AGREEMENT
between
[Employing Firm]
and the
DEPUTY ADMINISTRATOR, FRUIT AND VEGETABLE PROGRAMS
AGRICULTURAL MARKETING SERVICE

This agreement is made and entered into this _________ day of _________, 19__ , by and between ________________________ (Applicant), ____________________ (City, State), hereinafter called the "Applicant", and the Deputy Administrator, Fruit and Vegetable Programs, Agricultural Marketing Service, United States Department of Agriculture, Washington, D.C., hereinafter called the "Director".

WHEREAS, the Applicant desires to obtain a license under the Perishable Agricultural Commodities Act, 1930, as amended, hereinafter called the "Act", and the regulations thereunder, and has applied to the Secretary of Agriculture therefore, and

WHEREAS, Section 4(e) of the Act provides that the Secretary may refuse to issue a license to an applicant if he finds that the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 per centum of stock, has, within 3 years prior to the date of the application, been adjudicated or discharged as a bankrupt, or was a general partner of a partnership or officer or holder of more than 10 per centum of the stock of a corporation adjudicated or discharged as a bankrupt, and if he finds that the circumstances of such bankruptcy warrant such a refusal, unless the applicant furnishes a bond of such nature and amount as may be determined by the Secretary or other assurance satisfactory to the Secretary that the business of the applicant will be conducted in accordance with this Act, and

WHEREAS, Applicant has been adjudicated or discharged as a bankrupt within 3 years of applying for a license,

WHEREAS, the Applicant has agreed and does hereby agree, as a condition to the granting of said license, to comply and abide by the terms of the said Act and regulations issued pursuant thereto, and furnish, in lieu of a surety bond and in accordance with Section 46.5 of the Regulations, promulgated under the Act, a certified or cashier's check in the amount of $_____________, payable to the **United States Department of Agriculture**, which sum shall be available for the payment of any and all reparation awards that may be issued under the Act against said Applicant in connection with transactions occurring within 3 years following the issuance of the license, subject to its rights of appeal under Section 7(c) the Act, if said Applicant does not itself pay such awards; and

WHEREAS, the Deputy Administrator has agreed, and does hereby agree, to accept said sum of $___________ to be used for the purposes described or, in the event not needed for such purposes, to return the same or such unused portion as may exist, to said Applicant;

NOW, THEREFORE, the parties mutually agree as follows:

1. Applicant will be issued a license under the Act which is subject to renewal on a yearly basis; and

2. Applicant hereinafter referred to as "Licensee" has tendered to the Deputy Administrator a certified or cashier's check in the amount of $____________ , payable to the **United States Department of Agriculture** the receipt of which hereby is acknowledged; and

3. Said sum of $____________ is posted as surety that Licensee shall faithfully perform all of its obligations as a licensee under the Perishable Agricultural Commodities Act, 1930, as amended, and the regulations thereunder, and that said Licensee will pay all reparation awards which may be issued against it under the Act in connection with transactions occurring within 3 years following the issuance of the license; and

4. In the event said Licensee fails to pay any such reparation award, or appeal the award within the time prescribed, then the Deputy Administrator is authorized to, but shall not be obliged to, pay out of the money deposited by Licensee, to the person to whom such award is issued, the full amount of the award to the extent permitted by the funds then available in the hands of the Deputy Administrator, and if two or more such reparation orders exceed that sum, such sum shall be prorated among such reparation award holders.

5. Said sum of $___________ will be deposited by the Deputy Administrator into a special account of the United States Treasury and no interest is to accrue or to be paid to the Licensee thereon; and

6. If there are no reparation complaints pending against the Licensee at the expiration of 3 years and 9 months following the issuance of the license, or after 9 months following the termination of the license, whichever occurs earlier, all or any part of said sum of $____________ not disbursed in accordance with the terms of this agreement shall be returned to the Licensee. In no event shall any part of said sum be paid to Licensee so long as any such complaint is pending or any such award is unpaid.

7. Licensee shall be allowed to substitute a bond in the amount of $_____________ under the same conditions and terms as set forth hereinabove, and upon such substitution the Deputy Administrator shall return the $__________ cash to Licensee.

(sign) ____________________________________
(corporate officer) ____________________________________
(name & title) ____________________________________

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Deputy Administrator
Fruit and Vegetable Programs
Agricultural Marketing Service