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HB 346 INTRODUCED BY WALLIN
LIVESTOCK BUYER TAKES FREE OF SECURITY INTEREST IF
    OWNERSHIP FALSIFIED
    1/21 INTRODUCED
1/21 REFERRED TO AGRICULTURE, LIVESTOCK &
                        IRRIGATION
2/11 TABLED IN COMMITTEE
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Hocrse BILL No. $3+1 / 2$
INTRODUCED BY $\qquad$
IN ORDINARY COURSE OF BUSINESS WHO PURCHASES LIVESTOCK TAKES free of any security interest tf ownership of the itvestock HAS BEEN FALSIFIED; AND AMENDING SECTION 30-9-307, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
Section 1. Section 30-9-307, MCA, is amended to read:
"30-9-307. Protection of buyers of goads. (1) A buyer in ordinary course of business (subsection (9) of 30-1-201) other than a person buying, subject to subsection (3), farm products from a person engaged in farming operations takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its existence.
(2) In the case of consumer goods and in the case of farm equipment having an original purchase price not in excess of $\$ 2,500$ (other than fixtures, see 30-9-313), a buyer takes free of a security interest even though perfected if he buys without knowledge of the security interest, for value and for his own personal, family or household purposes or his own farming operations unless prior to the purchase the secured party has filed a
financing statement covering such goods.
(3) A buyer in ordinary course of business who buys branded or umbranded livestock takes free of a security interest created by the seller, or by the owner if other than the seller, if the seller falsifies or fails to disclose the true ownership of the livestock even though the security interest is perfected."
-End-

INTRODUCED BILL
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