

UTICA GRAIN COMPLIANCE AND OPERATIONAL PLANS

8/23/18

1. Make management changes within the grain operations.
  - a. Utilize two or more senior managers (or owner) in merchandising and hedging decisions.
2. Implement regular reporting protocol with checks and accountability built in it to insure any and all requisite reports are submitted as mandated.
  - a. This process broke down previously when the accounting clerk left with no training or direction offered to the new employee. This training has now occurred and reports are again submitted to PUC staff.
  - b. The new GM will track and insure its delivery.
3. All quarterly and other mandated financial reporting will be handled and submitted only by the CFO for the parent company with consultation from outside CPA as needed.
4. Recapitalization (as needed) will be infused to bring working capital and owner's equity to acceptable levels. Continued debt reduction will also be implemented.
5. On-site training for software and computer system (Ag Vision) has been scheduled for mid-September for refresher and new training in its use and utilization.
6. Conduct regular grain measure-ups in cooperation with the USDA to verify DPR is correct.
7. Install security (video) at all grain locations.
8. A supervisor or staff member must be present at all times whenever grain is delivered to or dispatched from any location.
9. Hand tickets will only be used in the event of a power outage or equipment failure.
10. Regular review of grain tickets (both inbound and outbound) to insure numerical accuracy.
11. All grain accounting will include a computation for one half of one percent.
12. All facilities will undergo regular cleaning of house, dryers, and bins.

