

1500.0801 CLAIMS AGAINST A BOND.

Subpart 1. **Filing a claim.** Claims against a bond may be filed by a producer or wholesale produce dealer claiming to be damaged by the breach of an agreement to purchase produce. A claim must be filed with the commissioner within 40 days following the due date. Due date means ten days from the date of delivery of produce by the seller to the licensee or the due date specified in a contract between the buyer and seller. In the case of milk processing plants, the due date means 15 days following the monthly day of accounting.

Subp. 2. **Form of claim.** All claims must be in writing, must state the facts upon which the claim is based, must include all supporting evidence, and must be signed by the claimant. The supporting evidence must consist of, but is not limited to, a contract, purchase agreement, a check indicating insufficient funds, and purchase receipts.

Subp. 3. **Where to file.** All claims must be filed at the following address: Minnesota Department of Agriculture, Plant Industry Division, Fruit and Vegetable Section, 625 North Robert Street, Saint Paul, Minnesota 55155.

Subp. 4. **Notice to licensee.** Upon receipt of a claim, the licensee must be informed that a claim has been made and given ten days in which to pay or challenge the claim.

Subp. 5. **Bond proceeds.** If bond proceeds are inadequate to cover all claims, claims of farmers must take priority. Proceeds must be distributed in pro rata shares.

Statutory Authority: *MS s 27.14*

History: *16 SR 2441*

Published Electronically: *February 5, 2007*