



Wholesale Potato Dealers License Fee and Bond Schedule

License Fee : \$200.00

Wholesale Potato Dealers license holders are required to provide financial security (cash or surety bond, letter of credit) under state law. NDCC Chapter 4.1-57-04 states:

4.1-57-04. Application for license - Required security.

1. As a condition of licensure, the seed commissioner shall require an applicant to file:
 - a. A cash bond or a surety bond, in an amount and form determined by the seed commissioner; or
 - b. An irrevocable letter of credit.

2. The security required by the seed commissioner under subsection 1 is for the benefit of potato producers in this state and must be conditioned for the payment of any financial obligation owed by a wholesale potato dealer to a potato producer in this state.

Bond/Letter of Credit Schedule

Wholesale Potato Dealers bond schedules are determined based on the greatest value of potatoes purchased in any **one-month period** in the previous calendar year based on information provided by licensee.

<u>Product Value</u>	<u>Bond/LOC Amount</u>
Less than \$400,000	\$50,000
\$400,000 to \$1,000,000	\$100,000
\$1,000,000 to \$2,000,000	\$150,000
\$2,000,000 to \$4,000,000	\$200,000
Greater than \$4,000,000	\$250,000

- Monthly and yearly purchase amounts reported may be subject to audit.
- A continuous bond is a requirement of the license program.
- An updated Letter of Credit is required for continued licensure.

"To assure integrity of the seed industry through a commitment to client service and product quality."