

# Turkish Flour Industrialists Federation International Congress

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# Benefits of a Warehouse License and Examination Program

# Major Points

- Public Warehouse System
- Financial Strength
- Depositor Protection
- Access to Storage
- The Warehouse Receipt
- Uniform Rules and Requirements
- The Warehouse Examination Process
- Penalties for Non Performance



# Establishes an Agricultural Products Licensing Warehouse System

- Creates a system of Public Warehouses with uniform operating and regulatory requirements
- Promotes a stable marketing environment

# Requires Licensed Warehouses to demonstrate financial strength

- Must have sufficient Equity or Capital
- Requires Financial Guarantee based on Capacity and Product Value

# Provides for Depositor Protections

- Establishes a Warehouse Compensation Fund



# Provides access to storage for all agricultural products owners

- Prohibits the practice of discrimination between depositors

# Establishes Negotiable Instrument or Warehouse Receipt

- Documents legal title to product in storage
- Allows for transfer of title by possession of instrument
- Provides a process for using stored agricultural products for financial collateral



# Establishes a Uniform Set of Rules and Operating Requirements

- Requires posting of Tariff
- Sets terms for delivery of products
- Requires system of records and accounts
- Requires protection and preservation of products in store
- Provides for authorized classifying or grading of products

# Provides for Warehouse Examination or Inspections System

- Auditing of warehouse records and accounts
- Inventory of agricultural products in storage
- Determination that products are properly protected while in storage
- Review of operating procedures



# Establishes legal penalties for non performance

- Civil Penalties
- Monetary Penalties
- Criminal Penalties



Provides foundation for Agricultural  
Products trading system to build upon