Who needs a Commission Merchant license?

Any person who conducts or operates an auction market, or who shall receive farm products for sale on commission, or contract with the producer thereof for farm products to be sold on commission or for a fee, or accepts in trust from the producer thereof for the purpose of sale, or who shall sell or offer for sale on commission, or shall solicit consignments of any kind of farm products, or who shall in any way handle for the account of or as an agent for the producer thereof any kind of farm products; provided that any person shall be deemed to be an agent or the producer, unless a specific price has been agreed upon by both parties before shipment or delivery by the producer for resale.

Bond Required

The application for a Commission Merchant shall be accompanied by a license fee of $10 and a good and sufficient bond in the sum of $3,000 for all applications other than for livestock auction markets, in which case the application, together with the fee shall be accompanied by a good and sufficient bond in the sum of $5,000 when the average daily gross commission business is $5,000 or less, with $1,000 added to the bond for each additional $5,000 average daily gross commission business done for the previous year with a maximum bond of $10,000.

A bond is not required for any person operating a livestock auction market or stockyard which has been posted by the Secretary of Agriculture of the United States and is being operated under and pursuant to the terms and provisions of the Packers and Stockyards Act, 1921 (42 Stat. 159) www.gipsa.usda.gov and the laws amendatory thereof. (Section 3.2-4716, Code of Virginia 1950 as amended)
Application is hereby made by the undersigned for a license to do business as a Commission Merchant in farm produce as defined by Section 3.2-4709 of the Code of Virginia (1950), as amended. There is herewith tendered in the sum of $10.00, the license fee prescribed by law. Make check payable to the Treasurer of Virginia. Code 862-02137

Character of Products to be Handled: __________________________________________

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<tr>
<th>BUSINESS ORGANIZATION</th>
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<tbody>
<tr>
<td>Firm or Trade Name</td>
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<tr>
<td>Address of Record: Street</td>
<td>City</td>
<td>State</td>
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<tr>
<td>Physical Address of Business</td>
<td>City</td>
<td>State</td>
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<tr>
<th>INDIVIDUAL OR PARTNERSHIP</th>
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<tbody>
<tr>
<td>Name of partner or individual</td>
<td>Phone Number</td>
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<tr>
<td>Mailing Address</td>
<td>City</td>
<td>State</td>
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Domestic of Foreign Corporation $ Capital Stock Authorized $ Capital Stock Fully Paid $

<table>
<thead>
<tr>
<th>OFFICER NAMES AND ADDRESSES</th>
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<tbody>
<tr>
<td>President</td>
<td>Mailing Address</td>
</tr>
<tr>
<td>Vice President</td>
<td>Mailing Address</td>
</tr>
<tr>
<td>Secretary/Treasurer</td>
<td>Mailing Address</td>
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</table>
PERSON(S) AUTHORIZED TO RECEIVE SERVICE OF PROCESS ON BEHALF OF THE ORGANIZATION

<table>
<thead>
<tr>
<th>Legal Full Name</th>
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YOU MUST PROVIDE THE FOLLOWING INFORMATION:
Schedule of Maximum Commissions and Charges for Service in connection with produce handled on account or as Agent of the consignor. Optional: Attach printed commission sheet.

IT IS HEREBY AGREED that the commissions and charges herein named will not be changed or varied during the term of said license, except by and through a written contract or agreement between the said commission merchant and the consignor of said farm products.

Given under ________________hand(s) and seal(s) this the ______day of _________________, 20_____.

______________________________________________
FIRM NAME
By___________________________________________
Title
By___________________________________________
Title
By___________________________________________
Title

COMMONWEALTH OF VIRGINIA
COUNTY OR CITY OF _________________________ to-wit:

This day, personally appeared before me in my county or city aforesaid,   ,      and the duly authorized representatives or officers, of the person, firm or corporation of the above named applicant, and made oath in due form of law, that the matters and statements herein contained are true to the best of their knowledge and belief and that he or they are duly authorized to execute the foregoing instrument.

Given under my hand this _____ day of _____________________, 20______.

Notary

My Commission expires_________________________ Registration Number ________________________________

NOTARY SEAL
BOND
AS COMMISSION MERCHANT IN VIRGINIA

STATE OF ____________________   BOND NO. ____________________

COUNTY OF __________________

KNOW ALL MEN BY THESE PRESENTS: That we ____________________________________

See instructions on back page

as Principal and _______________________________________________________________,

Name of Surety Company

as Surety, are held and firmly bound unto the COMMISSIONER OF THE VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES of the COMMONWEALTH OF VIRGINIA and his successors in office, for the use and benefit of every person establishing legal rights hereunder, in the full and just sum of __________________________ Dollars, ($___________), to the payment of which well and truly to be made, we hereby bind ourselves, our heirs, administrators, executors, successors and assigns firmly by these presents.

WHEREAS by Sections 3.2-4711 and 3.2-4712, Code of Virginia (1950) as amended, Commission Merchants are required to obtain a license from the Commissioner of the Virginia Department of Agriculture and Consumer Services and to give bond in such form and amount as shall be approved by the Commissioner, conditioned upon a full compliance with the provisions of the said Code, as amended.

NOW, THEREFORE, the condition of this obligation is such that if the above named principal shall faithfully and truly account for and make payment to producers, their agents or representatives, for all farm products warehoused, bought from or handled or sold for such producers, their agents or representatives, as required by Section 3.2-4712 and 3.2-4718, Code of Virginia (1950) as amended, then this obligation to be void, otherwise to remain in full force and effect.

The aggregate accumulated liability under this bond shall in no event exceed the penal sum named herein, for any and all claims which may accrue during the term hereof.

The inception of this Bond begins ____________________, 20___, and continues in effect through December 31, 20_________. (Must run concurrently with Commission Merchant License)

The Surety may withdraw from this bond by giving 30 days written notice, by registered mail to the Commissioner of the Virginia Department of Agriculture and Consumer Services, provided such withdrawal shall not release said Surety from any liability existing hereunder at the time of the effective date of said withdrawal.

SIGNED, SEALED and dated this _________ day of ____________________, 20_________.

________________________________(SEAL)       ______________________________(SEAL)
Principal                                                                            Surety

___________________________________                     __________________________________
By                                                                                      By

Attach copy of Power-of-Attorney for the person executing this bond for the surety.
I. INFORMATION FOR THE PREPARATION AND EXECUTION OF THIS BOND

A. The name of Principal on the bond should be correctly stated, and should precisely agree with the name of applicant on the application for license as Cotton Handler (Any material variation may delay issuance of license.)

B. The name in which business is conducted should follow the name or names of the Principal where the applicant does business in a fictitious name.
   Examples:
   Individual operating in own name: “Henry Smith”
   Individual owner operating in another name: “Henry Smith d/b/a City Produce”
   Partners operating in another name: “John Doe, Richard Roe, and Mary Roe d/b/a Acme Produce”
   Corporation operating in own name: “Chase & Company (a corporation)”
   Corporation operating in another name: “John Doe Enterprises, Inc. d/b/a Superior Produce”

II. EXECUTION BY PRINCIPAL

A. If the Principal of this bond is:
   1. An individual--this bond must be signed by the Principal.
   2. A partnership--this bond should be executed in the name of the partnership and signed by the partners, and must be signed by at least one of the partners.
   3. A corporation--this bond must be executed in the name of the Corporation, by its President or Vice President, with impression of corporate Seal affixed, and attested by Secretary or Assistant Secretary of the corporation.

III. EXECUTION BY SURETY: Should be by a properly authorized person, whose title should be shown with impression of the corporate seal of the surety affixed, and a copy of the Power-of-Attorney of that person attached to the bond.

IV. CONTINUATION CERTIFICATES ARE ACCEPTABLE

V. ATTACH POWER-OF- ATTORNEY

MAIL EXECUTED BOND TO:

Virginia Department of Agriculture and Consumer Services
Office of Weights and Measures
102 Governor Street
Richmond, VA  23219