



AN ACT REVISING LAWS RELATING TO AGRICULTURAL COMMODITY DEALERS; AND PROVIDING PRODUCER PROTECTIONS IN CASE OF BANKRUPTCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1. Bankruptcy as grounds for cancellation.** (1) If a commodity dealer files for bankruptcy, a contract or any part of a contract for delivery of a commodity may be canceled without penalty to the producer if the cancellation involves only the remaining unperformed portions of the contract. A cancellation under this section:

- (a) is not a breach of contract;
- (b) is allowed even if not explicitly provided for in the contract.

(2) In the event of a cancellation, a commodity dealer remains responsible for payment that is due to the producer for delivered portions of the contract.

**Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 80, chapter 4, and the provisions of Title 80, chapter 4, apply to [section 1].

- END -

I hereby certify that the within bill,  
HB 0344, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2013.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2013.

HOUSE BILL NO. 344

INTRODUCED BY B. HOVEN

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