



Chris Nelson, Chair  
Kristie Fiegen, Vice Chair  
Gary Hanson, Commissioner

*South Dakota*

**PUBLIC UTILITIES COMMISSION**

500 East Capitol Avenue  
Pierre, South Dakota 57501-5070  
[www.puc.sd.gov](http://www.puc.sd.gov)

Capitol Office  
(605) 773-3201  
1-866-757-6031 fax

Grain Warehouse  
(605) 773-5280  
(605) 773-3225 fax

Consumer Hotline  
1-800-332-1782

October 9, 2012

Mr. Duane Dyk  
972 - 92nd Street SE  
Strasburg, ND 58573

Re: **Proof of Claim for Cash Grain**

Dear Mr. Dyk,

The South Dakota Public Utilities Commission regulates grain buyers in this state. As you know, we are working through issues connected to Anderson Seed in Redfield, SD. Specifically, due to Anderson Seed's failure to pay for grain, its bond has been surrendered and now must be distributed. We understand from the information you sent, you believe you have a claim to a share of the bond proceeds. Your submission was, however, missing a completed, signed and notarized claim form. Please complete and sign the enclosed form and have it notarized and returned to this office by November 16, 2012.

The Commission's Grain and Warehouse Staff has also evaluated your claim. Because your claim is for grain that is subject to the terms of a voluntary credit sale contract, pursuant to South Dakota Codified Law 49-45-9 (see attached), Staff cannot support your claim against the bond. If it is your wish to challenge Staff's findings please respond in writing by November 16, 2012, that you do not agree with Staff findings and request a hearing before the Commission. If you have questions about the process or would like to discuss your claim please call our office at 605-773-5280.

Sincerely,

James Mehlhaff  
Grain Warehouse Director

**Duane Dyk**

Amount Claimed:               **\$26,403.65**  
Staff Finding:                   **\$0.00**

Claimant submitted copies of his Deferred Payment contract, assembly sheet and scale tickets. Claimant did not submit a claim form along with his information. The amount owed to this claimant was placed on a Voluntary Credit Sale (VCS) Contract; the loads were delivered in October and November. The VCS contract was written on December 27th and signed by the claimant on January 3rd.

Staff finds that amount owed is not eligible for claim against the bond. Voluntary Credit Sale Contracts by law are not covered by the bond.

**PROOF OF CLAIM FOR CASH GRAIN**  
**(Grain which is priced and sold and payment has not been made).**

I, \_\_\_\_\_, the undersigned, do hereby submit this claim against any grain funds or applicable bond(s) for the following grain which I delivered and sold to a grain buyer named \_\_\_\_\_ located at \_\_\_\_\_.

Listed below are the loads delivered which were not paid for:

Scale ticket number	Date	Kind of grain	Bushels	Price	Lien Holder, N/A if no liens

Explanation of Claim: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Attached are copies of the above documents which I offer as proof of delivery and evidence of my claim. I submit the above claim and state that it is true under penalty of law.

Signature of Claimant \_\_\_\_\_ Date \_\_\_\_\_  
 Address city \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Phone # \_\_\_\_\_

Check box if email-only service is acceptable.

Email address: \_\_\_\_\_

Subscribed and sworn to me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Notary \_\_\_\_\_

County of: \_\_\_\_\_ State of: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_ Affix Seal:

**49-45-9. Bond requirements--Violation as misdemeanor--Amount.** Before any grain buyer license is issued by the commission, the applicant shall file with the commission a bond conditioned to secure the faithful performance of the applicant's obligations as a grain buyer and full and unreserved compliance with the laws of this state and the rules of the commission, relating to the purchase of grain by the grain buyer. The bond is for the specific purpose of protecting persons selling grain to the grain buyer. However, the bond may not benefit any person entering into a voluntary credit sale with a grain buyer. Any person who does business as a grain buyer without a bond is guilty of a Class 1 misdemeanor. Each day a person conducts the business of a grain buyer without a bond is a separate offense.

The amount of the bond for a Class A or Class B grain buyer's license shall be based on a rolling average of the dollar amount of grain purchased by the applicant in South Dakota during the last three calendar years. For a new grain buyer, the first year's bond shall be based on projected purchases. For a grain buyer with less than three years experience as a grain buyer, the bond shall be based on the average actual purchases made by the grain buyer in all of its previous years as a grain buyer. The bond applies to all grain purchases for all of the grain buyer's business locations.

The amount of the bond for a Class A grain buyer's license is:

Dollar Amount of Grain Purchased	Bond Requirement
Less than \$2,000,001	\$50,000
\$2,000,001--\$10,000,000	\$100,000
\$10,000,001--\$25,000,000	\$200,000
\$25,000,001--\$60,000,000	\$350,000
\$60,000,001--\$100,000,000	\$500,000

Bond requirements are increased twenty-five thousand dollars for each additional ten million dollars in purchases above one hundred million dollars.

The amount of the bond for a Class B grain buyer's license is:

Dollar Amount of Grain Purchased	Bond Requirement
Less than \$2,000,001	\$50,000
\$2,000,001--\$10,000,000	\$100,000

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~~The grain buyer may stipulate to a higher bond amount requested by the commission or may post additional security in another form.~~