FIRST JUDICIAL CIRCUIT
IN CIRCUIT COURT

The Parties hereby stipulate and agree that Receiver, working with Farmers Cooperative Elevator (FCE), shall have the power to sell certain assets of FCE. The Parties state and agree as follows:

1. Pursuant to the Order Appointing Receiver, no sale of grain or elevator assets may be completed without prior court approval.

SECURED CREDITOR

- 2. An appraisal of FCE's assets was recently completed. See Attachment 1 to October Monthly Report.
- 3. The largest secured creditor of FCE is Community Bank, with approximately \$1,100,000 owed to Community Bank. Community Bank has agreed to work with Receiver, provided payment of \$200,000¹ is made on or before December 1, 2021.
- 4. With the sale of the assets, upon which Community Bank has a lien, FCE will be able to satisfy Community Bank's demand.
- 5. Receiver and FCE agree that no asset will be sold for less than ninety percent of its appraised value.
- 6. Because all assets sold are subject to Community Bank's lien and because FCE currently has sufficient income from a lease agreement and trucking income, sale of the assets will not jeopardize or negatively effect FCE's ability to pay other creditors.
- 7. Payment of the \$200,000 to Community Bank is necessary to avoid foreclosure and liquidation.
- 8. All transactions made pursuant to this stipulation will be reported to the court in Receiver's monthly report.

DAKOTA

¹ The Attachment to the October Report is a letter from Community Bank which includes the appraised amounts and reflects an amount of \$350,000 demanded to be paid to Community Bank. However, after sending the letter, Community Bank took \$150,000 from FCE's bank account without prior notification to FCE and applied it to the \$350,000. This will be further detailed in Receiver's next monthly filing.

WHEREFORE, Receiver and FCE respectfully request the court's approval to sell the non-fixed assets and to make a \$200,000 payment to Community Bank.

Dated this 20th day of October 2021.

FOR REVEIVER:

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FOR FARMERS COOPERATIVE ELEVATOR:

Name

Title:

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