

DISCLOSURE TO GRAIN DEALER PRODUCERS

Below is a description of when to use a disclosure statement and which disclosure statement to use.

Wis. Adm. Code ATCP 99.14 Grain dealer; disclosure to producers.

(1) DISCLOSURE REQUIRED. A grain dealer shall make a disclosure under sub. (2) to every grain producer and producer agent from whom the grain dealer procures producer grain in this state. The grain dealer shall make the disclosure, in the form prescribed under sub. (2), in a written document given to the producer or producer agent. The disclosure shall be clear and conspicuous, and shall be set apart from every other writing. The grain dealer shall make the disclosure to a producer or producer agent at all of the following times:

- (a) The first time the grain dealer procures producer grain from that producer or producer agent.
- (b) The first time the grain dealer procures producer grain from that producer or producer agent during each license year.
- (c) The first time the grain dealer procures producer grain from that producer or producer agent following a change in circumstances that requires a different disclosure statement under sub. (2).

(2) FORM OF DISCLOSURE. A disclosure under sub. (1) shall consist of a verbatim copy of one of the following statements, as applicable:

- (a) The following statement if the grain dealer's **estimated default exposure is equal to or less** than the sum of the maximum fund reimbursement amount and any security amount the grain dealer has on file with the department:

IMPORTANT NOTICE

[Name of grain dealer] participates in Wisconsin's Agricultural Producer Security program. If we fail to pay you for grain when payment is due, you may file a claim under this program. The program may reimburse up to 80% of the first \$60,000 of your allowed claim, and up to 75% of any additional amount. For more information, you may contact the Wisconsin Department of Agriculture, Trade and Consumer Protection, 2811 Agriculture Drive, P. O. Box 8911, Madison, WI 53708-8911 (phone 608/224-4998).

- (b) The following statement if the grain dealer's **estimated default exposure exceeds** the sum of the maximum fund reimbursement amount and any security amount the grain dealer has on file with the department:

IMPORTANT NOTICE

[Name of grain dealer] participates in Wisconsin's Agricultural Producer Security Program. If we fail to pay you for grain when payment is due, you may file a claim under this program. The program may provide some compensation. However, our "estimated default exposure" exceeds program coverage, and we have not filed security to cover the difference, so compensation may cover only a portion of your loss. For more information, you may contact the Wisconsin Department of Agriculture, Trade and Consumer Protection, 2811 Agriculture Drive, P. O. Box 8911, Madison, WI 53708-8911 (phone 608/224-4998).

