

STATE OF SOUTH DAKOTA )  
:SS  
COUNTY OF BON HOMME )

IN CIRCUIT COURT  
FIRST JUDICIAL CIRCUIT

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**IN THE MATTER OF  
FARMERS COOPERATIVE  
ELEVATOR, AVON, SOUTH  
DAKOTA**

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**04CIV21-037**  
**STIPULATION FOR SALE OF  
GRAIN ELEVATOR AND OTHER  
FIXED ASSETS AND FOR  
PAYMENTS**

The Parties hereby stipulate and agree that Receiver and/or Farmers Cooperative Elevator (FCE) may sell FCE’s grain elevator business and assets, patron grain bins, agronomy business and assets, and the fuel bulk plant property<sup>1</sup>. The Parties state and agree as follows:

1. The Parties have secured a buyer for FCE’s grain elevator business and assets, patron grain bins, agronomy business and assets.<sup>2</sup>
2. The sale price will be greater than \$3,000,000.
3. The anticipated sale date, if approved by this Court, will be February 2022.
4. The proceeds of the sale will be sufficient to pay all outstanding debt of FCE.
5. With the Court’s permission, the proceeds would be utilized to pay debts in the order of their legal priority as follows:
  - a. Community Bank
  - b. Patron Bin Notes<sup>3</sup>
  - c. Producers
  - d. Accounts Payable
6. Due to FCE’s ability to pay, the Parties stipulate to removing the \$500 cap for payments made under this Receivership. In lieu of this cap, Receiver will provide a detailed report to the Court of all checks written. This will be included in the monthly report.
7. Receiver will continue receivership duties, including all those granted in the Court’s Order Appointing Receiver and the subsequent Order allowing Receiver to pursue collection of debt on FCE’s behalf.

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<sup>1</sup> This does not include the fuel station, which will continue to be owned and operated by FCE.

<sup>2</sup> The bulk fuel and agronomy business and agronomy assets are not subject to Receivership but will nonetheless be detailed in this filing for continuity.

<sup>3</sup> The bin site, which will be sold, is currently subject to patron bin notes which amount to a blanket lien, though such lien has never been formally filed.

**WHEREFORE**, Receiver and FCE respectfully request the Court's approval to sell grain elevator business and assets, patron grain bins, agronomy business and assets, and fuel bulk plant property; and remove the \$500 limit on payments, thus allowing the Parties to make all necessary payments in and outside of the ordinary course of business, with the goal of paying all creditors in full.

Dated this 25th day of January 2022.

FOR RECEIVER:



Kristen N. Edwards (#4124)

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FOR FARMERS COOPERATIVE ELEVATOR:



Name: Kevin L. Tjeerdsma

Title: Manager

Date: 1/25/2022