of
 283 the seller, the buyer, purchasers or other third parties applies
 284 irrespective of title to the goods except where the provision
 285 refers to such title. Insofar as situations are not covered by
 286 the other provisions of this chapter and matters concerning
 287 title become material the following rules apply:

288 (2) Unless otherwise explicitly agreed title passes to the
 289 buyer at the time and place at which the seller completes her or
 290 his performance with reference to the physical delivery of the
 291 goods, despite any reservation of a security interest and even
 292 though a document of title is to be delivered at a different
 293 time or place; and in particular and despite any reservation of
 294 a security interest by the bill of lading:

295 (a) If the contract requires or authorizes the seller to
 296 send the goods to the buyer but does not require him or her ~~the~~
 297 ~~seller~~ to deliver them at destination, title passes to the buyer
 298 at the time and place of shipment; but

299 (b) If the contract requires delivery at destination,
 300 title passes on tender there.

301 (3) Unless otherwise explicitly agreed where delivery is
 302 to be made without moving the goods:

303 (a) If the seller is to deliver a tangible document of
 304 title, title passes at the time when and the place where he or
 305 she ~~the seller~~ delivers such documents and if the seller is to
 306 deliver an electronic document of title, title passes when the
 307 seller delivers the document; or

308 (b) If the goods are at the time of contracting already
 309 identified and no documents of title are to be delivered, title
 310 passes at the time and place of contracting.

311 Section 10. Subsections (4) and (5) of section 672.503,
 312 Florida Statutes, are amended to read:

313 672.503 Manner of seller's tender of delivery.-

314 (4) Where goods are in the possession of a bailee and are
 315 to be delivered without being moved:

316 (a) Tender requires that the seller either tender a
 317 negotiable document of title covering such goods or procure
 318 acknowledgment by the bailee of the buyer's right to possession
 319 of the goods; but

320 (b) Tender to the buyer of a nonnegotiable document of
 321 title or of a record directing ~~written direction~~ to the bailee
 322 to deliver is sufficient tender unless the buyer seasonably
 323 objects, and, except as otherwise provided in chapter 679,
 324 receipt by the bailee of notification of the buyer's rights
 325 fixes those rights as against the bailee and all third persons;
 326 but risk of loss of the goods and of any failure by the bailee
 327 to honor the nonnegotiable document of title or to obey the
 328 direction remains on the seller until the buyer has had a
 329 reasonable time to present the document or direction, and a
 330 refusal by the bailee to honor the document or to obey the
 331 direction defeats the tender.

332 (5) Where the contract requires the seller to deliver
 333 documents:

334 (a) He or she shall ~~must~~ tender all such documents in
 335 correct form, except as provided in this chapter with respect to

336 bills of lading in a set (s. 672.323(2)); and

337 (b) Tender through customary banking channels is
338 sufficient and dishonor of a draft accompanying or associated
339 with the documents constitutes nonacceptance or rejection.

340 Section 11. Section 672.505, Florida Statutes, is amended
341 to read:

342 672.505 Seller's shipment under reservation.—

343 (1) Where the seller has identified goods to the contract
344 by or before shipment:

345 (a) His or her ~~The seller's~~ procurement of a negotiable
346 bill of lading to his or her own order or otherwise reserves in
347 him or her ~~the seller~~ a security interest in the goods. His or
348 her procurement of the bill to the order of a financing agency
349 or of the buyer indicates in addition only the seller's
350 expectation of transferring that interest to the person named.

351 (b) A nonnegotiable bill of lading to himself or herself
352 or his or her nominee reserves possession of the goods as
353 security but except in a case of conditional delivery (s.
354 672.507(2)) a nonnegotiable bill of lading naming the buyer as
355 consignee reserves no security interest even though the seller
356 retains possession or control of the bill of lading.

357 (2) When shipment by the seller with reservation of a
358 security interest is in violation of the contract for sale it
359 constitutes an improper contract for transportation within the
360 preceding section but impairs neither the rights given to the
361 buyer by shipment and identification of the goods to the
362 contract nor the seller's powers as a holder of a negotiable
363 document of title.

364 Section 12. Subsection (2) of section 672.506, Florida
 365 Statutes, is amended to read:

366 672.506 Rights of financing agency.—

367 (2) The right to reimbursement of a financing agency which
 368 has in good faith honored or purchased the draft under
 369 commitment to or authority from the buyer is not impaired by
 370 subsequent discovery of defects with reference to any relevant
 371 document which was apparently regular ~~on its face~~.

372 Section 13. Subsection (2) of section 672.509, Florida
 373 Statutes, is amended to read:

374 672.509 Risk of loss in the absence of breach.—

375 (2) Where the goods are held by a bailee to be delivered
 376 without being moved, the risk of loss passes to the buyer:

377 (a) On her or his receipt of possession or control of a
 378 negotiable document of title covering the goods; or

379 (b) On acknowledgment by the bailee of the buyer's right
 380 to possession of the goods; or

381 (c) After her or his receipt of possession or control of a
 382 nonnegotiable document of title or other ~~written~~ direction to
 383 deliver in a record, as provided in s. 672.503(4) (b).

384 Section 14. Subsection (2) of section 672.605, Florida
 385 Statutes, is amended to read:

386 672.605 Waiver of buyer's objections by failure to
 387 particularize.—

388 (2) Payment against documents made without reservation of
 389 rights precludes recovery of the payment for defects apparent in
 390 ~~on the face of~~ the documents.

391 Section 15. Subsections (2) and (3) of section 672.705,

392 Florida Statutes, are amended to read:

393 672.705 Seller's stoppage of delivery in transit or
 394 otherwise.—

395 (2) As against such buyer the seller may stop delivery
 396 until:

397 (a) Receipt of the goods by the buyer; or

398 (b) Acknowledgment to the buyer by any bailee of the goods
 399 except a carrier that the bailee holds the goods for the buyer;
 400 or

401 (c) Such acknowledgment to the buyer by a carrier by
 402 reshipment or as a warehouse ~~warehouseman~~; or

403 (d) Negotiation to the buyer of any negotiable document of
 404 title covering the goods.

405 (3) (a) To stop delivery the seller shall ~~must~~ so notify as
 406 to enable the bailee by reasonable diligence to prevent delivery
 407 of the goods.

408 (b) After such notification the bailee shall ~~must~~ hold and
 409 deliver the goods according to the directions of the seller but
 410 the seller is liable to the bailee for any ensuing charges or
 411 damages.

412 (c) If a negotiable document of title has been issued for
 413 goods the bailee is not obliged to obey a notification to stop
 414 until surrender of possession or control of the document.

415 (d) A carrier who has issued a nonnegotiable bill of
 416 lading is not obliged to obey a notification to stop received
 417 from a person other than the consignor.

418 Section 16. Subsection (3) of section 674.104, Florida
 419 Statutes, is amended to read:

420 674.104 Definitions and index of definitions.—
 421 (3) The following definitions in other chapters apply to
 422 this chapter:
 423 "Acceptance," s. 673.4091.
 424 "Alteration," s. 673.4071.
 425 "Cashier's check," s. 673.1041.
 426 "Certificate of deposit," s. 673.1041.
 427 "Certified check," s. 673.4091.
 428 "Check," s. 673.1041.
 429 "Control," s. 677.106.
 430 "Good faith," s. 673.1031.
 431 "Holder in due course," s. 673.3021.
 432 "Instrument," s. 673.1041.
 433 "Notice of dishonor," s. 673.5031.
 434 "Order," s. 673.1031.
 435 "Ordinary care," s. 673.1031.
 436 "Person entitled to enforce," s. 673.3011.
 437 "Presentment," s. 673.5011.
 438 "Promise," s. 673.1031.
 439 "Prove," s. 673.1031.
 440 "Teller's check," s. 673.1041.
 441 "Unauthorized signature," s. 673.4031.
 442 Section 17. Subsection (3) of section 674.2101, Florida
 443 Statutes, is amended to read:
 444 674.2101 Security interest of collecting bank in items,
 445 accompanying documents, and proceeds.—
 446 (3) Receipt by a collecting bank of a final settlement for
 447 an item is a realization on its security interest in the item,

448 accompanying documents, and proceeds. So long as the bank does
 449 not receive final settlement for the item or give up possession
 450 of the item or possession or control of the accompanying or
 451 associated documents for purposes other than collection, the
 452 security interest continues to that extent and is subject to
 453 chapter 679, but:

454 (a) No security agreement is necessary to make the
 455 security interest enforceable (s. 679.2031(2)(c)1.);

456 (b) No filing is required to perfect the security
 457 interest; and

458 (c) The security interest has priority over conflicting
 459 perfected security interests in the item, accompanying
 460 documents, or proceeds.

461 Section 18. Section 677.102, Florida Statutes, is amended
 462 to read:

463 677.102 Definitions and index of definitions.—

464 (1) In this chapter, unless the context otherwise
 465 requires:

466 (a) "Bailee" means a ~~the~~ person that ~~who~~ by a warehouse
 467 receipt, bill of lading or other document of title acknowledges
 468 possession of goods and contracts to deliver them.

469 (b) "Carrier" means a person that issues a bill of
 470 lading.

471 (c) ~~(b)~~ "Consignee" means a ~~the~~ person named in a bill of
 472 lading to which ~~whom~~ or to whose order the bill promises
 473 delivery.

474 (d) ~~(c)~~ "Consignor" means a ~~the~~ person named in a bill of
 475 lading as the person from which ~~whom~~ the goods have been

476 received for shipment.

477 (e) ~~(d)~~ "Delivery order" means a record that contains an
 478 ~~written~~ order to deliver goods directed to a warehouse
 479 ~~warehouseman,~~ carrier, or other person that ~~who~~ in the ordinary
 480 course of business issues warehouse receipts or bills of lading.

481 (f) "Good faith" means honesty in fact and the observance
 482 of reasonable commercial standards of fair dealing.

483 ~~(e) "Document" means document of title as defined in the~~
 484 ~~general definitions in chapter 671 (s. 671.201).~~

485 (g) ~~(f)~~ "Goods" means all things that ~~which~~ are treated as
 486 movable for the purposes of a contract of storage or
 487 transportation.

488 (h) ~~(g)~~ "Issuer" means a bailee who issues a document of
 489 title or, in the case of ~~except that in relation to an~~
 490 ~~unaccepted delivery order,~~ it means the person who orders the
 491 possessor of goods to deliver. The term ~~Issuer~~ includes a any
 492 person for which ~~whom~~ an agent or employee purports to act in
 493 issuing a document if the agent or employee has real or apparent
 494 authority to issue documents, notwithstanding that the issuer
 495 received no goods or that the goods were misdescribed or that in
 496 any other respect the agent or employee violated his or her
 497 instructions.

498 (i) "Person entitled under the document" means the holder,
 499 in the case of a negotiable document of title, or the person to
 500 which delivery of the goods is to be made by the terms of, or
 501 pursuant to instructions in a record under, a nonnegotiable
 502 document of title.

503 (j) "Record" means information that is inscribed on a

504 tangible medium or that is stored in an electronic or other
 505 medium and is retrievable in perceivable form.

506 (k) "Shipper" means a person that enters into a contract
 507 of transportation with a carrier.

508 (1) "Sign" means, with present intent to authenticate or
 509 adopt a record:

510 1. To execute or adopt a tangible symbol; or

511 2. To attach to or logically associate with the record an
 512 electronic sound, symbol, or process.

513 (m) ~~(h)~~ "Warehouse" means "warehouseman" is a person
 514 engaged in the business of storing goods for hire.

515 ~~(2) Other definitions applying to this chapter or to~~
 516 ~~specified parts thereof, and the sections in which they appear~~
 517 ~~are:~~

518 ~~"Duly negotiate," s. 677.501.~~

519 ~~"Person entitled under the document," s. 677.403(4).~~

520 ~~(3)~~ Definitions in other chapters applying to this chapter
 521 and the sections in which they appear are:

522 "Contract for sale," s. 672.106.

523 ~~"Overseas," s. 672.323.~~

524 "Lessee in ordinary course of business," s. 680.1031.

525 "Receipt" of goods, s. 672.103.

526 (3) ~~(4)~~ In addition, chapter 671 contains general
 527 definitions and principles of construction and interpretation
 528 applicable throughout this chapter.

529 Section 19. Section 677.103, Florida Statutes, is amended
 530 to read:

531 677.103 Relation of chapter to treaty, statute, ~~tariff,~~

532 classification, or regulation.—

533 (1) Except as otherwise provided in this chapter, this
534 chapter is subject to the extent that any treaty or statute of
535 the United States to the extent the treaty or statute,
536 regulatory statute of this state or tariff, classification or
537 regulation filed or issued pursuant thereto is applicable, the
538 provisions of this chapter are subject thereto.

539 (2) This chapter does not modify or repeal any law
540 prescribing the form or content of a document of title or the
541 services or facilities to be afforded by a bailee, or otherwise
542 regulating a bailee's business in respects not specifically
543 treated in this chapter. However, a violation of such a law does
544 not affect the status of a document of title that otherwise is
545 within the definition of a document of title.

546 (3) This chapter modifies, limits, and supersedes the
547 federal Electronic Signatures in Global and National Commerce
548 Act, 15 U.S.C. ss. 7001, et seq., but does not modify, limit, or
549 supersede s. 101(c) of that act, 15 U.S.C. s. 7001(c), or
550 authorize electronic delivery of any of the notices described in
551 s. 103(b) of that act, 15 U.S.C. s. 7003(b).

552 (4) To the extent that there is a conflict between any
553 provisions of the laws of this state regarding electronic
554 transactions and this chapter, this chapter governs.

555 Section 20. Section 677.104, Florida Statutes, is amended
556 to read:

557 677.104 Negotiable and nonnegotiable ~~warehouse receipt,~~
558 ~~bill of lading or other~~ document of title.—

559 (1) Except as otherwise provided in subsection (3), a

560 ~~warehouse receipt, bill of lading or other~~ document of title is
 561 negotiable;

562 ~~(a) if by its terms the goods are to be delivered to~~
 563 ~~bearer or to the order of a named person; or~~

564 ~~(b) Where recognized in overseas trade, if it runs to a~~
 565 ~~named person or assigns.~~

566 (2) A document of title other than one described in
 567 subsection (1) Any other document is nonnegotiable. A bill of
 568 lading that states in which it is stated that the goods are
 569 consigned to a named person is not made negotiable by a
 570 provision that the goods are to be delivered only against an a
 571 ~~written~~ order in a record signed by the same or another named
 572 person.

573 (3) A document of title is nonnegotiable if, at the time
 574 it is issued, the document has a conspicuous legend, however
 575 expressed, that it is nonnegotiable.

576 Section 21. Section 677.105, Florida Statutes, is amended
 577 to read:

578 677.105 Reissuance in alternative medium Construction
 579 ~~against negative implication.-~~

580 (1) Upon request of a person entitled under an electronic
 581 document of title, the issuer of the electronic document may
 582 issue a tangible document of title as a substitute for the
 583 electronic document if:

584 (a) The person entitled under the electronic document
 585 surrenders control of the document to the issuer; and

586 (b) The tangible document when issued contains a statement
 587 that it is issued in substitution for the electronic document.

588 (2) Upon issuance of a tangible document of title in
 589 substitution for an electronic document of title in accordance
 590 with subsection (1):

591 (a) The electronic document ceases to have any effect or
 592 validity; and

593 (b) The person that procured issuance of the tangible
 594 document warrants to all subsequent persons entitled under the
 595 tangible document that the warrantor was a person entitled under
 596 the electronic document when the warrantor surrendered control
 597 of the electronic document to the issuer.

598 (3) Upon request of a person entitled under a tangible
 599 document of title, the issuer of the tangible document may issue
 600 an electronic document of title as a substitute for the tangible
 601 document if:

602 (a) The person entitled under the tangible document
 603 surrenders possession of the document to the issuer; and

604 (b) The electronic document when issued contains a
 605 statement that it is issued in substitution for the tangible
 606 document.

607 (4) Upon issuance of an electronic document of title in
 608 substitution for a tangible document of title is accordance with
 609 subsection (3):

610 (a) The tangible document ceases to have any effect or
 611 validity; and

612 (b) The person that procured issuance of the electronic
 613 document warrants to all subsequent persons entitled under the
 614 electronic document that the warrantor was a person entitled
 615 under the tangible document when the warrantor surrendered

616 possession of the tangible document to the issuer. ~~The omission~~
617 ~~from either part II or part III of this chapter of a provision~~
618 ~~corresponding to a provision made in the other part does not~~
619 ~~imply that a corresponding rule of law is not applicable.~~

620 Section 22. Section 677.106, Florida Statutes, is created
621 to read:

622 677.106 Control of electronic document of title.—

623 (1) A person has control of an electronic document of
624 title if a system employed for evidencing the transfer of
625 interests in the electronic document reliably establishes that
626 person as the person to which the electronic document was issued
627 or transferred.

628 (2) A system satisfies subsection (1), and a person is
629 deemed to have control of an electronic document of title, if
630 the document is created, stored, and assigned in a manner that:

631 (a) A single authoritative copy of the document exists
632 which is unique, identifiable, and, except as otherwise provided
633 in paragraphs (d), (e), and (f), unalterable;

634 (b) The authoritative copy identifies the person asserting
635 control as:

636 1. The person to which the document was issued; or

637 2. If the authoritative copy indicates that the document
638 has been transferred, the person to which the document was most
639 recently transferred;

640 (c) The authoritative copy is communicated to and
641 maintained by the person asserting control or its designated
642 custodian;

643 (d) Copies or amendments that add or change an identified
 644 assignee of the authoritative copy can be made only with the
 645 consent of the person asserting control;

646 (e) Each copy of the authoritative copy and any copy of a
 647 copy is readily identifiable as a copy that is not the
 648 authoritative copy; and

649 (f) Any amendment of the authoritative copy is readily
 650 identifiable as authorized or unauthorized.

651 Section 23. Section 677.201, Florida Statutes, is amended
 652 to read:

653 677.201 Persons that ~~Who~~ may issue a warehouse receipt;
 654 storage under ~~government~~ bond.—

655 (1) A warehouse receipt may be issued by any warehouse
 656 ~~warehouseman.~~

657 (2) If ~~Where~~ goods, including distilled spirits and
 658 agricultural commodities, are stored under a statute requiring a
 659 bond against withdrawal or a license for the issuance of
 660 receipts in the nature of warehouse receipts, a receipt issued
 661 for the goods is deemed to be ~~has like effect as~~ a warehouse
 662 receipt even if ~~though~~ issued by a person that ~~who~~ is the owner
 663 of the goods and is not a warehouse ~~warehouseman.~~

664 Section 24. Section 677.202, Florida Statutes, is amended
 665 to read:

666 677.202 Form of warehouse receipt; effect of omission
 667 ~~essential terms; optional terms.—~~

668 (1) A warehouse receipt need not be in any particular
 669 form.

670 (2) Unless a warehouse receipt provides for ~~embodies~~

671 ~~within its written or printed terms~~ each of the following, the
 672 warehouse ~~warehouseman~~ is liable for damages caused to a person
 673 injured by its ~~by the omission to a person injured thereby:~~

674 (a) A statement of the location of the warehouse facility
 675 where the goods are stored;

676 (b) The date of issue of the receipt;

677 (c) The unique identification code ~~consecutive number~~ of
 678 the receipt;

679 (d) A statement whether the goods received will be
 680 delivered to the bearer, to a named ~~specified~~ person, or to a
 681 named ~~specified~~ person or its ~~his or her~~ order;

682 (e) The rate of storage and handling charges, unless
 683 ~~except that where~~ goods are stored under a field warehousing
 684 arrangement, in which case a statement of that fact is
 685 sufficient on a nonnegotiable receipt;

686 (f) A description of the goods or ~~of~~ the packages
 687 containing them;

688 (g) The signature of the warehouse or its ~~warehouseman,~~
 689 ~~which may be made by his or her authorized agent;~~

690 (h) If the receipt is issued for goods that the warehouse
 691 owns ~~of which the warehouseman is owner~~, either solely, ~~or~~
 692 jointly, or in common with others, a statement of the fact of
 693 that ~~such~~ ownership; and

694 (i) A statement of the amount of advances made and of
 695 liabilities incurred for which the warehouse ~~warehouseman~~ claims
 696 a lien or security interest, unless ~~(s. 677.209)~~. If the precise
 697 amount of ~~such~~ advances made or ~~of such~~ liabilities incurred ~~is,~~
 698 at the time of the issue of the receipt is, unknown to the

699 warehouse ~~warehouseman~~ or to its ~~his or her~~ agent that issued
 700 the receipt, in which case ~~who issues it,~~ a statement of the
 701 fact that advances have been made or liabilities incurred and
 702 the purpose of the advances or liabilities ~~thereof~~ is
 703 sufficient.

704 (3) A warehouse ~~warehouseman~~ may insert in its ~~his or her~~
 705 receipt any ~~other~~ terms that ~~which~~ are not contrary to the
 706 provisions of this code and do not impair its ~~his or her~~
 707 obligation of delivery under s. 677.403 ~~(s. 677.403)~~ or its ~~his~~
 708 ~~or her~~ duty of care under s. 677.204 ~~(s. 677.204)~~. Any contrary
 709 provision is ~~provisions shall be~~ ineffective.

710 Section 25. Section 677.203, Florida Statutes, is amended
 711 to read:

712 677.203 Liability of nonreceipt or misdescription.—A party
 713 to or purchaser for value in good faith of a document of title,
 714 other than a bill of lading, that relies ~~relying in either case~~
 715 upon the description ~~therein~~ of the goods in the document may
 716 recover from the issuer damages caused by the nonreceipt or
 717 misdescription of the goods, except to the extent that:

718 (1) The document conspicuously indicates that the issuer
 719 does not know whether all or any part ~~or all~~ of the goods in
 720 fact were received or conform to the description, such as a case
 721 in which ~~as where~~ the description is in terms of marks or labels
 722 or kind, quantity or condition, or the receipt or description is
 723 qualified by "contents, condition and quality unknown," "said to
 724 contain," or words of similar import ~~the like~~, if such
 725 indication is ~~be~~ true;⁷ or

726 (2) The party or purchaser otherwise has notice of the

727 nonreceipt or misdescription.

728 Section 26. Section 677.204, Florida Statutes, is amended
729 to read:

730 677.204 Duty of care; contractual limitation of
731 warehouse's ~~warehouseman's~~ liability.-

732 (1) A warehouse ~~warehouseman~~ is liable for damages for
733 loss of or injury to the goods caused by its ~~his or her~~ failure
734 to exercise ~~such~~ care with ~~in~~ regard to the goods that ~~them~~ as a
735 reasonably careful person would exercise under similar ~~like~~
736 circumstances. ~~but~~ Unless otherwise agreed, the warehouse ~~he or~~
737 ~~she~~ is not liable for damages that ~~which~~ could not have been
738 avoided by the exercise of that ~~such~~ care.

739 (2) Damages may be limited by a term in the warehouse
740 receipt or storage agreement limiting the amount of liability in
741 case of loss or damage, ~~and~~ setting forth a specific liability
742 per article or item, ~~or~~ value per unit of weight, or any other
743 negotiated limitation of damages as agreed upon between the
744 parties beyond which the warehouse is ~~warehouseman shall~~ not be
745 liable. Such a limitation is not effective with respect to the
746 warehouse's liability for conversion to its own use. On
747 ~~provided, however, that such liability may on written request of~~
748 the bailor in a record at the time of signing the ~~such~~ storage
749 agreement or within a reasonable time after receipt of the
750 warehouse receipt, the warehouse's liability may be increased on
751 part or all of the goods covered by the storage agreement or the
752 warehouse receipt. In this event, thereunder, in which event
753 increased rates may be charged based on an ~~such~~ increased
754 valuation of the goods, ~~but that no such increase shall be~~

755 ~~permitted contrary to a lawful limitation of liability contained~~
 756 ~~in the warehouseman's tariff, if any. No such limitation is~~
 757 ~~effective with respect to the warehouseman's liability for~~
 758 ~~conversion to his or her own use.~~

759 (3) Reasonable provisions as to the time and manner of
 760 presenting claims and commencing actions based on the bailment
 761 may be included in the warehouse receipt or storage agreement.

762 (4) ~~(3)~~ This section does not impair or repeal any statute
 763 which imposes a higher responsibility upon the warehouse
 764 ~~warehouseman~~ or invalidates contractual limitations which would
 765 be permissible under this chapter.

766 Section 27. Section 677.205, Florida Statutes, is amended
 767 to read:

768 677.205 Title under warehouse receipt defeated in certain
 769 cases.—A buyer in ~~the~~ ordinary course of business of fungible
 770 goods sold and delivered by a warehouse that ~~warehouseman who~~ is
 771 also in the business of buying and selling such goods takes the
 772 goods free of any claim under a warehouse receipt even if the
 773 receipt is negotiable and ~~though it~~ has been duly negotiated.

774 Section 28. Section 677.206, Florida Statutes, is amended
 775 to read:

776 677.206 Termination of storage at warehouse's
 777 ~~warehouseman's~~ option.—

778 (1) A warehouse, by giving notice to ~~warehouseman may on~~
 779 ~~notifying~~ the person on whose account the goods are held and any
 780 other person known to claim an interest in the goods, may
 781 require payment of any charges and removal of the goods from the
 782 warehouse at the termination of the period of storage fixed by

783 | the document of title or by a nonnegotiable warehouse receipt,
 784 | or, if a ~~no~~ period is not fixed, within a stated period not less
 785 | than 30 days after the warehouse gives notice ~~notification~~. If
 786 | the goods are not removed before the date specified in the
 787 | notice ~~notification~~, the warehouse ~~warehouseman~~ may sell them
 788 | pursuant to s. 677.210 ~~in accordance with the provisions of the~~
 789 | ~~section on enforcement of a warehouseman's lien (s. 677.210).~~

790 | (2) If a warehouse ~~warehouseman~~ in good faith believes
 791 | that ~~the~~ goods are about to deteriorate or decline in value to
 792 | less than the amount of its ~~his or her~~ lien within the time
 793 | provided ~~prescribed~~ in subsection (1) and s. 677.210 ~~for~~
 794 | ~~notification, advertisement and sale~~, the warehouse ~~warehouseman~~
 795 | may specify in the notice given under subsection (1)
 796 | ~~notification~~ any reasonable shorter time for removal of the
 797 | goods and, if ~~in case~~ the goods are not removed, may sell them
 798 | at public sale held not less than 1 week after a single
 799 | advertisement or posting.

800 | (3) If, as a result of a quality or condition of the goods
 801 | of which the warehouse did not have ~~warehouseman had no~~ notice
 802 | at the time of deposit, the goods are a hazard to other
 803 | property, ~~or to~~ the warehouse facilities, or other ~~to~~ persons,
 804 | the warehouse ~~warehouseman~~ may sell the goods at public or
 805 | private sale without advertisement or posting on reasonable
 806 | notification to all persons known to claim an interest in the
 807 | goods. If the warehouse, ~~warehouseman~~ after a reasonable effort,
 808 | is unable to sell the goods, it ~~he or she~~ may dispose of them in
 809 | any lawful manner and does not ~~shall~~ incur ~~no~~ liability by
 810 | reason of that ~~such~~ disposition.

811 (4) A warehouse shall ~~The warehouseman must~~ deliver the
 812 goods to any person entitled to them under this chapter upon due
 813 demand made at any time before ~~prior to~~ sale or other
 814 disposition under this section.

815 (5) A warehouse ~~The warehouseman~~ may satisfy its ~~his or~~
 816 ~~her~~ lien from the proceeds of any sale or disposition under this
 817 section but shall ~~must~~ hold the balance for delivery on the
 818 demand of any person to which the warehouse ~~whom he or she~~ would
 819 have been bound to deliver the goods.

820 Section 29. Section 677.207, Florida Statutes, is amended
 821 to read:

822 677.207 Goods shall ~~must~~ be kept separate; fungible
 823 goods.-

824 (1) Unless the warehouse receipt ~~otherwise~~ provides
 825 otherwise, a warehouse shall ~~warehouseman must~~ keep separate the
 826 goods covered by each receipt so as to permit at all times
 827 identification and delivery of those goods. However, ~~except that~~
 828 different lots of fungible goods may be commingled.

829 (2) If different lots of fungible goods are ~~so~~ commingled,
 830 the goods are owned in common by the persons entitled thereto
 831 and the warehouse ~~warehouseman~~ is severally liable to each owner
 832 for that owner's share. If, ~~Where~~ because of overissue, a mass
 833 of fungible goods is insufficient to meet all the receipts ~~which~~
 834 the warehouse ~~warehouseman~~ has issued against it, the persons
 835 entitled include all holders to whom overissued receipts have
 836 been duly negotiated.

837 Section 30. Section 677.208, Florida Statutes, is amended
 838 to read:

839 677.208 Altered warehouse receipts.—~~If~~ ~~Where~~ a blank in a
 840 negotiable warehouse receipt has been filled in without
 841 authority, a good faith purchaser for value and without notice
 842 of the lack ~~want~~ of authority may treat the insertion as
 843 authorized. Any other unauthorized alteration leaves any
 844 tangible or electronic warehouse receipt enforceable against the
 845 issuer according to its original tenor.

846 Section 31. Section 677.209, Florida Statutes, is amended
 847 to read:

848 677.209 Lien of warehouse ~~warehouseman~~.—

849 (1) A warehouse ~~warehouseman~~ has a lien against the bailor
 850 on the goods covered by a warehouse receipt or storage agreement
 851 or on the proceeds thereof in its ~~his or her~~ possession for
 852 charges for storage or transportation, including demurrage and
 853 terminal charges ~~(including demurrage and terminal charges),~~
 854 insurance, labor, or other charges, present or future, in
 855 relation to the goods, and for expenses necessary for
 856 preservation of the goods or reasonably incurred in their sale
 857 pursuant to law. If the person on whose account the goods are
 858 held is liable for similar ~~like~~ charges or expenses in relation
 859 to other goods whenever deposited and it is stated in the
 860 warehouse receipt or storage agreement that a lien is claimed
 861 for charges and expenses in relation to other goods, the
 862 warehouse ~~warehouseman~~ also has a lien against the goods covered
 863 by the warehouse receipt or storage agreement or on the proceeds
 864 thereof in its possession ~~him or her~~ for those ~~such~~ charges and
 865 expenses, whether or not the other goods have been delivered by
 866 the warehouse ~~warehouseman~~. However, as ~~But~~ against a person to

867 which ~~whom~~ a negotiable warehouse receipt is duly negotiated, a
 868 warehouse's ~~warehouseman's~~ lien is limited to charges in an
 869 amount or at a rate specified in ~~on~~ the warehouse receipt or, if
 870 no charges are so specified, ~~then~~ to a reasonable charge for
 871 storage of the specific goods covered by the receipt subsequent
 872 to the date of the receipt.

873 (2) A warehouse ~~The warehouseman~~ may also reserve a
 874 security interest against the bailor for the ~~a~~ maximum amount
 875 specified on the receipt for charges other than those specified
 876 in subsection (1), such as for money advanced and interest. The
 877 ~~Such a~~ security interest is governed by chapter 679 ~~the chapter~~
 878 ~~on secured transactions (chapter 679).~~

879 (3) A warehouse's ~~warehouseman's~~ lien for charges and
 880 expenses under subsection (1) or a security interest under
 881 subsection (2) is also effective against any person that ~~who~~ so
 882 entrusted the bailor with possession of the goods that a pledge
 883 of them by the bailor ~~him or her~~ to a good faith ~~good faith~~
 884 purchaser for value would have been valid. However, the lien or
 885 security interest ~~but~~ is not effective against a person that
 886 before issuance of a document of title had a legal interest or a
 887 perfected security interest in the goods and that did not:

888 (a) Deliver or entrust the goods or any document of title
 889 covering the goods to the bailor or the bailor's nominee with:

- 890 1. Actual or apparent authority to ship, store, or sell;
- 891 2. Power to obtain delivery under s. 677.403; or
- 892 3. Power of disposition under s. 672.403, s. 680.304(2),
 893 s. 680.305(2), s. 679.320, or s. 679.321(3) or other statute or
 894 rule of law; or

895 (b) Acquiesce in the procurement by the bailor or its
 896 nominee of any document as to whom the document confers no right
 897 in the goods covered by it under s. 677.503.

898 (4) A warehouse's lien on household goods for charges and
 899 expenses in relation to the goods under subsection (1) is also
 900 effective against all persons if the depositor was the legal
 901 possessor of the goods at the time of deposit. In this
 902 subsection, the term "household goods" means furniture,
 903 furnishings, or personal effects used by the depositor in a
 904 dwelling.

905 (5) ~~(4)~~ A warehouse ~~warehouseman~~ loses its ~~his or her~~ lien
 906 on any goods that it ~~which he or she~~ voluntarily delivers or
 907 ~~which he or she~~ unjustifiably refuses to deliver.

908 Section 32. Section 677.210, Florida Statutes, is amended
 909 to read:

910 677.210 Enforcement of warehouse's ~~warehouseman's~~ lien.—

911 (1) Except as provided in subsection (2), a warehouse's
 912 ~~warehouseman's~~ lien may be enforced by public or private sale of
 913 the goods, in bulk or in packages ~~in block or in parcels,~~ at any
 914 time or place and on any terms that ~~which~~ are commercially
 915 reasonable, after notifying all persons known to claim an
 916 interest in the goods. The ~~Such~~ notification shall ~~must~~ include
 917 a statement of the amount due, the nature of the proposed sale,
 918 and the time and place of any public sale. The fact that a
 919 better price could have been obtained by a sale at a different
 920 time or in a different method from that selected by the
 921 warehouse ~~warehouseman~~ is not of itself sufficient to establish
 922 that the sale was not made in a commercially reasonable manner.

923 The warehouse sells in a commercially reasonable manner if the
 924 warehouse ~~If the warehouseman either~~ sells the goods in the
 925 usual manner in any recognized market therefor, ~~or if he or she~~
 926 sells at the price current in that ~~such~~ market at the time of
 927 the ~~his or her~~ sale, or ~~if he or she has~~ otherwise sells ~~sold~~ in
 928 conformity with commercially reasonable practices among dealers
 929 in the type of goods sold, ~~he or she has sold in a commercially~~
 930 ~~reasonable manner~~. A sale of more goods than apparently
 931 necessary to be offered to ensure satisfaction of the obligation
 932 is not commercially reasonable except in cases covered by the
 933 preceding sentence.

934 (2) A warehouse may enforce its ~~warehouseman's~~ lien on
 935 goods, other than goods stored by a merchant in the course of
 936 its ~~his or her~~ business, only if the following requirements are
 937 satisfied ~~may be enforced only as follows:~~

938 (a) All persons known to claim an interest in the goods
 939 shall ~~must~~ be notified.

940 (b) The notification must be delivered in person or sent
 941 by registered or certified letter to the last known address of
 942 any person to be notified.

943 (c) The notification shall ~~must~~ include an itemized
 944 statement of the claim, a description of the goods subject to
 945 the lien, a demand for payment within a specified time not less
 946 than 10 days after receipt of the notification, and a
 947 conspicuous statement that unless the claim is paid within that
 948 time the goods will be advertised for sale and sold by auction
 949 at a specified time and place.

950 (d) The sale shall ~~must~~ conform to the terms of the

951 notification.

952 (e) The sale shall ~~must~~ be held at the nearest suitable
 953 place to ~~that~~ where the goods are held or stored.

954 (f) After the expiration of the time given in the
 955 notification, an advertisement of the sale shall ~~must~~ be
 956 published once a week for 2 weeks consecutively in a newspaper
 957 of general circulation where the sale is to be held. The
 958 advertisement shall ~~must~~ include a description of the goods, the
 959 name of the person on whose account they are being held, and the
 960 time and place of the sale. The sale shall ~~must~~ take place at
 961 least 15 days after the first publication. If there is no
 962 newspaper of general circulation where the sale is to be held,
 963 the advertisement shall ~~must~~ be posted at least 10 days before
 964 the sale in not fewer ~~less~~ than 6 conspicuous places in the
 965 neighborhood of the proposed sale.

966 (3) Before any sale pursuant to this section any person
 967 claiming a right in the goods may pay the amount necessary to
 968 satisfy the lien and the reasonable expenses incurred in
 969 complying with ~~under~~ this section. In that event, the goods may
 970 ~~must~~ not be sold, but shall ~~must~~ be retained by the warehouse
 971 ~~warehouseman~~ subject to the terms of the receipt and this
 972 chapter.

973 (4) A warehouse ~~The warehouseman~~ may buy at any public
 974 sale held pursuant to this section.

975 (5) A purchaser in good faith of goods sold to enforce a
 976 warehouse's ~~warehouseman's~~ lien takes the goods free of any
 977 rights of persons against which ~~whom~~ the lien was valid, despite
 978 the warehouse's noncompliance ~~by the warehouseman~~ with the

979 ~~requirements of~~ this section.

980 (6) A warehouse ~~The warehouseman~~ may satisfy its ~~his or~~
 981 ~~her~~ lien from the proceeds of any sale pursuant to this section
 982 but shall ~~must~~ hold the balance, if any, for delivery on demand
 983 to any person to which the warehouse ~~whom he or she~~ would have
 984 been bound to deliver the goods.

985 (7) The rights provided by this section shall be in
 986 addition to all other rights allowed by law to a creditor
 987 against a ~~his or her~~ debtor.

988 (8) If ~~Where~~ a lien is on goods stored by a merchant in
 989 the course of its ~~his or her~~ business, the lien may be enforced
 990 in accordance with ~~either~~ subsection (1) or subsection (2).

991 (9) A warehouse ~~The warehouseman~~ is liable for damages
 992 caused by failure to comply with the requirements for sale under
 993 this section, and in case of willful violation, is liable for
 994 conversion.

995 Section 33. Section 677.301, Florida Statutes, is amended
 996 to read:

997 677.301 Liability for nonreceipt or misdescription; "said
 998 to contain"; "shipper's weight, load, and count"; improper
 999 handling.—

1000 (1) A consignee of a nonnegotiable bill of lading which
 1001 ~~who~~ has given value in good faith, or a holder to which ~~whom~~ a
 1002 negotiable bill has been duly negotiated, relying in either case
 1003 upon the description ~~therein~~ of the goods in the bill, or upon
 1004 the date ~~therein~~ shown in the bill, may recover from the issuer
 1005 damages caused by the misdating of the bill or the nonreceipt or
 1006 misdescription of the goods, except to the extent that the bill

1007 ~~document~~ indicates that the issuer does not know whether any
 1008 part or all of the goods in fact were received or conform to the
 1009 description, such as in the case in which ~~where~~ the description
 1010 is in terms of marks or labels or kind, quantity, or condition
 1011 or the receipt or description is qualified by "contents or
 1012 condition of contents of packages unknown," "said to contain,"
 1013 "shipper's weight, load, and count" or words of similar import
 1014 ~~the like~~, if that such indication is ~~be~~ true.

1015 (2) If ~~When~~ goods are loaded by the ~~an~~ issuer of a bill of
 1016 lading: who is a common carrier,

1017 (a) The issuer shall ~~must~~ count the packages of goods if
 1018 shipped in packages ~~package freight~~ and ascertain the kind and
 1019 quantity if shipped in bulk; and freight.

1020 (b) Words ~~In~~ such as ~~cases~~ "shipper's weight, load, and
 1021 count" or ~~other~~ words of similar import indicating that the
 1022 description was made by the shipper are ineffective except as to
 1023 goods freight concealed in ~~by~~ packages.

1024 (3) If ~~When~~ bulk goods are ~~freight is~~ loaded by a shipper
 1025 that ~~who~~ makes available to the issuer of a bill of lading
 1026 adequate facilities for weighing those goods, the ~~such freight,~~
 1027 ~~an~~ issuer shall ~~who is a common carrier~~ ~~must~~ ascertain the kind
 1028 and quantity within a reasonable time after receiving the
 1029 shipper's written request of the shipper to do so. In that case
 1030 ~~such cases~~ "shipper's weight, load, and count" or ~~other~~ words of
 1031 similar import ~~like purport~~ are ineffective.

1032 (4) The issuer of a bill of lading, ~~may~~ by including
 1033 inserting in the bill the words "shipper's weight, load, and
 1034 count" or ~~other~~ words of similar import, ~~may like purport~~

1035 indicate that the goods were loaded by the shipper,⁷ and if that
 1036 ~~such~~ statement is ~~be~~ true, the issuer is ~~shall~~ not ~~be~~ liable for
 1037 damages caused by the improper loading. However, ~~But their~~
 1038 omission of such words does not imply liability for ~~such~~ damages
 1039 caused by improper loading.

1040 (5) A ~~The~~ shipper guarantees ~~shall be deemed to have~~
 1041 ~~guaranteed~~ to an ~~the~~ issuer the accuracy at the time of shipment
 1042 of the description, marks, labels, number, kind, quantity,
 1043 condition and weight, as furnished by the shipper, ~~him or her;~~
 1044 and the shipper shall indemnify the issuer against damage caused
 1045 by inaccuracies in those ~~such~~ particulars. This ~~The~~ right of ~~the~~
 1046 ~~issuer to such~~ indemnity does not ~~shall in no way~~ limit the
 1047 issuer's ~~his or her~~ responsibility or ~~and~~ liability under the
 1048 contract of carriage to any person other than the shipper.

1049 Section 34. Section 677.302, Florida Statutes, is amended
 1050 to read:

1051 677.302 Through bills of lading and similar documents of
 1052 title.-

1053 (1) The issuer of a through bill of lading, or other
 1054 document of title embodying an undertaking to be performed in
 1055 part by a person ~~persons~~ acting as its agent ~~agents~~ or by a
 1056 performing carrier, ~~connecting carriers~~ is liable to any person
 1057 ~~anyone~~ entitled to recover on the bill or other document for any
 1058 breach by the ~~such~~ other person ~~persons~~ or the performing ~~by a~~
 1059 ~~connecting~~ carrier of its obligation under the bill or other
 1060 document. However, ~~but~~ to the extent that the bill or other
 1061 document covers an undertaking to be performed overseas or in
 1062 territory not contiguous to the continental United States or an

1063 undertaking including matters other than transportation, this
 1064 liability for breach by the other person or the performing
 1065 carrier may be varied by agreement of the parties.

1066 (2) If ~~where~~ goods covered by a through bill of lading or
 1067 other document of title embodying an undertaking to be performed
 1068 in part by a person ~~persons~~ other than the issuer are received
 1069 by that ~~any such~~ person, the person ~~he or she~~ is subject, with
 1070 respect to its ~~his or her~~ own performance while the goods are in
 1071 its ~~his or her~~ possession, to the obligation of the issuer. The
 1072 person's ~~His or her~~ obligation is discharged by delivery of the
 1073 goods to another ~~such~~ person pursuant to the bill or other
 1074 document, and does not include liability for breach by any other
 1075 person ~~such persons~~ or by the issuer.

1076 (3) The issuer of a a ~~such~~ through bill of lading or other
 1077 document of title described in subsection (1) ~~is shall be~~
 1078 entitled to recover from the performing ~~connecting~~ carrier, or
 1079 ~~such~~ other person in possession of the goods when the breach of
 1080 the obligation under the bill or other document occurred: ~~7~~

1081 (a) The amount it may be required to pay to any person
 1082 ~~anyone~~ entitled to recover on the bill or other document for the
 1083 breach therefor, as may be evidenced by any receipt, judgment,
 1084 or transcript of judgment; ~~thereof~~, and

1085 (b) The amount of any expense reasonably incurred by the
 1086 insurer ~~it~~ in defending any action commenced ~~brought~~ by any
 1087 person ~~anyone~~ entitled to recover on the bill or other document
 1088 for the breach therefor.

1089 Section 35. Section 677.303, Florida Statutes, is amended
 1090 to read:

1091 677.303 Diversion; reconsignment; change of instructions.—

1092 (1) Unless the bill of lading otherwise provides, a ~~the~~
 1093 carrier may deliver the goods to a person or destination other
 1094 than that stated in the bill or may otherwise dispose of the
 1095 goods, without liability for misdelivery, on instructions from:

1096 (a) The holder of a negotiable bill; ~~or~~

1097 (b) The consignor on a nonnegotiable bill, even if the
 1098 consignee has given notwithstanding contrary instructions ~~from~~
 1099 ~~the consignee; or~~

1100 (c) The consignee on a nonnegotiable bill in the absence
 1101 of contrary instructions from the consignor, if the goods have
 1102 arrived at the billed destination or if the consignee is in
 1103 possession of the tangible bill or in control of the electronic
 1104 bill; or

1105 (d) The consignee on a nonnegotiable bill, if the
 1106 consignee ~~he or she~~ is entitled as against the consignor to
 1107 dispose of the goods ~~them~~.

1108 (2) Unless ~~such~~ instructions described in subsection (1)
 1109 are included in ~~noted on~~ a negotiable bill of lading, a person
 1110 to which ~~whom~~ the bill is duly negotiated may ~~can~~ hold the
 1111 bailee according to the original terms.

1112 Section 36. Section 677.304, Florida Statutes, is amended
 1113 to read:

1114 677.304 Tangible bills of lading in a set.—

1115 (1) Except as ~~where~~ customary in international ~~overseas~~
 1116 transportation, a tangible bill of lading may ~~must~~ not be issued
 1117 in a set of parts. The issuer is liable for damages caused by
 1118 violation of this subsection.

1119 (2) If ~~where~~ a tangible bill of lading is lawfully issued
 1120 ~~drawn~~ in a set of parts, each of which contains an
 1121 identification code ~~is numbered~~ and is expressed to be valid
 1122 only if the goods have not been delivered against any other
 1123 part, the whole of the parts constitutes ~~constitute~~ one bill.

1124 (3) If ~~where~~ a tangible negotiable bill of lading is
 1125 lawfully issued in a set of parts and different parts are
 1126 negotiated to different persons, the title of the holder to
 1127 which ~~whom~~ the first due negotiation is made prevails as to both
 1128 the document of title and the goods even if ~~though~~ any later
 1129 holder may have received the goods from the carrier in good
 1130 faith and discharged the carrier's obligation by surrendering
 1131 its ~~surrender of his or her~~ part.

1132 (4) A ~~Any~~ person that ~~who~~ negotiates or transfers a single
 1133 part of a tangible bill of lading issued ~~drawn~~ in a set is
 1134 liable to holders of that part as if it were the whole set.

1135 (5) The bailee shall ~~is obliged to~~ deliver in accordance
 1136 with part IV of this chapter against the first presented part of
 1137 a tangible bill of lading lawfully drawn in a set. ~~Such~~ Delivery
 1138 in this manner discharges the bailee's obligation on the whole
 1139 bill.

1140 Section 37. Section 677.305, Florida Statutes, is amended
 1141 to read:

1142 677.305 Destination bills.—

1143 (1) Instead of issuing a bill of lading to the consignor
 1144 at the place of shipment, a carrier, ~~may~~ at the request of the
 1145 consignor, may procure the bill to be issued at destination or
 1146 at any other place designated in the request.

1147 (2) Upon request of any person ~~anyone~~ entitled as against
 1148 the carrier to control the goods while in transit and on
 1149 surrender of possession or control of any outstanding bill of
 1150 lading or other receipt covering such goods, the issuer, subject
 1151 to s. 677.105, may procure a substitute bill to be issued at any
 1152 place designated in the request.

1153 Section 38. Section 677.307, Florida Statutes, is amended
 1154 to read:

1155 677.307 Lien of carrier.—

1156 (1) A carrier has a lien on the goods covered by a bill of
 1157 lading or on the proceeds thereof in its possession for charges
 1158 after ~~subsequent to~~ the date of the carrier's ~~its~~ receipt of the
 1159 goods for storage or transportation, including demurrage and
 1160 terminal charges, ~~(including demurrage and terminal charges)~~ and
 1161 for expenses necessary for preservation of the goods incident to
 1162 their transportation or reasonably incurred in their sale
 1163 pursuant to law. However, ~~But~~ against a purchaser for value of a
 1164 negotiable bill of lading, a carrier's lien is limited to
 1165 charges stated in the bill or the applicable tariffs, or, if no
 1166 charges are stated, then to a reasonable charge.

1167 (2) A lien for charges and expenses under subsection (1)
 1168 on goods that ~~which~~ the carrier was required by law to receive
 1169 for transportation is effective against the consignor or any
 1170 person entitled to the goods unless the carrier had notice that
 1171 the consignor lacked authority to subject the goods to those
 1172 ~~such~~ charges and expenses. Any other lien under subsection (1)
 1173 is effective against the consignor and any person that ~~who~~
 1174 permitted the bailor to have control or possession of the goods

1175 unless the carrier had notice that the bailor lacked ~~such~~
 1176 authority.

1177 (3) A carrier loses its ~~his or her~~ lien on any goods that
 1178 it ~~which the carrier~~ voluntarily delivers or ~~which he or she~~
 1179 unjustifiably refuses to deliver.

1180 Section 39. Section 677.308, Florida Statutes, is amended
 1181 to read:

1182 677.308 Enforcement of carrier's lien.—

1183 (1) A carrier's lien on goods may be enforced by public or
 1184 private sale of the goods, in bulk ~~block~~ or in packages ~~parcels~~,
 1185 at any time or place and on any terms that ~~which~~ are
 1186 commercially reasonable, after notifying all persons known to
 1187 claim an interest in the goods. The ~~Such~~ notification shall ~~must~~
 1188 include a statement of the amount due, the nature of the
 1189 proposed sale, and the time and place of any public sale. The
 1190 fact that a better price could have been obtained by a sale at a
 1191 different time or in a method different ~~method~~ from that
 1192 selected by the carrier is not of itself sufficient to establish
 1193 that the sale was not made in a commercially reasonable manner.
 1194 ~~If~~ The carrier ~~either~~ sells ~~the~~ goods in a commercially
 1195 reasonable ~~the usual~~ manner ~~in any recognized market therefor or~~
 1196 if the carrier ~~he or she~~ sells the goods in the usual manner in
 1197 any recognized market therefor, sells at the price current in
 1198 that ~~such~~ market at the time of the ~~his or her~~ sale, or ~~if the~~
 1199 ~~carrier has~~ otherwise sells ~~sold~~ in conformity with commercially
 1200 reasonable practices among dealers in the type of goods sold ~~he~~
 1201 ~~or she has sold in a commercially reasonable manner.~~ A sale of
 1202 more goods than apparently necessary to be offered to ensure

1203 satisfaction of the obligation is not commercially reasonable,
 1204 except in cases covered by the preceding sentence.

1205 (2) Before any sale pursuant to this section, any person
 1206 claiming a right in the goods may pay the amount necessary to
 1207 satisfy the lien and the reasonable expenses incurred in
 1208 complying with ~~under~~ this section. In that event, the goods may
 1209 ~~must~~ not be sold, but shall ~~must~~ be retained by the carrier,
 1210 subject to the terms of the bill of lading and this chapter.

1211 (3) The carrier may buy at any public sale pursuant to
 1212 this section.

1213 (4) A purchaser in good faith of goods sold to enforce a
 1214 carrier's lien takes the goods free of any rights of persons
 1215 against which ~~whom~~ the lien was valid, despite the carrier's
 1216 noncompliance ~~by the carrier~~ with ~~the requirements of~~ this
 1217 section.

1218 (5) A ~~The~~ carrier may satisfy its ~~his or her~~ lien from the
 1219 proceeds of any sale pursuant to this section but shall ~~must~~
 1220 hold the balance, if any, for delivery on demand to any person
 1221 to which ~~whom~~ the carrier would have been bound to deliver the
 1222 goods.

1223 (6) The rights provided by this section are ~~shall be~~ in
 1224 addition to all other rights allowed by law to a creditor
 1225 against a ~~his or her~~ debtor.

1226 (7) A carrier's lien may be enforced pursuant to ~~in~~
 1227 ~~accordance with~~ either subsection (1) or the procedure set forth
 1228 in s. 677.210(2).

1229 (8) A ~~The~~ carrier is liable for damages caused by failure
 1230 to comply with the requirements for sale under this section and,

1231 in case of willful violation, is liable for conversion.

1232 Section 40. Section 677.309, Florida Statutes, is amended
1233 to read:

1234 677.309 Duty of care; contractual limitation of carrier's
1235 liability.—

1236 (1) A carrier that ~~who~~ issues a bill of lading, whether
1237 negotiable or nonnegotiable, shall ~~must~~ exercise the degree of
1238 care in relation to the goods which a reasonably careful person
1239 would exercise under similar ~~like~~ circumstances. This subsection
1240 does not affect ~~repeal or change~~ any statute, regulation, law or
1241 rule of law that ~~which~~ imposes liability upon a common carrier
1242 for damages not caused by its negligence.

1243 (2) Damages may be limited by a term in the bill of lading
1244 or in a transportation agreement ~~provision~~ that the carrier's
1245 liability may ~~shall~~ not exceed a value stated in the bill or
1246 transportation agreement ~~document~~ if the carrier's rates are
1247 dependent upon value and the consignor ~~by the carrier's tariff~~
1248 is afforded an opportunity to declare a higher value and the
1249 consignor ~~or a value as lawfully provided in the tariff, or~~
1250 ~~where no tariff is filed he or she is otherwise advised of the~~
1251 ~~such~~ opportunity. However, ~~;~~ ~~but no~~ such a limitation is not
1252 effective with respect to the carrier's liability for conversion
1253 to its own use.

1254 (3) Reasonable provisions as to the time and manner of
1255 presenting claims and commencing ~~instituting~~ actions based on
1256 the shipment may be included in the bill of lading or a
1257 transportation agreement ~~tariff~~.

1258 Section 41. Section 677.401, Florida Statutes, is amended
 1259 to read:

1260 677.401 Irregularities in issue of receipt or bill or
 1261 conduct of issuer.—The obligations imposed by this chapter on an
 1262 issuer apply to a document of title even if ~~regardless of the~~
 1263 ~~fact that~~:

1264 (1) The document does ~~may~~ not comply with the requirements
 1265 of this chapter or of any other statute, rule of law, ~~law~~ or
 1266 regulation regarding its issuance ~~issue~~, form, or content; ~~or~~

1267 (2) The issuer ~~may have~~ violated laws regulating the
 1268 conduct of its ~~his or her~~ business; ~~or~~

1269 (3) The goods covered by the document were owned by the
 1270 bailee when ~~at the time~~ the document was issued; or

1271 (4) The person issuing the document is not a warehouse but
 1272 the document ~~does not come within the definition of warehouseman~~
 1273 ~~if it~~ purports to be a warehouse receipt.

1274 Section 42. Section 677.402, Florida Statutes, is amended
 1275 to read:

1276 677.402 Duplicate document of title ~~receipt or bill~~;
 1277 overissue.—~~Neither~~ A duplicate or ~~nor~~ any other document of
 1278 title purporting to cover goods already represented by an
 1279 outstanding document of the same issuer does not confer ~~confers~~
 1280 any right in the goods, except as provided in the case of
 1281 tangible bills of lading in a set of parts, overissue of
 1282 documents for fungible goods, and substitutes for lost, stolen
 1283 or destroyed documents, or substitute documents issued pursuant
 1284 to s. 677.105. ~~But~~ The issuer is liable for damages caused by
 1285 its ~~his or her~~ overissue or failure to identify a duplicate

1286 document ~~as such~~ by a conspicuous notation ~~on its face~~.

1287 Section 43. Section 677.403, Florida Statutes, is amended
1288 to read:

1289 677.403 Obligation of bailee ~~warehouseman or carrier~~ to
1290 deliver; excuse.—

1291 (1) A ~~The~~ bailee shall ~~must~~ deliver the goods to a person
1292 entitled under a the document of title if the person ~~who~~
1293 complies with subsections (2) and (3), unless and to the extent
1294 that the bailee establishes any of the following:

1295 (a) Delivery of the goods to a person whose receipt was
1296 rightful as against the claimant;

1297 (b) Damage to or delay, loss or destruction of the goods
1298 for which the bailee is not liable, but the burden of
1299 establishing negligence in such cases when value of such damage,
1300 delay, loss, or destruction exceeds \$10,000 is on the person
1301 entitled under the document;~~—~~

1302 (c) Previous sale or other disposition of the goods in
1303 lawful enforcement of a lien or on a warehouse's ~~warehouseman's~~
1304 lawful termination of storage;

1305 (d) The exercise by a seller of its ~~his or her~~ right to
1306 stop delivery pursuant to s. 672.705 or by a lessor of its right
1307 to stop delivery pursuant to s. 680.526 ~~the provisions of the~~
1308 ~~chapter on sales (s. 672.705);~~

1309 (e) A diversion, reconsignment, or other disposition
1310 pursuant to s. 677.303 ~~the provisions of this chapter (s.~~
1311 ~~677.303) or tariff regulating such right;~~

1312 (f) Release, satisfaction, or any other ~~fact affording a~~
1313 personal defense against the claimant; or

1314 (g) Any other lawful excuse.

1315 (2) A person claiming goods covered by a document of title
 1316 shall ~~must~~ satisfy the bailee's lien if ~~where~~ the bailee so
 1317 requests or if ~~where~~ the bailee is prohibited by law from
 1318 delivering the goods until the charges are paid.

1319 (3) Unless a ~~the~~ person claiming the goods is a person ~~one~~
 1320 against which ~~whom~~ the document of title does not confer a
 1321 ~~confers no~~ right under s. 677.503(1):~~7~~

1322 (a) The person claiming under a document shall ~~he or she~~
 1323 ~~must~~ surrender possession or control of any outstanding
 1324 negotiable document covering the goods for cancellation or
 1325 indication of partial deliveries; and

1326 (b) ~~for cancellation or notation of partial deliveries any~~
 1327 ~~outstanding negotiable document covering the goods, and~~ The
 1328 bailee shall ~~must~~ cancel the document or conspicuously indicate
 1329 in the document ~~note~~ the partial delivery ~~thereon~~ or the bailee
 1330 is ~~be~~ liable to any person to which ~~whom~~ the document is duly
 1331 negotiated.

1332 ~~(4) "Person entitled under the document" means holder in~~
 1333 ~~the case of a negotiable document, or the person to whom~~
 1334 ~~delivery is to be made by the terms of or pursuant to written~~
 1335 ~~instructions under a nonnegotiable document.~~

1336 Section 44. Section 677.404, Florida Statutes, is amended
 1337 to read:

1338 677.404 No liability for good faith delivery pursuant to
 1339 document of title ~~receipt or bill.~~-A bailee that ~~who~~ in good
 1340 faith ~~including observance of reasonable commercial standards~~
 1341 has received goods and delivered or otherwise disposed of the

1342 goods ~~them~~ according to the terms of the document of title or
 1343 pursuant to this chapter is not liable for the goods ~~therefor~~.
 1344 ~~This rule applies~~ even if:

1345 (1) ~~though~~ The person from which the bailee ~~whom he or she~~
 1346 received the goods did not have ~~had no~~ authority to procure the
 1347 document or to dispose of the goods; or

1348 (2) The ~~and even though the~~ person to which the bailee
 1349 ~~whom he or she~~ delivered the goods did not have ~~had no~~ authority
 1350 to receive the goods ~~them~~.

1351 Section 45. Section 677.501, Florida Statutes, is amended
 1352 to read:

1353 677.501 Form of negotiation and requirements of "due
 1354 negotiation."~~—~~

1355 (1) The following rules apply to a negotiable tangible
 1356 document of title:

1357 (a) If the document's original terms run ~~running~~ to the
 1358 order of a named person, the document is negotiated by the named
 1359 person's indorsement and delivery. After the named person's ~~his~~
 1360 ~~or her~~ indorsement in blank or to bearer, any person may ~~can~~
 1361 negotiate the document ~~it~~ by delivery alone.

1362 (b) If the document's original

1363 ~~(2)(a) A negotiable document of title is also negotiated~~
 1364 ~~by delivery alone when by its original terms~~ run ~~it runs~~ to
 1365 bearer, it is negotiated by delivery alone.

1366 (c) If the document's original terms run

1367 ~~(b) When a document~~ ~~running~~ to the order of a named person
 1368 and it is delivered to the named person, ~~him or her~~ the effect
 1369 is the same as if the document had been negotiated.

1370 ~~(d) (3)~~ Negotiation of the ~~a negotiable~~ document ~~of title~~
 1371 after it has been indorsed to a named ~~specified~~ person requires
 1372 indorsement by the named person and ~~special indorsee as well as~~
 1373 delivery.

1374 ~~(e) (4)~~ A ~~negotiable~~ document ~~of title~~ is duly negotiated
 1375 if ~~"duly negotiated"~~ when it is negotiated in the manner stated
 1376 in this subsection ~~section~~ to a holder that ~~who~~ purchases it in
 1377 good faith, without notice of any defense against or claim to it
 1378 on the part of any person, and for value, unless it is
 1379 established that the negotiation is not in the regular course of
 1380 business or financing or involves receiving the document in
 1381 settlement or payment of a money obligation.

1382 (2) The following rules apply to a negotiable electronic
 1383 document of title:

1384 (a) If the document's original terms run to the order of a
 1385 named person or to bearer, the document is negotiated by
 1386 delivery of the document to another person. Indorsement by the
 1387 named person is not required to negotiate the document.

1388 (b) If the document's original terms run to the order of a
 1389 named person and the named person has control of the document,
 1390 the effect is the same as if the document had been negotiated.

1391 (c) A document is duly negotiated if it is negotiated in
 1392 the manner stated in this subsection to a holder that purchases
 1393 it in good faith, without notice of any defense against or claim
 1394 to it on the part of any person, and for value, unless it is
 1395 established that the negotiation is not in the regular course of
 1396 business or financing or involves taking delivery of the
 1397 document in settlement or payment of a monetary obligation.

1398 (3) ~~(5)~~ Indorsement of a nonnegotiable document of title
 1399 neither makes it negotiable nor adds to the transferee's rights.

1400 (4) ~~(6)~~ The naming in a negotiable bill of lading of a
 1401 person to be notified of the arrival of the goods does not limit
 1402 the negotiability of the bill or ~~nor~~ constitute notice to a
 1403 purchaser of the bill ~~thereof~~ of any interest of that ~~such~~
 1404 person in the goods.

1405 Section 46. Section 677.502, Florida Statutes, is amended
 1406 to read:

1407 677.502 Rights acquired by due negotiation.—

1408 (1) Subject to ss. ~~the following section and to the~~
 1409 ~~provisions of s. 677.205 and 677.503 on fungible goods~~, a holder
 1410 to which ~~whom~~ a negotiable document of title has been duly
 1411 negotiated acquires thereby:

1412 (a) Title to the document;

1413 (b) Title to the goods;

1414 (c) All rights accruing under the law of agency or
 1415 estoppel, including rights to goods delivered to the bailee
 1416 after the document was issued; and

1417 (d) The direct obligation of the issuer to hold or deliver
 1418 the goods according to the terms of the document free of any
 1419 defense or claim by the issuer ~~him or her~~ except those arising
 1420 under the terms of the document or under this chapter, but ~~—~~ in
 1421 the case of a delivery order, the bailee's obligation accrues
 1422 only upon the bailee's acceptance of the delivery order and the
 1423 obligation acquired by the holder is that the issuer and any
 1424 indorser will procure the acceptance of the bailee.

1425 (2) Subject to the following section, title and rights so

1426 acquired by due negotiation are not defeated by any stoppage of
 1427 the goods represented by the document of title or by surrender
 1428 of ~~the such~~ goods by the bailee, and are not impaired even if:

1429 (a) ~~though~~ The due negotiation or any prior due
 1430 negotiation constituted a breach of duty; ~~or even though~~

1431 (b) Any person has been deprived of possession of a
 1432 negotiable tangible ~~the~~ document or control of a negotiable
 1433 electronic document by misrepresentation, fraud, accident,
 1434 mistake, duress, loss, theft, or conversion; ~~or even though~~

1435 (c) A previous sale or other transfer of the goods or
 1436 document has been made to a third person.

1437 Section 47. Section 677.503, Florida Statutes, is amended
 1438 to read:

1439 677.503 Document of title to goods defeated in certain
 1440 cases.—

1441 (1) A document of title confers no right in goods against
 1442 a person that ~~who~~ before issuance of the document had a legal
 1443 interest or a perfected security interest in the goods ~~them~~ and
 1444 that did not ~~who~~ neither:

1445 (a) Deliver or entrust the goods ~~Delivered or entrusted~~
 1446 ~~them~~ or any document of title covering the goods ~~them~~ to the
 1447 bailor or the bailor's nominee with:

1448 1. Actual or apparent authority to ship, store, or sell;
 1449 ~~or with~~

1450 2. Power to obtain delivery under s. 677.403; ~~this chapter~~
 1451 ~~(s. 677.403)~~ or with

1452 3. Power of disposition under s. 672.403, s. 680.304(2),
 1453 s. 680.305(2), s. 679.320, or s. 679.321(3) ~~this code (ss.~~

1454 ~~672.403 and 679.320~~ or other statute or rule of law; or ~~nor~~

1455 (b) ~~(b)~~ Acquiesce ~~Acquiesced~~ in the procurement by the
 1456 bailor or its ~~the bailor's~~ nominee of any document ~~of title~~.

1457 (2) Title to goods based upon an unaccepted delivery order
 1458 is subject to the rights of any person ~~anyone~~ to which ~~whom~~ a
 1459 negotiable warehouse receipt or bill of lading covering the
 1460 goods has been duly negotiated. That ~~Such a~~ title may be
 1461 defeated under the next section to the same extent as the rights
 1462 of the issuer or a transferee from the issuer.

1463 (3) Title to goods based upon a bill of lading issued to a
 1464 freight forwarder is subject to the rights of any person ~~anyone~~
 1465 to which ~~whom~~ a bill issued by the freight forwarder is duly
 1466 negotiated. However, ~~but~~ delivery by the carrier in accordance
 1467 with part IV of this chapter pursuant to its own bill of lading
 1468 discharges the carrier's obligation to deliver.

1469 Section 48. Section 677.504, Florida Statutes, is amended
 1470 to read:

1471 677.504 Rights acquired in the absence of due negotiation;
 1472 effect of diversion; ~~seller's~~ stoppage of delivery.-

1473 (1) A transferee of a document of title, whether
 1474 negotiable or nonnegotiable, to which ~~whom~~ the document has been
 1475 delivered but not duly negotiated, acquires the title and rights
 1476 that its ~~which his or her~~ transferor had or had actual authority
 1477 to convey.

1478 (2) In the case of a transfer of a nonnegotiable document
 1479 of title, until but not after the bailee receives notice
 1480 ~~notification~~ of the transfer, the rights of the transferee may
 1481 be defeated:

1482 (a) By those creditors of the transferor which ~~who~~ could
 1483 treat the transfer ~~sale~~ as void under s. 672.402 or s. 680.308;
 1484 ~~or~~

1485 (b) By a buyer from the transferor in ordinary course of
 1486 business if the bailee has delivered the goods to the buyer or
 1487 received notification of the buyer's ~~his or her~~ rights; ~~or~~

1488 (c) By a lessee from the transferor in ordinary course of
 1489 business if the bailee has delivered the goods to the lessee or
 1490 received notification of the lessee's rights; or

1491 (d) ~~(e)~~ As against the bailee, by good-faith ~~good-faith~~
 1492 dealings of the bailee with the transferor.

1493 (3) A diversion or other change of shipping instructions
 1494 by the consignor in a nonnegotiable bill of lading which causes
 1495 the bailee not to deliver to the consignee defeats the
 1496 consignee's title to the goods if the goods ~~they~~ have been
 1497 delivered to a buyer or a lessee in ordinary course of business
 1498 and, in any event, defeats the consignee's rights against the
 1499 bailee.

1500 (4) Delivery of the goods pursuant to a nonnegotiable
 1501 document of title may be stopped by a seller under s. 672.705 or
 1502 by a lessor under s. 680.526, ~~and~~ subject to the requirements
 1503 ~~requirement~~ of due notification ~~there provided~~. A bailee that
 1504 honors ~~honoring~~ the seller's or lessor's instructions is
 1505 entitled to be indemnified by the seller or lessor against any
 1506 resulting loss or expense.

1507 Section 49. Section 677.505, Florida Statutes, is amended
 1508 to read:

1509 677.505 Indorser not a guarantor for other parties.—The

1510 indorsement of a tangible document of title issued by a bailee
 1511 does not make the indorser liable for any default by the bailee
 1512 or ~~by~~ previous indorsers.

1513 Section 50. Section 677.506, Florida Statutes, is amended
 1514 to read:

1515 677.506 Delivery without indorsement; right to compel
 1516 indorsement.—The transferee of a negotiable tangible document of
 1517 title has a specifically enforceable right to have its ~~his or~~
 1518 ~~her~~ transferor supply any necessary indorsement but the transfer
 1519 becomes a negotiation only as of the time the indorsement is
 1520 supplied.

1521 Section 51. Section 677.507, Florida Statutes, is amended
 1522 to read:

1523 677.507 Warranties on negotiation or delivery of document
 1524 of title ~~transfer of receipt or bill.~~—~~If~~ Where a person
 1525 negotiates or delivers ~~transfers~~ a document of title for value,
 1526 otherwise than as a mere intermediary under the next following
 1527 section, ~~then~~ unless otherwise agreed, the transferor, in
 1528 addition to any warranty made in selling or leasing the goods,
 1529 ~~person~~ warrants to its ~~his or her~~ immediate purchaser only that
 1530 ~~in addition to any warranty made in selling the goods:~~

- 1531 (1) ~~That~~ The document is genuine; ~~and~~
- 1532 (2) The transferor does not have ~~That he or she has no~~
 1533 knowledge of any fact that ~~which~~ would impair the document's ~~its~~
 1534 validity or worth; and
- 1535 (3) The ~~That his or her~~ negotiation or delivery ~~transfer~~
 1536 is rightful and fully effective with respect to the title to the
 1537 document and the goods it represents.

1538 Section 52. Section 677.508, Florida Statutes, is amended
 1539 to read:

1540 677.508 Warranties of collecting bank as to documents of
 1541 title.—A collecting bank or other intermediary known to be
 1542 entrusted with documents of title on behalf of another or with
 1543 collection of a draft or other claim against delivery of
 1544 documents warrants by the ~~such~~ delivery of the documents only
 1545 its own good faith and authority. ~~This rule applies even if~~
 1546 ~~though~~ the collecting bank or other intermediary has purchased
 1547 or made advances against the claim or draft to be collected.

1548 Section 53. Section 677.509, Florida Statutes, is amended
 1549 to read:

1550 677.509 ~~Receipt or bill; when~~ Adequate compliance with
 1551 commercial contract. ~~The question~~ Whether a document of title is
 1552 adequate to fulfill the obligations of a contract for sale, ~~or~~
 1553 the conditions of a letter of credit, or a contract for lease is
 1554 determined ~~governed~~ by chapter 672, chapter 675, or chapter 680
 1555 ~~the chapters on sales (chapter 672) and on letters of credit~~
 1556 ~~(chapter 675)~~.

1557 Section 54. Section 677.601, Florida Statutes, is amended
 1558 to read:

1559 677.601 Lost, stolen, or destroyed ~~and missing~~ documents
 1560 of title.—

1561 (1) If a document of title is ~~has been~~ lost, stolen, or
 1562 destroyed, a court may order delivery of the goods or issuance
 1563 of a substitute document and the bailee may without liability to
 1564 any person comply with the ~~such~~ order. If the document was
 1565 negotiable, a court may not order delivery of the goods or the

1566 issuance of a substitute document without the claimant's posting
 1567 ~~claimant must post security unless it finds that approved by the~~
 1568 ~~court to indemnify any person that who~~ may suffer loss as a
 1569 result of nonsurrender of possession or control of the document
 1570 is adequately protected against the loss. If the document was
 1571 nonnegotiable ~~not negotiable,~~ the court ~~such security~~ may
 1572 require security ~~be required at the discretion of the court.~~ The
 1573 court may also ~~in its discretion~~ order payment of the bailee's
 1574 reasonable costs and attorney's counsel fees in any action under
 1575 this subsection.

1576 (2) A bailee that, ~~who~~ without a court order, delivers
 1577 goods to a person claiming under a missing negotiable document
 1578 of title is liable to any person injured thereby. ~~and~~ If the
 1579 delivery is not in good faith, the bailee is ~~becomes~~ liable for
 1580 conversion. Delivery in good faith is not conversion if ~~made in~~
 1581 ~~accordance with a filed classification or tariff or, where no~~
 1582 ~~classification or tariff is filed,~~ if the claimant posts
 1583 security with the bailee in an amount at least double the value
 1584 of the goods at the time of posting to indemnify any person
 1585 injured by the delivery which ~~who~~ files a notice of claim within
 1586 1 year after the delivery.

1587 Section 55. Section 677.602, Florida Statutes, is amended
 1588 to read:

1589 677.602 Judicial process against ~~Attachment of~~ goods
 1590 covered by a negotiable document of title. ~~Unless a~~ ~~Except where~~
 1591 ~~the document of title~~ was originally issued upon delivery of the
 1592 goods by a person that did not have ~~who had no~~ power to dispose
 1593 of them, a ~~no~~ lien does not attach ~~attaches~~ by virtue of any

1594 judicial process to goods in the possession of a bailee for
 1595 which a negotiable document of title is outstanding unless
 1596 possession or control of the document is ~~be~~ first surrendered to
 1597 the bailee or the document's ~~its~~ negotiation is enjoined, ~~and~~
 1598 The bailee may ~~shall~~ not be compelled to deliver the goods
 1599 pursuant to process until possession or control of the document
 1600 is surrendered to the bailee or to ~~him or her or impounded by~~
 1601 the court. A purchaser of ~~One who purchases~~ the document for
 1602 value without notice of the process or injunction takes free of
 1603 the lien imposed by judicial process.

1604 Section 56. Section 677.603, Florida Statutes, is amended
 1605 to read:

1606 677.603 Conflicting claims; interpleader.—If more than one
 1607 person claims title to or possession of the goods, the bailee is
 1608 excused from delivery until the bailee ~~he or she~~ has had a
 1609 reasonable time to ascertain the validity of the adverse claims
 1610 or to commence ~~bring~~ an action for ~~to compel all claimants to~~
 1611 ~~interplead and may compel such~~ interpleader. The bailee may
 1612 assert an interpleader, either in defending an action for
 1613 nondelivery of the goods, or by original action, ~~whichever is~~
 1614 ~~appropriate.~~

1615 Section 57. Subsection (7) is added to section 678.1031,
 1616 Florida Statutes, to read:

1617 678.1031 Rules for determining whether certain obligations
 1618 and interests are securities or financial assets.—

1619 (7) A document of title is not a financial asset unless s.
 1620 678.1021(1)(i)2. applies.

1621 Section 58. Subsection (2) of section 679.1021, Florida
 1622 Statutes, is amended to read:
 1623 679.1021 Definitions and index of definitions.—
 1624 (2) The following definitions in other chapters apply to
 1625 this chapter:
 1626 "Applicant" s. 675.103.
 1627 "Beneficiary" s. 675.103.
 1628 "Broker" s. 678.1021.
 1629 "Certificated security" s. 678.1021.
 1630 "Check" s. 673.1041.
 1631 "Clearing corporation" s. 678.1021.
 1632 "Contract for sale" s. 672.106.
 1633 "Control" s. 677.106.
 1634 "Customer" s. 674.104.
 1635 "Entitlement holder" s. 678.1021.
 1636 "Financial asset" s. 678.1021.
 1637 "Holder in due course" s. 673.3021.
 1638 "Issuer" (with respect to a letter of credit
 1639 or letter-of-credit right) s. 675.103.
 1640 "Issuer" (with respect to a security) s. 678.2011.
 1641 "Issuer" (with respect to documents of title) s.
 1642 677.102.
 1643 "Lease" s. 680.1031.
 1644 "Lease agreement" s. 680.1031.
 1645 "Lease contract" s. 680.1031.
 1646 "Leasehold interest" s. 680.1031.
 1647 "Lessee" s. 680.1031.
 1648 "Lessee in ordinary course of

1649 business" s. 680.1031.
 1650 "Lessor" s. 680.1031.
 1651 "Lessor's residual interest" s. 680.1031.
 1652 "Letter of credit" s. 675.103.
 1653 "Merchant" s. 672.104.
 1654 "Negotiable instrument" s. 673.1041.
 1655 "Nominated person" s. 675.103.
 1656 "Note" s. 673.1041.
 1657 "Proceeds of a letter of credit" s. 675.114.
 1658 "Prove" s. 673.1031.
 1659 "Sale" s. 672.106.
 1660 "Securities account" s. 678.5011.
 1661 "Securities intermediary" s. 678.1021.
 1662 "Security" s. 678.1021.
 1663 "Security certificate" s. 678.1021.
 1664 "Security entitlement" s. 678.1021.
 1665 "Uncertificated security" s. 678.1021.
 1666 Section 59. Subsection (2) of section 679.2031, Florida
 1667 Statutes, is amended to read:
 1668 679.2031 Attachment and enforceability of security
 1669 interest; proceeds; supporting obligations; formal requisites.-
 1670 (2) Except as otherwise provided in subsections (3)
 1671 through (10), a security interest is enforceable against the
 1672 debtor and third parties with respect to the collateral only if:
 1673 (a) Value has been given;
 1674 (b) The debtor has rights in the collateral or the power
 1675 to transfer rights in the collateral to a secured party; and
 1676 (c) One of the following conditions is met:

1677 1. The debtor has authenticated a security agreement that
 1678 provides a description of the collateral and, if the security
 1679 interest covers timber to be cut, a description of the land
 1680 concerned;

1681 2. The collateral is not a certificated security and is in
 1682 the possession of the secured party under s. 679.3131 pursuant
 1683 to the debtor's security agreement;

1684 3. The collateral is a certificated security in registered
 1685 form and the security certificate has been delivered to the
 1686 secured party under s. 678.3011 pursuant to the debtor's
 1687 security agreement; or

1688 4. The collateral is deposit accounts, electronic chattel
 1689 paper, investment property, ~~or~~ letter-of-credit rights, or
 1690 electronic documents, and the secured party has control under s.
 1691 677.106, s. 679.1041, s. 679.1051, s. 679.1061, or s. 679.1071
 1692 pursuant to the debtor's security agreement.

1693 Section 60. Subsection (3) of section 679.2071, Florida
 1694 Statutes, is amended to read:

1695 679.2071 Rights and duties of secured party having
 1696 possession or control of collateral.—

1697 (3) Except as otherwise provided in subsection (4), a
 1698 secured party having possession of collateral or control of
 1699 collateral under s. 677.106, s. 679.1041, s. 679.1051, s.
 1700 679.1061, or s. 679.1071:

1701 (a) May hold as additional security any proceeds, except
 1702 money or funds, received from the collateral;

1703 (b) Shall apply money or funds received from the
 1704 collateral to reduce the secured obligation, unless remitted to

1705 the debtor; and

1706 (c) May create a security interest in the collateral.

1707 Section 61. Subsection (2) of section 679.2081, Florida

1708 Statutes, is amended to read:

1709 679.2081 Additional duties of secured party having control

1710 of collateral.—

1711 (2) Within 10 days after receiving an authenticated demand

1712 by the debtor:

1713 (a) A secured party having control of a deposit account

1714 under s. 679.1041(1)(b) shall send to the bank with which the

1715 deposit account is maintained an authenticated statement that

1716 releases the bank from any further obligation to comply with

1717 instructions originated by the secured party;

1718 (b) A secured party having control of a deposit account

1719 under s. 679.1041(1)(c) shall:

1720 1. Pay the debtor the balance on deposit in the deposit

1721 account; or

1722 2. Transfer the balance on deposit into a deposit account

1723 in the debtor's name;

1724 (c) A secured party, other than a buyer, having control of

1725 electronic chattel paper under s. 679.1051 shall:

1726 1. Communicate the authoritative copy of the electronic

1727 chattel paper to the debtor or its designated custodian;

1728 2. If the debtor designates a custodian that is the

1729 designated custodian with which the authoritative copy of the

1730 electronic chattel paper is maintained for the secured party,

1731 communicate to the custodian an authenticated record releasing

1732 the designated custodian from any further obligation to comply

1733 with instructions originated by the secured party and
 1734 instructing the custodian to comply with instructions originated
 1735 by the debtor; and

1736 3. Take appropriate action to enable the debtor or the
 1737 debtor's designated custodian to make copies of or revisions to
 1738 the authoritative copy which add or change an identified
 1739 assignee of the authoritative copy without the consent of the
 1740 secured party;

1741 (d) A secured party having control of investment property
 1742 under s. 678.1061(4)(b) or s. 679.1061(2) shall send to the
 1743 securities intermediary or commodity intermediary with which the
 1744 security entitlement or commodity contract is maintained an
 1745 authenticated record that releases the securities intermediary
 1746 or commodity intermediary from any further obligation to comply
 1747 with entitlement orders or directions originated by the secured
 1748 party; ~~and~~

1749 (e) A secured party having control of a letter-of-credit
 1750 right under s. 679.1071 shall send to each person having an
 1751 unfulfilled obligation to pay or deliver proceeds of the letter
 1752 of credit to the secured party an authenticated release from any
 1753 further obligation to pay or deliver proceeds of the letter of
 1754 credit to the secured party; ~~and-~~

1755 (f) A secured party having control of an electronic
 1756 document shall:

1757 1. Give control of the electronic document to the debtor
 1758 or its designated custodian;

1759 2. If the debtor designates a custodian that is the
 1760 designated custodian with which the authoritative copy of the

1761 electronic document is maintained for the secured party,
 1762 communicate to the custodian an authenticated record releasing
 1763 the designated custodian from any further obligation to comply
 1764 with instructions originated by the secured party and
 1765 instructing the custodian to comply with instructions originated
 1766 by the debtor; and

1767 3. Take appropriate action to enable the debtor or its
 1768 designated custodian to make copies of or revisions to the
 1769 authenticated copy which add or change an identified assignee of
 1770 the authoritative copy without the consent of the secured party.

1771 Section 62. Subsection (3) of section 679.3011, Florida
 1772 Statutes, is amended to read:

1773 679.3011 Law governing perfection and priority of security
 1774 interests.—Except as otherwise provided in ss. 679.1091,
 1775 679.3031, 679.3041, 679.3051, and 679.3061, the following rules
 1776 determine the law governing perfection, the effect of perfection
 1777 or nonperfection, and the priority of a security interest in
 1778 collateral:

1779 (3) Except as otherwise provided in subsections (4) and
 1780 (5), while tangible negotiable documents, goods, instruments,
 1781 money, or tangible chattel paper is located in a jurisdiction,
 1782 the local law of that jurisdiction governs:

1783 (a) Perfection of a security interest in the goods by
 1784 filing a fixture filing;

1785 (b) Perfection of a security interest in timber to be cut;
 1786 and

1787 (c) The effect of perfection or nonperfection and the
 1788 priority of a nonpossessory security interest in the collateral.

1789 Section 63. Subsection (2) of section 679.3101, Florida
 1790 Statutes, is amended to read:
 1791 679.3101 When filing required to perfect security interest
 1792 or agricultural lien; security interests and agricultural liens
 1793 to which filing provisions do not apply.—
 1794 (2) The filing of a financing statement is not necessary
 1795 to perfect a security interest:
 1796 (a) That is perfected under s. 679.3081(4), (5), (6), or
 1797 (7);
 1798 (b) That is perfected under s. 679.3091 when it attaches;
 1799 (c) In property subject to a statute, regulation, or
 1800 treaty described in s. 679.3111(1);
 1801 (d) In goods in possession of a bailee which is perfected
 1802 under s. 679.3121(4) (a) or (b);
 1803 (e) In certificated securities, documents, goods, or
 1804 instruments which is perfected without filing, control, or
 1805 possession under s. 679.3121(5), (6), or (7);
 1806 (f) In collateral in the secured party's possession under
 1807 s. 679.3131;
 1808 (g) In a certificated security which is perfected by
 1809 delivery of the security certificate to the secured party under
 1810 s. 679.3131;
 1811 (h) In deposit accounts, electronic chattel paper,
 1812 electronic documents, investment property, or letter-of-credit
 1813 rights which is perfected by control under s. 679.3141;
 1814 (i) In proceeds which is perfected under s. 679.3151; or
 1815 (j) That is perfected under s. 679.3161.

1816 Section 64. Subsection (5) of section 679.3121, Florida
 1817 Statutes, is amended to read:

1818 679.3121 Perfection of security interests in chattel
 1819 paper, deposit accounts, documents, goods covered by documents,
 1820 instruments, investment property, letter-of-credit rights, and
 1821 money; perfection by permissive filing; temporary perfection
 1822 without filing or transfer of possession.—

1823 (5) A security interest in certificated securities,
 1824 negotiable documents, or instruments is perfected without filing
 1825 or the taking of possession or control for a period of 20 days
 1826 from the time it attaches to the extent that it arises for new
 1827 value given under an authenticated security agreement.

1828 Section 65. Subsection (1) of section 679.3131, Florida
 1829 Statutes, is amended to read:

1830 679.3131 When possession by or delivery to secured party
 1831 perfects security interest without filing.—

1832 (1) Except as otherwise provided in subsection (2), a
 1833 secured party may perfect a security interest in tangible
 1834 negotiable documents, goods, instruments, money, or tangible
 1835 chattel paper by taking possession of the collateral. A secured
 1836 party may perfect a security interest in certificated securities
 1837 by taking delivery of the certificated securities under s.
 1838 678.3011.

1839 Section 66. Subsections (1) and (2) of section 679.3141,
 1840 Florida Statutes, are amended to read:

1841 679.3141 Perfection by control.—

1842 (1) A security interest in investment property, deposit
 1843 accounts, letter-of-credit rights, ~~or~~ electronic chattel paper,

1844 or electronic documents may be perfected by control of the
 1845 collateral under s. 677.106, s. 679.1041, s. 679.1051, s.
 1846 679.1061, or s. 679.1071.

1847 (2) A security interest in deposit accounts, electronic
 1848 chattel paper, ~~or~~ letter-of-credit rights, or electronic
 1849 documents is perfected by control under s. 677.106, s. 679.1041,
 1850 s. 679.1051, or s. 679.1071 when the secured party obtains
 1851 control and remains perfected by control only while the secured
 1852 party retains control.

1853 Section 67. Subsections (2) and (4) of section 679.3171,
 1854 Florida Statutes, are amended to read:

1855 679.3171 Interests that take priority over or take free of
 1856 security interest or agricultural lien.—

1857 (2) Except as otherwise provided in subsection (5), a
 1858 buyer, other than a secured party, of tangible chattel paper,
 1859 tangible documents, goods, instruments, or a security
 1860 certificate takes free of a security interest or agricultural
 1861 lien if the buyer gives value and receives delivery of the
 1862 collateral without knowledge of the security interest or
 1863 agricultural lien and before it is perfected.

1864 (4) A licensee of a general intangible or a buyer, other
 1865 than a secured party, of accounts, electronic chattel paper,
 1866 electronic documents, general intangibles, or investment
 1867 property other than a certificated security takes free of a
 1868 security interest if the licensee or buyer gives value without
 1869 knowledge of the security interest and before it is perfected.

1870 Section 68. Subsection (2) of section 679.338, Florida
 1871 Statutes, is amended to read:

1872 679.338 Priority of security interest or agricultural lien
 1873 perfected by filed financing statement providing certain
 1874 incorrect information.—If a security interest or agricultural
 1875 lien is perfected by a filed financing statement providing
 1876 information described in s. 679.516(2)(d) which is incorrect at
 1877 the time the financing statement is filed:

1878 (2) A purchaser, other than a secured party, of the
 1879 collateral takes free of the security interest or agricultural
 1880 lien to the extent that, in reasonable reliance upon the
 1881 incorrect information, the purchaser gives value and, in the
 1882 case of tangible chattel paper, tangible documents, goods,
 1883 instruments, or a security certificate, receives delivery of the
 1884 collateral.

1885 Section 69. Paragraphs (a) and (o) of subsection (1) of
 1886 section 680.1031, Florida Statutes, are amended to read:

1887 680.1031 Definitions and index of definitions.—

1888 (1) In this chapter, unless the context otherwise
 1889 requires:

1890 (a) "Buyer in ordinary course of business" means a person
 1891 who in good faith and without knowledge that the sale to him or
 1892 her is in violation of the ownership rights or security interest
 1893 or leasehold interest of a third party in the goods buys in
 1894 ordinary course from a person in the business of selling goods
 1895 of that kind but does not include a pawnbroker. Buying may be
 1896 for cash or by exchange of other property or on secured or
 1897 unsecured credit and includes acquiring ~~receiving~~ goods or
 1898 documents of title under a preexisting contract for sale but
 1899 does not include a transfer in bulk or as security for or in

1900 total or partial satisfaction of a money debt.

1901 (o) "Lessee in ordinary course of business" means a person
 1902 who in good faith and without knowledge that the lease to him or
 1903 her is in violation of the ownership rights or security interest
 1904 or leasehold interest of a third party in the goods leases in
 1905 ordinary course from a person in the business of selling or
 1906 leasing goods of that kind but does not include a pawnbroker.
 1907 Leasing may be for cash or by exchange of other property or on
 1908 secured or unsecured credit and includes acquiring ~~receiving~~
 1909 goods or documents of title under a preexisting lease contract
 1910 but does not include a transfer in bulk or as security for or in
 1911 total or partial satisfaction of a money debt.

1912 Section 70. Subsection (2) of section 680.514, Florida
 1913 Statutes, is amended to read:

1914 680.514 Waiver of lessee's objections.—

1915 (2) A lessee's failure to reserve rights when paying rent
 1916 or other consideration against documents precludes recovery of
 1917 the payment for defects apparent in ~~on the face of~~ the
 1918 documents.

1919 Section 71. Subsection (2) of section 680.526, Florida
 1920 Statutes, is amended to read:

1921 680.526 Lessor's stoppage of delivery in transit or
 1922 otherwise.—

1923 (2) In pursuing her or his remedies under subsection (1),
 1924 the lessor may stop delivery until:

1925 (a) Receipt of the goods by the lessee;

1926 (b) Acknowledgment to the lessee by any bailee of the
 1927 goods, except a carrier, that the bailee holds the goods for the

1928 lessee; or

1929 (c) Such an acknowledgment to the lessee by a carrier via
1930 reshipment or as a warehouse ~~warehouseman~~.

1931 Section 72. This act shall take effect July 1, 2010.