PUBLIC GRAIN WAREHOUSE LICENSE APPLICATION

Application is for: [ ] New [ ] Renewal

License Number: _____________________ Expiration Date: ________________

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 below 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) List types of grain to be purchased:

8) Volume of storage over the past 12 months ______________

9) Casualty Insurance Coverage ______________ Carrier _________________________
10) Security Requirement Calculation:
(This requirement is based on capacity)

First 1,000,000 Bushels Capacity  \( x \) .20 equals  
Second 1,000,000 Bushels Capacity  \( x \) .15 equals  
Over 2,000,000 Bushels Capacity  \( x \) .10 equals  

TOTALS \( (A) \)  

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 (B) $  
(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 Minimum, (if any) $1,000; Maximum $400,000 (C) $  

13) Security requirement amount is the higher amount of \((A)\) or \((B)+(C)\)  

Amount is: Max. $500,000 (D) $  

14) Security can be waived to the minimum if Net Worth is three(3) times greater than 13) and the required ratios are met. You must include a "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) Complete description of grain bins, including capacity. Attach additional sheets, if necessary. Total bushel capacity should agree with question 9.

<table>
<thead>
<tr>
<th>BIN</th>
<th>CONSTRUCTION TYPE</th>
<th>WIDTH</th>
<th>LENGTH</th>
<th>DIAMETER</th>
<th>HEIGHT</th>
<th>CAPACITY IN BUSHELS</th>
</tr>
</thead>
</table>

TOTAL BUSHEL CAPACITY  

AG-0626
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.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
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</tbody>
</table>

AG-0626
18) 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: 

19) 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.

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

<table>
<thead>
<tr>
<th>Location</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>County</th>
<th>Phone #</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

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

Check # __________________ or

Credit Card Type __________________
Name on Card __________________
Number __________________
Expiration Date ________
Signature __________________

22) 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
SCHEDULE A - "SECURITY PRINCIPAL REQUIREMENT"

Basic Security Requirement (Amount from item 14, 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 6 to request 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:
Minus the minimum: \((A)\) $_______
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 6) \((J)\) $_______
Worksheet for adjusted Net Worth. (Page 7) \((K)\) $_______
Worksheet for adjusted debt to adjusted net worth ratio. (Page 8) \((L)\) $_______

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

AG-0626
SCHEDULE B - "CURRENT RATIO"

Stated Current Assets from financial statements: $_____

<table>
<thead>
<tr>
<th>Less:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable-Owners (Partners, Officers Shareholders)</td>
<td>$_____</td>
</tr>
<tr>
<td>Notes receivable-Owners (Same)</td>
<td></td>
</tr>
<tr>
<td>Stock subscriptions receivable</td>
<td></td>
</tr>
<tr>
<td>Intra company receivables</td>
<td></td>
</tr>
<tr>
<td>Receivables - Affiliates</td>
<td></td>
</tr>
<tr>
<td>Related party receivables</td>
<td></td>
</tr>
<tr>
<td>Other non-liquid current assets - attach list</td>
<td></td>
</tr>
</tbody>
</table>

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

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

Stated current liabilities from financial statements: $_____

<table>
<thead>
<tr>
<th>Less:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable-Owners (same)</td>
<td>$_____</td>
</tr>
<tr>
<td>Notes payable-Owners (same)</td>
<td></td>
</tr>
<tr>
<td>Intra company payables</td>
<td></td>
</tr>
<tr>
<td>Payables to affiliates</td>
<td></td>
</tr>
<tr>
<td>Related party payables</td>
<td></td>
</tr>
<tr>
<td>Other - attach list</td>
<td></td>
</tr>
</tbody>
</table>

Total Payable adjustments (C) $_____

Amount from (B) $_____

Divided By:

Amount from (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: $_____

Less amount from (B) above: (B) $________

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

Enter as (J) on Schedule A - "Security Principal Requirement" (Page 5)
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 5)
**SCHEDULE D - "ADJUSTED DEBT TO ADJUSTED NET WORTH RATIO"**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$ __________</td>
</tr>
<tr>
<td>Accounts Receivable - Sale of Grain</td>
<td>____________</td>
</tr>
<tr>
<td>Grain in Transit</td>
<td>____________</td>
</tr>
<tr>
<td>Grain Inventory</td>
<td>____________</td>
</tr>
<tr>
<td>Margin Accounts</td>
<td>____________</td>
</tr>
<tr>
<td>Tax refunds receivable</td>
<td>____________</td>
</tr>
<tr>
<td>Other liquid current assets - Attach List</td>
<td>____________</td>
</tr>
<tr>
<td><strong>TOTAL (sum of above)</strong></td>
<td><strong>(A) $ __________</strong></td>
</tr>
</tbody>
</table>

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:

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:

Times 3

*(D)$ __________ 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)$ __________