

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF PIERCE

NORTHEAST JUDICIAL DISTRICT

Public Service Commission)
)
 Petitioner,)
)
 vs.)
)
 Hunter Hanson)
 d/b/a NoDak Grain)
)
 and)
)
 CorePointe Insurance Company)
)
 and)
)
 Philadelphia Indemnity Insurance Company)
)
 Respondents.)

CIVIL NOS.

35-2018-CV-00088

&

35-2019-CV-00019

**ORDER FOR JUDGMENT APPROVING
 REPORT AND RECOMMENDATIONS
 OF TRUSTEE AS AMENDED**

Public Service Commission)
)
 Petitioner,)
)
 vs.)
)
 Hunter Hanson)
 d/b/a Midwest Grain Trading)
)
 and)
)
 State Farm Fire Casualty Company)
)
 Respondents.)

[¶1] On December 19, 2018, the Public Service Commission (Commission) applied for appointment as trustee of Hunter Hanson d/b/a Midwest Grain Trading in the South Central Judicial District, Burleigh County. On January 23, 2019, the Commission was appointed Trustee. On January 29, 2019, the Commission filed and properly served a Notice of Appointment as

Trustee and Notice to File Claims Pursuant to N.D.C.C. § 60-02.1-32. Claims were to be filed within forty-five days after final publication of the notice. Final publication occurred on February 20, 2019.

[¶2] On December 19, 2018, the Commission applied for appointment as trustee of Hunter Hanson d/b/a NoDak Grain in the Northeast Judicial District, Pierce County. On January 24, 2019, the Commission was appointed Trustee. On January 29, 2019, the Commission filed and properly served a Notice of Appointment as Trustee and Notice to File Claims Pursuant to N.D.C.C. § 60-04-04. Claims were to be filed within forty-five days after final publication of the notice. Final publication occurred on February 16, 2019.

[¶3] On April 4, 2019, the Commission moved to change venue of the action relating to Hunter Hanson d/b/a Midwest Grain Trading to Pierce County in order to seek consolidation of these two related insolvencies. The motion was not opposed, and on April 26, 2019, the Burleigh County District Court granted the Commission's motion to change venue of the Midwest Grain case to Pierce County. On May 15, 2019, the Commission moved to consolidate the two insolvencies. The motion was unopposed, and on June 5, 2019, the Court granted the Commission's motion to consolidate these two cases.

[¶4] On November 1, 2019, the Commission filed the Report and Recommendations of Trustee dated October 31, 2019, and moved for its approval. A hearing on the Report and Recommendations of Trustee was scheduled for June 16-18, 2020. On April 3, 2020, the Commission filed an Amendment and Update to Report and Recommendations of Trustee. Pursuant to N.D.C.C. §§ 60-02.1-37 and 60-04-09, any aggrieved person shall file objections with the Court and serve copies on the Commission, the warehouseman/licensee, and the sureties at least twenty days before the hearing, and failure to file and serve objections in the time set is a waiver of the objection. No objections were filed and served.

¶5 The hearing was held on June 16, 2020, at the Pierce County Courthouse in Rugby, North Dakota, with proper notice having been provided. The Commission appeared through counsel. Carey Goetz, counsel for Claimant Roger Harstad, appeared via telephone. No other parties or claimants appeared.

¶6 The Court, having reviewed the Report and Recommendations of Trustee and the Amendment and Update to Report and Recommendations of Trustee, and other documents of record, finds grounds for approving the Report and Recommendations as amended. Accordingly, IT IS ORDERED:

1. The Report and Recommendation of Trustee dated October 31, 2019, as amended on April 3, 2020, is approved.
2. The Commission is authorized to make payments from the trust fund proceeds (which includes grain proceeds, interest earned, bond proceeds, and other proceeds) as detailed in and for the reasons explained in the Report and Recommendations as amended. The valid trust fund claimants, the approved claim amount, each claimant's pro-rata share, and the payment to each valid trust fund claimant is as follows:

Valid Trust Fund Claimants	Claim Value	Pro Rata Share	Payment
David Anfinson	\$ 256,106.51	3.56%	\$ 48,929.51
Berthold Farmers Elevator, LLC	\$ 27,790.92	0.39%	\$ 5,309.49
Bridge Agri Partners, Inc.	\$ 33,133.82	0.46%	\$ 6,330.26
CHS Inc. d/b/a CHS Garrison	\$ 308,311.83	4.29%	\$ 58,903.42
Co-op Elevator of McClusky	\$ 395,293.36	5.50%	\$ 75,521.36
Dakota AgSynergy LLC	\$ 158,941.79	2.21%	\$ 30,366.06
Delmar Commodities Ltd.	\$ 571,981.47	7.96%	\$ 109,277.88
Dillon Dionne	\$ 40,818.69	0.57%	\$ 7,798.47
Jonathan Enget	\$ 19,327.54	0.27%	\$ 3,692.55
Wade and Breann Fischer	\$ 142,313.88	1.98%	\$ 27,189.27

Kent Florhaug	\$ 53,615.10	0.75%	\$ 10,243.24
Dale Ganskop	\$ 53,011.12	0.74%	\$ 10,127.85
Roger Harstad	\$ 111,943.95	1.56%	\$ 21,387.05
Glen Hauf	\$ 86,078.81	1.20%	\$ 16,445.48
K & S Operating Partnership	\$ 56,612.12	0.79%	\$ 10,815.83
Donald and Jeff Knox	\$ 144,957.49	2.02%	\$ 27,694.34
Bobby Kubas	\$ 89,820.08	1.25%	\$ 17,160.25
Seth Lura	\$ 76,315.21	1.06%	\$ 14,580.13
Mark and Lori Martinson	\$ 58,080.62	0.81%	\$ 11,096.39
McClellan Elevator Company	\$ 390,339.34	5.43%	\$ 74,574.89
Derek Morey	\$ 145,269.36	2.02%	\$ 27,753.92
Kristen Keith Mortenson	\$ 6,702.42	0.09%	\$ 1,280.51
Murray Pfau	\$ 145,919.01	2.03%	\$ 27,878.04
Powers Lake Elevator Company	\$ 388,226.11	5.40%	\$ 74,171.15
Prairie Pines, Inc.	\$ 61,565.35	0.86%	\$ 11,762.15
Ray Farmers Union Elevator Company	\$ 784,258.69	10.91%	\$ 149,833.74
Renville Elevator Company	\$ 710,378.26	9.89%	\$ 135,718.78
Christopher Rystedt	\$ 31,816.62	0.44%	\$ 6,078.61
Shafer Commodities Inc.	\$ 168,166.97	2.34%	\$ 32,128.54
Leon Schmaltz	\$ 187,827.26	2.61%	\$ 35,884.67
Andrew Skaare	\$ 105,435.06	1.47%	\$ 20,143.52
Lynden Skaare	\$ 255,220.85	3.55%	\$ 48,760.31
Southland Pulse, Inc.	\$ 39,555.23	0.55%	\$ 7,557.08
Ryan Spitzer	\$ 29,148.06	0.41%	\$ 5,568.78
Cody St. Croix	\$ 80,285.33	1.12%	\$ 15,338.63
David St. Croix	\$ 118,011.30	1.64%	\$ 22,546.23
Ronald St. Croix	\$ 56,087.08	0.78%	\$ 10,715.52
Austin Steinmetz	\$ 26,126.87	0.36%	\$ 4,991.58
Todd Timm	\$ 66,606.40	0.93%	\$ 12,725.25
United Quality Cooperative	\$ 346,931.71	4.83%	\$ 66,281.80
James Walsh	\$ 76,600.46	1.07%	\$ 14,634.63
Josh Watterud	\$ 21,822.74	0.30%	\$ 4,169.27
Paul Weyrauch	\$ 87,480.13	1.22%	\$ 16,713.20
Wilton Farmers Elevator Co.	\$ 33,891.36	0.47%	\$ 6,474.99
Woodworth Farmers Grain Co.	\$ 137,711.66	1.92%	\$ 26,310.01
Total Cash/Check Claims	\$ 7,185,837.94		\$ 1,372,864.60
Total Trust Fund Amount after Expenses (\$30,137.22)	\$ 1,372,864.60		

Accumulated interest in the trust fund since the date of the Report and Recommendations as amended shall be pro-rated to each trust fund claimant at the time of payment. The separate trust fund accounts may be combined for the purpose of making payment pursuant to this Order. Payments shall be made jointly to the claimant and relevant valid lien holders at the time checks are issued.

3. There are valid credit-sale contract claimants for the reasons described in the Report and Recommendations as amended. Payment from the credit-sale contract indemnity fund is authorized for the valid credit-sale contract claimants, and the payment to each valid credit-sale contract claimant is as follows:

Valid Credit-Sale Claimants	Credit-Sale Claim Value	Payment (80%)
Co-op Elevator of McClusky	\$ 287,669.35	\$ 230,135.48
Ryan Greenfield	\$ 21,198.41	\$ 16,958.73
McLean Elevator Company	\$ 222,001.98	\$ 177,601.58
Renville Elevator Company	\$ 140,109.18	\$ 112,087.34
Richard Rice	\$ 118,169.53	\$ 94,535.62
Rodney Sauer	\$ 29,945.82	\$ 23,956.66
Travis Zabloutney	\$ 17,818.85	\$ 14,255.08
Total Claims Amount Paid from Indemnity Fund		\$ 669,530.49
Expenses		\$ 30,137.22
Total Payment from Indemnity Fund		\$ 699,667.71

Such payments shall be made jointly to the claimant and relevant valid lien holders at the time checks are issued.

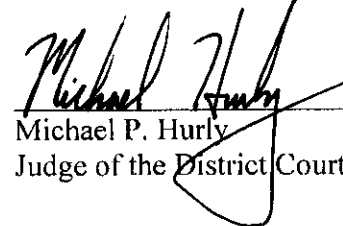
4. Any other claims filed are denied for the reasons described in the Report and Recommendations of Trustee.
5. The Commission is entitled to recover half of its fees and expenses incurred prior to July 1, 2019, from the trust fund in the amount of \$30,137.22 for the reasons explained in the Report and Recommendations of Trustee as amended. The

Commission is entitled to recover half of its fees and expenses incurred prior to July 1, 2019, from the credit-sale contract indemnity fund in the amount of \$30,137.22 for the reasons explained in the Report and Recommendations of Trustee as amended.

6. Upon payment to trust fund claimants and credit-sale contract indemnity fund claimants as identified in the Report and Recommendations of Trustee as amended, the Commission is discharged from its duties as Trustee for Hunter Hanson d/b/a NoDak Grain and Hunter Hanson d/b/a Midwest Grain Trading.

[¶7] LET JUDGMENT BE ENTERED ACCORDINGLY.

BY THE COURT:

 June 17, 2020
Michael P. Hurly
Judge of the District Court