

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF FEARLESS GRAIN MARKETING LLC)))))	AFFIDAVIT OF PAUL KENEFICK-ASCHOFF GW21-001
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I hereby swear and affirm as follows:

1. I am an inspector and administrator with the Grain Warehouse Program (Warehouse Program) of the South Dakota Public Utilities Commission (Commission).

2. Around the time Fearless Grain Marketing LLC (Fearless) started operating in early 2018, I was approached with the question as to whether this company was licensed as a grain buyer. When I asked the former grain warehouse director, he indicated that owner Jeremy Frost (Jeremy) had reached out with questions on licensing. Through that conversation, it was determined that his business plan at the time would not fit the definition of a grain buyer and therefore, he would not require a license from the Commission.

3. On December 28, 2020, I was forwarded an application from Fearless Grain Marketing, Storage and Arbitrage, LLC (Fearless MSA). Upon review, I replied to this company through email with corrections and additional information on licensing. Items needed were a current application form and some corrections. A reply was received from Fearless MSA on December 29, 2020, acknowledging the corrections needed.

4. On January 7, 2021, after a phone conversation, I sent an email regarding bonding for South Dakota and grain buyer licensing in North Dakota upon the request of Fearless. I received a reply to that email on January 13, 2021, indicating a bond application had been submitted to a surety and the grain buyer application had been mailed to the Commission.

5. On January 14, 2021, Cody Chambliss, grain warehouse program manager replied to Fearless MSA with a request for additional financial information that was required with the application.

6. On January 28, 2021, I sent an email to Fearless MSA as a follow up to their grain buyer application. This email indicated that the \$275 licensing fee and the bond were still needed to complete the licensing process. This email also referenced SDCL 49-45-1, stating the requirement for a grain buyer's license before purchasing any grain.

7. On January 29, 2021, I received a call from Jan Banghart (Jan). She asked if she could apply for the grain buyer's license under the name of Banghart Properties DBA Fearless Grain Marketing, Arbitrage and Storage. I indicated I would need to refer this to Cody Chambliss.

8. On February 18, 2021, I sent an email to Fearless MSA indicating that we had not received the fee or bond and the Commission is unable to issue a grain buyer's license at this time. I referenced SDCL 49-45-1, 49-45-7 and 49-45-9 in this email. I received a phone call from Jeremy discussing the email. Jeremy mentioned on the phone something about starting to set up some grain buying transactions. I stated he must be mindful since he is not officially licensed as a grain buyer until he physically has the license in his hands. Operating without a license could result in penalties. To date, staff has not received a bond and considers the application incomplete.

Dated this 19th day of March 2021.


Paul Kenefick-Aschoff

Subscribed and sworn to before me this 18th day of March, 20 21

Macy Jo Murren (Notary Public)

My Commission expires: July 28, 2026

