

STATE OF NORTH DAKOTA  
COUNTY OF GRAND FORKS

IN DISTRICT COURT  
NORTHEAST CENTRAL JUDICIAL DISTRICT

\_\_\_\_\_ )  
Public Service Commission )  
) )  
Petitioner, )  
) )  
vs. )  
) )  
Northwood Mills LLLP )  
) )  
and )  
) )  
Travelers Casualty and Surety )  
Company of America )  
) )  
Respondents. )  
) )  
\_\_\_\_\_ )  
PSC Case No. GE-09-31 )  
) )  
\_\_\_\_\_ )

CIVIL NO. \_\_\_\_\_

AFFIDAVIT OF  
SUSAN K. RICHTER

STATE OF NORTH DAKOTA )  
) )  
)ss )  
COUNTY OF BURLEIGH )

Susan K. Richter being duly sworn states as follows:

1. That she is a citizen of the United States of America, of legal age, residing at Bismarck, North Dakota.
2. That she is the Director of the Licensing Division for the Public Service Commission (Commission) and as such is charged with the duty of enforcing the provisions of North Dakota Century Code Chapter 60-04.
3. That on January 9, 2009, affiant was notified via a phone call from Rachel Hellyer, Controller for Northwood Mills LLLP, that all canola purchases were

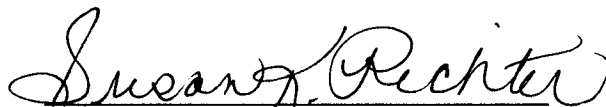
suspended at their Northwood grain elevator. Ms. Hellyer also notified affiant that the final day of receipt of canola was December 31, 2008 and the final day of crush was January 7, 2009, and Northwood Mills LLLP would be working to liquidate the oil inventories with a goal to satisfy all debts. On January 14, 2009, affiant received written notification of the same from Geoffrey Bengtson, General Manager of Northwood Mills LLLP.

4. That affiant was informed via a phone call from Ron DeJongh, General Manager with Columbia Grain – Midwest Division, that Columbia Grain had not been paid as provided in their purchase contract for the approximately \$20,000 of canola that Columbia Grain sold to Northwood Mills and asked that the Commission take action on behalf of claimants. On January 14, 2009, an e-mail message was received and on January 20, 2009 a written claim was received from Columbia Grain against Northwood Mills LLLP.
5. That a division inspection of the Northwood facilities and grain records conducted on January 21 and 22, 2009, disclosed that Northwood Mills LLLP is unable to make payment for grain purchased or to make redelivery and is insolvent under the provisions of North Dakota Century Code §60-04-02.
6. That affiant was informed and has reason to believe that there are outstanding obligations for unpaid claims for grain sold to Northwood Mills LLLP as a public warehouseman under North Dakota Century Code Chapter 60-02 for which bond protection is available under the provisions of North Dakota Century Code §60-02-09 and for credit-sale contracts for which protection is available from the

credit-sale contract indemnity fund under North Dakota Century Code §§60-10-04 and 60-10-05.

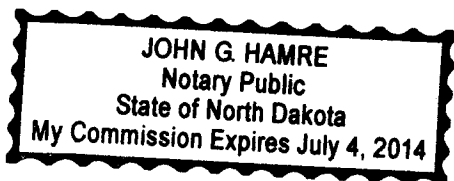
7. That affiant was informed that at the time of filing of claim that precipitated this insolvency there was no grain inventory in the Northwood facility and an inspection subsequent to the claim confirmed there was no grain inventory.
8. That affiant was informed and records provided during the inspection indicated that there were grain product assets consisting of meal in the Northwood facility and oil in rail tankards in Larimore.
9. That affiant believes that it is in the public interest to immediately appoint the Commission as trustee and to join the surety as a respondent in the action and require the surety to deposit the penal sum of the bond under North Dakota Century Code Chapter 60-04.
10. That the affidavit is made for the purpose of securing the appointment of the Commission as trustee of Northwood Mills LLLP, preserving any assets of the trust, joining Travelers Casualty and Surety Company of America as surety, and ordering the surety to deposit the penal sum of the bond under North Dakota Century Code Chapter 60-04.


Bismarck, North Dakota, this 2<sup>nd</sup> day of February, 2009.



Subscribed and sworn to me this 2<sup>nd</sup> day of February, 2009.

**SEAL**



  
Notary Public