

STATE OF NORTH DAKOTA
COUNTY OF CASS

IN DISTRICT COURT
EAST CENTRAL JUDICIAL DISTRICT

Public Service Commission
Petitioner,
vs.
Anderson Seed Co., Inc.
Auto-Owners Insurance Company
Respondents.

CIVIL NO. 09-2012-CV-00693

JUDGMENT



PSC Case No. GE-12-78

1. This action came on for hearing before the Court on February 25, 2014, the Honorable Wickham Corwin presiding, and the Court having ordered:
2. That the Court has jurisdiction in this matter.
3. That the motion and objection filed by Glenn Gerving and Lisa Gerving are denied.
4. That the objection filed by CHS to the reasonableness of the settlement is denied.
5. That the Trustee's settlement regarding trust assets is approved.
6. That the Commission's request to amend its Report and Recommendation of Trustee to permit reimbursement to the Commission, as Trustee, of one-half the

240 GE-12-78 Filed: 4/8/2014 Pages: 9
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expenses of administering the insolvency from the Credit-Sale Contract Indemnity Fund is approved.

7. That the Commission's November 25, 2013 Report and Recommendation of Trustee, as amended by the Court's order, which recommends distribution of Trust Fund payments to valid noncredit-sale contract claimants i.e., cash claimants, distribution of Credit-Sale Contract Indemnity Fund payments to valid credit-sale contract claimants and reimbursement to the Commission, as Trustee, of one-half the expenses of administration from the Credit-Sale Contract Indemnity Fund, is approved.
8. That Auto-Owners Insurance Company is liable on its bond to pay a proportionate share of the following noncredit-sale contract (cash) claims:

a. Basaraba Farms LLP	\$116,754.18
b. Chad Brusseau	\$ 24,486.74
c. Doll & Pazdernik Partnership	\$157,572.68
d. Derrick Enos	\$ 84,888.28
e. Jerrold Fix	\$ 5,870.25
f. Glen & Lisa Gerving	\$189,658.09
g. Douglas Goehring	\$ 4,851.60
h. Tim Hase	\$ 46,362.52
i. Loren Henke	\$ 19,956.64
j. David Hill	\$ 15,990.33
k. Gary Hill	\$ 15,990.33
l. Travis Inglehart	\$128,592.37

m. Kevin Kessel	\$ 74,467.66
n. Trever Kohler	\$ 45,306.55
o. Jay Lutes	\$ 23,158.56
p. Jay Lutes	\$ 85,286.05
q. Kristy Lazorenko	\$ 29,425.01
r. Scott Lazorenko	\$ 29,425.01
s. Cordel Meidinger	\$ 41,496.62
t. Peerboom Farms	\$164,556.32
u. Ronald Pelton	\$137,692.01
v. Dan Pfeifle	\$128,027.30
w. Thomas Pfliger	\$ 8,795.74
x. Rauser Family Farm Inc.	\$ 16,906.47
y. Todd Rodenburg	\$173,545.19
z. Jeff Schneider	\$ 67,789.53
aa. Greg Sletto	\$ 6,354.28
bb. Steichen Farms	\$ 86,536.52
cc. David Wanner	\$ 43,936.73
dd. Jim Voller	\$ 41,522.37
ee. Michael Faul & shareholders	\$ 73,236.28
Edward Coombs	\$ 15,101.99
Jerome & Agnes Faul	\$ 41,366.25
Brian Thomas	\$ 41,366.25
Ronald G. Waltz	\$ 2,361.52
ff. CHS, Inc. dba Midwest Cooperatives	\$ 45,512.96

9. That taking into account the obligations owed under the bond by Auto-Owners Insurance Company, it is appropriate to require Auto Owners Insurance Company to deposit the full sum of the bond, \$280,000, with the Trustee.
10. That Auto-Owners Insurance Company is hereby directed to deposit the total bond proceeds in the amount of two hundred and eighty thousand dollars (\$280,000) with the Trustee to pay the approved valid noncredit-sale contract claims.
11. That judgment be entered for Petitioner Trustee to recover from Auto Owners Insurance Company the amount of two hundred and eighty thousand dollars (\$280,000) bond proceeds for payment of the approved valid noncredit-sale claims.
12. That the Commission, as Trustee, is authorized to make prorated payments from the Trust Fund proceeds, which include bond proceeds, settlement proceeds, and grain proceeds, to claimants with valid noncredit-sale contract (cash) claims for grain sold to Anderson Seed Co., Inc. at its Durbin and Selz, North Dakota facilities all as specified in the Report and Recommendation of Trustee. The Commission shall make the prorated payments for each noncredit-sale contract claim jointly payable to the claimant and relevant valid lien holders at the time checks are issued.
13. That the Commission, as Trustee, is authorized to make prorated payments from the Trust Fund proceeds resulting in payment of approximately 43% of each valid noncredit-sale contract (cash) claim, as follows:

a. Basaraba Farms LLP	\$ 50,565.07
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b. Chad Brusseau	\$ 10,604.96
c. Doll & Pazdernik Partnership	\$ 68,243.15
d. Derrick Enos	\$ 36,764.27
e. Jerrold Fix	\$ 2,542.35
f. Glen & Lisa Gerving	\$ 82,139.02
g. Douglas Goehring	\$ 2,101.18
h. Tim Hase	\$ 20,079.14
i. Loren Henke	\$ 8,643.02
j. David Hill	\$ 6,925.25
k. Gary Hill	\$ 6,925.25
l. Travis Inglehart	\$ 55,692.07
m. Kevin Kessel	\$ 32,251.20
n. Trever Kohler	\$ 19,621.81
o. Jay Lutes	\$ 10,029.74
p. Jay Lutes	\$ 36,936.54
q. Kristy Lazorenko	\$ 12,743.68
r. Scott Lazorenko	\$ 12,743.68
s. Cordel Meidinger	\$ 17,971.77
t. Peerboom Farms	\$ 71,267.70
u. Ronald Pelton	\$ 59,633.03
v. Dan Pfeifle	\$ 55,447.34
w. Thomas Pfliger	\$ 3,809.35
x. Rauser Family Farm Inc.	\$ 7,322.02

y. Todd Rodenburg	\$ 75,160.69
z. Jeff Schneider	\$ 29,358.97
aa. Greg Sletto	\$ 2,751.98
bb. Steichen Farms	\$ 37,478.10
cc. David Wanner	\$ 19,028.56
dd. Jim Voller	\$ 17,982.92
ee. Michael Faul & shareholders	\$ 31,284.81
Edward Coombs	\$ 6,540.52
Jerome & Agnes Faul	\$ 17,915.31
Brian Thomas	\$ 17,915.31
Ronald G. Waltz	\$ 1,002.75
ff. CHS, Inc. dba Midwest Cooperatives	\$ 19,711.21

14. That the following noncredit-sale contract (cash) claims are denied for the reasons set forth in the Report and Recommendation of Trustee:

a. Dan Braaten	\$ 57,589.39
b. Jeff Brown	\$ 17,260.52
c. DRO INC. Dirk O'Connor	\$107,136.22
d. Durnell Klain	\$ 37,104.05
e. Tri-Steel Manufacturing Co.	\$ 24,800.65
f. Cordel Meidinger	\$ 20,487.80
g. CHS, Inc. dba Midwest Cooperative	\$694,627.56

15. That the Commission, as Trustee, is authorized to make payment from the Credit-Sale Contract Indemnity Fund to each holder of valid credit-sale contracts for grain sold to Anderson Seed Co., Inc., not to exceed the lesser of eighty percent of the amount owed to each claimant or two hundred eighty thousand dollars as specified in the Report and Recommendation of Trustee. The Commission shall make the payments for each credit-sale contract claim jointly payable to the claimant and relevant valid lien holders at the time checks are issued.
16. That the following individuals have valid claims as credit-sale contracts. Consequently, they are entitled to 80% of those claims from the Credit-Sale Contract Indemnity Fund. The sums awarded and representing 80% of their valid claims as credit-sale claims are:

a. Randy Appelt	\$ 25,531.48
b. Robert Appelt	\$ 4,205.07
c. Chase Dewitz	\$ 88,948.18
d. John Duletski	\$ 54,225.18
e. Tyler Grubb	\$ 38,242.62
f. Dale Hauser	\$ 3,029.17
g. Dick Hauser	\$ 1,009.63
h. Kevin Kessel	\$ 57,427.26
i. Ronald Pelton	\$ 54,200.24
j. Kim Raugust	\$ 14,784.45
k. Chadwick Rauser	\$ 49,106.61

l. Michael Richter	\$ 33,738.04
m. Todd Rodenburg	\$ 23,221.43
n. Kelly Schmitcke	\$ 28,287.39
o. Michael Schmitcke	\$ 28,287.39
p. Wayne Schmitcke	\$ 56,573.49
q. David Wanner	\$ 31,599.36
r. Robert Weigel	\$ 54,797.16

17. That the following credit-sale contract claims are denied for the reasons set forth in the Report and Recommendation:

a. Duane Dyk	\$ 26,371.15
b. Todd Rodenburg	\$ 36,126.26

18. That as a matter of law, the Commission, as Trustee, is entitled to reimbursement from the Credit-Sale Contract Indemnity Fund for the expenses incurred in the administration of the insolvency.

19. That the Commission, as Trustee, is authorized to make payment from the Credit-Sale Contract Indemnity Fund for reimbursement of one-half of the expenses related to this proceeding. One-half of the expenses to date of the Court's March 12, 2014 order total \$15,620.25.

20. That upon distribution of the Trust Fund proceeds to valid noncredit-sale contract (cash) claimants, payment from the Credit-Sale Contract Indemnity Fund to each valid credit-sale contract claimant, and reimbursement from the Credit-Sale Contract Indemnity Fund of one-half of the expenses related to this proceeding, all as provided for in the Court's order, the Trustee is discharged.

Let judgment be entered accordingly.

Dated at Fargo, North Dakota, this 8 day of April, 2014.

Kathryn Ouren - Clerk of Court



By: *[Signature]*, Deputy Clerk