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Recommended Language for Freight Bills and Invoices

In order to acquire a Motor Carrier's Lien on freight currently held by your company for prior freight charges (on shipments in California), your company must first give the shipper notice of the possibility that a lien will arise. Pursuant to California Civil Code, section 3051.5, this can be done by adding the following language to your bills of lading, freight bills, invoices, and contracts with shippers:

PAYMENT IS REQUIRED WITHIN FIFTEEN (15) DAYS OF PRESENTATION. FAILURE TO PAY BILLED CHARGES MAY RESULT IN A LIEN ON FUTURE SHIPMENTS, INCLUDING THE COST OF STORAGE AND APPROPRIATE SECURITY FOR THE SUBSEQUENT SHIPMENT(S) HELD, PURSUANT TO CALIFORNIA CIVIL CODE SECTION 3051.5.

Although not related to the lien statute, I also suggest you add the following language to freight bills, etc.:

FAILURE TO MAKE TIMELY PAYMENT WILL RESULT IN THE IMPOSITION OF A SERVICE CHARGE OF 1.5% PER MONTH, AND THE OBLIGATION TO PAY ATTORNEYS' FEES, COSTS, AND EXPENSES INCURRED IN COLLECTION.

The above language does not need to be in upper case letters, boldface type, or in a font of any particular size. However, I advise you to not make the size of the font any smaller than other language that appears on your freight documents. Please call me if you have any questions regarding this matter, or if I can be of further assistance to you.

Jay D. Fullman, Esq. Jay D. Fullman, A Professional Corporation