



# Public Service Commission

## State of North Dakota

### COMMISSIONERS

Kevin Cramer  
Tony Clark  
Brian P. Kalk

Executive Secretary  
Darrell Nitschke

600 E. Boulevard Ave. Dept 408  
Bismarck, North Dakota 58505-0480  
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Phone 701-328-2400

July 29, 2009

Ms. Rebecca Absey  
Clerk of the District Court  
Grand Forks County Courthouse  
PO Box 5939  
Grand Forks, ND 58206-5939

**RE: CIVIL NO. 18-09-C-00251**  
**Northwood Mills LLLP**  
**Grain Warehouse**  
**Insolvency**  
**PSC Case No. GE-09-31**

Dear Ms. Absey:

Enclosed for filing in the above proceeding please find the originals of:

1. Notice of Motion and Notice of Hearing;
2. Motion for Approval and Adoption of Report and Recommendation of Trustee;
3. Brief in Support of Motion for Approval and Adoption of Report and Recommendation of Trustee;
4. Report and Recommendation of Trustee with Exhibit A; and
5. Affidavit of Service by Certified Mail and Regular Mail.

After the hearing, if the Judge finds the Order Approving Trustee's Report and Recommendation and Discharging Trustee satisfactory, please have him sign it and return a copy of the signed Order to us and we will provide Notice of Entry of Order and serve the parties of record.

If you have any questions, please do not hesitate to contact us. Thank you for your assistance in this matter.

Sincerely,

Illona A. Jeffcoat-Sacco (ID#03315)  
Special Assistant Attorney General

Enclosures

56 GE-09-31 Filed: 7/29/2009 Pages: 16  
Letter to Clerk Enclosing Original Report and  
Recommendation Documents and Proposed Order

STATE OF NORTH DAKOTA  
COUNTY OF GRAND FORKS

IN DISTRICT COURT  
NORTHEAST CENTRAL JUDICIAL DISTRICT

_____	)	CIVIL NO. 18-09-C-00251
Public Service Commission	)	
	)	
vs.	)	NOTICE OF MOTION AND
	)	NOTICE OF HEARING
Northwood Mills LLLP	)	
	)	
	)	
	)	
_____	)	
PSC Case No. GE-09-31	)	
_____	)	

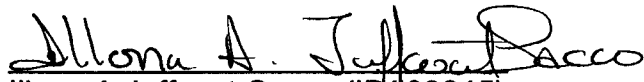
**PLEASE TAKE NOTICE** that the Public Service Commission (Commission) as Trustee of the trust created by the insolvency of Northwood Mills LLLP, respectfully moves the Court for an order approving the Report and Recommendation of Trustee. The Motion for Approval and Adoption of Report and Recommendation of Trustee is being mailed to the Court contemporaneously on July 29, 2009.

**FURTHER PLEASE TAKE NOTICE** that a copy of the Motion for Approval and Adoption of Report and Recommendation of Trustee and a copy of the Report and Recommendation of Trustee are herewith served upon you.

**FURTHER PLEASE TAKE NOTICE** that the Court has scheduled a hearing on this matter for **September 9, 2009, at 9:00 a.m. CDT** at the Grand Forks County Courthouse in Grand Forks, North Dakota.

**FURTHER PLEASE TAKE NOTICE** that any aggrieved person having an objection to the Commission's Report and Recommendation as Trustee shall file the objection with the Court and serve copies on the Commission, the warehouseman, and the surety at least ten (10) days before the hearing. Failure to file and serve objections in the time set is a waiver of the objection.

Bismarck, North Dakota, this **29<sup>th</sup>** day of July, 2009.



Ilona A Jeffcoat-Sacco (ID#03315)

Annette Bendish (ID#05790)

Special Assistant Attorneys General

Public Service Commission

State Capitol – 12<sup>th</sup> Floor

600 E Boulevard Ave – Dept 408

Bismarck, North Dakota 58505-0480

701-328-2400

Attorneys for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF GRAND FORKS

NORTHEAST CENTRAL JUDICIAL DISTRICT

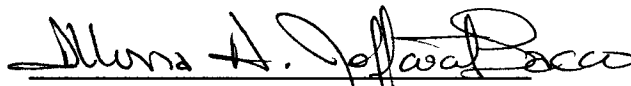
\_\_\_\_\_ )  
**Public Service Commission** )  
) )  
**vs.** **Petitioner,** )  
) )  
**Northwood Mills LLLP** )  
) )  
**Respondent.** )  
\_\_\_\_\_ )  
**PSC Case No. GE-09-31** )  
\_\_\_\_\_ )

CIVIL NO. 18-09-C-00251

**MOTION FOR APPROVAL AND  
ADOPTION OF REPORT AND  
RECOMMENDATION OF  
TRUSTEE**

The undersigned respectfully moves the Court for an Order Approving the Report and Recommendation of Trustee in the above matter.

Bismarck, North Dakota, this **29<sup>th</sup> day of July, 2009.**



Illona A Jeffcoat-Sacco (ID#03315)  
Annette Bendish (ID#05790)  
Special Assistant Attorneys General  
Public Service Commission  
State Capitol – 12<sup>th</sup> Floor  
600 E Boulevard Ave – Dept 408  
Bismarck, North Dakota 58505-0480  
701-328-2400

Attorneys for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF GRAND FORKS

NORTHEAST CENTRAL JUDICIAL DISTRICT

\_\_\_\_\_ )  
**Public Service Commission** )  
) )  
**Petitioner,** )  
**vs.** )  
) )  
**Northwood Mills LLLP** )  
) )  
**Respondent.** )  
\_\_\_\_\_ )  
) )  
**PSC Case No. GE-09-31** )  
\_\_\_\_\_ )

CIVIL NO. 18-09-C-00251

**BRIEF IN SUPPORT OF  
MOTION FOR APPROVAL AND  
ADOPTION OF REPORT AND  
RECOMMENDATION OF  
TRUSTEE**

The Public Service Commission (Commission), as trustee of the trust fund provided by N.D.C.C. §60-04-03 for the purpose of marshalling all trust assets of Northwood Mills LLLP, an insolvent grain warehouse, seeks an order approving the Report and Recommendation of Trustee. The Commission has the authority to bring this motion and the Court has the power to grant the relief requested under N.D.C.C. §§60-04-03 and 60-04-07.

A warehouseman’s bond must be filed with the Commission before any license can be issued to any public warehouseman in North Dakota. N.D.C.C. §60-02-09. The bond is for the protection of holders of outstanding receipts from the North Dakota licensed facility. N.D.C.C. §60-02-09(6)(a). The insolvent warehouse, Northwood Mills LLLP, had such a bond issued by Travelers Casualty and Surety Company of America, One Tower Square, Hartford, Connecticut 06183, as surety.

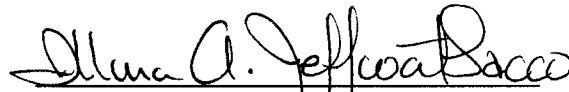
The Commission has reviewed claims filed against the warehouseman and detailed its determination regarding valid claims in the Report and Recommendation of Trustee. The proceeds from the bond will be needed to redeem outstanding receipts issued by Northwood Mills LLLP.

N.D.C.C. §60-04-09 provides in part:

Following hearing, the court shall approve or modify the report and issue an order directing payment of the necessary bond proceeds, distribution of the trust fund, and discharge of the commission from its trust.

The Commission respectfully requests the Court approve the Report and Recommendation of Trustee and authorize payment of valid claims as recommended in the report.

Bismarck, North Dakota, this **29<sup>th</sup> day of July, 2009.**



Illona A Jeffcoat-Sacco (ID#03315)  
Annette Bendish (ID#05790)  
Special Assistant Attorneys General  
Public Service Commission  
State Capitol – 12<sup>th</sup> Floor  
600 E Boulevard Ave – Dept 408  
Bismarck, North Dakota 58505-0480  
701-328-2400

Attorneys for the Public Service Commission

**STATE OF NORTH DAKOTA**

**IN DISTRICT COURT**

**COUNTY OF GRAND FORKS**

**NORTHEAST CENTRAL JUDICIAL DISTRICT**

\_\_\_\_\_ )  
**Public Service Commission** )  
) )  
**Petitioner,** )  
**vs.** )  
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**Northwood Mills LLLP** )  
) )  
**Respondent.** )  
\_\_\_\_\_ )  
**PSC Case No. GE-09-31** )  
\_\_\_\_\_ )

**CIVIL NO. 18-09-C-00251**

**REPORT AND  
RECOMMENDATION  
OF TRUSTEE**

The Public Service Commission (Commission) as Trustee, makes the following Report and Recommendation to the Court:

1. Northwood Mills LLLP, a North Dakota Limited Liability Limited Partnership, authorized to do business in North Dakota, operated a grain warehouse at Northwood, North Dakota, under grain warehouse license number 1184 issued under N.D.C.C. Chapter 60-02.
2. As part of the licensing process, Northwood Mills LLLP filed with the Commission a \$50,000 surety bond as required by N.D.C.C. §60-02-09, identified as number 104 796 578 issued by Travelers Casualty & Surety Company of America, One Tower Square, Hartford, Connecticut 06183, as surety.
3. On January 9, 2009, Rachel Hellyer, Controller for Northwood Mills LLLP informed the Commission via phone that all grain inventories had been crushed into oil and there was no grain inventory in the warehouse facility. On January 14, 2009, the Commission received written notification of the same from Geoffrey Bengtson, General Manager of Northwood Mills LLLP.
4. On January 20, 2009, the Commission received a letter from Columbia Grain, 400 South 4<sup>th</sup> Street, 808 Grain Exchange Building, Minneapolis, Minnesota 55415 – Midwest Division, setting forth a claim against Northwood Mills LLLP for collection of outstanding funds owed to Columbia Grain – Midwest Division, in the amount of \$19,399.26 for the purchase of 1,297.85 hundredweight of canola.

5. On January 21 and 22, 2009, an inspection subsequent to the claim confirmed that there was no grain inventory in the Northwood facility. However, the 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, North Dakota.
6. On February 2, 2009, the Commission applied to the District Court for an order finding Northwood Mills LLLP insolvent, appointing the Commission trustee of the trust fund provided by N.D.C.C. §60-04-03 for the purpose of marshalling all trust assets of Northwood Mills LLLP, and joining the surety, Travelers Casualty and Surety Company of America, as a respondent in the action.
7. On the date the Commission applied to the District Court for an order finding Northwood Mills LLLP insolvent and appointing the Commission trustee, a surety bond was on file with the Commission as required by N.D.C.C. §60-02-09. The surety bond was for \$50,000 and identified as number 104 796 578 issued by Travelers Casualty and Surety Company of America, One Tower Square, Hartford, Connecticut 06183, as surety.
8. On March 9, 2009, a check in the amount of \$50,000 was received from Travelers Casualty and Surety Company of America.
9. On March 31, 2009, the Commission released Travelers Casualty and Surety Company of America from liabilities under Grain Elevator Warehouse Bond No. 104 796 578.
10. Also on March 31, 2009, the Commission forwarded a partially executed Stipulation to Withdraw Request to Join Surety as Party and Deposit of Bond Proceeds and a substitute Order Appointing Trustee to Douglas Christensen, attorney for Travelers Casualty and Surety Company of America, together with a request to sign and file an original fully executed Stipulation and the substitute Order Appointing Trustee with the Court. Mr. Christensen signed and forwarded the executed Stipulation to Withdraw Request to Join Surety as Party and Deposit of Bond Proceeds and the substitute proposed Order to District Court.
11. On April 8, 2009, the District Court declared Northwood Mills LLLP insolvent and appointed the Commission trustee of the trust fund provided by N.D.C.C. §60-04-03 for the purpose of marshalling all trust assets of Northwood Mills LLLP. The Order was filed with the Clerk of the District Court on April 14, 2009. A copy of the Notice of Entry of Order with attached copy of the signed Order Appointing Trustee and Notice of Appointment as Trustee and Notice to File Claims was sent by regular mail to eleven persons the Commission identified as potential claimants in the insolvency proceeding from records of Northwood Mills LLLP and other sources. Additional copies were sent to Adam Hamm, North Dakota Insurance

Commissioner, Clarence G. Leschied, General Partner of Northwood Mills LLLP, Paul Sproule, General Partner & Registered Agent for Northwood Mills LLLP, and Pam Hamblin - Bond Claim Department, Travelers Casualty & Surety Co of America. The notice required the filing of claims with the Commission within 45 days of the second publication of the notice.

12. On April 25 and May 2, 2009, the Notice of Appointment as Trustee and Notice to File Claims was published as a legal publication in the Grand Forks Herald, the official county newspaper of Northwood, North Dakota. Claimants had until June 16, 2009, to file claims with the Commission.
13. After publication, eleven claims were filed with the Commission in the total amount of \$880,009.90 as shown below, and with detail on Exhibit A to this report.

<b>Claimant Name</b>	<b>Claim Filed</b>
a. Cando Farmers Grain & Oil CO-OP	\$129,999.42
b. Columbia Grain-Midwest Division	\$ 19,399.26
c. CHS Inc.	\$ 51,699.76
d. Alan Collette	\$119,066.85
e. Delmar Commodities LTD	\$ 34,927.48
f. Donald Emerson	\$ 14,938.21
g. FGDI LLC	\$147,286.09
h. Karsky Brothers	\$ 8,329.23
i. North Central Grain	\$261,749.02
j. Osnabrock Farms Coop Elevator	\$ 20,297.23
k. Viterra	\$ 72,317.35

14. There are no grain assets or unencumbered proceeds available to pay claims. The \$50,000 bond proceeds on file with the Commission are needed to redeem outstanding claims for grain purchased for cash by Northwood Mills LLLP through its Northwood, North Dakota facility. Payments to valid claimants will be prorated for payment with available funds from the bond proceeds, with each claimant receiving approximately 5.8% of its valid claim. There are insufficient funds available to pay interest on the claims.
15. The Commission recommends that approximately 5.8% of each valid claim be paid. The final amounts to be paid will be determined once Court approval is received and interest on the bonded proceeds is calculated and added to the \$50,000. The valid claim amounts recommended by the Commission total \$860,531.95, and are detailed in Exhibit A:

<b>Claimant Name</b>	<b>Valid Claim</b>
a. Cando Farmers Grain & Oil CO-OP	\$129,899.42
b. Columbia Grain-Midwest Division	\$ 19,399.26

c.	CHS Inc.	\$ 50,891.69
d.	Alan Collette	\$118,472.92
e.	Delmar Commodities LTD	\$ 34,927.48
f.	Donald Emerson	\$ 14,908.09
g.	FGDI LLC	\$147,286.09
h.	Karsky Brothers	\$ 8,261.51
i.	North Central Grain	\$251,473.67
j.	Osnabrock Farms Coop Elevator	\$ 20,297.23
k.	Viterra	\$ 64,614.59

16. The Commission makes no claim for its expenses in this proceeding.

**Wherefore the Commission asks the Court to:**

1. Set a time and place for hearing with the appropriate notice for interested parties to show cause why the Report and Recommendation of Trustee should not be approved.
2. Approve the Report and Recommendation of Trustee.
3. Authorize the Commission to make prorated payments of bond proceeds consistent with paragraph 15 and Exhibit A of this Report and Recommendation to persons with valid claims for grain purchased for cash by Northwood Mills LLLP at its Northwood, North Dakota facility.

Respectfully submitted at Bismarck, North Dakota, this **29<sup>th</sup> day of July, 2009.**



Illona A Jeffcoat-Sacco (ID#03315)  
Annette Bendish (ID#05790)  
Special Assistant Attorneys General  
Public Service Commission  
State Capitol – 12<sup>th</sup> Floor  
600 E Boulevard Ave – Dept 408  
Bismarck, North Dakota 58505-0480  
701-328-2400

Attorneys for the Public Service Commission

Northwood Mills LLLP  
 Grain Warehouse  
 CIVIL NO. 18-09-C-00251  
 Insolvency - GE-09-31

Exhibit A

Claimants Name & Address	Contract No.	Grain	Net bu/cwt/MT	Claim Filled	Warehouseman's Obligations	Discounts	Invalid Amount	Valid Claim
Cando Farmers Grain & Oil CO-OP PO Box 456 Cando, ND 58324	P255	Canola	856.72	\$ 14,341.23				\$ 14,341.23
	P275	Canola	2426.22	\$ 32,147.42				\$ 32,147.42
	P277	Canola	2430.44	\$ 35,265.68				\$ 35,265.68
	P281	Canola	1250.31	\$ 18,679.63				\$ 18,679.63
	P283	Canola	600	\$ 8,988.00				\$ 8,988.00
	P286	Canola	900	\$ 13,203.00				\$ 13,203.00
	P291	Canola	491.65	\$ 7,374.46	\$ 129,835.33			\$ 7,374.46

Contract P255 stated it was a delayed pricing contract that must be priced during market hours on or before 30 Mar 2009. Since a price was not established on the contract, the valid claim was computed based on the price on January 20, the insolvency date. The Commission received a price of 14.99 per cwt. from ADM Velsa to establish the value of this contract. Warehouseman obligation is less because of lower price used to establish value of Contract P255.

Columbia Grain-Midwest Division Ron DeJongh General Manager 400 South 4th Street 808 Grain Exchange Building Minneapolis, MN 55415	P289	Canola	1297.85	\$ 19,399.26	\$ 19,467.86			\$ 19,399.26
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Records from the Warehouseman show that \$68.40 more is owed than the Claimant is claiming. The difference is made from pricing of canola from previous contract price on 97.85 cwt.

CHS Inc. Attn: MIS 305 Randy 5600 Cenax Drive Inver Grove Heights, MN 56077	P290	Canola	2784.19	\$ 41,762.85	\$ 41,762.87			\$ 41,762.87
	P256	Canola	646.2	\$ 9,936.91	\$ 9,129.02		\$ 808.07	\$ 9,129.02

Amount difference between Warehouseman and Claimant is due to gross cwt. verses net cwt.

Alan Collette 15621 Highway 17 Granon, ND 58237-8738	P11	Soybeans	15527.538	\$ 119,066.85	\$ 119,066.85	\$ (593.93)		\$ 118,472.92
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Discount is for Soybean check off

Delmar Commodities LTD 916 Navigator Drive, Box 1066 Winkler, MB R6W 4B1	P251	Canola	4311.671 bu	\$ 34,927.48	\$ 34,502.75			\$ 34,927.48
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Claimant's claim is \$34,927.48. Warehouseman's amount \$34,502.75. \$424.73 difference is based on contract being filled and average sold at lower price than Claimant agreed to.

Donald Emerson 9966 Old Highway 81 Pembina, ND 58271	P285	Canola	1003.91	\$ 14,938.21	\$ 14,931.95	\$ (30.12)		\$ 14,908.09
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Contract P285 was over filled by Claimant and therefore he is claiming more than the Warehouseman in the sum of \$6.26 cents contract price difference. Discount for canola check off

Claimants Name & Address	Contract No.	Grain	Net bu/cwt/MT	Claim Filled	Warehouseman's Obligations	Discounts	Invalid Amount	Valid Claim
FGDI LLC 42 William Street South Chatham, ON N7M 4S3	P272	Canola	571,909 MT	\$ 147,286.09	\$ 147,536.98		\$	\$ 147,286.09

Claimant's contract was for Metric Tons (MT). Warehouseman shows that they owe \$280.87 more than Claimant is claiming. The difference is in the wash of the remaining contracted canola that was bought back and resold to another elevator.

Karsky Brothers 10418 94th Street NE. Langdon, ND 58249	P245	Canola	567	\$ 8,329.23	\$ 8278.42	(16.91)	\$ 50.81	\$ 8,261.51
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Amount difference between Warehouseman and Claimant is gross cwt. versus net cwt. Discount for canola check off

North Central Grain PO Box 8 Bisbee, ND 58317		Canola						
P270	417,379	\$	5,980.17	\$	5,960.17		\$	5,960.17
P271	617	\$	8,755.23	\$	8,755.23		\$	8,755.23
P273	4409	\$	59,918.31	\$	59,918.31		\$	59,918.31
P274	3807	\$	44,148.44	\$	44,148.44		\$	44,148.44
P276	639	\$	8,652.06	\$	8,652.06		\$	8,652.06
P278	3307	\$	47,786.15	\$	47,786.15		\$	47,786.15
P280	3527	\$	52,587.57	\$	52,587.57		\$	52,587.57
P284	2205	\$	32,325.30	\$	32,325.30		\$	32,325.30
P282	108,954	\$	1,615.79	\$	1,615.79		\$	1,615.79
			251,473.67	\$ (10,275.35)				\$ (10,275.35)

Discount is contract wash agreed to by Claimant and Warehouseman.

Oenabrock Farmers Coop Elevator PO Box 105 434 Yellow Brick Road Oenabrock, ND 58269	P279	Canola	1366,9715	\$ 20,297.23	\$ 20,297.23		\$	\$ 2,297.23
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Viterra 2625 Victoria Avenue Regina, SK S4T 7T9	P96	Canola	100.96 MT	72317.35	\$ 64,614.59		\$ 7,702.76	\$ 64,614.59
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Claimant's claim that 25,949 MT. of soybeans were not paid for. Warehouseman split scale ticket 1028 and applied 25,949 MT. to contract P30 and the balance to contract P31. The information obtained from the Warehouseman shows payment made in full for soybeans. That is the difference in the claim and the obligation.

<b>TOTALS</b>				\$ 860,009.90	\$ 860,897.10	(10,916.31)	\$ 8,561.64	\$ 860,531.95
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STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF GRAND FORKS

NORTHEAST CENTRAL JUDICIAL DISTRICT

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**Public Service Commission** )  
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**Petitioner,** )  
**vs.** )  
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**Northwood Mills LLLP** )  
) )  
**Respondent.** )  
) )  
\_\_\_\_\_ )  
**PSC Case No. GE-09-31** )  
\_\_\_\_\_ )

CIVIL NO. 18-09-C-00251

**AFFIDAVIT OF SERVICE  
BY CERTIFIED MAIL  
& REGULAR MAIL**

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

**Shelly A. Bauske** deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **29<sup>th</sup> day of July, 2009**, she deposited in the United States Mail, Bismarck, North Dakota, **three envelopes** with certified postage, return receipt requested, fully prepaid, securely sealed and each containing a photocopy of:

1. Notice of Motion and Notice of Hearing;
2. Motion for Approval and Adoption of Report and Recommendation of Trustee;
3. Brief in Support of Motion for Approval and Adoption of Report and Recommendation of Trustee;
4. Report and Recommendation of Trustee with Exhibit A; and
5. Affidavit of Service by Certified Mail and Regular Mail

The envelopes were addressed as follows:

Clarence G. Leschied, General Partner  
Northwood Mills LLLP  
216 South Raymond Street  
Thompson, ND 58267-4208  
**Cert. No. 7008 2810 0000 4606 4312**

Paul Sproule, General Partner &  
Registered Agent for Northwood Mills LLLP  
PO Box 14867  
Grand Forks, ND 58208-4867  
**Cert. No. 7008 2810 0000 4606 4329**

Pam Hamblin - Bond Claim Department  
Travelers Casualty & Surety Co of America  
One Tower Square (S202A)  
Hartford, CT 06183  
**Cert. No. 7008 2810 0000 4606 4558**

**Shelly A. Bauske** further deposes and says that on the **29<sup>th</sup> day of July, 2009**, she deposited in the United States Mail, Bismarck, North Dakota, **eleven** envelopes by regular mail, with postage fully prepaid, securely sealed, each containing a photocopy of the same.

The envelopes were addressed as follows:

Cando Farmers Grain & Oil Co-op  
P.O. Box 456  
Cando, ND 58324

CHS Inc.  
Attn: MS 305 Randy  
5500 Cenex Drive  
Inver Grove Heights, MN 55077

Viterra  
2625 Victoria Avenue  
Regina, SK S4T 7T9

Delmar Commodities LTD  
915 Navigator Drive, Box 1058  
Winkler, MB R6W 4B1

Alan Collette  
15621 Highway 17  
Grafton, ND 58237-8738

FGDI LLC  
42 William Street South  
Chatham, ON N7M 4S3

Donald Emerson  
9968 Old Highway 81  
Pembina, ND 58271

North Central Grain  
PO Box 8  
Bisbee, ND 58317


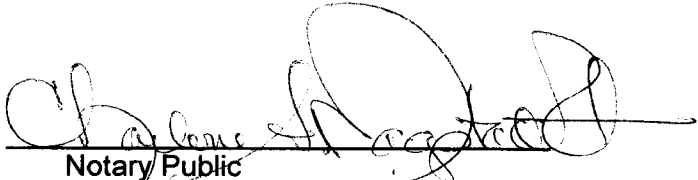
Karsky Brothers  
10418 94<sup>th</sup> Street NE.  
Langdon, ND 58249

Osnabrock Farmers Coop Elevator  
434 Yellow Brick Road  
PO Box 105  
Osnabrock, ND 58269

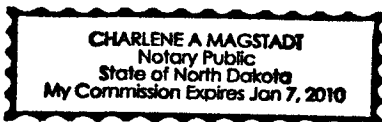
Ron Dejongh, General Manager  
Columbia Grain-Midwest Division  
400 South 4<sup>th</sup> Street  
808 Grain Exchange Building  
Minneapolis, MN 55145

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me  
this **29<sup>th</sup> day of July, 2009**.

  
\_\_\_\_\_  
  
\_\_\_\_\_  
Notary Public

SEAL



STATE OF NORTH DAKOTA  
COUNTY OF GRAND FORKS

IN DISTRICT COURT  
NORTHEAST CENTRAL JUDICIAL DISTRICT

_____ )	
<b>Public Service Commission</b> )	<b>CIVIL NO. 18-09-C-00251</b>
)	
<b>Petitioner,</b> )	<b>ORDER APPROVING</b>
<b>vs.</b> )	<b>TRUSTEE'S REPORT AND</b>
)	<b>DISCHARGING TRUSTEE</b>
<b>Northwood Mills LLLP</b> )	
)	
<b>Respondent.</b> )	
_____ )	
<b>PSC Case No. GE-09-31</b> )	
_____ )	

This matter came before the Court on the motion of the Public Service Commission (Commission) seeking approval of its Report as Trustee of Northwood Mills LLLP. This report was scheduled for hearing before this Court on **September 9, 2009, at 9:00 a.m. CDT** at the Grand Forks County Courthouse in Grand Forks, North Dakota, with proper notice having been given to the claimants as evidenced by the affidavit of mailing on file. The Commission appeared through Illona A Jeffcoat-Sacco, Special Assistant Attorney General; no other parties or claimants appeared.

The Court reviewed the report and other documents of record and finds grounds for approving the report. There were no objections to the report or the Trustee's recommendation.

**ORDER**

**IT IS THEREFORE ORDERED:**

1. That the Report and Recommendation of Trustee, dated July 29, 2009, which recommends distribution of the bond proceeds to valid claimants is approved.
2. The Commission, as Trustee, is authorized to make prorated payments to persons with valid claims for grain purchased for cash by Northwood Mills LLLP

at its Northwood, North Dakota facility as specified in the Report and Recommendation of Trustee.

3. That upon distribution of the bond and interest proceeds to the claimants as provided for in the Trustee's report, the Trustee is discharged.

Grand Forks, North Dakota, this \_\_\_\_\_ **day of September, 2009.**

BY THE COURT

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Honorable Joel D. Medd  
Judge of the District Court