



Public Service Commission

State of North Dakota

COMMISSIONERS

Tony Clark
Brian P. Kalk
Kevin Cramer

Executive Secretary
Darrell Nitschke

600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505-0480
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

February 29, 2012

Ms. Kathy Ouren
Clerk of the District Court
Cass County Courthouse
PO Box 2806
Fargo, ND 58108-2806

RE: Public Service Commission vs. Anderson Seed Co., Inc.
CIVIL NO. _____
PSC Case No. GE-12-78

Dear Ms. Ouren:

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

1. Notice of Application for Appointment as Trustee and for Ex Parte Order and Notice of Motion Under Rule 3.2.
2. Application for Appointment as Trustee and for Ex Parte Order.
3. Affidavit of Susan K. Richter.
4. Brief in Support of Application for Appointment as Trustee and for Ex Parte Order.
5. Proposed Order Appointing Trustee.
6. Proposed Ex Parte Order to Preserve Trust Assets.
7. Affidavit of Service by Certified and Regular Mail.

If the Judge finds the Ex Parte Order to Preserve Trust Assets satisfactory, please have the Judge 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.

The notice period on the Application for Appointment as Trustee will expire on March 19, 2012. After the notice period, if the Judge finds the Order Appointing Trustee satisfactory, please have the Judge 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

31 GE-12-78 Filed: 2/29/2012 Pages: 38
Letter to clerk of court with filing

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

_____)
Public Service Commission)
))
Petitioner,)
))
vs.)
))
Anderson Seed Co., Inc.)
))
Respondent.)
_____)
PSC Case No. GE-12-78)
_____)

CIVIL NO. _____

**NOTICE OF APPLICATION
FOR APPOINTMENT AS
TRUSTEE AND FOR
EX PARTE ORDER AND
NOTICE OF MOTION UNDER
RULE 3.2**

TO: **Chuck Gimbel, Registered Agent, Anderson Seed Co., Inc., Hwy 12 N., P.O. Box 201, Mentor, Minnesota 56736-0201.**

Gary Leistico, Attorney for Anderson Seed Co., Inc., 1015 West St. Germain Street, Suite 300 US Bank Plaza, St. Cloud, Minnesota 56301

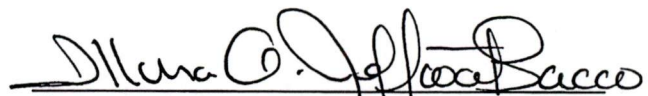
Ronald Anderson, Anderson Seed Co., Inc., Route 1, Box 297, Mentor, Minnesota 56736

PLEASE TAKE NOTICE that the Public Service Commission respectfully moves the Court for Appointment as Trustee and for Ex Parte Order. The Public Service Commission further moves the Court for an order declaring Anderson Seed Co., Inc. insolvent within the meaning of North Dakota Century Code Chapter 60-04 and establishing the date of insolvency as February 15, 2012, the date the first claim for non payment for sunflower seeds delivered or sold.

The application, affidavit and brief in support of the application are attached to this notice and by reference made a part hereof.

YOU ARE HEREWITH NOTIFIED that the attached Application includes a request for appointment as trustee and declaration of insolvency as of February 15, 2012, and a request for an *ex parte* order under North Dakota Century Code §60-04-03. The application for appointment as trustee and declaration of insolvency is submitted to the Court pursuant to Rule 3.2 of the North Dakota Rules of Court and will be decided on briefs unless oral argument is timely requested. You have fourteen (14) days after the service of the notice to file your response and other supporting papers.

Bismarck, North Dakota, this **29th day of February, 2012.**



Illona A. Jeffcoat-Sacco
Special Assistant Attorney General
State Bar ID No. 03315
Public Service Commission
600 E. Boulevard Avenue, Dept 408
Bismarck, ND 58505
(701) 328-2407
(701) 328-2410 fax

Attorney for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

_____)	
Public Service Commission)	CIVIL NO. _____
)	
Petitioner,)	
)	
vs.)	
)	APPLICATION FOR
Anderson Seed Co., Inc.)	APPOINTMENT AS
)	TRUSTEE AND FOR
Respondent.)	EX PARTE ORDER
_____)	
PSC Case No. GE-12-78)	
_____)	

The North Dakota Public Service Commission (Commission) alleges as follows:

1.

Anderson Seed Co., Inc., a Minnesota corporation authorized to do business in North Dakota, operates licensed grain warehouses at Durbin and Selz, North Dakota, subject to North Dakota Century Code Chapters 60-02 and 60-04.

2.

Anderson Seed operates grain warehouses at Durbin, under license number 1132 and at Selz, North Dakota, under license number 1153.

3.

A surety bond covering both locations is on file with the Commission as required by North Dakota Century Code §60-02-09. The surety bond is for \$280,000.00 and

identified as number 087708 66042403 with Auto-Owners Insurance Company, P.O. Box 30660, Lansing, Michigan, as surety.

4.

On February 15, 2012, , the Commission received a letter with attachments from Douglas Doll on behalf of the Doll & Pazdernik Partnership of Mandan, North Dakota, alleging the partnership has not been paid for sunflower seeds delivered to Anderson Seed Co., Inc. at the licensed grain warehouse in Durbin, North Dakota. Between February 21, 2012 and February 24, 2012, the Commission received 18 additional written communications, each alleging nonpayment for sunflower seeds delivered or sold to Anderson Seed Co., Inc.

5.

On February 16, 2012, a Public Service Commission inspection confirmed that there was minimal grain inventory of unknown quality in the Durbin facility. On February 23, 2012, a Public Service Commission inspection confirmed that there was no grain inventory in the Selz facility. The station manager at the Selz facility told the Commission's inspector that in January 2012, all grain inventory was moved to a storage site in Minnesota.

6.

The Commission was informed and has reason to believe that there are outstanding obligations for unpaid claims for grain sold to Anderson Seed as a public warehouseman under North Dakota Century Code Chapter 60-02. Under the provisions of North Dakota Century Code §60-02-09, bond protection is available for the benefit of all persons storing or selling grain by such warehouseman. Under the provisions of

North Dakota Century Code §60-10-04 a person is eligible to receive indemnity payments from the credit-sale contract indemnity fund if the licensed warehouse to which the person sold grain to becomes insolvent.

7.

Anderson Seed Co., Inc. is insolvent under North Dakota Century Code Chapter 60-04, in that it is unable upon proper demand to make payment for grain purchased or marketed by the licensee or to make redelivery or payment for grain stored.

8.

The Commission was informed and has reason to believe that Anderson Seed Co., Inc. moved or is in the process of moving grain by truck out of the licensed grain warehouses at Durbin, North Dakota and at Selz, North Dakota, to a storage facility in Fertile, Minnesota. The Commission is concerned that moving the grain could compromise the trust fund that is established under North Dakota Century Code §60-04-03.1.

9.

North Dakota Century Code §60-04-03 provides that the court may issue *ex parte* a temporary order to preserve or protect the assets of the trust fund until the court issues its order granting or denying the application.

10.

The Commission is legally entitled to be appointed trustee of the trust fund provided under North Dakota Century Code Chapter 60-04.

11.

Bond proceeds may be needed to redeem outstanding receipts issued by Anderson Seed. North Dakota Century Code §60-04-03.3 provides:

The surety on the warehouseman's bond must be joined as a party to the insolvency proceeding upon a motion by the commission when the commission believes that proceeds from the warehouseman's bond may be needed to redeem outstanding receipts issued by the warehouseman. When it appears in the best interests of the receipt holders, the court may order the surety to deposit the penal sum of the bond, or so much thereof as may be deemed necessary, into the trustee's trust account pending a final determination of the surety's liability under the bond.

12.

Proceeds from the credit-sale contract indemnity fund may be needed to meet the licensee's obligations to any holders of credit-sale contracts. North Dakota Century Code §60-10-05 provides:

Upon the insolvency of a licensed public warehouse or grain buyer and a declaration that the Public Service Commission serve as the trustee, the Public Service Commission shall make the proceeds of the credit-sale contract indemnity fund available for use in meeting the licensee's obligations with respect to the reimbursement of any person who sold grain to the licensee under a credit-sale contract and who was not fully compensated in accordance with the contract.

WHEREFORE the Public Service Commission respectfully requests:

1. That the Court issue *ex parte* a temporary **ORDER** to preserve and protect the trust assets under North Dakota Century Code §60-04-03.1.
2. That the Court declare Anderson Seed Co., Inc. **INSOLVENT** within the meaning of North Dakota Century Code Chapter 60-04 and establish the date of

insolvency as February 15, 2012, the date the first claim for non payment for sunflower seeds delivered or sold was filed at the Commission.

3. That the Court **APPOINT** the Public Service Commission as trustee of the trust fund under North Dakota Century Code §60-04-03.

Bismarck, North Dakota, this 29th day of February, 2012.



Illona A. Jeffcoat-Sacco
Special Assistant Attorney General
State Bar ID No. 03315
Public Service Commission
600 E. Boulevard Avenue, Dept 408
Bismarck, ND 58505
(701) 328-2407
(701) 328-2410 fax

Attorney for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

_____)
Public Service Commission)
) **Petitioner,**)
) **vs.**)
) **Anderson Seed Co., Inc.**)
) **Respondent.**)
_____)
PSC Case No. GE-12-78)
_____)

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 Chapters 60-02 and 60-04.
3. Anderson Seed Co., Inc. of Mentor, Minnesota, which is authorized to do business in North Dakota, operated grain warehouses at Durbin, North Dakota since October 2003 and at Selz, North Dakota since October 2004 under North Dakota Century Code Chapters 60-02 and 60-04.


4. Anderson Seed Co., Inc. operates its grain warehouse facilities at Durbin, North Dakota under license number 1132 and at Selz, North Dakota under license number 1153.
5. As part of the licensing process, Anderson Seed Co., Inc. filed a surety bond with the Commission as required by North Dakota Century Code §60-02-09 and North Dakota Administrative Code §69-07-02-02, in the amount of \$280,000 and identified as number 087708 66042403 with Auto-Owners Insurance Company, P.O. Box 30660, Lansing, Michigan, as surety.
6. In early February 2012, Anderson Seed Co., Inc. provided information to the Public Service Commission showing a significant amount of grain was received from producers in 2011 for which payment has not been made.
7. On February 15, 2012, the Commission received a letter with attachments from Douglas Doll on behalf of the Doll & Pazdernik Partnership of Mandan, North Dakota, alleging the partnership has not been paid for sunflower seeds delivered to Anderson Seed Co., Inc. at their licensed grain warehouse in Durbin, North Dakota. Copy attached as Exhibit A.
8. Between February 21, 2012 and February 24, 2012, the Commission received additional written communications, each alleging non payment for sunflower seeds delivered or sold to Anderson Seed Co., Inc. Copies attached as Exhibit A.
9. In addition to the written communications received, the Licensing Division has received and continues to receive numerous phone calls from additional producers alleging they had not been paid for sunflower seeds sold to Anderson

Seed Co., Inc. and asking for instructions for filing a claim against the bond under the provisions of North Dakota Century Code §60-02-09 or against the credit-sale contract indemnity fund under the provisions of North Dakota Century Code §60-10-04.

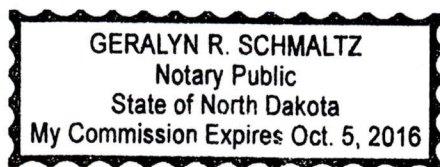
10. Affiant has reason to believe that Anderson Seed Co., Inc. moved or is in the process of moving grain by truck out of the licensed public warehouses at Durbin, North Dakota and Selz, North Dakota, to a storage facility in Fertile, Minnesota. Affiant is concerned that moving the grain could compromise the trust fund.
11. Affiant believes that North Dakota Century Code §60-04-03 provides the court may issue a temporary ex parte order to preserve or protect the assets of the trust fund until the court issues its order granting or denying the application.
12. Affiant believes that Anderson Seed Co., Inc. has violated North Dakota Century Code §60-02-09 (4)(a) by failing to faithfully perform the licensee's duties as a public warehouseman and North Dakota Century Code §60-04-02 by refusing, neglecting, or being unable upon proper demand to make payment for grain purchased or marketed by the licensee or to make redelivery or payment for grain stored.
13. Affiant believes, based on the claims for non payment filed with the Commission and the phone calls from producers alleging non payment for sunflower seeds sold to Anderson Seed Co., Inc., that Anderson Seed Co., Inc. is insolvent under North Dakota Century Code Chapter 60-04.

14. Affiant believes it is in the best interest of the potential claimants that the Commission be appointed trustee in an insolvency proceeding under the provisions of North Dakota Century Code Chapter 60-04.
15. Affiant believes that the bond proceeds may be needed to redeem outstanding receipts issued by Anderson Seed Co., Inc.
16. Affiant believes that proceeds from the credit-sale contract indemnity fund may be needed to meet the licensee's obligations to any holders of credit-sale contracts.
17. Affiant believes it is in the best interest of potential claimants that the Court issue *ex parte* a temporary order preserving and protecting any assets of the trust under North Dakota Century Code Chapter 60-04.
18. That this affidavit is made for the purpose of securing the appointment of the Commission as trustee of Anderson Seed Co., Inc. and preserving any assets of the trust under North Dakota Century Code Chapter 60-04.

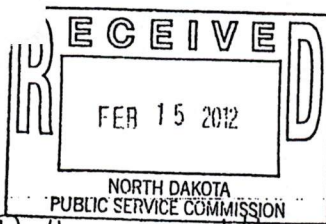
Dated this 29th day of February, 2012.


Susan K. Richter

Subscribed and sworn to before me
this 29th day of February, 2012.




Notary Public



2-14-12

I Douglas D. Doll, am writing this letter on behalf of the Doll + Puzdernik Partnership.

On 4-29-2011 we contracted 500 acres of sunflowers at 600 lbs. per acre, 6000 cwt to Anderson Seed Co. Inc. 16714 300th St. Mentor, MN 56736. The sunflowers were ~~to be~~ delivered to Durbin, ND between 11-29-11 to 12-12-11. The agreed base price for the delivered sunflowers was \$34.00 per hundred or 3rd alb. at 70% dehaul.

As of 12-12-11 Doll + Puzdernik Partnership has completed their part of the contract by delivering all the sunflowers, 6 loads were hauled by my privately hired tractor (Kraft LLC. All Kraft was paid by Doll + Puzdernik Partnership on 12-17-11 CK# 4996. The remaining 8 loads were hauled by trucks hired by Anderson Seed Co. Inc. The cost of these 8 loads was to be deducted from the checks to be sent to us to fulfill their part of the contract.

As of the date of this letter we have only received 3 checks from Anderson Seed Co. Inc. CK# 43387, tickets 14356 and 14357. CK# 43431, tickets 23321 and 23323. CK# 43474, tickets 23351 and 23352.

Per telephone conversation with Stephanie Anderson of Anderson Seed Co. Inc. Anderson Seed

Co. Inc. they would also be purchasing the
overrun pounds of sunflowers at \$33.50 per
cwt.

According to our figures Anderson Seed
Co. Inc. is 8 loads short of the amount
contracted. They have not fulfilled their
part of the contract and our partnership
is short by our estimation some where
between \$155,000 to \$165,000 depending
upon freight, moisture, and dockage deductions.

We were to receive our money by
the end of December but as of the date
of this letter Anderson Seed Co. Inc. has
breached this contract and has withheld
not only the truth but income that is
rightfully ours. If they cannot complete
their part of this contract, we have no other
alternative but to put a lien on their assets
or have them return our sunflowers.

Attached is all pertinent information
regarding this matter.

Doll & Pozdaniik Partnership
by Douglas D. Doll P.O.A.

Grain Bond Proof of Claim

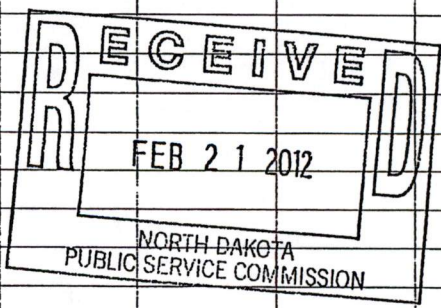
I, Glenn Gerving, the undersigned, do hereby submit this claim against the bond of Anderson Seed Co. for the following grain:

Kind of Grain	Quantity	Unit Price	Total	Ticket #
Sunflowers	573.85	34.5	\$19,797.83	23326
Sunflowers	545.12	34.5	\$18,806.64	23327
Sunflowers	545.88	34.5	\$18,832.86	23346
Sunflowers	538.16	34.5	\$18,566.52	23350
Sunflowers	564.73	34.75	\$19,624.37	23354
Sunflowers	529.81	34.5	\$18,278.45	23356
Sunflowers	584.87	34.5	\$20,178.02	23360
Sunflowers	566.68	34.5	\$19,550.46	23362
Sunflowers	513.19	34.5	\$17,705.06	23364
Sunflowers	537.33	34.5	\$18,537.89	23365
Total Value of Claim:			\$189,878.08	

Enclosed are copies of applicable scale tickets.

Glenn Gerving
 PO Box 607
 Glen Ullin, ND 58631
 701-348-3418 Home 701-391-6461 Cell

Signed: *Glenn Gerving* Date: 2-20-12

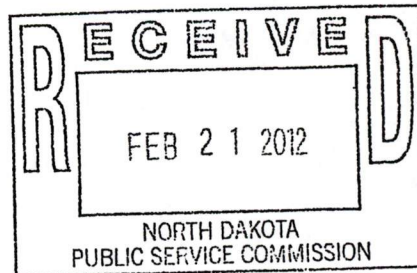


Dear Sue,

I am writing this letter concerning the Anderson seed claim. Anderson seed picked up off the farm 5 loads of sunflowers and hauled them to Mentor, Minnesota. They paid on 7 loads and still owe on 8. They started hauling on 12/13/11 and finished on 12/30/11. I was in contact with Pat O'Neil at Anderson. We agreed on \$33 a cwt. picked up off the farm. I was not supposed to pay freight deductions at \$.60 a cwt. Anderson still owes 3924.57 cwt. at \$33 = \$129510.81 and freight deductions of \$2211.12 The scale tickets are in my name but my dad Doug Iglehart is receiving payment.

Thank you,

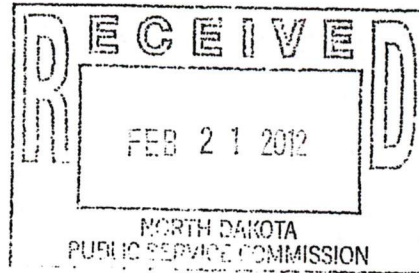
Travis Iglehart



Tim Hase
1931 28th St NE
Martin, ND 58758

2-17-2012

Public Service Commission
600 E Boulevard Ave
Bismarck, ND 58501



Dear Sirs:

Re: Anderson Seed Co, Inc. from Selz, ND and Mentor, MN.

I'm a sunflower producer from Martin, ND who delivered sunflowers to both the Selz and Mentor plants on contracts from early 2011. I signed contracts for both con-oil and dehull sunflowers and returned the contracts to Anderson but never received a copy signed by them back. Sunflowers that I delivered to them were priced at the contract price as shown on the invoices attached.

I was at Anderson Seed in Mentor on February 13, 2012 and they verified that I was owed for 5 loads and did pay me for the smallest load \$8,747.70 as shown on the attached assembly sheet and that I was owed \$46,627.20 for the remaining 4 loads. Ron Anderson told me that they were in process of refinancing their business and would know by 2-15-2012 and be able to pay me by 2-20-2012.

All loads were delivered in November/December 2011 and I notified the company by phone in December that I wanted the income deferred to 2012 and they were going to send out a deferred sales contract like they had done in past. I never received the deferred sales contract from them and attempts to get money in January/February were always delayed until the personal visit when I received the \$8700 check.

Now with news of their sale to another company has me concerned about getting the money that I'm owed and request that the Commission investigate this company. Also notify me of any additional information that might be needed to file a claim with their bond or with the Indemnity fund for my loss.


Sincerely,

A handwritten signature in cursive script that reads "Tim Hase".

Tim Hase

To whom it may concern:

I Dirk O'Connor, President of DRO, Inc., of Plevna, MT has 6 loads of sunflowers that were delivered to Redfield, SD under contract with Anderson Seed, Inc. based in Mentor, MN. Anderson Seed Inc. owes us \$107,136.22. After numerous phone calls for the past 45 days they kept telling me the checks were going out the next week. They never showed up. I am enclosing an assembly sheet showing the sunflower loads that were not paid for under contract, along with a copy of the contract.

 *President*

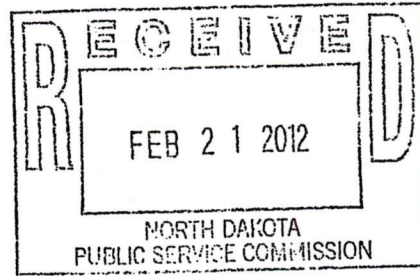
DRO, Inc.
Dirk O'Connor
746 Pine Creek Rd.
Plevna, MT 59344

(406) 772-5003



2-17-12

ND Public Service Commission
600 East Blvd Ave Dept 408
Bismarck, ND 58505



Ms. Richter,

I am formally filing a claim against Anderson Seed Company, Inc. of Mentor, MN and/or against their grain bond in ND.

I contracted with Anderson Seed Company and delivered my AOG contract with full production in early December, 2011. According to the contract I was to be paid 30 days after last delivery. As of today I have only received less than half of the total owed me. I am attaching all supporting information, which included copies of the envelope the contract was sent in to copies of the two checks I received. I am also enclosing emails that were sent to Anderson Seed up to the point of sale to Legumex Walker this past week. I have personally left a message with the Attorney's hired by Anderson Seed and my attorney has also left messages. As of writing this letter on neither of us has had any follow-up call from the attorney's.

Please consider this complaint as an official claim against Anderson Seed and/or their ND Grain Bond.

Please keep my up to date on any developments in regards to Anderson Seeds with the state of ND or any payment progress reports.

Thank you for your attention to this matter.

Sincerely,

Chad Brusseau

10790 39th ST SW

Dickinson, ND 58601

701-483-1547 home

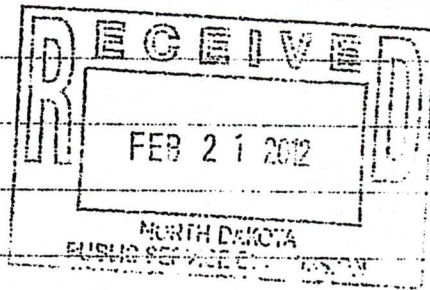
701-290-3458 cell (preferred way to get a hold of me)

cmbrusseau@dow.com or cbrusseau@ndsupernet.com

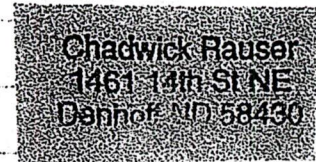
SUSAN,

Here is all the information that you should need to file a claim against Anderson Seed. They sent 2 checks for \$10,000 each to pay off part of the owed amount. they still owe me \$61,383.26.

I cannot find the other check stub for one payment but I have included copies of the checks instead. If you have any questions or concerns you can call me at 701-730-4792



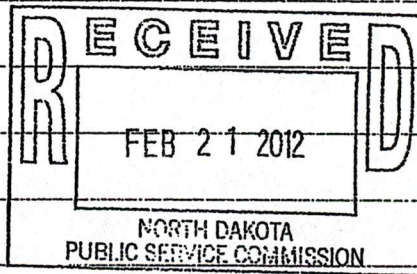
Chadwick Rauser



Susan,

this is the information for my father Ken Rauser which is payable to Rauser Family Inc. they owe him a balance of 16,944.39 after sending him a check for \$16,000 If you have any questions regarding his info you can call him at 701-693-5455

Chadwick Rauser



Public Service Co:

I enclosed all info;

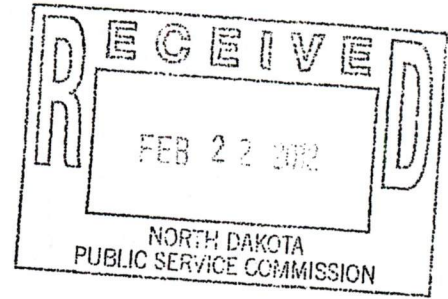
- Contract
- 7 loads hauled in 75% Dan 25% Ken
- 3 ^{loads} were paid
- 4 loads unpaid but paid
- Maps where flowers were planted
- fulfilled my obligations
- Please let me know the outcome

Dan Braaten
5650 160th Ave
Kindred ND 58051
701 212 3346



February 17, 2012

Public Service Commission
600 E. Boulevard Ave.
Dept 408
Bismarck, ND 58505-0480



To Whom It May Concern:

In February of 2011, I entered into a contract with Anderson Seed Company to sell them part of my 2011 sunflower crop. In November and December of 2011 I had six loads of sunflowers delivered to their site in Durbin, ND. I decided to defer the first two loads into January of 2012, and signed a contract to do so. I had not received this check by mid January. After several attempts to contact them by phone, I did receive payments on the last two loads I delivered. At that time I was also told I would receive payment on the remaining four loads, the week of February 6th. I never received those payments.

Below I have listed delivery dates, ticket load numbers, and pounds, for all six loads.

Date	Ticket #	Pounds	
11/18/11	23262	58523	Deferred, not paid
11/28/11	23298	62680	Deferred, not paid
12/15/11	23363	69072	Not paid
12/16/11	23369	65250	Not paid
12/22/11	23388	67100	Payment received end of January
12/29/11	23398	66485	Payment received beginning of February

Enclosed please find copies of the contract, deferred contract, load tickets and assembly sheets.

If you have any further questions, feel free to contact me at my home 701/348/3134 or my cell phone at 701-226-6299. Thank you for your attention to this matter.

A handwritten signature in cursive script that reads "David Wanner".

David Wanner

February 20, 2012



Dear Public Service commissioners

I am writing this letter to inform you of a complaint that I have with the Anderson Seed Company. We had a deferred payment agreement with them on sunflowers that we had delivered to their Durbin, ND facility. The payment contract stated that we would receive payment between the dates of January 7th and January 14th of 2012.

We did not receive our payment and so we called them. Stephanie Anderson stated that she had mailed it, we waited about a week and then called them to inform them that we did not receive it and we were assured that it was mailed. We asked if they could cancel that check and reissue a new one as it must have gotten lost in the mail. Stephanie agreed and said she would issue a new check, after waiting approximately another week we called them again to inform them that we had not received payment. At first Stephanie assured us that they would get the check mailed, but after not receiving it and contacting them we heard excuses such as the person who writes the checks has not been in or that they only write checks on certain days of the week. We continued to make many calls and were always told that Stephanie was not in or that they would have her call us, and we never heard from her. We asked to speak to someone else in management and told them our situation and he stated he would have Stephanie call us. We never did receive a call. A couple days later we called and found out that Andersons were no longer doing business at that phone number. As of today we have not received our payment of \$68,496.45.

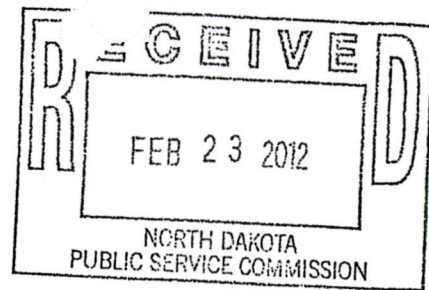
I am attaching a copy of our Deferred Payment Agreement and our scale Tickets. Please contact me with any information you may have to help me with this situation. I can be reached by phone at (701)321-1515.

Sincerely

A handwritten signature in cursive script that reads "Robert Weigel".

Robert Weigel
2651 66th St SE
Kintyre, ND 58549
bnjweigel@yahoo.com

Derrick Enos
151 Valley Road
Baker Montana 59313
Phone: 406-775-6100



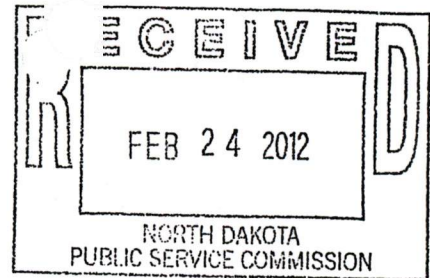
2-16-2012

North Dakota Public Service Commission:

This letter is to inform you of my past dealing with Anderson Seed Company. I signed a contract with them in the spring of 2011. The contract specifically states that payment shall be made after 30 days of delivery. We delivered seven loads of con-oil sunflowers to the Durbin, North Dakota facility owned and operated by Anderson Seed Company. I was paid for two of the seven loads. Anderson Seed currently owes \$85,034.26 for sunflowers that were delivered in December. I have enclosed copies of my weight tickets, along with settlements. Over the last month we were in contact with the management of Anderson Seed, they kept reassuring us that they were going to pay us soon. They also mentioned several times that the check was in the mail. The check never came and the truth came out that we were being lied to. The lack of honesty and integrity on the part of Anderson Seed has really put my family and business in a very difficult position. It is my hope that the commission will take this matter very seriously. Thank you for your time regarding this matter.

Sincerely,

Derrick Enos



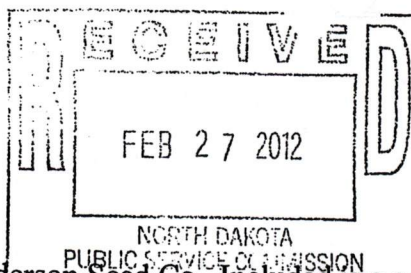
Dear public service commission

I have been getting the run around from Anderson seed since the end of December 2011. I have two act of god contracts with Anderson seed. I hauled a total of 4 loads and from that they owe me a total of \$45,358.48. I have included copies of my four warehouse scale tickets and my two act of god contracts.

Sincerely Trevor Kohler

2415b 23rd Ave NW
Benedict, ND 58716
701-661-0155

Sue Richter
Public Service Commission



2/24/2012

Enclosed is the information I have with the Anderson Seed Co. Included is a copy of the contract we signed with Anderson Seed. Copies of the scale tickets I received when I delivered the loads to the Selz ND plant.

Scale tickets:

31914	Unpaid
31918	Unpaid
31920	Unpaid
31924	Paid

David Hill is the name that appears on the scale tickets. Gary Hill has a 50% share in the loads and also received his payment for scale ticket 31924.

I have also included copies of our assembly sheets for the payment we received for scale ticket 31924. On the assembly sheets the unpaid scale tickets are listed and the Gross amount owed to us for these loads are listed. I have highlighted that for you.

We also have Sunflowers stored on our farm that is contracted for delivery to Anderson Seed Co. The contract price is for 33.00/cwt. We have about 100,000 lbs. Stored on the farm.

If there is anymore information you need please contact us at one of the contact numbers below.

Thanks
David Hill
2690 84th St. NE
Willow City, ND 58384
home# 701-246-3789
shop 701-246-3676
Cell 701-228-4286
email: dhillfarm@gmail.com

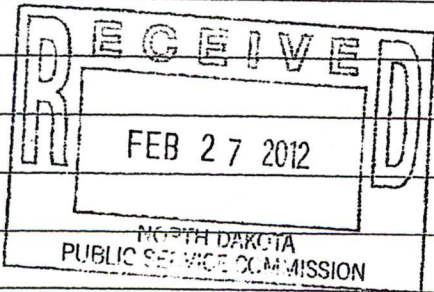
Gary Hill
Home# 701-366-4418
cell 701-228-4263



Dan Pfeifle

Dan Pfeifle
418 Ave E E
Napoleon ND 58561

H-701-754-2850
C-701-320-2850



To - Public Service Comm. N.D.

Dan Pfeifle

I would like to file a claim against the bond of Anderson Seed Elevator in Durbin ND for which I have not received payment of approximately \$128,396.45 owed yet. I hauled app 922,807 LBS of sunflowers to the Durbin Elevator. Total amount to me is app \$30,520.03 of which Anderson seed has paid me \$173,123.58 leaving Anderson seed owing me app \$128,396.45 on non payment.

2-24-12 Dan Pfeifle
Napoleon ND 58561



STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

_____)
Public Service Commission)
))
Petitioner,)
))
vs.)
))
Anderson Seed Co., Inc.)
))
Respondent.)
_____)
PSC Case No. GE-12-78)
_____)

CIVIL NO. _____

**BRIEF IN SUPPORT OF
APPLICATION FOR
APPOINTMENT AS TRUSTEE
AND FOR EX PARTE
ORDER**

The Public Service Commission (Commission) has jurisdiction over public grain warehouses under North Dakota Century Code Chapters 60-02 and 60-04, which provides for the appointment of the Commission as trustee of the assets of a public warehouse upon the filing of a notice with the Commission that the public warehouseman has defaulted in the payment for grain purchased by the public grain warehouseman.

On February 15, 2012, , the Commission received a letter with attachments from Douglas Doll on behalf of the Doll & Pazdernik Partnership of Mandan, North Dakota, alleging the partnership has not been paid for sunflower seeds delivered to Anderson Seed Co., Inc. at the licensed grain warehouse in Durbin, North Dakota. Between February 21, 2012 and February 24, 2012, the Commission received 18 additional

written communications, each alleging nonpayment for sunflower seeds delivered or sold to Anderson Seed Co., Inc.

The Commission was informed and has reason to believe that there are outstanding obligations for unpaid claims for grain sold to Anderson Seed as a public warehouseman under North Dakota Century Code Chapter 60-02. Under the provisions of North Dakota Century Code §60-02-09, bond protection is available for the benefit of all persons storing or selling grain by such warehouseman. Under the provisions of North Dakota Century Code §60-10-04 a person is eligible to receive indemnity payments from the credit-sale contract indemnity fund if the licensed warehouse to which the person sold grain to becomes insolvent.

The Commission was informed and has reason to believe that Anderson Seed Co., Inc. moved or is in the process of moving grain by truck out of the licensed grain warehouses at Durbin, North Dakota and at Selz, North Dakota, to a storage facility in Fertile, Minnesota. The Commission is concerned that moving the grain could compromise the trust fund that is established under North Dakota Century Code §60-04-03.1.

North Dakota Century Code §60-04-03 provides that the court may issue *ex parte* a temporary order to preserve or protect the assets of the trust fund until the court issues its order granting or denying the application.

It is in the best interests of all claimants that the Court declare Anderson Seed Co., Inc. insolvent and establish the date of insolvency as February 15, 2012, the date the first claim for collection of outstanding funds owed was filed with Commission, and that the Commission be appointed Trustee, and be given the powers under North

Dakota Century Code Chapters 60-04 and 60-10 so that all claimants will be treated fairly. Further, it is in the best interest of the potential claimants that the Court issue *ex parte* a temporary order to preserve and protect the trust assets under North Dakota Century Code §60-04-03.1.

Upon the insolvency, the Commission has the authority under North Dakota Century Code Chapter 60-04 to make payment of valid claims to any persons holding noncredit-sale receipts for grain sold or stored.

The Commission has the authority under North Dakota Century Code §60-10-05 to make payment to any person who sold grain to the licensee under a credit-sale contract and who was not fully compensated under the contract.

The Court has jurisdiction under North Dakota Century Code §60-04-03, which provides for the filing of this action in the District Court, East Central Judicial District.

Bismarck, North Dakota, this 01st day of February, 2012.

Respectfully submitted,



Illona A. Jeffcoat-Sacco
Special Assistant Attorney General
State Bar ID No. 03315
Public Service Commission
600 E. Boulevard Avenue, Dept 408
Bismarck, ND 58505
(701) 328-2407
(701) 328-2410 fax

Attorney for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

Public Service Commission

Petitioner,

vs.

Anderson Seed Co., Inc.

Respondent.

CIVIL NO. _____

EX PARTE ORDER
TO PRESERVE TRUST
ASSETS

PSC Case No. GE-12-89

The Public Service Commission (Commission) has petitioned the Court for appointment as trustee of Anderson Seed Co., Inc. under North Dakota Century Code Chapter 60-04 and for Ex Parte Order to Preserve Trust Assets. Anderson Seed Co., Inc., P.O. Box 201, Mentor, MN 56736-0201, operates as a grain warehouseman in the State of North Dakota.

It appears from the record that Anderson Seed Co., Inc., is insolvent under North Dakota Century Code Chapter 60-04, and that it is in the best interest of the claimants and the parties to this proceeding that an ex parte order be issued by this Court to preserve and protect the potential assets of the trust fund until the court issues its order granting or denying the application.

North Dakota Century Code §60-04-03.1 provides that the trust fund must consist of the following:

1. Nonwarehouse receipt grain of the insolvent licensee held in storage or the proceeds obtained from the conversion of such grain.

2. The proceeds, including accounts receivable, from any grain sold from the time of the filing of the claim that precipitated an insolvency until the commission is appointed trustee must be remitted to the commission and included in the trust fund.
3. The proceeds of insurance policies on destroyed grain.
4. The claims for relief, and proceeds therefrom, for damages upon bond given by the licensee to ensure faithful performance of the duties of a licensee.
5. The claim for relief, and proceeds therefrom, for the conversion of any grain stored in the warehouse.
6. Unencumbered accounts receivable for grain sold prior to the filing of the claim that precipitated an insolvency.
7. Unencumbered equity in grain hedging accounts.
8. Unencumbered grain product assets.

ORDER

THEREFORE, the Court orders that Anderson Seed Co., Inc. is prohibited from selling, transferring, removing, or otherwise compromising potential assets of the trust fund as provided in North Dakota Century Code Chapter 60-04, until the court issues its order granting or denying the application for appointment of the Public Service Commission as Trustee of the trust fund in this proceeding.

_____, North Dakota, this ____ day of _____, 2012.

BY THE COURT

Honorable
Judge of the District Court

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

_____)	
Public Service Commission)	CIVIL NO. _____
)	
Petitioner,)	
)	
vs.)	
)	ORDER APPOINTING
Anderson Seed Co., Inc.)	TRUSTEE
)	
Respondent.)	
_____)	
PSC Case No. GE-12-78)	
)	
_____)	

The Public Service Commission (Commission) has moved the Court for appointment as trustee of Anderson Seed Co., Inc. under North Dakota Century Code Chapter 60-04. Anderson Seed Co., Inc. operates as a public warehouseman in the State of North Dakota.

It appears from the record that Anderson Seed Co., Inc. is insolvent under North Dakota Century Code Chapter 60-04 and that it is in the best interest of the potential claimants that a trustee be appointed.

ORDERED THEREFORE, on the Application and Motion of the Commission by and through its attorney, the Commission is appointed trustee of the trust fund provided by North Dakota Century Code Chapter 60-04 for the purpose of marshalling all trust assets of the insolvent Anderson Seed Co., Inc. in the manner provided by law.

ORDERED FURTHER that the date of insolvency be established as February 15,
2012.

_____, North Dakota, this ____ day of _____, 2012.

BY THE COURT

Honorable
Judge of the District Court

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF CASS

EAST CENTRAL JUDICIAL DISTRICT

Public Service Commission

Petitioner,

vs.

Anderson Seed Co., Inc.

Respondent.

CIVIL NO. _____

AFFIDAVIT OF SERVICE
BY CERTIFIED AND
REGULAR MAIL

PSC Case No. GE-12-78

STATE OF NORTH DAKOTA

COUNTY OF BURLEIGH

)
)ss
)

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **29th day of February, 2012**, she deposited in the United States Mail, Bismarck, North Dakota, **2** envelopes with certified postage, return receipt requested, securely sealed and containing a photocopy of:

1. Notice of Application for Appointment as Trustee and Notice of Motion Under Rule 3.2 and for Ex Parte Order
2. Application for Appointment as Trustee and for Ex Parte Order
3. Affidavit of Susan K. Richter
4. Brief in Support of Application for Appointment as Trustee and for Ex Parte Order
5. Proposed Ex Parte Order to Preserve Trust Assets
6. Proposed Order Appointing Trustee
7. Affidavit of Service by Certified and Regular Mail

The envelopes were addressed as follows:

Gary Leistico
Attorney at Law
1015 West St. Germain Street
US Bank Plaza Suite 300
St. Cloud, MN 56302
Cert. No. 7011 2000 0002 0363 3790

Ronald Anderson
Route 1 Box 297
Mentor, MN 56736
Cert. No. 7011 2000 0002 0363 3806

Geralyn R. Schmaltz further deposes and says that on the 29th day of February, 2012, she deposited in the United States Mail, Bismarck, North Dakota, 22 envelopes by regular mail, with postage fully prepaid, securely sealed, each containing a photocopy of the same.

The envelopes were addressed as follows:

Dan Pfeile
418 Avenue E E
Napoleon, ND 58561

Auto-Owners Insurance Company
Attn: Andrew Blackburn
Surety Bond Underwriting Department
PO Box 30660
Lansing, MI 48909

David Hill
2690 84th St. NE
Willow City, ND 58384

Trevor Kohler
2415b 23rd Avenue NW
Benedict, ND 58716

Derrick Enos
151 Valley Road
Baker, MT 59313

Robert Weigel
2651 66th St. SE
Kintyre, ND 58549

David Wanner
6975 38th Street
Hebron, ND 58638

Robert Appelt
3130 26th Ave. NE
Martin, ND 58758

Randy Appelt
3134 26th Ave. NE
Martin, ND 58758

Craig Peerboom dba Peerboom Farms
480 16th Ave. SE
Goodrich, ND 58444

Dan Braaten
5650 160 Ave. SE
Kindred, ND 58051

Chadwick Rauser for Rauser Family, Inc.
1521 14th St. NE
Goodrich, ND 58444

Chadwick Rauser
1461 14th St. NE
Denhoff, ND 58430

Chad Brusseau
10790 39th St. SW
Dickinson, ND 58601

DRO, Inc.
Dirk O'Connor
746 Pine Creek Rd.
Plevna, MT 59344

Tim Hase
1931 28th Street NE
Martin, ND 58758

Travis Iglehart
1451 57th Ave. NW
Garrison, ND 58540

Michael Schmitcke
For Wayne, Michale, & Kelly Schmitcke
235 64th Street SE
Hazelton, ND 58544-9338


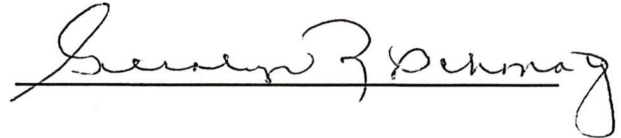
Glen and Lisa Gerving
Box 607
Glen Ullin, ND 58631

Doll & Puzdernik Partnership
Douglas D. Doll
3901 Fave Ave. N
Mandan, ND 58554

Tri Steel Manufacturing Co.
3001 North Washington Street
PO Box 14716
Grand Forks, ND 58208-4716

Michael Richter
1261 18th Avenue NE
Goodrich, ND 58444

Subscribed and sworn to before me
this **29th day of February, 2012.**



Notary Public

SEAL

