

Montana

Entertaining the idea of an indemnity fund – not sure what kind of transactions would be covered.

Dealer Bond – based on value of grain handled

Minimum \$20,000 - purchase up to \$1,000,000 of grain

2% of sales of \$1,000,000

Maximum \$1,000,000 unless there is a deficit

Storage Bond – based on capacity

20¢ per cwt for 1st 500,000 cwt

15¢ per cwt for next 500,000 cwt

10¢ per cwt for all remaining capacity

Maximum \$1,000,000 unless there is a deficit

All warehouses currently licensed also have a dealer license and bond

21 state licensed warehouses

25 – 30 federal warehouses

South Dakota

If buy but don't store grain only need grain buyer license

Class A Buyer Bond – three year average annual dollar amount

\$50,000 – minimum - less than \$2,000,001

\$100,000 - \$2,000,001--\$10,000,000

\$200,000 - \$10,000,001--\$25,000,000

\$350,000 - \$25,000,001--\$60,000,000

\$500,000 - \$60,000,001--\$100,000,000

No maximum

Bond requirements are increased \$25,000 for each additional \$10 million in purchases above \$100 million dollars.

Class B Buyer – three year average annual dollar amount (can't issue credit-sale contracts)

\$50,000- Less than \$2,000,001

\$100,000 - \$2,000,001--\$10,000,000

No maximum

The grain buyer may stipulate to a higher bond amount requested by the commission or may post additional security in another form.

Storage – if store grain - need buyers and storage license

\$25,000 minimum

\$no maximum

50% of value of grain – file monthly grain reports and if necessary increase bond monthly.

Minnesota

Buyers license - anyone who buys grain needs a buyers license – all federal and state elevators have a buyers license

Bond – determined based on value of purchases

\$10,000 – minimum

\$150,000 maximum

\$50,000 - 1st year minimum bond that can be filed

\$10,000 – less than \$100,000

\$20,000 - \$100,000 - \$750,000

\$30,000 - \$750,000 - \$1,5 million

\$40,000 - \$1.5 million - \$3 million

\$50,000 - \$3 million - \$6 million

\$70,000 - \$6 million - \$12 million

\$125,000 - \$12 million - \$24 million

\$150,000 – if purchase \$24 million or more

Buy & Store – state facilities need an additional license to store grain

\$500,000 maximum bond

Begins with a 1st time – estimate of value of grain at peak time and file a bond for 50% of the value of the grain

\$100,000 - \$50,000 bond

\$250,000 - \$125,000 bond

Can only decrease a bond at renewal – licensees must file a monthly report on the storage and value of grain and if necessary increase bond during the year

Northwood – 12 claims received – Nov 1 – Dec 31 Northwood Mills purchased ~100,000 bushels (~50,000 cwt x \$14.99/cwt.)
\$749,500 – claim for 2007 grain deliveries
\$861,000

VeraSun - \$132,784.85

Sustainable Systems - \$561,629 (23%)