

Midwest Grain Trading and delivered to the public grain warehouse licensed by Hunter Hanson dba NoDak Grain at the Rohrville, North Dakota location.

That on November 20, 2018, the Commission received an email with attachments from Art Stacey, the attorney acting for Delmar Commodities Ltd. of Winkler, Manitoba, alleging a check written by Midwest Grain Trading to Delmar Commodities, Ltd. to pay for yellow peas was returned unpaid, and that Delmar Commodities, Ltd. has not been paid for additional yellow peas sold to Midwest Grain Trading and delivered to the public grain warehouse licensed by Hunter Hanson dba NoDak Grain at the Rohrville, North Dakota location.

That on November 20, 2018, the Commission received an email with attachments from Dan Mostad, with Berthold Farmers Elevator, LLC of Berthold, North Dakota, alleging Berthold Farmers Elevator, LLC has not been paid for yellow peas sold to Midwest Grain Trading.

That since November 9, 2018, Commission Staff has received over 50 calls from elevators and producers who have sold grain to Midwest Grain Trading, and had grain picked up by Midwest Grain Trading or delivered grain to NoDak Grain. The persons who have called the Commission about this matter indicated that Midwest Grain Trading and NoDak Grain issued checks to pay for grain, and that the checks have been returned unpaid indicating nonsufficient funds (NSF), stop payment, or have been canceled, or that Midwest Grain Trading or NoDak Grain has otherwise not paid amounts Midwest Grain Trading or NoDak Grain owes for grain.

That Hunter Hanson, owner of Midwest Grain Trading, PO Box 746, Devils Lake, North Dakota 58301, operates as a roving grain buyer in North Dakota under North

Dakota Century Code Chapter 60-02.1. Midwest Grain Trading, operates as a roving grain buyer in North Dakota under license number 3232 since May 16, 2017.

That a surety bond for Midwest Grain Trading is on file with the Commission as required by North Dakota Century Code § 60-02.1-08 and North Dakota Administrative Code § 69-07-02-02.1. The surety bond is for \$400,000 and identified as number 94 BR 1389 5 with State Farm Fire and Casualty Company, One State Farm Plaza, Bloomington, Illinois 61710-0001, as surety. As required by North Dakota Century Code § 60-02.1-08 and North Dakota Administrative Code § 69-07-02-02.1, Midwest Grain Trading should have a bond of \$405,000 based upon Midwest Grain Trading's purchases from August 1, 2018 thru September 30, 2018 as reported in the Commission's required Roving Grain Buyer Monthly Report.

That Hunter Hanson dba NoDak Grain operates licensed grain warehouses at Rohrville and Tunbridge, North Dakota, under North Dakota Century Code Chapters 60-02 and 60-04. That NoDak Grain operates the grain warehouse at Rohrville, under license number 1349 and the grain warehouse at Tunbridge, North Dakota under license number 1345.

That a surety bond for both of the NoDak Grain locations is on file with the Commission as required by North Dakota Century Code § 60-02-09 and North Dakota Administrative Code § 69-07-02-02. The surety bond is for \$150,000 and identified as number 657072C with Corepointe Insurance Company, 251 Little Falls Drive, Wilmington, Delaware 19808.

That Hunter Hanson, owner of Midwest Grain Trading and dba NoDak Grain has verbally stated to staff that he is unable to make payments on monies owed to claimants.

That the Compliance Division is preparing documents for filing with District Court, asking that Midwest Grain Trading and NoDak Grain be declared insolvent, the Commission be appointed trustee, and the sureties be joined as a party to the insolvency proceedings.

That it appears the bonds on file with the Public Service Commission will not be sufficient to cover the total amount owed to producers for grain purchased or received by Midwest Grain Trading and NoDak Grain.

That North Dakota Century Code §§ 60-02-42 and 60-02.1-39 provides the Commission with authority to issue a cease and desist order without prior notice against an entity that engages in an activity or practice that is contrary to the provisions of Chapters 60-02, 60-02.1, or related rules.

That Midwest Grain Trading has violated North Dakota Century Code § 60-02.1-08(4)(a) by failing to faithfully perform the licensee's duties as a roving grain buyer and is insolvent under North Dakota Century Code § 60-02.1-28 by refusing, neglecting, or being unable upon proper written demand to make payment for grain purchased or marketed by the licensee or make redelivery.

That NoDak Grain 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 is insolvent under North Dakota Century Code § 60-04-02 by refusing, neglecting, or being unable upon proper written demand to make payment for grain purchased or marketed by the licensee or to make redelivery or payment for grain stored.

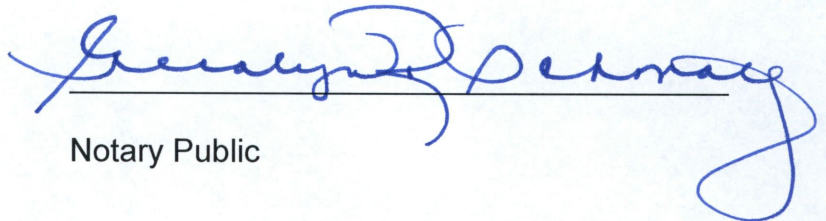
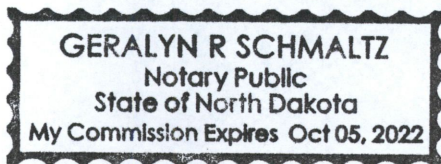
Affiant believes that good cause exists requiring *ex parte* action by the Commission because additional sellers of grain may suffer immediate economic loss, damage or injury, and claimants may suffer additional injury, if Midwest Grain Trading continues

purchasing; or selling grain as a licensed roving grain buyer in North Dakota and NoDak Grain continues receiving, purchasing, or selling grain as a licensed public warehouse in North Dakota.

Affiant requests that the Commission issue an *Ex Parte* Cease and Desist Order against Hunter Hanson, Midwest Grain Trading, and NoDak Grain operating under license numbers 3232, 1349 and 1345 as authorized by North Dakota Century Code §§ 60-02-42 and 60-02.1-39, ordering that Hunter Hanson, Midwest Grain Trading, and NoDak Grain cease and desist from purchasing, selling, receiving, and delivering grain in North Dakota, and cease and desist from all roving grain buyer and public grain warehouse activities in North Dakota.



Subscribed and sworn to before me this 21th day of November, 2018.



Notary Public