GRAIN BOND

AS DEALER UNDER GRAIN DEALERS LICENSING AND BONDING LAW

BOND NUMBER _____

STATE OF _____ COUNTY OF _____

KNOW YE MEN BY THESE PRESENTS:

That we _____ of _____

(See instructions on reverse side)

as principal, and _____ of

(Name of surety company)

_____, as surety are held and firmly bound unto the **COMMISSIONER 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 Section 3.1-722.16 and 3.1-722.17, Code of Virginia, dealers in grain products are required to obtain a license from the Commissioner of Agriculture and Consumer Services of the Commonwealth of Virginia 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 grain products bought from or handled or sold for such producers, their agents or representatives, as required by Section 3.1-722-18, Code of Virginia, 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 becomes effective on the _____ day of at twelve and one minute o′ clock A.M., Standard Time, and **continues in effect until the surety withdraws from this bond by giving 60 days′ written notice by registered mail to the Commissioner 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 _____ (Insert actual date of execution)

_____ Seal) _____ (Seal)

Principal Surety

By: _____ By: _____

(Please attach copy of Power of Attorney for the person executing this bond for the surety. When completed, this bond should be mailed to the Virginia Department of Agriculture and Consumer Services, 804 Washington Building, 1100 Bank Street, Richmond, Virginia 23219).

PREPARATION OF BOND

1. The name of principal on the bond should be correctly stated, and should precisely agree with name of applicant on the application for license as dealer in grain products. Any material variation may delay issuance of license.

2. 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:

A. Individual operating in own name:
"Henry Smith".
B. Individual owner operating in another name:
"Henry Smith d/b/a City Grain Company".
C. Partners operating in another name:
"John Doe, Richard Doe, and Mary Doe d/b/a Acme Grain Company
D. Corporation operating in own name:
"Chase & Company (a corporation)".
E. Corporation operating in another name:
"John Doe Enterprises, Inc. d/b/a Superior Grain Company".

EXECUTION BY PRINCIPAL

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 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 corporate seal affixed, and attested by Secretary of Assistant Secretary of the corporation.

EXECUTION BY SURETY

Execution should be by a properly authorized person, whose title should be shown with corporate seal of the surety affixed by impression, sticker or the word "seal", and a copy of the Power of Attorney of that person attached to the bond. The Power of Attorney does not have to be issued within the Commonwealth, but it must be an original or a copy which has been recorded in a circuit court of the Commonwealth.