



South Carolina
DEPARTMENT OF AGRICULTURE
CONSUMER PROTECTION DIVISION
123 Ballard Court, West Columbia, SC 29172

Hugh E. Weathers, Commissioner

SOUTH CAROLINA DEALER AND HANDLER LICENSE APPLICATION GUIDELINES

1. Whosoever makes or subscribes for an application for license knowing or having reason to know that same is false as to any material matter therein, shall be guilty of a misdemeanor, and upon conviction shall be punished as provided by law. **It is unlawful for any dealer in agricultural products to engage in business without a Dealer and Handler license issued by the Commissioner of Agriculture.**
2. If you buy or process for resale agricultural products from South Carolina producers, their agents, or representatives and pay for the products with your check or handle their products on consignment, open account, or any other deferred payment plan, it is necessary under the law that you furnish the required surety bond and obtain the proper license or licenses.
3. Agricultural products shall mean and include the natural products of the farm, orchard, vineyard, garden and apiary, raw and manufactured; livestock and poultry products but shall not include tobacco, dairy products and timber products. For purposes of South Carolina Grain and Cotton Producers Guaranty Fund, Agricultural commodity' or 'commodity' means cotton and all agricultural products commonly classed as grain, including corn, wheat, oats, soybeans, barley, and grain sorghum, produced within this State. An agricultural commodity dealer shall include cotton gins if the gin is engaged in the above-described activity.
4. Please purchase from your insurance or bond agent authorized to transact business in the State of South Carolina a surety bond in the exact name of the owner, partners or corporation on your license. The required amount of your surety bond will be an amount of either twenty-five thousand, fifty thousand, or one hundred thousand dollars as determined by the method set forth below, executed by a surety corporation authorized to transact business in the State or provided by equivalent security approved by the commissioner with the advice of the State Treasurer. The amount of the bond required is determined based upon ten percent of the applicant's annual business. If ten percent of annual business is twenty-five thousand dollars or less, the applicant must obtain a twenty-five thousand dollar bond. If ten percent of annual business is fifty thousand dollars or less, a fifty thousand dollar bond is required. If ten percent of annual business is more than fifty thousand dollars, a one hundred thousand dollar bond is required. The bond or equivalent security shall be upon a form prescribed or approved by the commissioner and shall be conditioned to secure the faithful accounting for any payment to producers, their agents or representatives, of the proceeds of all agricultural products handled or sold by such dealer. The bond must be on the enclosed form approved by the Commissioner of Agriculture and shall be conditioned to secure the faithful accounting for any payment to producers, their agents or representatives, of the proceeds of all agricultural products handled or sold by such dealer. If you wish to substitute a Letter of Credit in lieu of a bond, contact the Department of Agriculture at 803-737-9690.
5. No license will be issued unless the application is accompanied by a properly executed surety bond and remittance for license fees in the full amount. **Annual fee for the principal place of business is fifty dollars. For each additional place of business there is an additional ten dollar annual fee.** Please note that SCDA considers all locations associated with Hemp to be a principal location. Hemp associated locations may not be considered additional locations. Hemp applicants who have multiple locations will need a separate license and bond for each location.

SOUTH CAROLINA DEALER AND HANDLER LICENSE APPLICATION GUIDELINES, CONTINUED

6. Should any dealer in agricultural products fail, or neglect to apply and qualify for the renewal of a license, on or before the date of expiration, a fine of one hundred dollars shall apply and be added to the original fee and shall be paid by the dealer before the renewal may be issued. An additional fine of one hundred dollars shall be applied for each month or part of a month beyond the first month after expiration.
7. If any change in the name or in the form of ownership occurs, a new license must be obtained. All licenses will be subject to suspension or revocation for cause. The licensee may not loan or transfer such license to any person or firm whatsoever.
8. If the applicant is:
 - **An Individual:** This application must be subscribed and sworn to by the applicant before a Notary Public.
 - **A Partnership:** This application is to be executed in the name of the partnership and signed by the partners, and must be subscribed and sworn to before a Notary Public.
 - **A Corporation:** This application must be executed in the name of the corporation and must be subscribed and sworn to by the president before a Notary Public.
9. Please provide your executed surety bond and enclose payment with your license application.



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PRINCIPAL LOCATION: \$50.00 | ADDITIONAL LOCATIONS: \$10.00

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Pursuant to the provisions of Section 46-41-10 ET SEQ., of the South Carolina Code of Laws (1976), the undersigned, hereby makes the following statements for the purpose of obtaining a license to conduct business as a dealer in agricultural products for a period of one year from the effective date of the surety bond posted with the Commissioner of Agriculture.

Applicant Name _____
Name must be the same as name of principal on Bond.

Business Owned By One Person Partnership Corporation

Print full names, titles, and home address of owner, partners, or officers:

Name _____ Title _____

Address _____

Name _____ Title _____

Address _____

Business Address _____

Mailing Address _____

Phone Number _____ Email _____

Address of each additional place of business in South Carolina to be licensed:

Local agents of the applicant to be issued a buyers ID Card:

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Kinds of agricultural products to be handled _____

Last year's annual business (dollar amount) _____

Enclosed is a surety bond in the amount of \$ _____ with the following Surety Bond Company:

Name _____ Address _____

Obtained through the following Insurance Company:

Name _____ Phone _____ Address _____

AFFIDAVIT

I hereby make application to obtain a Dealer and Handler License. I understand that by signing my application and making remittance that I affirm that I have read and understand the laws, rules and regulations and agree to comply with the same. By making this application for said license, I agree to allow the inspection of all written and financial records, including inventory, related to business, so long as I am a licensed dealer and handler.

Applicant Signature _____ Title _____

Applicant Signature _____ Title _____

Before me the undersigned this date personally appeared _____ who states that (s)he has signed the above affidavit and that all information provided is true and correct.

Sworn and subscribed to before me this _____ day of _____, 20 _____

Seal _____



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INFORMATION FOR THE PREPARATION AND EXECUTION OF THIS SURETY BOND

1. The name of principal on the bond should be correctly stated, and should precisely agree with name of applicant for license as dealer in agricultural products. The name in which business is conducted should follow the name or names of the principal where the applicant does business.
 - Examples:
 - » Individual operating in own name: “Henry Smith”
 - » Individual owner operating in another name: “Henry Smith d/b/a City Produce”
 - » Partners operating in another name: “John Doe, Richard Doe, and Mary Doe d/b/a Acme Produce”
 - » Corporation operating in own name: “Chase & Company (a corporation)”
 - » Corporation operating in another name: “John Doe Enterprises, Inc. d/b/a Superior Produce”
2. Before any license shall be issued the applicant shall make and deliver to the Commissioner a surety bond or equivalent security in an amount of either twenty-five thousand, fifty thousand, or one hundred thousand dollars as determined by the method set forth below, executed by a surety corporation authorized to transact business in the State or provided by equivalent security approved by the commissioner with the advice of the State Treasurer. The amount of the bond required is determined based upon ten percent of the applicant’s annual business. If ten percent of annual business is twenty-five thousand dollars or less, the applicant must obtain a twenty-five thousand dollar bond. If ten percent of annual business is fifty thousand dollars or less, a fifty thousand dollar bond is required. If ten percent of annual business is more than fifty thousand dollars, a one hundred thousand dollar bond is required. The bond or equivalent security shall be upon a form prescribed or approved by the commissioner and shall be conditioned to secure the faithful accounting for any payment to producers, their agents or representatives, of the proceeds of all agricultural products handled or sold by such dealer.
3. If the principal of this bond is:
 - **An Individual:** This bond must be signed by the individual.
 - **A Partnership:** This bond must be executed in the name of the partnership and signed by the partners.
 - **A Corporation:** This bond must be executed in the name of the corporation, by its President or Vice President with impression of corporate seal affixed.
4. Execution by Surety.
 - Must be a properly authorized person whose title must be shown with impression of corporate seal of the surety affixed.
 - Copy of the Power of Attorney of that person must be attached to the bond.



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BOND

DEALERS AND HANDLERS OF AGRICULTURAL PRODUCTS IN SOUTH CAROLINA

State of _____ Bond No. _____

County of _____

KNOW ALL MEN BY THESE PRESENTS: That we _____

_____ of _____ as principal

and _____ of
Name of Surety Company

_____ as Surety, are held and firmly bound unto
Home Office Address

THE COMMISSIONER OF AGRICULTURE OF THE STATE OF SOUTH CAROLINA, 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 provisions of SECTION 46-41-10 ET SEQ., of the Code of Laws of South Carolina, dealers and handlers of agricultural products are required to obtain a license from the Commissioner of Agriculture of the State of South Carolina 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 statutes and/or amendments thereto.

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 agricultural products bought from or handled or sold for such producers, their agents or representatives, as required by the aforesaid law, 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 begins with _____ 20 _____, and this bond continues in effect for one year.

The surety may withdraw from this bond by giving 30 days written notice by registered mail to the Commissioner of Agriculture, 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 _____, 20 _____

Principal (Seal) _____

In the presence of:

Witness to Principal _____ By _____

Witness to Surety _____ Surety (Seal) _____

By _____

PLEASE ATTACH A COPY OF POWER OF ATTORNEY FOR THE PERSON EXECUTING THIS BOND FOR THE SURETY.