



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

GARY MCDOWELL
DIRECTOR

DATE: December 22, 2019
TO: Producer Creditors of Chelsea Grain, LLC.
FROM: Jeff G. Haarer, Manager, Producer Security
RE: Notice of Liquidation of Farm Produce

Based on a review of the books and records of Chelsea Grain, LLC. in Chelsea MI, your name has been listed as a holder of a scale ticket, warehouse receipt, grain bank, price later agreement, or spot sale for farm produce that has not been paid in full.

On December 18, 2019 the grain dealer license for Chelsea Grain, LLC was voluntarily surrendered. Based on conversations with Nathan Dawson, President of Chelsea Grain, LLC, Nathan has decided to begin liquidation of the assets (including grain) at the facility with the intent of satisfying all grain obligations. The goal is to have all grain settled and liquidated from the facility by January 31, 2020. To ensure equitable payment to all producers impacted, Chelsea Grain, LLC will not be paying more than 75% for all priced but not paid for grain. Further payments will be prorated based upon revenue received.

The Michigan Department of Agriculture and Rural Development (MDARD) will supervise the liquidation of grain assets for Chelsea Grain, LLC in accordance with Section 26 of the Grain Dealers Act, PA 141 of 1939, as amended. Chelsea Grain, LLC is not currently licensed as a grain dealer under the Grain Dealers Act (GDA) due to the voluntary surrendering of their license and as such Chelsea Grain, LLC is not allowed to receive farm produce.

MDARD is now in the process of verifying the grain dealers' records with your records and netting any obligations that you may have with Chelsea Grain, LLC. To complete the liquidation process so Chelsea Grain, LLC. can make final payments, please complete the attached MDARD Statement of Loss form and submit it to our office by **January 10, 2020**. If there is not enough farm produce and assets to cover your losses, MDARD will prorate the proceeds in accordance with the GDA. Any outstanding balance owed to you after liquidation may be eligible for recovery under the Farm Produce Insurance Act, PA 141 of 1939 (separate claim process). For additional information, please contact Jeff G. Haarer at 517-284-5642 or haarej@michigan.gov or visit www.michigan.gov/graindealers.