GD-122 (Rev. 06/11)

STATE OF MICHIGAN
DEPARMENT OF AGRICULTURE & RURAL DEVELOPMENT
PRODUCER SECURITY SERVICES SECTION
P.O. BOX 30017
LANSING, MICHIGAN 48909

GRAIN DEALERS BOND FOR WAREHOUSE RECEIPTED AND OPEN STORAGE FARM PRODUCE

BOND NUMBER _____

KNOW ALL MEN THESE PRESENTS: That_____
WAREHOUSE FIRM NAME

of _____, _____, as PRINCIPAL, and
CITY STATE

_____ of _____
BONDING COMPANY CITY

_____ as SURETY, are jointly and severally held and firmly bound to the Michigan
STATE

Department of Agriculture & Rural Development, in the penal sum of _____ Dollars
(

cancelled by the surety by mailing written notice to the Michigan
ent stating when not less than 60 days thereafter such cancellation shall
lease the SURETY from liability already accrued or which shall accrue

he Grain Dealers Act No. 141, Public Acts 1939 as amended.

CIPAL and SURETY have herewith set their and seals this
_____,

(Seal of Surety)

SECRETARY /WITNESS

_____
SURETY

COUNTERSIGNED BY:

By_____
ATTORNEY-IN -FACT

Not Required
RESIDENT MICHIGAN AGENT OR SURETY

Section 27 of Act No. 141, Public Acts of 1939 as amended requires that this bond shall run to the department of agriculture (Michigan) and apply only to warehouse receipted and open storage transactions.

It further requires that the amount of said bond shall be $15,000 for the first 10,000 bushels of capacity intended for storage of the grain dealer, plus $5,000 for each additional 10,000 bushels capacity or fraction thereof used for storage of farm produce. Holders of collateral warehouse receipts or receipts issued in the name of the grain dealer may not recover against this bond.

In lieu of the bonding requirements set forth in Section 27 for each storage facility any person, partnership, firm, association or corporation owning two or more storage facilities may furnish a blanket surety bond equal to the sum of the requirements for the individual locations.

However, when such requirements are equal to or greater than $400,000 a blanket bond in the amount of $400,000 shall be considered sufficient to meet the requirements of this act.

Such bond shall show the address and capacity of each storage facility. The term of the bond shall be continuous, and the aggregate liability of the surety on the bond shall be limited to the aggregate amount of the bond set forth on the face hereof. Although the bond is continuous in nature, the liability of the surety shall not accumulate for each successive license period during which this bond is in effect and the liability shall not be affected by the number of claimants involved in the transactions covered by this bond.