

IN THE COMMON PLEAS COURT OF FULTON COUNTY, OHIO

The Farmers & Merchants State Bank
307-11 N. Defiance Street
Archbold, OH 43502

Plaintiff,

vs.

Archbold Elevator, Inc.
c/o Statutory Agent William L. Fricke
3265 County Road 24
Archbold, OH 43502

Kainos Operations, Ltd.
c/o Statutory Agency William L. Fricke
352 Maple Avenue
Pettisville, OH 43567

O-MI-O, Inc.
c/o Statutory Agent William L. Fricke
18412 County Road DE
Wauseon, OH 43567

Henry Pig, Inc.
c/o Statutory Agent William L. Fricke
18412 County Road DE
Wauseon, OH 43567

William L. Fricke
18412 County Road DE
Wauseon, OH 43567

Case No. 11 CV 000128

Judge Barber

AGRICULTURAL PRODUCTS
EXTENSION, LLC'S ANSWER,
COUNTERCLAIMS AND CROSS-
CLAIMS FOR DECLARATORY
JUDGMENT, MONEY DAMAGES
AND EQUITABLE AND OTHER
RELIEF AND JURY DEMAND

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)
The Andersons, Inc.
c/o Statutory Agent Naran U. Borchinow
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Maumee, OH 43537
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The Andersons Agriculture Group, LP
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The Receivables Exchange, LLC
c/o Statutory Agent National Registered Agents, Inc.
1011 N. Causeway Boulevard, Suite 3
Mandeville, LA 70471
)
Fenstermaker Farms, Inc.
c/o Statutory Agent Paul Fenstermaker
1799 Road H
Leipsic, OH 45857
)
D&D Ingredient Distributors, Inc.
c/o Statutory Agent Donald A. Miller
5025 N. Kill Road
Delphos, OH 45833
)
Toyota Motor Credit Corporation
c/o Statutory Agent CT Corporation System
1300 East Ninth Street
Cleveland, OH 44114
)
Ohio Department of Agriculture
8995 East Main Street
Reynoldsburg, OH 43068
)
Agricultural Products Extension, LLC
35 Long Avenue
P.O. Box 565
Hamburg, NY 14075
)
Defendants.
)

3. Upon information and belief, the plaintiff, Farmers & Merchants State Bank ("Farmers"), is a full service bank serving the area of northwest Ohio, and portions of Indiana described below.

2. Archbold Elevator, Inc. is a party to a security agreement with Apex as more fully liability company in the State of Ohio.

1. Plaintiff Apex is a New York limited liability company in good standing, with its principal place of business located at Hamburg, New York, and is registered as a foreign limited

PARTIES

COUNTERCLAIMS AND CROSS-CLAIMS

states and avers as follows:

Now comes the plaintiff, Agricultural Products Extension, LLC ("Apex"), by and through its attorneys, Gregory L. Arnold and Daniel C. Arnold, and for its Counterclaims and Cross-claims

admitted.

2. Apex denies all other allegations in plaintiff's Complaint not heretofore specifically

therein.

of the matters asserted in Paragraphs 1 through 93 and, therefore, denies the allegations contained

1. Apex is without knowledge or information sufficient to form a belief as to the truth

Answer to plaintiff's Complaint states as follows:

Now comes the defendant Agricultural Products Extension, LLC ("Apex"), and for its

ANSWER

* * *

in Maumee, Lucas County, Ohio. Andersons Agriculture may claim an ownership interest in all or (“Andersons Agriculture”) is an Ohio limited partnership with its principal place of business located

10. Upon information and belief, defendant The Andersons Agricultural Group, LP

Andersons may claim an interest in some or all of the collateral described below.

Ohio corporation with its principal place of business located in Maumee, Lucas County, Ohio. The
9. Upon information and belief, defendant The Andersons, Inc. (“the Andersons”) is an

Archbold Elevator.

K. Fricke (“Lynette”) are each a resident of Wauseon, Fulton County, Ohio, and the “principals” of
8. Upon information and belief, defendants William L. Fricke (“William”) and Lynette

corporation with its principal place of business located in Napoleon, Henry County, Ohio.

7. Upon information and belief, defendant Henry Fig, Inc. (“Henry Fig”) is an Ohio

corporation with its principal place of business located in Alvordton, Williams County, Ohio.

6. Upon information and belief, defendant O-MI-O, Inc. (“O-MI-O”) is an Ohio

County, Ohio.

Ohio limited liability company with its principal place of business located in Pettisville, Fulton
5. Upon information and belief, defendant Kainos Operations, Ltd. (“Kainos”) is an

Elevator signed a security agreement to Apex which Apex is the holder thereof.

promissory and security agreements and is a borrower of Apex’s products, for which Archbold
County, Ohio. Archbold Elevator is alleged to be a borrower of Farmers, a maker of certain

Elevator”) is an Ohio corporation with its principal place of business located in Archbold, Fulton
4. Upon information and belief, the defendant Archbold Elevator, Inc. (“Archbold

Farmers is headquartered in Fulton County, Archbold, Ohio.

most of the grain stored at Archbold Elevator and Anderson Agriculture may claim an interest in some or all of the collateral described below.

11. Upon information and belief, defendant The Receivables Exchange, LLC (TRF?) is alleged to be a Louisiana limited liability company with its principal place of business located in New Orleans, Louisiana. TRF may claim an interest in some or all of the collateral described below.

12. Upon information and belief, defendant Fenstermaker Farms, Inc. ("Fenstermaker") is an Ohio corporation with its principal place of business located in Leipsic, Putnam County, Ohio. Fenstermaker may claim an interest in some or all of the collateral described below.

13. Upon information and belief, defendant D&D Ingredient Distributors, Inc. ("D&D") is an Ohio corporation with its principal place of business in Delphos, Allen County, Ohio. D&D may claim an interest in some or all of the collateral described below.

14. Upon information and belief, Defendant Toyota Motor Credit Corporation ("TMCC") is a California corporation registered in Ohio with a place of business in Torrance, California. TMCC may claim an interest in some or all of the collateral described below.

15. Upon information and belief, defendant Ohio Department of Agriculture ("ODA") is an interested party to this action pursuant to Ohio Revised Code Section 926, et seq., and it may claim an interest in some or all of the collateral described below.

COUNT I

16. Defendant Apex incorporates Paragraphs 1 through 15 as though fully rewritten herein.

17. Archbold Elevator is engaged in the business of operating an elevator which includes manufacturing feed consumed, at least in part, in feeding livestock which it and its affiliated entities

18. The shareholders of defendant Archbold Elevator are William Fricke and Lynette

Fricke.

19. Archbold Elevator, prior to January 12, 2011, began purchasing from Apex, wheat millfeeds to be processed into feed by Archbold Elevator to be fed to livestock which it was

preparing for market.

20. The aforesaid sales of wheat millfeeds by Apex to Archbold Elevator continued through at least April 19, 2011, and continues today.

21. Apex has demanded payment of the outstanding amount due in the amount of at least

\$184,952.62, and interest at the rate of 18% per annum from January 12, 2011, attorney fees, court costs and expenses, but defendant Archbold Elevator has neglected and refused and continues to neglect and refuse payment of the amount due to Apex in at least the amount of \$184,952.62, interest at the rate of 18% per annum from January 12, 2011, attorney fees, court costs and expenses,

pursuant to the account statement attached hereto as Exhibit A.

22. As a result of Archbold Elevator's failure to pay Apex the amount due, Archbold

Elevator owes Apex, pursuant to the account statement attached hereto as Exhibit A, the sum of at least \$184,952.62, plus interest at the rate of 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

COUNT II

23. Apex realleges and reincorporates Paragraphs 1 through 22 as though fully rewritten

herein.

24. To secure the repayment of the amounts due to Apex from Archbold, Archbold

executed and delivered to Apex on or about January 31, 2011, a Security Agreement to Apex, a copy of which is attached hereto as Exhibit B.

25. The Security Agreement granted to Apex by Archbold Elevator provided a security interest to Apex and attached to the products sold by Apex to Archbold upon the execution of the Security Agreement signed by Archbold Elevator.

26. The Security Agreement delivered by Archbold to Apex secured all inventory, accounts and contract receivables and such other security interests as intended between Archbold and Apex.

27. As a result of the Security Agreement, Apex is entitled to a first priority position in the proceeds upon liquidation of the assets of Archbold Elevator described in the Security Agreement including the livestock which consumed the products sold by Apex to Archbold Elevator described in Apex's Security Agreement for the outstanding amount due of at least \$184,952.62, interest of 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

28. Plaintiff and all other defendants may have competing claims in the assets and should be required to establish any rights and priority therein or be forever barred.

COUNT III

EQUITABLE SUBORDINATION -- UNJUST ENRICHMENT

29. Apex realleges and reincorporates Paragraphs 1 through 28 as though fully rewritten herein.

30. Apex's provision of millfeed to Archbold Elevator to feed livestock which are included in the security interests of Apex enhanced and continue to enhance assets of Archbold Elevator and the livestock of Kamos, O-MI-O, and Henry Pig, which are believed to be affiliated

per annum from January 12, 2011, attorney fees, court costs and expenses.

subordination and unjust enrichment in an amount of at least \$184,952.62, interest at the rate of 18% of assets of Archbold Elevator and its Affiliated Entities under the doctrines of equitable defendants' collateral and Apex is entitled to a first priority position in the proceeds from the sale or no value but for the provision of millfees by Apex to enhance the value of plaintiff and defendants' security interests for the reason that plaintiff and defendants' collateral would have little to have first-in-time and first in lien priority, Apex is entitled to lien priority over plaintiff and

34. Notwithstanding if at law, plaintiff and defendants' security interests are determined enriched.

retain the benefits conferred by Apex without fair compensation to Apex and will thereby be unjustly secured position in the assets of Archbold elevator and its Affiliated Entities will be permitted to

33. Without equitable relief from this Court, plaintiff and defendants who claim a priority Affiliated Entities.

conferred upon them by Apex's continuing provision of products to Archbold Elevator and its the collateral positions of plaintiff and defendants, plaintiff and defendants knew of the benefit being

32. At the time of Apex's provision of feed to Archbold Elevator to improve and enhance determined to be a first priority secured interest in such assets to Apex.

livestock conferred a benefit on plaintiff and defendants and such enhancements by Apex should be

31. Apex's provision of products fed to Archbold Elevator and its Affiliated Entities' "Affiliated Entities").

entities of Archbold Elevator (Kaimos, O-MI-O, and Henry Pig are hereinafter referred to as

Affiliated Entities' assets are being enhanced by Apex's inputs and are purporting to enrich

41. Plaintiff and defendants know or should know that the Archbold Elevator and its

Entities would in fact, have diminished in value and would have been lost.

Archbold Elevator and its Affiliated Entities, the assets of Archbold Elevator and its Affiliated

40. But for Apex's provision of products to Archbold Elevator to enhance the assets of

and its Affiliated Entities' assets on which plaintiff and defendants claim a security interest.

Elevator and its Affiliated Entities' assets and, in fact, did enhance the value of Archbold Elevator

39. In reliance on payment, Apex provided products to enhance the value of Archbold

in value.

Entities, the value of the Archbold Elevator and its Affiliated Entities' assets were in fact, enhanced

38. Because of the products of Apex provided to Archbold Elevator and its Affiliated

to value made to plaintiff and defendants' collateral by Apex.

granting a priority secured position and payment to Apex for the improvements and enhancements

Elevator and its Affiliated Entities to purchase livestock and feed it at Apex's expense without

37. The purpose of plaintiff's loans to Archbold Elevator was not to permit Archbold

for production.

were in part, to provide funds to Archbold Elevator and its Affiliated Entities to purchase livestock

36. Upon information and belief, the purpose of plaintiff's loans to Archbold Elevator

herein.

35. Apex realleges and reincorporates Paragraphs 1 through 34 as though fully rewritten

UNJUST ENRICHMENT

COUNT IV

46. Plaintiff and defendants will wrongfully appropriate proceeds received from the sale of the enhanced collateral for their own use and benefit to the detriment of Apex if all of the proceeds received from the sale of the enhanced collateral are used toward the reduction of their loan balances without first paying Apex in an amount of at least \$184,952.62, plus interest at 18% per

herein.

45. Apex realleges and reincorporates Paragraphs 1 through 44 as though fully rewritten

CONSTRUCTIVE TRUST -- EQUITABLE SUBROGATION

COUNT V

44. Plaintiff and defendants will be unjustly enriched from the proceeds from the sale of the enhanced collateral unless they are first ordered to compensate Apex in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

of such assets.

43. If payments are made to plaintiff and defendants from the proceeds of the sale of the assets enhanced by Apex's inputs without first providing payment to Apex, plaintiff and defendants will be unjustly enriched by their receipt of proceeds upon sale when such collateral has been enhanced and Apex has not been fully compensated for products it has provided to enhance the value

fees, court costs and expenses.

42. Plaintiff and defendants know or should know that they are not entitled to said proceeds without payment to Apex which is providing inputs to enhance the value of the collateral in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney

themselves by asserting a security position superior to Apex.

annum from January 12, 2011, attorney fees, court costs and expenses, when they know or should know that such assets have been and are being enhanced by Apex's sale of products to Archbold Elevator.

47. The retention by plaintiff and defendants of all proceeds when Apex has improved the value of plaintiff and defendants' collateral by Apex's advancements is unjust and unconscionable.

48. Equity requires that plaintiff and defendants first allocate an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses, to pay the outstanding account of Apex from the proceeds of sale of Archbold Elevator's enhanced assets in which they claim a security interest for the benefit of Apex.

49. To the extent this Court finds that plaintiff and defendants' collateral is enhanced by the products provided to Archbold by Apex, equity requires that Apex be subrogated and paid from the sale of Archbold Elevator's enhanced assets in the amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

COUNT VI

BREACH OF CONTRACT

50. Apex realleges and reincorporates Paragraphs 1 through 49 as though fully rewritten herein.

51. Archbold Elevator has breached its contracts with Apex by failing to pay the balance due in the principal amount of at least \$184,952.62 plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

- 59. From at least January 12, 2011, Archbold Elevator purchased products from Apex herein.
- 58. Apex realleges and reincorporates Paragraphs 1 through 57 as though fully rewritten

COUNT IX

interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses. is due and owing from William L. Fricke, individually, to Apex the sum of at least \$184,952.62 plus

57. As a result of the Personal Guarantee provided by William L. Fricke to Apex, there to Apex a "Personal Guarantee", a copy of which is attached hereto as Exhibit B.

- 56. To further secure the payments to Apex, William L. Fricke executed and delivered herein.
- 55. Apex realleges and reincorporates Paragraphs 1 through 54 as though fully rewritten

COUNT VIII

court costs and expenses.

amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, sources of repayment in any manner necessary to permit payment of Apex's claims herein in an

54. Equity requires that plaintiff and defendants marshal their security interests and and are secured by various liens, guaranties and other security interests.

- 53. The plaintiff's loans and defendants' loans hereto have multiple sources of payment herein.
- 52. Apex realleges and reincorporates Paragraphs 1 through 51 as though fully rewritten

MARSHALING

COUNT VII

when Archbold Elevator and its shareholders, William C. Fricke and Lynette Fricke, knew that Archbold Elevator was insolvent and had no ability or intention of repaying Apex for the products Apex delivered to Archbold.

60. The actions of Archbold Elevator, William Fricke and Lynette Fricke constitute fraud, fraudulent representations and fraudulent inducement by them to Apex when they agreed they would pay for the products Apex delivered to Archbold Elevator when they knew they had no intention to do so.

61. As a result, defendants Archbold Elevator, William Fricke and Lynette Fricke are liable to Apex, jointly, severally, and individually in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

COUNT X

PUNITIVE DAMAGES AND ATTORNEY FEES

62. Apex realleges and reincorporates Paragraphs 1 through 61 as though fully rewritten

herein.

63. Defendant Archbold Elevator, William Fricke and Lynette Fricke, jointly, severally

and individually, with respect to their actions described herein and above, have willfully engaged

in bad faith conduct with reckless disregard for the rights and interests of Apex.

64. Archbold Elevator, William Fricke and Lynette Fricke's intentional and reckless

actions have, in fact, injured Apex and such injury was substantially certain to and has in fact

occurred.

65. As a result, Apex is entitled to punitive damages to deter these types of actions by the

defendants Archbold Elevator, William Fricke and Lynette Fricke, set forth in this Counterclaim and

Cross-Claim and to an award of attorney fees.

COUNT XI

66. Apex realleges and reincorporates Paragraphs 1 through 65 as though fully rewritten herein.

67. The plaintiff and other defendants herein, have or claim to have an interest in the assets of Archbold Elevator and may claim their collateral interests are superior to the security rights and first priority payment to Apex.

68. All of the plaintiff and defendants' Security Agreements are legally and equitably inferior to the rights of Apex in the collateral and proceeds from such collateral as described above.

69. Apex seeks a declaratory judgment that Apex has a first lien position on the enhanced assets and proceeds from the sale of any such enhanced assets for which it enhanced the value thereof by providing products to Archbold Elevator as described herein up to the amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

WHEREFORE, Apex respectfully petitions this Court to grant relief as follows:

1. For a judgment that Orders the priorities of plaintiff's and the defendants' liens,

which judgment equitably subordinates the interests of plaintiff and defendants in the collateral to Apex's interests and/or unjust enrichment claim to the extent it is determined the value of plaintiff's interests in Archbold Elevator and affiliated entities' property and collateral was improved by Apex and that without such priority payment to Apex in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses, plaintiff and defendants' will be unjustly enriched thereby.

2. In the event that proceeds from the sale of the collateral and payment to Apex are insufficient to fully satisfy the amount due on Apex's account in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses, to render judgement against Archbold Elevator, William Fricke and Lynette Fricke, jointly, severally, and individually for any remaining deficiency.

3. To award Apex the costs of this action, including litigation costs and attorneys' fees, together with such further relief as the Court may deem proper.

4. For a declaratory judgment against plaintiff and defendants that the security interests of Apex to the extent of \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses, is equitably subordinated to Apex's lien and payment claims of Apex.

5. For a money judgment against Archbold Elevator, William Fricke and Lynette K. Fricke in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses, or such other amount as the Court determines that plaintiff and defendants have been unjustly enriched.

6. For a declaratory judgment imposing a constructive trust in the amount of in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses, on the following: (a) all proceeds received by plaintiff and defendants and/or Archbold Elevator, William Fricke and Lynette Fricke which are received from the sale of the enhanced collateral on which Apex has a security interest, and (b) on any proceeds from the sale of any property of Archbold that secures either the plaintiff's loans or loans of other defendants to the extent the proceeds were received from assets for which Apex provided products which enhanced

the value of such assets.

7. For an Order requiring plaintiff and defendants to allocate and pay Apex up to the sum of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses from any proceeds received by Archbold Elevator and its Affiliated Entities from the sale of any property for which Apex's products enhanced the value thereof.

8. For judgment against defendants Archbold Elevator, William Fricke and Lynette Fricke, jointly and severally, for \$184,952.62 with interest at 18% from January 12, 2011 plus punitive damages, attorney fees, costs and such further relief as Apex is entitled to receive.

9. For an Order which marshals the liens of plaintiff and defendants in a manner necessary to permit payment of Apex's claims in an amount of at least \$184,952.62, plus interest at 18% per annum from January 12, 2011, attorney fees, court costs and expenses.

10. For a separate hearing to determine the allegations contained in Count X and, upon a determination that such allegations are legally established, for punitive damages in an amount found by this Court to be appropriate after the hearing, for attorney fees found by the Court after hearing to be reasonably and necessarily incurred and for such further relief which Apex is entitled to receive against Archbold Elevator, William Fricke and Lynette Fricke named herein.

11. For such further relief which Apex is entitled to receive against the plaintiff and any of the Defendants named herein.

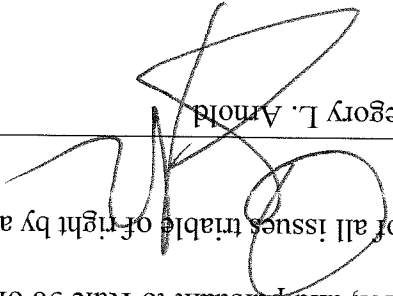
Respectfully submitted,

Gregory L. Arnold

Daniel C. Arnold

JURY DEMAND

Now comes Apex, by and through counsel, and pursuant to Rule 38 of the Ohio Rules of Civil Procedure, herein demands a trial by jury of all issues triable of right by a jury in this action.



Gregory L. Arnold

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing was sent by ordinary U.S. Mail this 10/27

day of May, 2011 to the following:

- David J. Coyle and Nathan A. Hall
Attorneys for Plaintiff
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- Steven L. Diller and Dillon W. Staas
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- Brian C. Kalas
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- Archbold Elevator, Inc.
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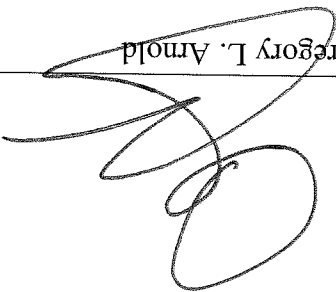
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Fenstermaker Farms, Inc.
c/o Statutory Agent Paul Fenstermaker
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Leipsic, OH 45857



Gregory L. Arnold

Invoice No	Reference	Trans Date	Trans Type	Invoice Amt	Pay/Adj	Amt Balance	1-20	21-30	31-45	46-90	91-9999
164263		1/12/2011 0:00	Settlement	4,414.59	0.00	4,414.59	0.00	0.00	0.00	0.00	4,414.59
164646		1/18/2011 0:00	Settlement	4,373.80	0.00	4,373.80	0.00	0.00	0.00	0.00	4,373.80
167484		2/28/2011 0:00	Settlement	3,218.71	0.00	3,218.71	0.00	0.00	0.00	0.00	3,218.71
167543		3/1/2011 0:00	Settlement	3,659.48	0.00	0.00	0.00	0.00	0.00	3,218.71	0.00
	87185	4/11/2011 0:00	Payment	0.00	1,378.05	2,281.43	0.00	0.00	0.00	2,281.43	0.00
167966		3/7/2011 0:00	Settlement	3,113.94	0.00	3,113.94	0.00	0.00	0.00	0.00	3,113.94
168003		3/7/2011 0:00	Settlement	3,303.32	0.00	3,303.32	0.00	0.00	0.00	0.00	3,303.32
168081		3/7/2011 0:00	Settlement	3,288.90	0.00	3,288.90	0.00	0.00	0.00	0.00	3,288.90
168241		3/9/2011 0:00	Settlement	3,609.72	0.00	3,609.72	0.00	0.00	0.00	0.00	3,609.72
168325		3/9/2011 0:00	Settlement	3,440.07	0.00	3,440.07	0.00	0.00	0.00	0.00	3,440.07
168433		3/10/2011 0:00	Settlement	3,755.60	0.00	3,755.60	0.00	0.00	0.00	0.00	3,755.60
168495		3/11/2011 0:00	Settlement	4,110.20	0.00	4,110.20	0.00	0.00	0.00	0.00	4,110.20
168509		3/11/2011 0:00	Settlement	3,601.02	0.00	3,601.02	0.00	0.00	0.00	0.00	3,601.02
168596		3/14/2011 0:00	Settlement	3,566.67	0.00	3,566.67	0.00	0.00	0.00	0.00	3,566.67
168700		3/15/2011 0:00	Settlement	3,480.74	0.00	3,480.74	0.00	0.00	0.00	0.00	3,480.74
168704		3/15/2011 0:00	Settlement	4,648.27	0.00	4,648.27	0.00	0.00	0.00	0.00	4,648.27
169176		3/15/2011 0:00	Settlement	3,593.13	0.00	3,593.13	0.00	0.00	0.00	0.00	3,593.13
169181		3/15/2011 0:00	Settlement	3,794.18	0.00	3,794.18	0.00	0.00	0.00	0.00	3,794.18
169194		3/15/2011 0:00	Settlement	3,601.67	0.00	3,601.67	0.00	0.00	0.00	0.00	3,601.67
169200		3/12/2011 0:00	Settlement	3,827.39	0.00	3,827.39	0.00	0.00	0.00	0.00	3,827.39
169201		3/12/2011 0:00	Settlement	4,175.32	0.00	4,175.32	0.00	0.00	0.00	0.00	4,175.32
169237		3/22/2011 0:00	Settlement	3,855.19	0.00	3,855.19	0.00	0.00	0.00	0.00	3,855.19
169255		3/22/2011 0:00	Settlement	3,944.31	0.00	3,944.31	0.00	0.00	0.00	0.00	3,944.31
169276		3/22/2011 0:00	Settlement	4,926.83	0.00	4,926.83	0.00	0.00	0.00	0.00	4,926.83
169720		3/26/2011 0:00	Settlement	4,121.85	0.00	4,121.85	0.00	0.00	0.00	0.00	4,121.85
169724		3/26/2011 0:00	Settlement	4,349.30	0.00	4,349.30	0.00	0.00	0.00	0.00	4,349.30
169837		3/28/2011 0:00	Settlement	4,384.95	0.00	4,384.95	0.00	0.00	0.00	0.00	4,384.95
169900		3/28/2011 0:00	Settlement	4,135.40	0.00	4,135.40	0.00	0.00	0.00	0.00	4,135.40
169934		3/29/2011 0:00	Settlement	4,253.49	0.00	4,253.49	0.00	0.00	0.00	0.00	4,253.49
169935		3/29/2011 0:00	Settlement	3,992.80	0.00	3,992.80	0.00	0.00	0.00	0.00	3,992.80
170093		3/30/2011 0:00	Settlement	4,803.84	0.00	4,803.84	0.00	0.00	0.00	0.00	4,803.84
170095		3/30/2011 0:00	Settlement	4,150.92	0.00	4,150.92	0.00	0.00	0.00	0.00	4,150.92
170174		3/30/2011 0:00	Settlement	4,638.26	0.00	4,638.26	0.00	0.00	0.00	0.00	4,638.26
170363		4/1/2011 0:00	Settlement	4,260.27	0.00	4,260.27	0.00	0.00	0.00	0.00	4,260.27
170371		4/4/2011 0:00	Settlement	4,360.88	0.00	4,360.88	0.00	0.00	0.00	0.00	4,360.88
170575		4/5/2011 0:00	Settlement	4,565.00	0.00	4,565.00	0.00	0.00	0.00	0.00	4,565.00
170590		4/5/2011 0:00	Settlement	4,275.11	0.00	4,275.11	0.00	0.00	0.00	0.00	4,275.11
170798		4/6/2011 0:00	Settlement	3,466.94	0.00	3,466.94	0.00	0.00	0.00	0.00	3,466.94
170892		4/7/2011 0:00	Settlement	4,613.89	0.00	4,613.89	0.00	0.00	0.00	0.00	4,613.89
171023		4/11/2011 0:00	Settlement	4,091.92	0.00	4,091.92	0.00	0.00	0.00	0.00	4,091.92
171030		4/11/2011 0:00	Settlement	4,431.78	0.00	4,431.78	0.00	0.00	0.00	0.00	4,431.78
171169		4/12/2011 0:00	Settlement	4,077.57	0.00	4,077.57	0.00	0.00	0.00	0.00	4,077.57
171215		4/13/2011 0:00	Settlement	4,355.77	0.00	4,355.77	0.00	0.00	0.00	0.00	4,355.77
171500		4/18/2011 0:00	Settlement	3,656.40	0.00	3,656.40	0.00	0.00	0.00	0.00	3,656.40
171525		4/18/2011 0:00	Settlement	4,386.15	0.00	4,386.15	0.00	0.00	0.00	0.00	4,386.15
171535		4/18/2011 0:00	Settlement	4,517.22	0.00	4,517.22	0.00	0.00	0.00	0.00	4,517.22
171603		4/19/2011 0:00	Settlement	3,759.86	0.00	3,759.86	0.00	0.00	0.00	0.00	3,759.86

184,952.62 1,378.05 183,574.57 58,818.76 51,557.14 58,910.14 5,500.14 8,788.39

APEX

P.O. BOX 565

Hamburg, NY 14075

PHONE

716-926-1000

FAX

716-926-1010

E-MAILED JAN 31 2011

CREDIT APPLICATION

Line of Credit Requested \$ _____ Date 1-31-11

Business Name Archbold Elevator

Phone No. _____ Fax No. _____

Mailing Address 3265 County Rd 24 Archbold, OH 43502

Shipping Address (Street) (City) (State) (Zip Code)

Yr. Business Started No. of Employees 50 Federal Tax ID# 34-417730

Type of Business Food & Groceries Est. Annual Sales \$ 40 M

Sole Proprietor Partnership Cooperative Corporation

PRINCIPALS Name Title Address Social Security #

1. William Fricke Pres.

2. Lynette Fricke V-P

3. _____

Has the firm or any of its principals ever filed for bankruptcy? Yes _____ No

If yes, explain: _____

Account Payable Contact Name Steve Bink

TRADE REFERENCES Name Address Contact Telephone No.

1. Carl Alky

2. Arch Auto Parts Archbold, OH Mike Krebs

3. Lussill Supply Archbold, OH Dave N. Siger

BANK REFERENCE

Checking Amortized Loan Line of Credit Savings

Name of Bank FWH State Bank

Address N. DeGraff St. Archbold, OH

Phone # 419-446-2501 Fax # _____ Account # _____

Contact Name Rex Rice

8 of 2

EXHIBIT

RECEIVED JAN 31 2011

TERMS:

SECURITY AGREEMENT: Buyer grants to APFX a security interest in all goods sold under this agreement and the proceeds of such goods, and also grant hereby a security interest in all inventory, accounts and contract receivable, and such other security interests. The Buyer appoints any agent of APFX to act as attorney-in-fact for Buyer to execute any financial statements or other documents necessary to perfect the security interests granted hereunder.

Applicant agrees to pay 1 1/2% per month or the maximum legal rate on the unpaid balance due above net 30 days from date of invoice and shall accrue from the due date until paid or in accordance with the highest rate allowable by law in the state of venue or by governing usuary statutes.

Should a credit availability be granted by APFX, all decisions with respect to the extension or continuation will be at the sole discretion of APFX, APFX may terminate any credit availability within its sole discretion.

Applicant agrees to pay any collection costs incurred to collect the account balance, including reasonable attorney's fees.

I (we) the undersigned certify that the foregoing statements and representations are true and correct statements. Furthermore the undersigned does hereby grant permission to APFX or their designated agent to check any credit information listed and obtain any additional information about the credit experience in order to evaluate the credit request made hereby.

[Signature]
(Name)
(Title)

(Name)
(Title)

PERSONAL GUARANTEE

In consideration of credit being extended by APFX to the above named applicant for product to be purchased whether applicant be an individual or individuals, a proprietorship, a partnership, a corporation, or other entity, the undersigned guarantor or guarantors each hereby contract and guarantee to APFX the faithful payment, when due, of all accounts of said applicant for purchases made within five years next after the date of this application. The guarantor(s) named herein certify that a corporate resolution has been enacted authorizing the guarantor(s) to sign this Personal Guarantee in an individual capacity on behalf of the corporation. The undersigned guarantor or guarantors each hereby expressly waive all notice of acceptance of this guarantee, notice of extension of credit to applicant, presentment, and demand for payment on applicant, protest and notice to undersigned guarantor or guarantors of dishonor or default by applicant or with respect to any security held by APFX extension of time of payment to applicant, acceptance of past payment or partial compromises, all other notices to which the undersigned guarantor or guarantors might otherwise be entitled and demand for payment under this guarantee. Any revocation of guarantee shall be in writing and delivered to APFX, P.O. Box 565, Hamburg, NY 14075.

[Signature]
(Name)
(Individual Guarantee)

(Name)
(Individual Guarantee)

RECEIVED
JAN 31 2011
BY: _____

CREDIT DEPARTMENT USE ONLY

Date Line of Credit Approved _____
Date Line of Credit Denied _____
Salesman # _____
Salesman Name _____

B 2012

EXHIBIT