

ASSIGNMENT OF CERTIFICATE OF DEPOSIT

1. _____ is a warehouse either licensed under the Arkansas Public Grain Warehouse Law (Act 83 of the 1979 Acts of Arkansas as amended) or is applying for status as a warehouse under the Grain Warehouse Act (Act 83 of the 1979 Acts of Arkansas as amended) (Warehouse Act hereafter).
2. Arkansas Department of Agriculture is authorized under the Warehouse Act to administer the Act and license Warehouses.
3. Warehouse Act requires a Warehouseman to post a bond. Instead of posting a Corporate Surety Bond, Warehouse is transferring, assigning, and pledging a Certificate of Deposit.
4. Warehouse assigns and negotiates all rights, title, and interest of the Warehouse in Certificate of Deposit number _____ in the amount of \$ _____ issued by _____
(Bank Name and Address)
5. Warehouse grants to the Arkansas Department of Agriculture, Grain Warehouse Section a perfected security interest, lien, and title to the Certificate of Deposit.
6. Certificate of Deposit shall serve as collateral and security for any and all obligations (including but not limited to grain shortages) of the warehouse under the Warehouse Act.
7. Arkansas Department of Agriculture shall have the authority at any time to negotiate, renew, cash in, or transfer the Certificate of Deposit.
8. Prior notice of negotiation, transferring, or cashing the Certificate of Deposit is not necessary. However, the Arkansas Department of Agriculture shall furnish written notice to the warehouse of any actions taken regarding negotiating, cashing in, or transferring the Certificate of Deposit.
9. Warehouse shall have no rights to encumber, transfer, or negotiate the Certificate of Deposit.
10. The Certificate of Deposit (and renewals of the Certificate of Deposit) shall remain pledged and transferred to the Arkansas Department of Agriculture until all obligations of the Warehouse have been satisfied under the Warehouse Act.
11. At maturity of the Certificate of Deposit, and if the principal of Certificate of Deposit is adequate to secure the bonding obligations of the Warehouse, the Warehouse shall receive (within a reasonable time) accrued interest on the Certificate of Deposit.
12. Certificate of Deposit shall be issued in a negotiable form and shall be issued to the order of the Arkansas Department of Agriculture, Grain Warehouse Section, Little Rock, Arkansas.
13. Acceptance of pledged Certificate of Deposit does not prevent the security from time to time to meet the obligations of the warehouse under the Warehouse Act.

(Name of Bank)

(Name of Grain Warehouse)

(Bank Officer's Signature)

(Authorized Person's Signature)

(Title)

(Title)

Subscribed and sworn to before me this _____ day of _____ 20 _____ .

(Notary Public's Signature) (SEAL)