



Mackoff Kellogg
Law Firm



March 6, 2019

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Public Service Commission
State of North Dakota
600 East Boulevard, Dept. 408
Bismarck, ND 58505

To Whom it May Concern:

Enclosed is a Grain Claim Form signed by my client, Bobby Kubas supported by the following documents:

Midwest Grain Claim Contract
Durum Contract
Letter to Crockford
Email dated November 16, 2018

Jason J. Henderson *+%
David C. Piper +
Christina M. Wenko*+
Haylee M. Cripe *+@
Peter D. Morowski ^*+
Olivia L. Krebs*+

Of Counsel:
Charles J. Peterson

* Also Licensed in Montana
+ Also Licensed in South Dakota
^ Also Licensed in Texas
@ Also Licensed in Wyoming
% Admitted to US Tax Court

H.A. Mackoff, 1889-1963
Theo. Kellogg, 1904-1990
Ward M. Kirby, 1922-1993

Sincerely,

Christina M. Wenko, Attorney

CMW:drt
Enclosures



GRAIN CLAIM FORM
PUBLIC SERVICE COMMISSION
 SFN 60853 (01/2019)

In accordance with North Dakota Century Code Chapters 60-02, 60-02.1, and 60-04:

Any person with a noncredit-sale receipt holder claim or any person with a credit-sale contract claim shall file the claim with the Public Service Commission. **A claim must be filed within 45 days after the final publication of the "Notice of Appointment as Trustee and Notice to File Claims."**

Any person filing a claim shall include receipts or other documentation sufficient to enable the Commission to determine the validity of the claim. This could include unsatisfied grain receipts, scale tickets, checks, cash contracts, credit-sale contracts, or other memoranda given by the licensee for, or as evidence of, the receipt, storage, or sale of grain.

Unless a claim is filed with the Public Service Commission within the time specified, the Commission is relieved of further duty or action on behalf of the receipt holder or credit-sale contract claimant and the receipt holder or credit-sale contract claimant may be barred from payment for any amount due.

FOR COMMISSION USE ONLY

PSC Case Number:

GE-18-395

Civil Number:

CLAIMANT INFORMATION

Claimant Name (as used on income tax return)

Bobby Kubas

Telephone Number

(701) 590-9814

Mailing Address

12549 31st Street SW

Email Address

bekubas11@gmail.com

City

Belfield

State

ND

ZIP Code

58622

CLAIM AGAINST

Name of Grain Warehouse or Grain Buyer

Midwest Grain Trading, Hunter Hanson

Telephone Number

(701) 662-1022

Address

313 5th Avenue NE

Email Address

City

Devils Lake

State

ND

ZIP Code

58301

Did you make written demand for payment or redelivery if available? No Yes, date of written demand: November 16, 2018

ADDITIONAL PARTIES WITH AN INTEREST IN THE CLAIM

List each interested party in this unpaid grain claim. Attach additional pages if necessary.

Name (as used on income tax return)

Telephone Number

Mailing Address

City

State

ZIP Code

Email Address

Interest

% of Claim or \$ Amount

Name (as used on income tax return)

Telephone Number

Mailing Address

City

State

ZIP Code

Email Address

Interest

% of Claim or \$ Amount

Name (as used on income tax return)

Telephone Number

Mailing Address

City

State

ZIP Code

Email Address

Interest

% of Claim or \$ Amount

CLAIM SUMMARY

Use one line per commodity. Attach additional pages if necessary.

Date	Type of Grain	Price per Bushel/CWT	Net Bushel/CWT Indicate Bu. or CWT below	Amount Owed
10-24-19	Mill Quality Durum	\$ 6.55	10,000 Bu. / CWT	\$ 65,500.00
10-24-19	Mill Quality Durum	\$ 4.85	1,680.66 Bu. / CWT	\$ 8,151.20
10-24-19	Spring Wheat	\$ 5.105	2,789.34 Bu. / CWT	\$ 14,239.58
		\$	Bu. / CWT	
Total Amount of Claim			14,470 Bu. / CWT	\$ 87,890.78

Briefly describe your claim using the space below. Please include any of the following: details of your agreement/contract, grain on storage, grain broker involvement, any additional information you wish to add.

My description is enclosed on a sheet of paper.

Are any offsets owed? No Yes, provide amount and detail.

CLAIM DOCUMENTS

Attach copies of the following support documents if applicable to your claim:

- Scale Tickets
- Warehouse Receipts
- Settlement/Assembly Sheets
- Purchase Contracts
- Credit-Sale Contracts
- NSF Checks
- Written Demand for Payment or Redelivery sent to Grain Warehouse and/or Grain Buyer
- Any additional information you wish to include.

Please indicate below if your claim documents are enclosed or if they were previously submitted (if applicable, check both boxes).

Claim Documents Enclosed

Claim Documents Previously Submitted

NOTE: Lien searches will be done. If an active lien is found, any or each lien holder will be included as a payee on the check and a copy of the check will be mailed to the active lien holder(s).

Mail completed form and claim documents to:

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

I certify under penalty of perjury that the information stated in and attached to this grain claim is true and correct.

Signature of Individual Filing Grain Claim 	Date 3-6-19
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March 6, 2019

Public Service Commission
Conrad Crockford
800 E. Boulevard Ave. Department 408
Bismarck, ND 58505-0480

Bobby Kubas
12549 31st St SW
Belfield, ND 58622

Dear Mr. Crockford,

I have a claim against Midwest Grain Trading of Devils Lake, North Dakota. Hunter Hanson has taken delivery of 11,680.66 bushels of Milling Quality Durum from me. 10,000 of those bushels are under contract for \$6.55 per bushel and the remaining 1,680.66 bushels are priced at \$4.85 per bushel. The specific contract dates are 6-1-2018 through 6-31-2018. Unfortunately, those bushels were only picked up starting on 10-10-2018 and finishing on 10-24-2018. Since the bushels were so late in being delivered, I called Midwest Grain on November 2, 2018 and spoke to Chris about payment. He said payment will be made within 30 days of last load so I asked if he could differ the payment into 2019. He said that is not a problem. I asked if we need any differed payment contract and he said no we do not since it is so close to year end. Once I found out the financial trouble of the company, I emailed Hunter Hanson and demanded payment. That email is dated November 16 and is enclosed. Enclosed is a list of loads that were delivered to NoDak Grain in Rohrville, North Dakota. We were only able to drop off 1,665 bushels of durum there on account of a water leak somewhere. The rest of the durum was sent to Farmers Co-op in Osnabrock, North Dakota. This was authorized by Chris at Midwest Grain. I do not have any scale tickets on account of Midwest Grain receiving them. I do have the information from the trucker who hauled the grain. His name is Ben Kirsch.

Hunter Hanson has also picked up 2 loads of Spring Wheat from me. The total is 2,789.34 bushels and that was a basis contract of -72 off of basis. I had until the end of November to price the remaining bushels. Enclosed are the scale tickets, and the basis contract.

Sincerely,

A handwritten signature in black ink that reads "Bobby Kubas". The signature is written in a cursive, flowing style.

Bobby Kubas

GRAIN PURCHASE CONTRACT

187276

This is an agreement that the Seller Billy Lyons (Seller's Name)
 of 2549 31st St SW, Fergus Falls, MN 56622 (Seller's Address, City, State & Zip)
 on 5/25/18 (Date) has sold and agreed to deliver to the Buyer Victor Lundeon Co., Inc. (Company Name)
 at 333 1st St SW, Fergus Falls, MN 56622 (Buyer's Address, City, State & Zip)
 a net quantity of 10,000 (bu. / cwt.) of U.S. # (Grade and Kind) of corn (Commodity) at 13 1/2 (% Moisture) (% Protein) (Circle One)
 at Pickup at Buyer (Delivery Location) for delivery 6-18-6-31-18 (Specify Time Period for Delivery)
 at the purchase price of \$ 3.75 per (bu. / cwt.) under the following terms and conditions: Net 30

TERMS AND CONDITIONS

Grade and Quality Specifications: The quality of grain delivered under this contract shall be determined at the place and time of delivery. Buyer's weights and grades to govern. All deliveries made under this contract shall be of the grade and quality specified herein. Buyer reserves the right to reject individual shipments not complying with this provision. Refusal by the Buyer to accept delivery of grain for this reason shall not release the Seller from this contract.

Merchantable Quality: All grain delivered under this contract shall be of merchantable quality, unadulterated, and unrestricted from movement in interstate commerce within the meaning of the federal Food, Drug and Cosmetics Act, Environmental Protection Agency tolerances, the U.S. Grain Standards Act and applicable state law. Seller expressly warrants that this grain was produced in the continental United States. Seller shall not deliver, and the Buyer has the right to reject delivery of, a commodity containing transgenic genes or traits that are not approved for sale in Japan, Mexico, the European Union, or other U.S. export markets.

Liens: Seller hereby warrants to Buyer that all grain delivered hereunder is now and will remain up to and including the time of delivery, free of all liens, encumbrances or security interests of any kind except as follows:

Premiums and Discounts to Apply: Acceptance of deliveries not meeting the contract grade and quality shall be at the option of the Buyer. If the Buyer elects to accept such deliveries not meeting the contract grade and quality, market scale discounts and premiums at time of delivery will apply, unless otherwise specified hereafter. The following premiums and discounts will apply to grain delivered pursuant to this contract:

Settlement for Underdeliveries: All deliveries made under this contract shall be for the quantity specified herein. If the Seller finds he will not be able to complete delivery of the contracted quantity, it shall be the duty of the Seller to advise the Buyer at once. The Buyer, when Seller's default is determined, shall by the close of the next market day elect either to: a) agree with the Seller upon an extension of the time for delivery; or b) after having given notice to the Seller to complete the contract, the Buyer, by the exercise of due diligence, will buy-in for the account of the Seller the defaulted portion of the contract; or c) after having given notice to the Seller to complete the contract, the Buyer will cancel the defaulted portion of the contract at the difference between the contract price and the replacement cost based on the close of the market the next business day when the trades can be made for the account of the Seller.

Settlement for under-delivery or non-delivery of grain shall be made on the difference between market price on delivery date and the contract price _____ cents per bushel handling charge to be paid to buyer upon such settlement.

Buyer's Right to Delay Delivery Period: The Buyer has the right, without penalty, to delay the time for accepting delivery and making payment under this contract if such delay is caused by government regulation or action, labor strikes, riots, insurrection, freight embargoes or transportation delays. It shall be the duty of the Buyer to accept delivery and make payment under this contract as soon as practicable after the cause for delay has ceased.

Arbitration: Buyer and Seller agree that all disputes and controversies between them with respect to this contract shall be subject to the Trade Rules of, and arbitrated by the _____ and that judgement may be entered on the arbitration award in any court of competent jurisdiction. Seller agrees to pay all Buyer's costs resulting from Seller's breach, including, but not limited to, reasonable attorney's fees and court costs.

Binding Effect: This contract, and any amendments thereto agreed to mutually by the Seller and Buyer, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives and successors of the respective parties. This contract may not be assigned.

Final and Complete Agreement: This contract shall represent the final, complete and exclusive statement of agreement between the parties and may not be modified, supplemented or waived, except in writing signed by both parties.

In witness whereof, the parties have signed this contract this 6 day of June (month), 2018 (year).

SELLER:
Billy Lyons
 (Authorized Signature(s))

BUYER:
[Signature]
 (Authorized Signature(s))

Trade Confirmation #21320

East Central Grain Marketing Inc.
13033 Ridgedale Dr, PMB 165
Minnetonka MN 55305
(952) 476-0127

Contract Date: 5/25/18

Seller: Bobby Kubas
12549 31st St. SW
Belfield, ND 58622
701-677-4484

Buyer: Midwest Grain Trading
313 5th Ave NE
Devils Lake, ND 58301
Chris - 701-381-1028
midwestgraintrading@gmail.com

Quantity: 10,000 bu

Commodity: Milling Quality - # 1 Durum Wheat

Shipment: Jun 1, 2018 - Jul 31, 2018

Origin: Belfield, ND 58622

Weights: Destination

Grades: Destination

Price Basis: Origin

Price Paid To Seller: \$6.55 bu (Contract Price)

Brokerage to ECGM Inc.: \$0.05 bu

Seller's Net: \$6.55 bu - \$0.05 bu ECGM Inc. = \$6.50 bu

Governing Contract: National Feed and Grain Association

Payment: Per Agreement

Discount Schedule: Destination

Note: Subject to buyer and seller approval of first load

Advise immediately if terms are not in accordance with your understanding. ECGM Inc. acts as a broker only and assumes no responsibility for fulfillment of contract.

Code: 5SSCG

Trade Confirmation #21825

East Central Grain Marketing Inc.
13033 Ridgedale Dr, PMB 165
Minnetonka MN 55305
(952) 476-0127

Contract Date: 9/13/18

Seller: Bobby Kubas
12549 31st St. SW
Belfield, ND 58622
701-677-4484

Buyer: Midwest Grain Trading
218 4th St SW
Suite 1
Devils Lake, ND 58301
Chris - 701-381-1028
midwestgraintrading@gmail.com

Quantity: 3,000 bu

2789.24 Bobs

Commodity: Milling Quality - # 1 Hard Red Spring Wheat

Shipment: Sep 13, 2018 - Sep 30, 2018

Origin: Belfield, ND 58622

Weights: Destination

Grades: Destination

Price Basis: Origin

Price Paid To Seller: -\$0.69 bu Dec 2018 futures (Contract Price)

Brokerage to ECGM Inc.: \$0.03 bu

Seller's Net: $-\$0.69 \text{ bu} - \$0.03 \text{ bu ECGM Inc.} = -\0.72 bu

Pricing: Seller will initiate pricing on or before the close of the day before first notice day

Governing Contract: National Grain and Feed Association

Payment: Per Agreement

Discount Schedule: Destination Protein: Basis 14% pro +4 per 5th to 15%; -4 per 5th all the way down

Advise immediately if terms are not in accordance with your understanding. ECGM Inc. acts as a broker only and assumes no responsibility for fulfillment of contract.

Code: 1WBRP

ADM BENSON QUINN (HENSLER)

INBOUND TICKET # 0155097
DATE: 09/10/18

CUST. ID# 430254-000 SPRING WHEAT

CUSTOMER: MIDWEST GRAIN TRADING

REGULAR
100.00% MIDWEST GRAIN I

Hold-Not Applied

Gross LBS. 113600 16:23
Tare LBS. 32420 16:36

Net LBS. 81180

Gross BU 1353.00

Net BU 1347.59

MOIST 10.20
DOCKA 0.40
TEST 64.00
PROTE 13.70

VEHICLE 15389D
BOI #:

...LATED

ADM-BENSON QUINN (HENSLER)

INBOUND TICKET # 0155098
DATE: 09/11/18

CUST. ID# 430254-000 SPRING WHEAT

CUSTOMER: MIDWEST GRAIN TRADING

REGULAR
100.00% MIDWEST GRAIN I

Hold-Not Applied

Gross LBS. 119020 07:58
Tare LBS. 32080 08:09

Net LBS. 86940

Gross BU 1449.00

Net BU 1441.75

MOIST 10.20
DOCKA 0.50
TEST 63.70
PROTE 14.30

ERGOI 0.05

VEHICLE 15389p
BOI #:

...YOUR BUSINESS

Trade Confirmation #21918

East Central Grain Marketing Inc.
13033 Ridgedale Dr, PMB 165
Minnetonka MN 55305
(952) 476-0127

Contract Date: 10/11/18

Seller: Bobby Kubas
12549 31st St. SW
Belfield, ND 58622
701-677-4484
bekubas11@gmail.com

Buyer: Midwest Grain Trading
218 4th St SW
Suite 1
Devils Lake, ND 58301
Chris - 701-381-1028
midwestgraintrading@gmail.com

Quantity: 4,000 bu (+/- 500 bu, contents of bin)

Commodity: Milling Quality - # 1 Durum Wheat

Shipment: Oct 12, 2018 - Oct 31, 2018

Origin: Belfield, ND 58622

Weights: Destination

Grades: Destination

Price Basis: Origin

Price Paid To Seller: \$4.85 bu (Contract Price)

Brokerage to ECGM Inc.: \$0.05 bu

Seller's Net: \$4.85 bu - \$0.05 bu ECGM Inc. = \$4.80 bu

Governing Contract: National Grain and Feed Association

Payment: Per Agreement

Discount Schedule: Vitterra scale of discounts

Advise immediately if terms are not in accordance with your understanding. ECGM Inc. acts as a broker only and assumes no responsibility for fulfillment of contract.

Code: LNJRX

Date	Origin	Destination	Ticket #	Product	Quantity
10-10-2018	Bobby Kubas; South Heart, ND	NoDak Grain; Rohrville, ND	175	Durum	1309
10-11-2018	Bobby Kubas; South Heart, ND	NoDak Grain; Rohrville, ND	180	Durum	356
10-11-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64818	Durum	958
10-12-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64819	Durum	1357.33
10-16-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64829	Durum	1279.33
10-17-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64842	Durum	1294.67
10-18-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64868	Durum	1284.33
10-19-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64900	Durum	1285.00
10-23-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64967	Durum	1255.67
10-24-2018	Bobby Kubas; South Heart, ND	Osnabrock Farmers Co-op; Osnabrock, ND	64972	Durum	1301.33

11,680.66

10,000 bushels @ \$6.55 = \$65,500
 1680.66 bushels @ \$4.85 = \$8,151.20

differed to 2019
 payment via Chris

wheat 2,789.34 Bushels

futures contract -72 off futures
 on priced

Settlement

8 messages

Bobby and Erika Kubas <bekubas11@gmail.com>
To: hunter.midwestgraintrading@gmail.com

Fri, Nov 16, 2018 at 7:47 AM

Hunter, I need to know what is going on with the settlement.
Please let me know asap as I have bills to pay and food to buy for my family.

--
Bobby and Erika Kubas
~One small step today can lead to a lifetime of better health~
bekubas.myshaklee.com

Hunter Hanson <hunter.midwestgraintrading@gmail.com>
To: Bobby and Erika Kubas <bekubas11@gmail.com>

Fri, Nov 16, 2018 at 10:26 AM

Hey Bobby Call the PSC there are in control.

[Quoted text hidden]

--
Hunter Hanson
CEO
MidWest Grain Trading

Bobby and Erika Kubas <bekubas11@gmail.com>
To: Hunter Hanson <hunter.midwestgraintrading@gmail.com>

Fri, Nov 16, 2018 at 11:40 AM

Hunter, thank you for responding to my request although you still haven't fessed up to what is going on. I called the PSC and I am very displeased with the whole situation. Your company basically stole my grain and had no intention on paying me for it. In fact just on Tuesday, Chris and Shawna said the money will go out this week and you or Chris were not even man enough to tell me the truth. It amazes me how a CEO of a company can steal from honest people and put there lifestyle at risk. I held up my end of the contract and gave you good quality grain and now it is time for you to honor your commitment. I hope the PSC can track down the funds to pay everyone. I will keep you in my prayers because you may have some dark days ahead of you. Usually when theses things happen, there are criminal charges filed. You owe us approximately \$87,000 and my legal counsel will have to assist me in collecting the funds. I am sorry it has to come down to this but you have given us no choice.

Sincerely,
Bobby Kubas

[Quoted text hidden]

Hunter Hanson <hunter.midwestgraintrading@gmail.com>
To: Bobby and Erika Kubas <bekubas11@gmail.com>

Fri, Nov 16, 2018 at 12:06 PM

Bobby,
we had some things go wrong in the elevator(s) and a small business can't over come a loss we are working with the insurance companies..

[Quoted text hidden]

Bobby and Erika Kubas <bekubas11@gmail.com>
To: Hunter Hanson <hunter.midwestgraintrading@gmail.com>

Fri, Nov 16, 2018 at 12:33 PM

Hunter, I am sorry for the costly repairs and downtime. I know what that is like but I also do not rob money from Peter to pay Paul.
Thanks for the update and I hope we and everyone else will get the proper settlement.

[Quoted text hidden]

Hunter Hanson <hunter.midwestgraintrading@gmail.com>
To: Bobby and Erika Kubas <bekubas11@gmail.com>

Fri, Nov 16, 2018 at 10:04 PM

Bobby, that is not with happen... The elevator was one of the costly ones. But there was some staff miscommunication and checks where written out that weren't suppose to be and I had to cancel them we called everyone we had to cancel but it wasn't quick enough many people called the state and it is in there hands. We are doing the best to make every right. I am personally very sorry for the occurrences that happened.

Surely,
Hunter Hanson
[Quoted text hidden]
[Quoted text hidden]

Bobby and Erika Kubas <bekubas11@gmail.com>
To: Hunter Hanson <hunter.midwestgraintrading@gmail.com>

Sat, Nov 17, 2018 at 6:47 AM

Hunter, thank you for the apology. Can you personal guarantee that you as the CEO have enough enough money in the business to cover all of the contracts so producers get paid what they have sold to you? The farming world sucks right now in Western ND with poor yields and poor prices. It is going to be very tough going forward without the money from the Durum.

Bobby
[Quoted text hidden]

Bobby and Erika Kubas <bekubas11@gmail.com>
Draft To: Hunter Hanson <hunter.midwestgraintrading@gmail.com>

Mon, Nov 19, 2018 at 8:33 AM

[Quoted text hidden]