shall not use the scale until it has been tested and inspected and found to be accurate.

(Approved by the Office of Management and Budget under control number 0580-0015)

§ 201.200 Sale of livestock to a packer on credit.

(a) No packer whose average annual purchases of livestock exceed $500,000 shall purchase livestock on credit, and no dealer or market agency acting as an agent for such a packer shall purchase livestock on credit, unless: (1) Before purchasing such livestock the packer obtains from the seller a written acknowledgment as follows.

On this date I am entering into a written agreement for the sale of livestock on credit to ________, a packer, and I understand that in doing so I will have no rights under the trust provisions of section 206 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 196, Pub. L. 94–410), with respect to any such credit sale. The written agreement for such selling on credit

Covers a single sale.

Provides that it will remain in effect until (date).

Provides that it will remain in effect until canceled in writing by either party.

(Omit the provisions not applicable.)

Date

Signature

(2) Such packer retains such acknowledgment, together with all other documents, if any, setting forth the terms of such credit sales on which the purchaser and seller have agreed, and such dealer or market agency retains a copy thereof, in his records for such time as is required by any law, or by written notice served on such person by the Administrator, but not less than two calendar years from the date of expiration of the written agreement referred to in such acknowledgment; and

(3) Such seller receives a copy of such acknowledgment.

(b) Purchasing livestock for which payment is to be made by a draft which is not a check, shall constitute purchasing such livestock on credit within the meaning of paragraph (a) of this section. (See also § 201.43(b)(1).)

(c) The provisions of this section shall not be construed to permit any transaction prohibited by § 201.61(a) relating to financing by market agencies selling on a commission basis.

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§ 201.215 Suspension of delivery of birds.

The Secretary may consider various criteria when determining whether or not reasonable notice has been given by a live poultry dealer to a poultry grower for suspension of delivery of birds. These criteria include, but are not limited to:

(a) Whether a live poultry dealer provides a poultry grower written notice at least 90 days prior to the date it intends to suspend delivery of birds under a poultry growing arrangement;

(b) Whether the written notice adequately states the reason for the suspension of delivery, the length of the suspension of delivery, and the anticipated date the delivery of birds will resume; and

(c) Whether a catastrophic or natural disaster, or other emergency, such as an unforeseen bankruptcy, has occurred that has prevented a live poultry dealer from providing reasonable notice.

§§ 201.213–201.214 [Reserved]

§ 201.216 Additional capital investments criteria.

The Secretary may consider various criteria in determining whether a requirement that a poultry grower or swine production contract grower make additional capital investments over the life of a production contract or growing arrangement constitutes a violation of the Act. These criteria include, but are not limited to:

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