

**355.7-507 Warranties on negotiation or transfer of receipt or bill.**

Where a person negotiates or transfers a document of title for value otherwise than as a mere intermediary under KRS 355.7-508, then unless otherwise agreed he warrants to his immediate purchaser only in addition to any warranty made in selling the goods

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

**Effective:** July 1, 1960

**History:** Created 1958 Ky. Acts ch. 77, sec. 7-507, effective July 1, 1960.