

1 _____ BILL NO. _____

2 INTRODUCED BY _____

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT NO-WAIVER PROVISIONS MUST BE
5 APPLIED TO ALL PARTIES IN THE CONTRACT; AND PROVIDING A DEFINITION."

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

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9 NEW SECTION. **Section 1. No-waiver contract provisions -- applicable to all parties.** (1) A no-
10 waiver provision in a contract that favors one party must be construed to apply to all parties in the contract. The
11 purpose of this section is to prohibit contract provisions that favor only one party when the contractual duties
12 may be applied to all parties.

13 (2) For the purposes of this section, "no-waiver contract provision" means a contract provision or
14 clause providing that if one party fails to enforce a specific provision of the contract when the contract is
15 breached, the party's failure to enforce the specific provision does not waive the party's right to do so in the
16 future.

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18 NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
19 integral part of Title 28, chapter 3, and the provisions of Title 28, chapter 3, apply to [section 1].

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