



Chris Nelson, Chairman
Kristie Fiegen, Vice Chairperson
Gary Hanson, Commissioner

South Dakota

PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.puc.sd.gov

(605) 773-3201

Consumer Hotline
1-800-332-1782

Email
puc@state.sd.us

November 1, 2021

Banghart Properties LLC
DBA Fearless Grain Marketing Storage and Arbitrage
PO Box 93
111 West Garfield, Suite 2
Gettysburg, SD 57442

Jan,

The South Dakota Public Utilities Commission Grain Warehouse Program has completed their remote inspection for Banghart Properties LLC DBA Fearless Grain Marketing Storage and Arbitrage. Thank you for your cooperation and timely manner as to which you submitted the required information.

A few comments were made on the inspection report. When the scale ticket and settlement review noted a couple items for your review. First, Banghart Properties LLC holds the grain buyer's license. All check written for the purchase of grain need to from the Banghart Properties LLC bank account. No accounts associated with Fearless Grain Marketing LLC may pay for the purchase of grain without a proper license. Second, it was noted that certain checks have been written out of number sequence. For the purpose of inspection all checks should be written in number order.

A Memorandum of Adjustment has been written in these matters. At this time no penalties will be sought. With this letter there are attached 2 copies of the memorandum and a copy of the inspection report. Please sign one copy of the memorandum and return it to our office. Sign the other copy of the memorandum to retain with your records.

Please contact our office if you have any questions or concerns in this matter.

Regards,

Paul Kenefick-Aschoff

Copy: Sarah McIntosh; SD PUC Inspector

INSPECTOR CHECKLIST

License No: 209101
 Exam Date: 10/25/2021
 Tag: 2091__22OCT2021

BANGHART PROPERTIES LLC
 111 WEST GARFIELD, SUITE 2
 GETTYSBURG, SD
 County: POTTER

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Examiner: PAUL KENEFICK-A

1. Licensee Information

10110 License Type	Broker
10115 Buyer Class	Class B
10120 Current Licenses & Certificates Posted?	Remote Inspection
10125 Previous Deficiencies Corrected?	--

2. Personnel

20110 General Manager	Jan Banghart
20115 On-Site Manager	Jeremey Frost
20120 Ownership/Managerial Changes	NA
20125 Accounts Manager	Jan Banghart & Jeremey Frost
20130 Software System	TKc Grain Cloud
20135 Contact Email	jank2560@venturecomm.net/fearlessgrainmarketing@gmail.com

3. Fiscal Information

30110 Fiscal Year-End	12/31
30115 Frequency of Internal Balance Sheets	As needed
30120 Net Worth Sufficient?	Yes
30125 Working Capital Sufficient?	Yes
30130 Bank	First National Bank in Huron
30135 Line of Credit Maximum Borrowable	[REDACTED]
30140 Amount Borrowed	\$0.00

5. Grain Buying

50110 Bond Amount	\$100,000.00
50115 Bond-Eligible Payables Amount	\$392,901.41
50125 Bond-Eligible Payables Age	Oldest from 10/1/2021

10. Scale Tickets

100110 Form	Scale tickets come from delivery location
100115 Non-Negotiable Statement?	--
100120 Indicates Stored/Sold?	--

DEFICIENCIES LISTED IN THE COMMENTS SECTION MUST BE CORRECTED. FAILURE TO DO SO WILL RESULT IN A MEMORANDUM OF ADJUSTMENT, MONETARY FINES OR SUSPENSION OF LICENSE

Comments:

*During the scale ticket and settlement review for this inspection it was noted that checks were written for the purchase of grain on the Fearless Grain Marketing LLC bank account. Fearless Grain Marketing LLC does not hold a grain buyers license with the SD PUC Grain Warehouse Program. All grain purchases need to be paid for by Banghart Properties LLC DBA Fearless Grain Marketing Storage & Arbitrage.

*During the scale ticket and settlement review it was noted that checks were written out of numeric sequence. For inspection purposes all checks should be written in numerical order.

* A Memorandum of Adjustment will be issued for the above discrepancies.

*During a previous review of scale tickets and settlement information it was noted that a storage statement was present. Banghart Properties LLC does not currently hold a warehouse license, therefore, is not able to legally store grain for hire. Banghart Properties LLC indicated they would remove this this statement from further use as they do not store grain for hire.

Memorandum of Adjustment

License No: 209101
Exam Date: 10/25/2021
Examiner: PAUL KENEFICK-A

BANGHART PROPERTIES LLC
111 WEST GARFIELD, SUITE 2
GETTYSBURG, SD
County: POTTER

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This memorandum contains all findings by the undersigned examiner during the examination with the cut-off date noted above. Examiner comments are shown in *italic* below each item.

Item no: 1010 Failure to obtain a grain buyer license.

refer to: SDCL 49-45-1

Failure to obtain a grain buyer license prior to operating as a grain dealer. Grain buyer's license required--Violation as misdemeanor-- Injunction--Civil fine. Before transacting the business of a grain buyer in this state, a person shall obtain a grain buyer license from the commission. A violation of this section is a Class 1 misdemeanor. Each purchase of grain without a license is a separate offense.

Operation as a grain buyer without a license may be enjoined upon complaint of the commission. In addition, the commission may assess a civil fine against an unlicensed grain buyer in the amount of one thousand dollars for each purchase of grain up to a maximum fine of twenty thousand dollars.

Item no: 1015 Failure to obtain a grain buyer bond

refer to: SDCL 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.

Item no: 2000 SEE EXAMINER COMMENTS BELOW

refer to: See Examinder Comments Below

**During the scale ticket and settlement review for this inspection it was noted that checks were written for the purchase of grain on the Fearless Grain Marketing LLC bank account. Fearless Grain Marketing LLC does not hold a grain buyers license with the SD PUC Grain Warehouse Program. All grain purchases need to be paid for by Banghart Properties LLC DBA Fearless Grain Marketing Storage & Arbitrage.*

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Name of PUC Examiner

10/25/2021

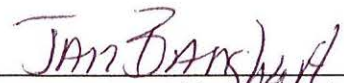
Date

I acknowledge receipt of this form. I understand that the above conditions must be corrected as soon as possible. The corrective action must be mailed to the licensing division offices within 30 days of the date received. If all corrections are not completed in 30 days, I will report my progress and continue to submit reports at 15-day intervals until all corrections are completed.



Licensee's Signature


Title



By (please print)
11/3/21

Date

RECEIVED

NOV 15 2021

Please submit report to: Warehouse Division
Public Utilities Commission
500 E. Capital, 1st Floor
Pierre, SD 57501-5070

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
Phone: 605-773-3201
Email: Cody.Chambless@state.sd.us
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South Dakota Public Utilities Commission

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Exam Date: 10/25/2021
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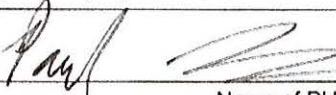
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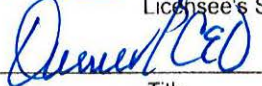
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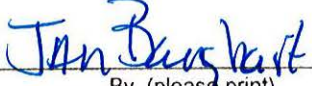
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