



Memorandum of Adjustment

Larson Grain Company PO Box 198 LaMoure , ND County:

An examination of this warehouse and/or the commodities stored there disclosed the following conditions which must be corrected as soon as possible. These conditions may also be in violation of state laws or rules. The issuance of this form is a report of the conditions found at this examination and is not an election by the North Dakota Public Service Commission to be taken..

Examiner comments are shown in *italic* below each item.

No Book Adjustments Required

Item no: 1050

refer to: NDCC 60-02-11 & ND Admin Code 69-07-03-01

A uniform and consecutively numbered scale ticket must be issued for each load of grain received and must be converted into cash, noncredit-sale contracts, credit-sale contracts, or warehouse receipts within 45 days after the grain is delivered to the warehouse. The original scale ticket must be issued in consecutive order and must contain the name of the licensee, receiving location, name of the depositor, type of grain, per centum of dockage, test weight, gross weight, tare weight, and net weight. The scale ticket must be delivered to the person from whom the grain is received and a copy must be retained and remain as a permanent record.

Condition: Failure to convert scale tickets within 45 days of delivery. One open storage account over 45 days and not converted. Please refer to list provided. 17 priced unpaid accounts, involving 4 separate individuals, over 45 days and not converted. Please refer to the list provided. Please take action and get these accounts converted according to the fore-mentioned law. A progress report must be forwarded to The Licensing Division Office within 30 days indicating conversion. Report may consist of simply indicating on the lists provided how these accounts were converted.

Item no: 1110

refer to: NDCC 60-02-01(2) & 60-02-19.1

Credit-Sale Contract means a written contract for the sale of grain pursuant to which the sale price is to be paid or may be paid more than 30 days after the delivery or release of the grain for sale and which contains: (1) the seller's name and address; (2) conditions of delivery; (3) the amount and kind of grain delivered; (4) the price per unit or basis of value; (4) the price per unit or basis of value; (5) the date payment is to be made; (6) the duration of the credit-sale contract; and (7) notice in a clear and prominent manner that the sale is not protected by the bond. The contract must be signed by both parties and executed in duplication with one copy retained by the warehouseman and one copy delivered to the seller.

Condition: Unsigned credit-sale contracts. One deferred payment contract not signed by seller. 17 priced later contracts from a total of 105 contracts not signed by producer. Please refer to the lists provided. Please contact individuals involved and either get these contracts signed or purchase the grain accounted on these contracts. A progress report must be forwarded to The Licensing Division Office within 30 days indicating how these conditions have been corrected. Again report may consist of indicating on the lists provided how conditions have been corrected.

Please contact the Office if questions arise or further assistance is required.

Thank you,

1 Timothy Edman
Name of PSC Examiner

06/29/2010
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.

[Signature]
Licensee's Signature
Crain Division Director
Title

Jason Parenteau
By (please print)
6/30/10
Date

Please submit report to: Licensing Division
Public Service Commission
600 E. Boulevard Ave. Dept. 408
Bismarck, ND 58505-0480

Phone: 701-328-4097
Fax: 701-328-2410
Email: srichter@nd.gov
www.psc.state.nd.us

1068

OPEN STORAGE OBLIGATIONS DATA LISTING

06/30/2010 01:59:19 PM

Number	Name	Grain	Category	Whsmn's Units	Conversion	Quantity	Svc Chgs
12803	Sandness, Larry	CORN	Cust. Stg.	24402.72	1.0000	24402.72	0.00

count: 1

0.00

PAYABLES/RECEIVABLES DATA LISTING

Number	Name	Grain	Category	Quantity	Price	Amount	Comments
12	Larson, Carl &W	CORN	Payable 61-120	9000.00	2.60000	23400.00	
12837	Bassen, Darrell	CORN	Payable 61-120	912.50	3.07000	2801.38	
13	Larson, Carl &W	CORN	Payable 61-120	9000.00	2.60000	23400.00	
14	Larson, Carl &W	CORN	Payable 61-120	9000.00	2.60000	23400.00	
15	Larson, Carl &W	CORN	Payable 61-120	9000.00	2.60000	23400.00	
16	Larson, Carl &W	CORN	Payable 61-120	6000.00	2.60000	15600.00	
17	Larson, Carl &W	CORN	Payable 61-120	9000.00	2.60000	23400.00	
18	Larson, Carl &W	CORN	Payable 61-120	13500.00	2.60000	35100.00	
19	Larson, Carl &W	CORN	Payable 61-120	5200.36	2.60000	13520.94	
20	Mitzel, A	CORN	Payable 61-120	29371.67	2.60000	76366.34	
25	Larson, Carl &W	CORN	Payable 61-120	8299.64	2.60000	21579.06	
27	Bassen, Darrell	CORN	Payable 61-120	10000.00	2.60000	26000.00	
28	Bassen, Darrell	CORN	Payable 61-120	10000.00	2.60000	26000.00	
31	Jordahl, Jeff	CORN	Payable 61-120	10000.00	2.60000	26000.00	
32	Jordahl, Jeff	CORN	Payable 61-120	10000.00	2.60000	26000.00	
33	Jordahl, Jeff	CORN	Payable 61-120	10000.00	2.60000	26000.00	
34	Jordahl, Jeff	CORN	Payable 61-120	10000.00	2.60000	26000.00	

count: 17

0.00

CONTRACTS DATA LISTING

06/30/2010 02:03:42 PM

Number	Name	Grain	Category	Type	Risk	Quantity	Issue Date
138514	Siedschlag, Tom	CORN	Purchase	PL	1	2213.60	11/25/2008
141366	Maple River Colony	SOYBN	Purchase	PL	1	3132.69	12/07/2009
141387	Seefeldt, Peter	SOYBN	Purchase	PL	1	2235.66	12/07/2009
145896	Anderson, Leroy	CORN	Purchase	PL	1	30722.42	12/09/2009
145920	Seefeldt, Peter	CORN	Purchase	PL	1	2836.33	12/05/2009
145934	Haisley, Ed	SOYBN	Purchase	PL	1	1328.59	10/31/2009
145945	Schott, Andrew	CORN	Purchase	PL	1	1765.87	12/15/2009
145959	Warcken, Matthew	SOYBN	Purchase	PL	1	250.00	12/08/2009
145962	Scockman Farm, D&S	CORN	Purchase	PL	1	10397.47	01/16/2010
145992	Matern, Cattle Co	CORN	Purchase	PL	1	832.14	03/10/2010
146002	Bernston, Neal	CORN	Purchase	PL	1	22807.24	03/18/2010
146016	Wilhelm, Brenda	CORN	Purchase	PL	1	1439.38	04/05/2010
146019	Warcken, Jjoseph	CORN	Purchase	PL	1	5801.41	04/28/2010
146020	M-3 Inc	CORN	Purchase	PL	1	1455.36	04/21/2010

count: 14

112.00

1068

PAYABLES/RECEIVABLES DATA LISTING

06/30/2010 02:19:47 PM

Number	Name	Grain	Category	Quantity	Price	Amount	Comments
74655	Pekarski, Nathan	CORN	D. Pmt Cnt	5000.00	0.00000	12589.46	not signed

count: 1 0.00