STATE OF TENNESSEE
DEPARTMENT OF AGRICULTURE

Division of Consumer and Industry Services
P. O. Box 40627
Nashville, Tennessee 37204

GRAIN DEALER LICENSE APPLICATION*

Application is for: [   ] New [   ] Renewal

License Number: _____ Expiration Date: _____

Application type: [   ] Dealer Class 1 - Purchases over $500,000 per year
  [   ] Dealer Class 2 - Purchases between $100,000 and $500,000 per year

Has 60 day extension been approved? [   ] Yes [   ] No

The undersigned hereby makes application to the Tennessee Dept. of Agriculture under the provisions of the
"Tennessee Commodity Dealer and Warehouse Law," approved July 1, 1989.

Legal Name of Company **(please put information under the headings)**

Street or Route   PO Box

City   State   Zip Code

Telephone Number   County   E-Mail Address

1) Applicant is:
  [   ] Cooperative [   ] Partnership
  [   ] Sole Proprietorship [   ] Corporation

2) Manager's Name: _____

3) If a Corporation, is Applicant Incorporated in Tennessee?
  [   ] Yes [   ] No [   ] N/A

4) Fiscal Year Ends: Month _____ Day _____

5) Is applicant taking over a business that has been licensed before?
  [   ] Yes [   ] No [   ] N/A

6) If yes, give name of company being taken over. _____

7) Do you store grain for others? [   ] Yes [   ] No

8) List types of grain to be purchased:

_____   _____   _____   _____

_____   _____   _____   _____

* DO NOT COMPLETE THIS APPLICATION IF PURCHASES OF GRAIN ARE LESS THAN $100,000 PER YEAR, IF SO,
   COMPLETE INCIDENTAL GRAIN DEALER APPLICATION.

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9) Type of Business: [ ] Truck Dealer   [ ] Seed Dealer
                                               [ ] Elevator   [ ] Terminal or Sub
                                               [ ] Grain Processor [ ] Feed Mill
                                               [ ] Farm Dealer   [ ] Other

10) Applicant has been a grain dealer how long? _____

11) Dollar amount of grain purchased from producers: $ _____
Within last twelve months. (Last fiscal year)

        Security Principal Percentage   x   10%

Round up to nearest $1,000   (A) $ _____
(Minimum $20,000; Maximum $100,000)

12) Dollar amount of grain purchased via price later, deferred price or delayed payment (and paid over
30 days from delivery, during the Last Fiscal year)   Amount is $ _____

        Security Principal Percentage   x   80%

Round up to nearest $1,000
Maximum $500,000   (B) $ _____

13) Security Required = (A)+(B): (Minimum $20,000: Maximum $600,000) $ _____

14) Security can be waived to the minimum if Net Worth is three(3) times grater than 13) and the
required ratios are met. You must include a CPA "Compiled" Financial Statement if applying for
Class 2, and "Reviewed" Financial Statements for Class 1.
Are you requesting a Waiver?   [ ] Yes (Financials Required)   [ ] No

15) Security Requirement is met by enclosing a copy of:
Surety Bond   [ ]   Principal Amount $ _____
Irrevocable Letter of Credit   [ ]   Principal Amount $ _____
Certificate of Deposit   [ ]   Principal Amount $ _____

16) Total Bin capacity in bushels: _____

17) Entry required for each person interested as owner if applicant is a sole proprietorship or
partnership. If applicant is a cooperative or corporation, entry is required for the following:
President, Secretary, Treasurer, Registered Agent and Manager.

Name _____   Position _____

Street or Route _____   P. O. Box _____

City _____ State _____ Zip _____

Name _____   Position _____

Street or Route _____   P. O. Box _____

City _____ State _____ Zip _____

Name _____   Position _____

Street or Route _____   P. O. Box _____

City _____ State _____ Zip _____

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Name _____ Position _____

Street or Route _____ P. O. Box _____

City _____ State _____ Zip _____

Name _____ Position _____

Street or Route _____ P. O. Box _____

City _____ State _____ Zip _____

18) Casualty Insurance: Co._____ Coverage _____

19) All books, accounts, records and papers are subject to AUDIT by the Tennessee Department of Agriculture, and will at all times during normal business hours be available for inspection.
Any limitations should be noted: _____

20) You are **required** to keep accurate records in grain purchases, deferred payments and price later contracts, if applicable. These amounts **will** be verified during the audit.

21) List below locations at which you purchase grain from producers.
(Do NOT list the location on page 1.)

Location	City	State	Zip	County	Phone #

22) Non-refundable **$150** License fee is enclosed? [ ] Yes [ ] No

Check # _____ or

Credit Card Type _____

Name on Card _____

Number _____

Expiration Date _____

Signature _____

23) Property Insurance Coverage $_____ By _____

24) Signature Section

I (We) certify that this is an accurate and complete application including supplements as required by the Tennessee Commodity Dealer and Warehouse Law and Tennessee Commodity Producer Indemnity Law.

_____

_____

_____

_____
Date

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COMPLETE PAGES 4 THRU 7 ONLY IF REQUESTING A WAIVER

NAME _____   LICENSE NUMBER _____

SCHEDULE A - "SECURITY PRINCIPAL REQUIREMENT"

Basic Security Requirement (Amount from item 13, Page 2 of this application)   (A) $ _____

    Times Three   x 3

Net Worth required to waive all security principal in excess of $20,000 minimum.   (B) $ _____

Net Worth from required financial statements;   (C) $ _____

If (C) is equal to or greater than (B), and all other requirements are met, all security
principal in excess of $20,000 minimum may be waived. If that is not the case, enter
$20,000 in item (H) of this worksheet, complete it, and go to page 5 to continue for a partial waiver.

Amount from item (C) above   (C) $ _____

Divide by: The amount from item (B) above   (B) $ _____

    Result   (D) _____
Round result in (D) down to two(2) decimal places.
Note! If the result is not .80 or greater, **STOP.** You cannot request a partial waiver!!

Amount from item (A) above: (A) $ _____
    Minus the minimum: $ -20,000
Amount in excess of $20,000 minimum: (E) $ _____
Times result arrived at in (D) above: (D)   x_____

Amount in excess of $20,000 minimum to be waived. (Round down to nearest $1,000)   (F) $ _____

Amount from item (E) above: (E) $ _____
Minus amount from (F) above: (F) $(_____)
    AMOUNT NOT WAIVED: (G) $ _____

Amount of basic security principal required. (G)+$20.000 ($600,000 maximum)   (H) $ _____

Additional Security Principal Required from:

Worksheet for current ratio. (Page 5)   (J) $ _____
Worksheet for adjusted Net Worth. (Page 6)   (K) $ _____
Worksheet for adjusted debt to adjusted net worth ratio. (Page 7)   (L) $ _____

Total Security Principal Required: (H)+(J)+(K)+(L)   (M) $ _____

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NAME _____   LICENSE NUMBER _____

SCHEDULE B - "CURRENT RATIO"

Stated Current Assets from financial statements: $ _____
    Less:
        Accounts receivable-Owners (Partners, Officers Shareholders) $ _____
        Notes receivable-Owners (Same)   _____
        Stock subscriptions receivable   _____
        Intra company receivables   _____
        Receivables - Affiliates   _____
        Related party receivables   _____
        Other non-liquid current assets - attach list   _____

      Total non-liquid current assets: (A) $ _____

Adjusted Current Assets (total less non-liquid)   (B) $ _____

Stated current liabilities from financial statements: $ _____
    Less:
        Accounts payable-Owners (same) $ _____
        Notes payable-Owners (same)   _____
        Intra company payables   _____
        Payables to affiliates   _____
        Related party payables   _____
        Other - attach list   _____

      Total Payable adjustments   (C) $ _____

Amount from (B)   (B) $ _____
    Divided By:
Amount from (C)   (C) $ _____

        Equals   (Rounded up to 2 decimal points)   (D) _____

If (D) is 1.00 or higher, do not continue with this schedule:

Amount from (C) above: (C) $ _____
    Less amount from (B) above: (B) $ (_____)

Amount of additional Security Principal Required: (E) $ _____

Enter as (J) on Schedule A - " Security Principal Requirement" (Page 4)

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SCHEDULE C - "ADJUSTED NET WORTH"

Stated Net Worth from Financial Statements: $ _____

Less Total non-liquid current assets (Item "A" on Schedule B) $ (_____)

Adjusted Net Worth: (A) $ _____

If item (A) on this worksheet is $50,000 or higher, do not complete the rest of this schedule. If net worth is less than $50,000 , then continue!

Amount Required: $ 50,000

Less amount from item (A) above: (A) $ _____

Amount of additional Security Principal Required: $ _____

Enter as (K) on Schedule A - "Security Principal Required" (Page 4)

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SCHEDULE D - "ADJUSTED DEBT TO ADJUSTED NET WORTH RATIO"

Cash $ _____

Accounts Receivable -   Sale of Grain   _____
                             Grain in Transit   _____

                                                                               _____

Grain Inventory   _____
Margin Accounts   _____
Tax refunds receivable   _____
Other liquid current assets - Attach List   _____

        TOTAL   (sum of above)   (A) $ _____

Total Current Liabilities from financial statements: (B) $ _____

Total Liabilities from financial statements: $ _____

Smaller of (A) or (B) above: $ (_____)

Total Adjusted Debt: (C) $ _____

Divided by Adjusted Net Worth (Item (A) on Schedule C - Adjusted Net Worth   (D) $ _____

        Ratio: (E) _____
        Round result in (E) to two (2) decimal places.
        If result in (E) is 3.00 or less, do not complete the rest of this schedule.
        If **Greater** than 3, Continue:

Adjusted Net Worth from item (D) above: (D)$ _____
        Times 3   x 3
Allowable Debt   (F)$ _____

Total adjusted debt from item (C) above   (C)$ _____

        Less allowable debt from item (F) above   (F)$ (_____)

Amount of additional security principal required:
Enter as item (L) on schedule - A "Security Principal Requirements" (Page 5)   (G)$ _____

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