

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

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PUBLIC UTILITIES COMMISSION 500 East Capitol Avenue Pierre, South Dakota 57501-5070 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. Ron Goldade HCR 64 Box 50 Timberlake, SD 57656

## Re: Proof of Claim for Cash Grain

### Dear Mr. Goldade,

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 are subject to some of the bond proceeds. Your submission was, however, missing a notarized signature. Please complete and sign the enclosed form and have it notarized and returned to this office by November 16, 2012.

The Commission's Grain Warehouse Staff has also evaluated your claim of \$24,421.68 and determined that \$11,107.89 is subject to the terms of a voluntary credit sale contract; pursuant to South Dakota Codified Law 49-45-9 (see attached) this portion of your claim is not eligible for participation in the bond proceeds. That would leave a valid bond claim amount of \$13,313.79. If it is your wish to challenge Staff's findings at hearing please respond in writing by November 16, 2012 that you do not agree with staff's 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 605-773-5278.

Sincerely James Mehlhaff Grain Warehouse Director

## **Ron Goldade**

Amount Claimed:\$24,421.68Staff Findings:\$13,313.79

The claim submitted includes \$11,107.89 that is listed on a Voluntary Credit Sale (VCS) Contract. Staff verified that all tickets on the Deferred Payment contract were issued in November 2011. The remaining tickets listed by the claimant represent \$13,313.79 and are not on any VCS contract. Staff recommends remitting bond proceeds based on its findings.

Tickets on the claim are split with another producer, Daniel Braaten, who submitted a separate claim. Staff findings above reflect amounts based on listed ticket splits.

# REGEWEN

AUG 2 3 2012

#### PROOF OF CLAIM FOR CASH GRAIN

(Grain which is priced and sold and payment has not been made). SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

where 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 Anderson Seed Co, Pnc located at Ked Aield

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

Scale ticket	Date	Kind of	Bushels	Price	Lien Holder, N/A if no liens
number		grain		5603.10	
40515	11/02	Sunfl.	156.73		None
80520	11/03	Sun Ph.	-	5504.79	tt 11
40607	12/08	Sunfl.	122.38		<i>u i</i>
40615	12/2	Supfl.	113.48	4000.17	K 11
40640	12/19	SUNPL.	140.10	4938.53	il (1

Explanation of Claim:

Hauled Suntlowers to Anderson Seed Co. total of 7 loads and received payment on last 2 loads. Did not git poid for filet 5 loads delivered.

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 Kon L. Lolarle Date 8/18/12 Address city LICR. 64 Box 50 Timber Lake State S.D. Zip 57658

Phone # 605-865-3783

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 Less than \$2,000,001 \$2,000,001--\$10,000,000 \$10,000,001--\$25,000,000 \$25,000,001--\$60,000,000 \$60,000,001--\$100,000,000 Bond Requirement \$50,000 \$100,000 \$200,000 \$350,000 \$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 Less than \$2,000,001 \$2,000,001--\$10,000,000 Bond Requirement \$50,000 \$100.000

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