

355.7-403 Obligation of warehouseman or carrier to deliver -- Excuse.

- (1) The bailee must deliver the goods to a person entitled under the document who complies with subsections (2) and (3), unless and to the extent that the bailee establishes any of the following:
 - (a) Delivery of the goods to a person whose receipt was rightful as against the claimant;
 - (b) Damage to or delay, loss or destruction of the goods for which the bailee is not liable, but the burden of establishing negligence in such cases is on the person entitled under the document;
 - (c) Previous sale or other disposition of the goods in lawful enforcement of a lien or on warehouseman's lawful termination of storage;
 - (d) The exercise by a seller of his right to stop delivery pursuant to the provisions of the article on sales (KRS 355.2-705);
 - (e) A diversion, reconsignment or other disposition pursuant to the provisions of this article (KRS 355.7-303) or tariff regulating such right;
 - (f) Release, satisfaction or any other fact affording a personal defense against the claimant;
 - (g) Any other lawful excuse.
- (2) A person claiming goods covered by a document of title must satisfy the bailee's lien where the bailee so requests or where the bailee is prohibited by law from delivering the goods until the charges are paid.
- (3) Unless the person claiming is one against whom the document confers no right under KRS 355.7-503(1), he must surrender for cancellation or notation of partial deliveries any outstanding negotiable document covering the goods, and the bailee must cancel the document or conspicuously note the partial delivery thereon or be liable to any person to whom the document is duly negotiated.
- (4) "Person entitled under the document" means holder in the case of a negotiable document, or the person to whom delivery is to be made by the terms of or pursuant to written instructions under a nonnegotiable document.

Effective: July 1, 1960

History: Created 1958 Ky. Acts ch. 77, sec. 7-403, effective July 1, 1960.