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

(A) $  

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  
Round up to nearest $1,000  
Maximum $500,000  
(80%)  

(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 greater 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. 

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<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Street or Route</th>
<th>P. O. Box</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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17) Continued from page 2

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.)

<table>
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<tr>
<th>Location</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>County</th>
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22) Non-refundable $150 License fee is enclosed? [ ] Yes [ ] No

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<tr>
<th>Check #</th>
<th>Credit Card Type</th>
<th>Name on Card</th>
<th>Number</th>
<th>Expiration Date</th>
<th>Signature</th>
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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

AG-0627
GRAIN DEALER APPLICATION

SCHEDULE A - "SECURITY PRINCIPAL REQUIREMENT"

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

Times Three

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) $__________
COMPLETE PAGES 4 THRU 7 ONLY IF REQUESTING A WAIVER

GRAIN DEALER APPLICATION

NAME ___________________________ LICENS 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)

AG-0627
GRAIN DEALER APPLICATION

NAME ________________________________  LICENSE NUMBER ________________________

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)

AG-0627
GRAIN DEALER APPLICATION

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:
Times 3 ( D )$___________
Allowable Debt ( F )$___________
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 )$___________

AG-0627