



TRUST FUND AGREEMENT IN LIEU OF BOND
 NORTH DAKOTA DEPARTMENT OF AGRICULTURE
 GRAIN AND LIVESTOCK LICENSING DIVISION
 SFN 61952 (9-2023)

Return This Form To:
ND Department of Agriculture
 600 E Boulevard Ave., Dept 602
 Bismarck, ND 58505-0020
 Telephone: 701-328-2231

The trust fund agreement in lieu of bond is required of grain warehouse or grain buyers, under NDCC 4.1-58 and 4.1-59 governing the North Dakota Agriculture Commissioner as amended and supplemented to cover their obligations thereof and shall be deposited by the Principal to the North Dakota Agriculture Commissioner.

PRINCIPAL

Name			
Address	City	State	ZIP Code
Amount of Bond (Spell Out Dollar Amount)		Dollar Amount	

The provisions of the North Dakota Grain Inspection Laws governing the North Dakota Agriculture Commissioner regulation of grain contained in North Dakota Century Code 4.1-58, 4.1-55, 4.1-61, 41-07, 35-25, as amended and supplemented, and the regulations of the North Dakota Agriculture Commissioner issued thereunder, require a good and sufficient surety bond or its equivalent (i.e., cash or a negotiable instrument) of all grain seed warehouses, grain buyers, as defined in North Dakota Century Code 4.1-58, 4.1-59, 4.1-61, 41-07, 35-25, as amended and supplemented to cover their obligations as such; and whereas, the principal is engaged in business as defined in North Dakota Century Code 4.1-58, 4.1-59, 4.1-61, 41-07, 35-25, as amended and supplemented. Therefore, the amount set out above is hereby deposited by principal with the North Dakota Agriculture Commissioner.

Payment by the Agriculture Commissioner to a claimant in settlement of one or more claims shall discharge the Agriculture Commissioner as to those claims and shall reduce the amount of this fund to the extent of such payment or payments.

- a. Any claim for recovery on this agreement must be filed in writing with or the North Dakota Agriculture Commissioner, as per NDCC 4.1-58, insolvent grain warehouseman.
- b. The Agriculture Commissioner shall not be liable to pay any claim for recovery on this agreement.
- c. The trust fund shall not be used to pay fees, salaries, or expenses for legal representation of the Principal.
- d. The term "person" as used in this agreement shall be construed to mean and include both singular and plural, corporations, partnerships, associations, individuals, and the heirs, executors, administrators, successors, or assigned thereof.
- e. The acts, omissions, or failures of authorized agents or representatives of Principal or persons whom Principal shall knowingly permit to represent themselves as acting for Principal shall be taken and construed to be the acts, omissions, or failures of Principal and to be within the protection of this agreement to the same extent and in the same manner as if they were the personal acts of Principal.
- f. This agreement may be terminated by either party hereto delivering written notice of termination to the other party and the Agriculture Commissioner at least 90 days prior to the effective date of termination. **In the event that the Principal named herein files an acceptable bond written by an approved Surety to replace this agreement, the 90-day termination provision will be waived, and this agreement will become terminated as of the effective date of the bond.** In no case shall the funds deposited with the Agriculture Commissioner herein be returned to the Principal until the Agriculture Commissioner certifies that all obligations arising under the conditions of this agreement prior to the effective date of its termination have been discharged and authorization for the release of the funds has been received from the Agriculture Commissioner.

Any notice or document required to be given to or filed with the Agriculture Commissioner under this agreement and any approval, authorization, designation, or other action taken by the Agriculture Commissioner under this agreement may be taken or performed by the Agriculture Commissioner or the Director of Grain Inspection.

Principal maintains custody of the securities pledged by Principal under this agreement. However, Principal pledges and deposits all securities under this agreement as a good and sufficient equivalent to a surety bond to cover the obligations of a grain seed warehouse or grain buyer.

The securities pledged by Principal under this agreement may be disbursed to known valid claimants by the Agriculture Commissioner as per NDCC 4.1-58. In the event that claims filed against this agreement exceed the sum of the securities pledged to the agreement, the securities shall be prorated to the valid claimants known by the Agriculture Commissioner. The Agriculture Commissioner shall determine the total amount of valid claims prior to disbursing any portion of the securities pledged under this trust fund agreement.

Date Effective
Signature of Agriculture Commission
Signature of Principal

Name of Bank or Other Depository			
Address	City	State	ZIP Code
Account or Security(ies) Identification and Number			

Depository acknowledges having received notice that the account and/or security(ies) identified above are trust funds subject to a trust fund agreement, to be paid out only as directed in writing by the Agriculture Commissioner and properly identified as such, or by a court of competent jurisdiction. Depository will not be responsible for any such person's disposition of such funds.

Depository by

Name	Title
Authorized Signature	