

notice of the breach of duty, or fraud, accident, mistake, duress or conversion.

Where a party took bills of lading in payment of an antecedent debt, he became a *bona fide* purchaser for value under sec. 1 of this article as it stood prior to the uniform bills of lading act. *Tiedman v. Knox*, 53 Md. 616. (See sec. 53.)

As to what amounted to notice under sec. 1 of this article, as it stood prior to the adoption of the uniform bills of lading act, see *Dold, etc., Co., v. Ober*, 71 Md. 163.

See notes to art. 14A, sec. 47.

An. Code, sec. 39. 1910, ch. 336, sec. 39 (p. 42).

**39.** Where a person, having sold, mortgaged or pledged goods which are in a carrier's possession and for which a negotiable bill has been issued, or, having sold, mortgaged or pledged the negotiable bill representing such goods, continues in possession of the negotiable bill, the subsequent negotiation thereof by that person under any sale, pledge or other disposition thereof to any person receiving the same in good faith, for value and without notice of the previous sale, shall have the same effect as if the first purchaser of the goods or bill had expressly authorized the subsequent negotiation.

This section referred to in construing art. 83, sec. 25—see notes thereto. *Stem v. Crawford*, 133 Md. 588.

See art. 83, sec. 46.

An. Code, sec. 40. 1910, ch. 336, sec. 40 (p. 42.)

**40.** Where goods are shipped by the consignor in accordance with a contract or order for their purchase, the form in which the bill is taken by the consignor shall indicate the transfer or retention of the property or right to the possession of the goods, as follows:

(a) Where by the bill the goods are deliverable to the buyer or to his agent, or to the order of the buyer or of his agent, the consignor thereby transfers the property in the goods to the buyer.

(b) Where by the bill the goods are deliverable to the seller or to his agent, or to the order of the seller or of his agent, the seller thereby reserves the property in the goods. But if, except for the form of the bill, the property would have passed to the buyer on shipment of the goods, the seller's property in the goods shall be deemed to be only for the purpose of securing performance by the buyer of his obligation under the contract.

(c) Where by the bill the goods are deliverable to the order of the buyer or of his agent, but possession of the bill is retained by the seller or his agent, the seller thereby reserves a right to the possession of the goods, as against the buyer.

(d) Where the seller draws on the buyer for the price and transmits the draft and bill together to the buyer to secure acceptance or payment of the draft, the buyer is bound to return the bill if he does not honor the draft; and if he wrongfully retains the bill, he acquires no added right thereby. If, however, the bill provides that the goods are deliverable to the buyer, or to the order of the buyer, or is endorsed in blank or to the buyer by the consignee named therein, one who purchases in good faith, for value, the bill or goods from the buyer, shall obtain the title to the goods, although the draft has not been honored, if such purchaser has received delivery of