

2013 HOUSE INDUSTRY, BUSINESS, AND LABOR

HB 1251

2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee Peace Garden Room, State Capitol

HB 1251
January 29, 2013, morning
Job 17885

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Repairman's liens

Minutes:

Attachments 1-10

Hearing opened.

2:05 Matthew Larsgaard on behalf of the Automobile Dealers Association of North Dakota and the North Dakota Implement Dealers Association: Refer to written testimony 1. Drew attention to attachment 2. Explained attachment 2.

10:50 Representative Louser: You had mentioned that it gives the testimony that it gives the repairman an opportunity to place a lien and to retain the equipment until payment is made. In the rare instance that I had a combine repaired and the repairman gave it back to me after the repair but I don't pay, would that negate their ability to place a lien?

Matthew Larsgaard: No. Upon relinquishing agricultural equipment, the dealer or repairman has 120 days to perfect their lien. When we look at the general thresholds, as in the case of an automobile or boat, the repairman has 90 days to perfect their lien. If they do not perfect or file that lien with the county recorder within that time period, the repairman is deemed to have waived their right to the lien.

12:00 Representative Kreun: In these particular situations, is there any counseling that goes on in regard to the business decision?

Matthew Larsgaard: In many of these cases, we are looking at older equipment. A farmer would rather put money into a machine he knows.

Support:

13:35 Mike Weisenberger, manager of Titan Machinery and member of North Dakota Implement Dealers Association: As farmers prosper, implement dealers also prosper. The selling of equipment leads to support and repair of that equipment. For each new piece of equipment we retail, a cycle begins in which we may sell additional pieces which are descendants of the retail sale. Repairs of new equipment are sometimes covered by a

manufacturer's warranty. Typically costs of repair of used equipment are paid by the owner. Usage of that older equipment varies. Often it is the older equipment that spends more time in our shops. Our shops rely on the repair revenues, so supporting the older equipment is very important to us. Before I left the shop yesterday, I pulled a list of equipment scheduled to be part of our winter inspection and repair program. Of the first thirty pieces of equipment on my list, eighteen were over ten years old. Three of the combines were each 26 years old. The owners of these units are investing good money because they intend to run these units for a number of years. The older equipment is of less value than new units; the cost of repair is generally greater. Gave examples of cost of typical costs of repairs and value of older units. Our labor rates and the prices of replacement parts are blind to the age of a unit. Expenses include recruiting, educating, and training staff, and filling our shelves with replacement parts. A repairman's lien is one of the few avenues we have to help recover those unpaid repair costs. The current law regarding repairman's liens is an effective tool but is grossly unmatched to the value of today's equipment and the cost to repair it. We do not need a new law, just to adjust the one which has been in place for over three decades.

17:32 Representative Kreun: On a piece of equipment 26 years old, is there still a loan on it?

Mike Weisenberger: There certainly could be, depending on when he bought it.

Representative Kreun: You have a used piece of equipment, but the value should be relatively low as well.

Mike Weisenberger: The biggest part of that is a blanket lien. Most times, our producers have a blanket lien by the lenders on basically everything they own.

Representative Kreun: The concept of blanket lien helps me understand a little better. Gave an example of the economics of purchasing and repairing used equipment.

18:33 Representative Ruby: Under the repairman's lien, you are limited right now in a situation when a bank has a potential lien as well. If there is no loan on a piece of equipment, do you have any limits on that, or is it up to the full amount of the bill, or is that considered the blanket lien?

Mike Weisenberger: If there is no loan or lien now, we would not be trying to take precedence over anyone. We would be putting that lien in place for the day that piece is liquidated or when the owner goes to sell it.

Representative Ruby: Would that be for the full amount of your bill when there is no loan?

Mike Weisenberger: We'd hope for that. Right now, we'd have the smaller limits in place.

19:59 Representative Frantsvog: When you get a piece of farm equipment in, you give an estimate of what the repair costs will be. At that time, do you discuss payment also?

Mike Weisenberger: Most of our customers are familiar to us. We do have credit policies in place. There are cases in which we are surprised that they are not paying their bills. Sometimes it's someone we've done business with for decades. When the repair is finished, the cost is not a surprise to them because hopefully we've communicated with them as we've made each repair. Gave an example. The repaired machine is tucked away in their shed before they're expected to make a payment.

Chairman Keiser: If there is no loan on the piece of equipment, someone brings it in for a repair, and you do the repair, you can place a lien for the full amount regardless of how much it is, is that correct?

Mike Weisenberger: That is correct.

Chairman Keiser: This bill addresses the situation where some financial institution has a loan on a piece of equipment. And now you do the repair. We want to try to figure out how all sides can be accommodated. Take the scenario of a \$40,000 piece of equipment, \$20,000 repair costs, and with this bill you can put a lien on 50%. So the lien would be \$20,000. If the amount remaining on the loan were \$10,000, that would be no problem. The bank would be able to come out whole if they have to repossess and sell the equipment. The problem occurs when the financial institution requested 30% down, so someone put down \$12,000 and the loan is for \$28,000. You repair it, and you want \$20,000. That leaves the bank with \$8,000, so the bank loses in that scenario. That's the dilemma we have here with the way the bill is written. Is it fair that the bank takes a hit when the amount of the exposure they have in the item, when you will be taking away their exposure? Should we try to find a way to amend this so that you can go up to 50% but you cannot reduce the exposure of the bank in the first position? With this legislation, we are potentially making you a winner at the expense of the financial institution.

25:17 **Mike Weisenberger:** I do not envy the decision the committee will have to make. As an implement dealer, I do not have any reason to try to short the banks of North Dakota. Without our banker friends, our customers do not do much business with us. The part of the bill I am supporting is trying to get the numbers more in line with current times and to include construction equipment.

Chairman Keiser: I think it's great to move you guys up, but we have to figure out some kind of compromise.

26:33 **Representative M. Nelson:** Can't you, with notice by registered or certified mail, currently take a priority position on the whole repair bill? Aren't we just changing how much you're covered for without going through that procedure?

Mike Weisenberger: My understanding is that our protection is just within the laws of the repair bill, but I might be wrong. I also don't know the difference in what protection we have while we retain possession of the equipment and after it goes back to the farm.

Chairman Keiser: My gut tells me that the financial institutions are going to file the first priority lien, and that will put them in the first position. But this law would allow changes in that first position.

27:54 Representative Ruby: Let's go back to Chairman Keiser's scenario of the \$40,000 piece of equipment. If the bank gave you a loan on it but they required \$12,000 down, that is \$28,000 of exposure if no payments have been made on it. Then let's say it needed to be repaired at a cost of \$20,000. If the bank took the item back, the value should still be at \$40,000 because it has been repaired. So the bank then, after the repair was paid at \$20,000, the bank would receive the \$20,000, plus the \$12,000 they received as a down payment, so we're at 32,000, minus their fees and loan costs. Their remaining exposure is slightly over \$8,000. So they are still taking a hit. They would have taken a hit had the engine gone out and the equipment had not been repaired. Then they would have lost \$20,000.

29:13 Representative Louser: If there was a potential \$20,000 repair on a piece of equipment, do you make attempts to find out what the outstanding debt owed against that item is? Do you contact the lender and find out what's owed before you do the repair?

29:40 Mike Weisenberger: No. Often times, the repair happens on a Friday night or Saturday morning. We are dealing with these guys' livelihoods. Maybe it's too much of a relationship business and we should be smarter in how we do things. Our repair staff expects that if they make a repair, someone on the front side will be collecting for it. We are not doing our homework as we should be, but often times it's because of the timing of the repair. It would not make good business sense to cause a delay for the farmer.

31:30 Jay Pickerel, general manager of Jamestown Implement: I'd like to add clarity to the discussion topics of today, particularly the scenario Matthew put forth of the \$40,000 tractor. If that consumer had spent \$40,000 cash to buy that tractor and was engaged in a blanket lien position with a bank, it is my understanding that we are exposed within the values you already denoted today. In that case, the bank is not exposed with a loss but is using that tractor as a blanket lien position against other exposures they may have. The other aspect I'd like you to consider is related to the value of the piece. As noted earlier, if you had a \$40,000 tractor and there was a \$20,000 repair, one would perceive the value of the unrepaired tractor to be \$20,000. In reality, that value is even less because the potential buyer would want to pay less due to concerns with the condition of the piece, beyond even possibly the loss of the motor as presented to you. In those confines, we would sometimes consider that to be salvation value if sold in the open market. That value, in our experience, would be less than the \$20,000. In doing this repair, the dealership is adding value and even the security position by restoring the equipment to its original value. Even from a protection standpoint, the dealership is adding security and strength to the positions of both the bank and consumer in the position of conducting those repairs. In relationship to business counseling, we do understand the financial implications. In reality, we often work with the consumer to identify discrepancies in valuation and talk with the consumer about looking at moving to something with better value. In many cases, the consumer will not want to make that move. As we look at the current priority levels, it is the position of our dealership that there is a high level of concern with the repairman lien conditions as they exist. As already noted in testimony, the value of these repairs continues to escalate. Provided reasons. It is our position that these priority thresholds are not sufficient, especially with consideration of additional costs, such as sublet costs. Provided examples.

37:14 Dan Wilson, Corwin Automotive Group and Automobile Dealers Association of North Dakota: Refer to written testimony, attachment 3, and supporting documents, attachment 4.

41:46 Chairman Keiser: On the examples you gave us, you don't know if there were outstanding loans or what the amount of those loans might have been?

Dan Wilson: I do not know.

42:10 Marc Taylor, North Dakota Agricultural Association: Refer to written testimony, attachment 5. Shared on behalf of Gary Knutson, executive director of NDAA.

Chairman Keiser: This law only applies if a financial institution has a loan on it. If you make a repair and it's over the limits, you can file a lien for the full amount of the repair if there is not a loan for the equipment?

Marc Taylor: That is my understanding.

44:10 Marc Taylor, owner of North Plains Equipment, and past president of the North Dakota Implement Dealers Association: Elaborated on written testimony, attachment 6. Gave an example of recent repair and its costs. Concurred about difficulty of timing regarding Friday or weekend repairs. Perfecting a lien is difficult for a variety of reasons; gave examples of difficulty researching under names personal names and names of corporations. We were asked about providing counseling, but many times the producer has a better idea of the equipment's value than we do. It often comes down to an emotional attachment even when doing so does not make sense. We do tell them when they may be getting into an area when the repairs may not be worth it. At that point, does the owner walk away from the investment they already have in that equipment? The bank will come after them for that. Generally we work with customers with whom we are familiar and about whom we have no concerns about their ability to pay. The other thing we're starting to see are cross-industry repairs, such as construction equipment.

48:43 Renard Bergstrom, car dealer in Devils Lake and Automobile Dealers Association of North Dakota: One thing we've not discussed is when someone owns a car which is no longer of great value. Although our economy is good, there are still a number of people in a lower income bracket who drive their cars until they cannot drive them any longer. Some live in outlying communities to have a lower cost of living, and they put a lot of miles on their cars. When a customer cannot drive to work, the customer won't be able to pay for the car or the repair. If an owner cannot afford to have a car repaired, the lender's position on that car is in jeopardy because the owner will not be able to drive to work and will not be able to pay for the car. When we look at the cost of the repair relative to the cost of the car, you can have a car worth \$6000 but needing a \$2000 repair. The bottom line is that if we can have a secured position and repair the car, the customer can get back on the road and back to work.

50:34 Tom Balzer, North Dakota Motor Carriers Association: Supports bill.

Opposition:

Marilyn Foss, general counsel for the North Dakota Bankers Association: Refer to written testimony, attachment 7. Elaborated on written testimony to suggest that costs of repairs be financed in advance. While we have some large financial institutions in the state, we also have very small institutions. This is about balancing risks and one industry attempting to shift the risks attendant to their business to us. If that is successful, lenders will have to reevaluate their risks of lending so that the farmer can produce the crops from the outside. There is nothing to keep a repairman from retaining the property they have repaired until the repair has been paid for or until arrangement have been made. There is nothing in the law to keep the repairman from taking a lien for the full amount of the repair. What this is about is saying that their lien takes priority over other liens against the equipment.

55:13 Representative Ruby: What if the dealership retains that equipment and the customer stops repaying the loan?

Marilyn Foss: I suspect then that the repairman, the dealer, and the bank or lender will get together and decide how to resolve the situation.

Representative Ruby: The way it works, you could take possession and put it up for sale. They could be completely out except for the limit that is currently in law.

55:51 Marilyn Foss: That is correct. But the bank can address that situation on its own. This is loading it under the law in favor of the repairman as opposed to leaving these people to address problems as they arise.

56:10 Representative Ruby: Would you think there is a potential justification for at least looking at raising the levels from where they currently are in law? Apparently you don't like the level now. What would be the right level?

56:25 Marilyn Foss: I think that if we keep the concept of the original statute in mind and look at the numbers there, the numbers were realistic and paired with the understanding that beyond that, the parties would make financial arrangements. If there is any adjustment to be made in this, that would be the concept I'd keep in mind. I think \$5000 is too high because not many dealers would be surprised that a client cannot simply write a check for a repair of that amount at once. The idea is that if you are unduly surprised by the nonpayment, maybe there is a reason for a limited lien, but the amount should be set at more modest levels than what are proposed.

58:00 Representative Sukut: If the bank has a lien on a piece of equipment, where do you end up if it is not repaired? Is it not in the best interest of the lien holder to have the equipment repaired?

Marilyn Foss: I think that it's a case-by-case situation. In the scenario of the \$40,000 tractor that had \$37,000 worth of repairs, I don't know that I would consider that to be in the best interest of the lender for that repair to have been made. The proposal I am suggesting lets the lender and the dealer work it out between themselves. If the repairman is not

assured of a priority lien for a \$40,000 repair and has to talk to the lender, the lender may very well agree to subordinate their lien to the extent of the repairs. These are not small business transactions anymore and should be treated as large business transactions where people who have completing interests deal face to face about how to deal with them.

59:53 Representative Sukut: Are you saying that it should be the service repairman's responsibility to search out and see if there is an existing lien through a bank and then start conversations at that point in time?

Marilyn Foss: If the service repairman is contemplating a repair of a substantial amount of money, it is not unreasonable for them to be looking and searching liens, just as banks making loans of \$25,000 search the liens. We have a very effective system for searching liens in this state. The whole point of the lien filing system was so that people who are contemplating taking on risk in connection with a piece of property that is financed can find out who has claimed a lien against it. I do not think there is any state purpose to be served by exempting the repairmen from following the same systems that others who are making large commitment on credit follow in North Dakota. The situation has changed in that this law was set up to protect the repairman doing repairs out of his garage. The industry now has a lot of sales and a lot of employees. This is big business. Big business as a matter of policy should be able to manage their business responsibly.

1:02:19 Representative Kreun: Did you get a copy of the attachment 1 in support of this bill with the scenario on it? We want to balance this. We understand that the repairmen are having some problems, but we don't want to put the burden on the banking industry, either. So let's see if we can get to something that takes a look at fairness. Maybe if we could get someone to run the numbers on this scenario with how they envision the new law versus the old law, we can see where we are and maybe start at that point.

Marilyn Foss: I will work with Matthew and do that, and we will get back to the committee.

1:03:25 Chairman Keiser: Have we ever changed anything in terms of usury rates, loan limits, anything for the financial institutions since 1979?

Marilyn Foss: I think there have been changes to the laws governing banks and credit unions since 1979.

Chairman Keiser: Have those generally been allowed increases, or did we reduce what you could do?

Marilyn Foss: I think what has generally been allowed is greater flexibility.

1:04:15 Greg Tschider, Credit Union Association of the Dakotas: Distributed written testimony, Attachment 8. There has been concern raised that these poor dealers have to check the public record to find out whether there are lien holders. They do that every day. An equipment or auto dealer sells equipment and takes trade ins, and they check to see if there is a lien on anything. It is relatively simple to check the Secretary of State's records, and all of these businesses have access to that. Representative M. Nelson had queried as to what the dealer or repairman has to do. If you look at the bill, page 1 line 18,

it specifies what they have to do in order to have priority. The reason for that is that it gives the lien holder an opportunity to have input. We have had a lot of discussion about the fact that repairs increase value, and I agree. But should the lien holder be at the mercy of the consumer and the repairman as to what kind of work is going to be done. All we're asking is to continue the old law which says to give us notice so that we can have discussion. The repair people do not have to do the work. When I talk my vehicle in, I don't get those keys until I pay that bill. There are methods where the repairmen are protecting themselves presently. The repairmen can guarantee that they will have priority if they follow a couple of steps. The question is should we be raising the numbers because life is more expensive than it was twenty years ago. That's why the 25% factor is important. Normally, financial institutions grant equipment loans at 70%. If you jump to 50%, then we have automatically been exposed to a 20% loss. We have 70% in financing. If you give them another 50% under this proposed bill, then we are up to 120% of the value of the equipment. Why should we have to eat that without having input or knowledge that this is going on. I understand the aspect of increased value. Maybe that isn't the best interest. If you pass the bill in its current state, and if you are a financial institution or you are lending money to a friend, and you know they can have 50% of that value in repair costs, how much are you going to lend? You'll lend only 50%. Who does that harm? It harms our young farmers and all consumers who are looking for loans. We have to protect ourselves. Keep the 25%. However, the specific numbers should be changed. Presently it's \$1000; the proposal is \$5000. I would recommend to the committee that they consider raising it to \$2500. Where it is presently \$2500 for ag or construction purposes, raise that to \$5000. Prices of equipment have gone up tremendously, and that has helped the repairmen. Given the price of equipment, a repair of up to 25% is a pretty substantial amount of money. Under this bill, they could go up to \$100,000. Then we've lost total control. We have to protect ourselves. This is going to impact lending because if you have that kind of exposure, you have to find a way to remedy that problem.

1:11:44 **Representative Becker:** Would you be satisfied with the bill if the 25% were kept and all the other changes in the bill were made as the bill shows?

Greg Tschider: I would have to discuss that with my legislative committee. When we discussed that issue, we thought a compromise would be somewhere in the middle.

1:12:44 **Rick Clayburgh, president and CEO of the North Dakota Bankers Association:** We have had discussions with the lending community. We would probably support going in the direction of taking autos from \$1000 to \$2500 and farm equipment from \$2500 to \$5000. At this time, we would not support any other changes to the legislation. We think the 25% is more than adequate. We do not believe that construction equipment or hauling equipment is in the spirit of what the law intended. The reason we do support the increase in the dollar signs is that those support the small repairmen. When you start talking about the level of the big businesses in the state, there are protections in place. We need to make sure there is proper communication. We would be in support of those two changes, increasing those values, but at this point we would not be in support of any other changes.

1:14:10 **Representative Vigesaa:** What if the construction equipment is repaired at a farm implement dealer? Isn't that going to be the same result as adding the construction equipment to the legislation?

Rick Clayburgh: Someone once asked me why they were not included in the original law. Most of the folks I know who are into heavy construction actually have their own mechanics who work on the cranes and big equipment. I don't know how to answer the specifics of that without looking at it first. With that heavy equipment, you are looking at very expensive repairs. Those are large businesses. As Marilyn pointed out, many of our banks are small institutions. We're looking to fairness in the system.

1:15:34 **Representative Vigesaa:** Some auto dealers are very small, family-owned businesses.

1:16:05 **David Mason, Independent Community Bankers of North Dakota:** Provided written testimony, attachment 9. My written testimony primarily focuses on the dollar limit, more specifically that percentage limit. I would reiterate that it is very vital to the way my bank does business and makes decisions. I would suggest that changes to what those risks are as in the proposed bill would make up reconsider what kind of levels we'd be comfortable with providing to our customers. The existing statute allows that they have a priority lien. Priority liens have importance. But being in a subordinate position is sometimes advantageous when there is a large blanket lien behind the repairman lien. The current statute allows for that exact situation for repairmen and protects repairmen adequately. All I am asking is that I, as a lender, be informed of it so that I can react to it and can work with my customers. The current statute provides a lot of authority with a priority lien. The percentage limit is the vital one. One of the great things about the way the statute is written is that it does not have to be reexamined every session.

1:18:54 **Dana Bohn, North Dakota Farm Credit Council:** We too are opposed to this bill because it creates a potential adverse effect for us. Provided written testimony, attachment 10.

Neutral:

1:19:45 **Richard Schlosser with North Dakota Farmers Union:** A lot of conversation today has been in respect to repairs and sales of farm equipment. Our policy at North Dakota Farmers Union is silent on this issue. I would hope that we could come to some sort of resolution with respect to priority lien and what the bankers hold as a blanket lien or whatever the case may be. We as farmers live in both worlds: long-range operating loan agreements and planning, and emergencies in respect to repairs.

1:21:31 **Representative Sukut:** There is a discrepancy in the testimony regarding ease of access to the lien information. The bankers say that access to the lien information is relatively available. Jay testified that it is difficult to get that lien information. Would you care to comment about that difficulty? It appears to me that part of the solution is in the communication between the banks and the repair shops in getting that lien information.

1:22:50 **Jay Pickerel:** To answer the question in regard to the transactional levels... The complexity is within the agricultural side of the business because it is done by the name of the individual's name and/or the entity rather than by VIN or serial numbers as it's done for a car. As we go out to search for that, we would have to search by that specific name to try to identify any potential liens which may exist, whether they are blanket liens or specific liens on the piece of equipment. Gave examples. Understand that the need and speed of the repair can be impacted by the time needed for a lien search.

Hearing closed.

1:24:54 **Chairman Keiser:** The various parties did have meetings prior to today and did make some adjustments on the original bill that was proposed. The reality is, if there is no loan on a piece of equipment, the dealers can place a lien for any amount. If there is a loan on the equipment, you have to take that into consideration. The current law says that if there is a loan out there, I can get a priority lien with the limitations that exist in law. They're saying that is not adequate and are asking for those values to be increased dramatically. I support moving those dollars and percentages up, with the provision that at no time do they cut into the exposure of the lending institution. Leaving it with the compromised proposal, that does not help the implement dealers very much. If there is a loan on a \$100,000 piece of equipment for \$10,000 and they do a repair for \$50,000, the bank would want them to do that repair and there is really no exposure, but they cannot put a lien on to recover. On the other hand, if the bank had \$40,000 on loan, they should not lose money because a repair is done. The bank is in first position. We need to check when we can if there is a loan, and if it will not have a direct negative impact on the equity of the bank, these people could have the authority to go after more on the lien. We can find a solution to that. The bank should not lose money just because we passed a piece of legislation that gives another party some right to take part of their equity. On the other hand, the bank should not be asking to limit the other guys from recovering just because the bank has a loan on that equipment.

1:28:00 **Representative N. Johnson:** How does it work with a blanket loan?

Chairman Keiser: That is covering other financial exposure. I don't understand how a blanket loan affects this transaction. If the bank has a loan on the piece of equipment and the repairman repairs it and they think they can come in on first position on this piece of equipment, I don't know if a blanket loan comes first over that or not. We can find out.

1:28:40 **Representative M. Nelson:** 1:28:40 It's a lien versus a priority lien. So if the bank has \$10,000 on a \$100,000 piece of equipment and the mechanic does \$50,000 worth of repairs, he'd have a lien, just not necessarily priority lien. What happens when he has that \$50,000 lien and after that the bank would take a blanket lien on everything, is the bank in second position to his \$50,000? It's who's on first?

Chairman Keiser: First is important. Do you want a subcommittee? Not yet?

Representative Vigesaa will meet with the parties to find a middle ground.

Bill held.

2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee
Peace Garden Room, State Capitol

HB 1251
February 12, 2013
Job 18838

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Repairman's liens

Minutes:

Attachment 1

Meeting called to order. Roll call taken.

Hearing opened.

Chairman Keiser: We're going to take up HB 1251. Representative Vigesaa has been working with the various interested parties.

Representative Vigesaa: Thank you to those who have been involved throughout the process. As you know, this bill would raise the thresholds or the amounts that lien could be on repairs on farm equipment, auto dealers, things like that. Financial institutions felt that the 50% was too high. Through negotiations, we've lowered that to 30%.

- Page 1, line 14, change 50% to 30%
- Page 1, line 15, change 50% to 30%
- Page 2, line 9, change 50% to 30%
- Page 2, line 10, change 50% to 30%

Motion to adopt amendments presented by Representative Vigesaa; Motion made by Representative Vigesaa and seconded by Representative Ruby. (Amendment 13.0597.01002)

Voice vote on motion to adopt amendment. **Motion carried.**

Representative M. Nelson: Offered another amendment, attachment 1, to include tire dealers. (Amendment 13.059.01001)

Motion to adopt amendment to add the wording *tire dealer*. Motion made by Representative M. Nelson and seconded by Representative Gruchalla.

Representative Amerman: We've been dealing with machine and farm equipment. When you add tire dealers, is that all tire dealers? Automotive tires and so on?

Representative M. Nelson: A lot of people selling tires would be covered under other areas already included in this bill. The way I read the law, the tire would have to be installed.

Representative Vigesaa: Will resist the motion. If we start adding very specific types of retailers, we could be opening the gates. For example, auto dealers are not included in this bill.

Voice vote on motion to adopt amendment 13.0597.01001. **Unable to determine majority.**

Roll call vote on motion to adopt amendment 13.0597.01001. **Motion failed.**

Yes = 3
No = 13
Absent = 1

Motion for a do pass as amended. Motion made by Representative Vigesaa and seconded Representative Kasper.

Roll call vote on motion for a do pass as amended. **Motion carried.**

Yes = 14
No = 0
Absent = 1

February 12, 2013

VR
2/12/13

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1251

Page 1, line 14, replace "fifty" with "thirty"

Page 1, line 15, replace "fifty" with "thirty"

Page 2, line 9, replace "fifty" with "thirty"

Page 2, line 10, replace "fifty" with "thirty"

Renumber accordingly

Date: 2-12-2013

Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1251**

House Industry, Business, and Labor Committee

Legislative Council Amendment Number 13-0597.01002

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Vigesaa Seconded By Ruby

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser			Rep. Bill Amerman		
Vice Chairman Gary Sukut			Rep. Joshua Bosch		
Rep. Thomas Beadle			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Marvin Nelson		
Rep. Robert Frantsvog					
Rep. Nancy Johnson					
Rep. Jim Kasper					
Rep. Curtiss Kreun					
Rep. Scott Louser					
Rep. Dan Ruby					
Rep. Don Vigasaa					

Total Yes No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

50% becomes 30% in 4 spots

Date: 2-12-2013Roll Call Vote #: 2

**2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1251**

House Industry, Business, and Labor CommitteeLegislative Council Amendment Number 13.0597-01001Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent CalendarMotion Made By Nelson Seconded By Gruchalla

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser			Rep. Bill Amerman		
Vice Chairman Gary Sukut			Rep. Joshua Boschee		
Rep. Thomas Beadle			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Marvin Nelson		
Rep. Robert Frantsvog					
Rep. Nancy Johnson					
Rep. Jim Kasper					
Rep. Curtiss Kreun					
Rep. Scott Louser					
Rep. Dan Ruby					
Rep. Don Vigesaa					

Total Yes Undetermined

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

page 1, line 7, add fire dealer

Date: 2-12-2013Roll Call Vote #: 3

**2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1251**

House Industry, Business, and Labor CommitteeLegislative Council Amendment Number 13-0597.01001Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser		✓	Rep. Bill Amerman	✓	
Vice Chairman Gary Sukut		✓	Rep. Joshua Boschee		b
Rep. Thomas Beadle		✓	Rep. Edmund Gruchalla	✓	
Rep. Rick Becker		✓	Rep. Marvin Nelson	✓	
Rep. Robert Frantsvog		✓			
Rep. Nancy Johnson		✓			
Rep. Jim Kasper		✓			
Rep. Curtiss Kreun		✓			
Rep. Scott Louser		✓			
Rep. Dan Ruby		✓			
Rep. Don Vigasaa		✓			

Total Yes # 3 No 3 11Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

fires

Date: 2-12-13
Roll Call Vote #: 4

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1251

House Industry, Business, and Labor Committee

Legislative Council Amendment Number 13.0597.01002

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider ☐ Consent Calendar

Motion Made By Vigesaa Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser	✓		Rep. Bill Amerman	✓	
Vice Chairman Gary Sukut	✓		Rep. Joshua Boschee		nb
Rep. Thomas Beadle	✓		Rep. Edmund Gruchalla	✓	
Rep. Rick Becker	✓		Rep. Marvin Nelson	✓	
Rep. Robert Frantsvog	✓				
Rep. Nancy Johnson	✓				
Rep. Jim Kasper	✓				
Rep. Curtiss Kreun	✓				
Rep. Scott Louser	✓				
Rep. Dan Ruby	✓				
Rep. Don Vigesaa	✓				

Total Yes 14 No 0

Absent 1

Floor Assignment Vigesaa

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1251: Industry, Business and Labor Committee (Rep. Keiser, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1251 was placed
on the Sixth order on the calendar.

Page 1, line 14, replace "fifty" with "thirty"

Page 1, line 15, replace "fifty" with "thirty"

Page 2, line 9, replace "fifty" with "thirty"

Page 2, line 10, replace "fifty" with "thirty"

Renumber accordingly

2013 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1251

2013 SENATE STANDING COMMITTEE MINUTES

Senate Industry, Business and Labor Committee

Roosevelt Park Room, State Capitol

HB 1251
March 25, 2013
Job Number 20402

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Relating to repairman's liens

Minutes:

Testimony Attached

Chairman Klein: Opened the hearing.

Representative Keiser: Introduced the bill. This is relating to repairman's liens and is an attempt to update the North Dakota century code in this area. Repairman can take the first position on a lien when they make a significant repair on a piece of equipment. That will give them some protection. There is still some angst amongst some of the party members. This bill adds construction equipment dealer, although that may be an area discussed today. The heart of the bill is on lines thirteen through sixteen. (:30-2:48)

Senator Sinner: Said the real amount on the adjustment is going to be from twenty-five to thirty percent. The twenty-five percent was actually a hedge against the increase amount as these bills got bigger, correct?

Representative Keiser: Said that was true but on the smaller amount for repairs, the dollar amount can be the larger. The real hedge is in the hedge. These pieces of equipment have become extremely expensive. When they repair and replace a major piece on the equipment that increase in the percentage would give them a little more comfort in making the repairs.

Chairman Klein: Asked where they covered construction equipment before or wasn't it covered at all.

Representative Keiser: Said he doesn't know that they ever covered it before.

Discussion (4:15-8:10)

Matthew C. Larsgaard, MBA, North Dakota dealers Association: In support. Written Testimony Attached (1), List of Supporters, Attached (2) and Repair Orders, Attached (3). (9:02-20:24)

Discussion and Questions

Marc Taylor, President of Northern Plains Equipment Co., Inc.: In support. Written Testimony Attached (4). (28:55-33:39)

Discussion and Questions

Jay Pickrel, General Manager, Jamestown Implement: In support. He described the difficulty in trying to identify the lien holder and he also talked about blanket liens. (46:00-51:12)

Mike Weisenberger, Titan Machinery: In support. Written Testimony Attached (5). (53:22-57:00)

Jessie Peterson, Eide Ford Lincoln, Inc.: In support. Handout Attached (6). (60:00-1:06:30)

Tom Bodine, Director of Public Policy for the North Dakota Farm Bureau: In support of the changes in House Bill 1251 in regards to Ag equipment, they see the importance of lending institutions and repairman. On the timeliness of repairs; when it comes to management in the harvest situation, when something breaks down the timeliness is huge. (1:10-1:12:47)

Arik Spencer, North Dakota Motor Carriers Association: In support.

Neutral

Rick Clayburgh, President and CEO, North Dakota Bankers Association: They don't care for what the bill is doing but they were part of the subcommittee's discussion in the House. He said specific to the history of the bill; the repairman's lien started out kind of the original blacksmith and was intended to protect the small repair shop doing work on machinery and engine's in the state. Specific to the original intent of the language; the twenty-five percent was the inflationary cost that was placed into it. One of the reasons they worked with the committee members is on the low side they support the increase on the amount for the automobiles. It gets more complicated when you start getting into the Ag equipment. He doesn't know of any situations where anyone would be objecting to getting a piece of equipment operating on weekends in the fields. Those repairs would generally fall on that small dollar side threshold. When you get into those large repair amounts they will be occurring in the shop. The individual business still maintains procession of that vehicle. Not getting into the specific details he thinks they clog up and cloud up even the perspective of the farm bureau making sure there members are out in the field. Those more cloud up the issues when we start getting into the very complex, more of the expensive issues that get into the lien issues. He said he wanted to talk specifically about the area that was not part of their agreement on the House side and it deals with construction equipment. Engine repair is currently covered under the current law and it doesn't matter what type of equipment it is in if you have modified, adjusted or fixed the engine it is covered under current law. The reason construction equipment wasn't in the law before was because construction equipment is used by companies that have their own repair

folks. We are talking about very extensive, very expensive equipment. There are two lenders in the state that do most of the construction lending and they do lease financing. All we will do by adding this language to the statute as lenders they will have to deal with the risk. They will have to price it accordingly; even the potential risk will be passed on to all customers. At the end of the day we are not talking about the vast majority of customers in the state we are talking about a handful that raise the risk of doing business. There is a cost of doing business and a lost in business. What we are doing is taking the aspect of a handful of folks that don't handle their credit properly and passing it on to others. Construction equipment is still a major issue and they don't think it needs to complicate the North Dakota century code. (1:16-1:20:12)

Discussion (1:20:15-1:25:30)

Opposition

Dana Bohn, North Dakota Farm Credit Council Executive Director: In support. Written Testimony Attached (7). (1:26-1:29:45)

Chairman Klein: Closed the hearing.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Industry, Business and Labor Committee
Roosevelt Park Room, State Capitol

HB 1251
March 27, 2013
Job Number 20527

☐ Conference Committee

Committee Clerk Signature

Era Lubelt

Explanation or reason for introduction of bill/resolution:

Relating to repairman's liens

Minutes:

Amendment and Vote

Chairman Klein: Asked for the committee to go to 1251, the lien issue.

Senator Unruh: We had banks and other groups not quite in agreement on how this should work. The amendments change the minimum cost of a repair to qualify for the lien. The current language has five thousand dollars or thirty percent or ten thousand dollars or thirty percent for Ager construction permits. The amendments change that down to four thousand and nine thousand dollars. **Amendment Attached (1).**

Chairman Klein: Said the folks that were working on this came to that compromise correct?

Senator Unruh: Said that is correct both groups were in agreement.

Senator Unruh: Moved to adopt amendment 13.0597.02001.

Senator Laffen: Seconded the motion.

Roll Call Vote: Yes - 7 No - 0 Absent - 0 Motion Passed

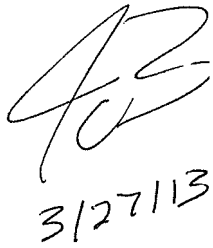
Senator Unruh: Moved a do pass on engrossed HB 1251 as amended.

Senator Murphy: Seconded the motion.

Roll Call Vote: Yes - 7 No - 0 Absent - 0 Motion Passed

Floor Assignment: Senator Unruh

March 26, 2013



Handwritten signature and date 3/27/13

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1251

Page 1, line 13, replace "five" with "four"

Page 1, line 14, replace "ten" with "nine"

Page 2, line 9, replace "five" with "four"

Page 2, line 9, replace "ten" with "nine"

Renumber accordingly

**2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1251**

Senate Industry, Business, and Labor Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.0597.02001

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Unruh Seconded By Senator Laffen

Senators	Yes	No	Senator	Yes	No
Chairman Klein	x		Senator Murphy	x	
Vice Chairman Laffen	x		Senator Sinner	x	
Senator Andrist	x				
Senator Sorvaag	x				
Senator Unruh	x				

Total (Yes) 7 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: Senator Unruh Amendment

**2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1251**

Senate Industry, Business, and Labor Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.0597.02001

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Unruh Seconded By Senator Murphy

Senators	Yes	No	Senator	Yes	No
Chairman Klein	x		Senator Murphy	x	
Vice Chairman Laffen	x		Senator Sinner	x	
Senator Andrist	x				
Senator Sorvaag	x				
Senator Unruh	x				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Unruh

If the vote is on an amendment, briefly indicate intent: Senator Unruh Amendment

REPORT OF STANDING COMMITTEE

HB 1251, as engrossed: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1251 was placed on the Sixth order on the calendar.

Page 1, line 13, replace "five" with "four"

Page 1, line 14, replace "ten" with "nine"

Page 2, line 9, replace "five" with "four"

Page 2, line 9, replace "ten" with "nine"

Renumber accordingly

2013 CONFERENCE COMMITTEE

HB 1251

2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee Peace Garden Room, State Capitol

HB 1251
April 10, 2013
Job 21070

☒ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 35-13-01 and 35-13-04 of the North Dakota Century Code, relating to repairman's liens.

Minutes:

You may make reference to "attached testimony."

Meeting called to order. Roll taken.

0:30 **Senator Unruh:** Explained amendment using marked-up version of first engrossment as reference. After extensive discussion, both sides came together and decided on the amounts shown in the Senate amended as an acceptable solution.

Chairman Vigesaa: In the House, we had a lot of negotiation on the numbers. The numbers in our version were substantially lower than what was originally proposed. A thousand dollars seems to be a very minor adjustment to something which had already been adjusted quite significantly.

2:05 **Senator Murphy:** I was present when this occurred. It's a study in human behavior or psychology. Presented an analogy. What happened is that there was a miniscule difference between your bill and this, but the two most interested parties--the bankers and the implement dealers--were having trouble getting together. After committee, we were walking up the stairwell and stalled out. A couple senators, including me, as well the head negotiators for the bankers and implement dealers started talking. One of them asked what the other side wanted. They had a tentative handshake and went back and figured it out. They were both willing to give a little bit.

4:19 **Chairman Vigesaa:** If I were the party that had gone down a thousand, I would have asked to split the difference, but I know those numbers would have been cumbersome. I understand that the two parties arrived at the number and both were amenable.

Representative Beadle **moved** that the House accede to the Senate amendments. Senator Sorvaag **seconded**.

Roll call vote on motion. Motion carries. Yes = 6, No = 0, Absent = 0

Conference committee closed.

2013 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: **House Industry, Business and Labor**

Bill/Resolution No. 1251 as (re)engrossed

Date: 4-10-2013

Roll Call Vote #: 1

Action Taken

- ☒ HOUSE accede to Senate amendments
☐ HOUSE accede to Senate amendments and further amend
☐ SENATE recede from Senate amendments
☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on H/SJ page(s) 1169 - 1170

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re)Engrossed) 1251 was placed on the Seventh order of business on the calendar

Motion Made by: Beadle Seconded by: Sorvaag

Representatives	Y	N	Yes	No		Senators	Y	N	Yes	No
Vigesaa	✓		✓			Unruh	✓		✓	
Beadle	✓		✓			Sorvaag	✓		✓	
Boschee	✓		✓			Murphy	✓		✓	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Vigesaa Senate Carrier Unruh

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1251, as engrossed: Your conference committee (Sens. Unruh, Sorvaag, Murphy and Reps. Vigesaa, Beadle, Boschee) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1169-1170 and place HB 1251 on the Seventh order.

Engrossed HB 1251 was placed on the Seventh order of business on the calendar.

2013 TESTIMONY

HB 1251

House Bill 1251
Testimony before House IBL Committee
Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
North Dakota Implement Dealers Association
8:00 a.m., January 29, 2013

① 1-29-2013
HB1251

1/27/13

Mr. Chairman and members of the committee. My name is Matthew Larsgaard and I am appearing in support of House Bill 1251 on behalf of the Automobile Dealers Association of North Dakota and the North Dakota Implement Dealers Association. Collectively, these organizations represent 227 of our state's franchised new car and farm equipment dealerships.

In 2012 the total annual retail sales of farm machinery and motor vehicles in North Dakota exceeded \$8.5 Billion dollars which equates to over 20% of our state's total retail sales. Our dealerships employ almost 7,500 people with an annual statewide payroll of over \$350 Million dollars.

In many cases, when a motor vehicle, tractor, combine or other farm equipment breaks down the owner of the property will bring it to a repairman, or dealer, and ask them to repair it. The dealer conducts the repair after the customer has agreed to the repairs and the cost. The vast majority of people are good customers that pay for the repairs that they have asked for. The problem exists with the few that don't and that is why the Repairman's Lien law was created. It gives the repairman an opportunity to place a lien on the property and retain possession of it until the repair bill is paid.

The purpose of the Repairman's Lien law is to protect the investment of parts and labor that the repairman adds to the property. It is important to understand that the vast majority of these repairs also increase the value of the property.

In many cases, both a lender and a repairman will have a lien on the same piece of property. In this case, there is a question of lien priority or who gets paid first, the lender or the dealer? Current law allows the repairman's lien on farm equipment (AG) to have first priority only up to the greater of \$2,500 or 25% of the value of the equipment in its repaired condition. The threshold for general property is currently \$1,000 or 25%.

HB 1251 accomplishes the following:

- 1) **Construction equipment is added** to the list of property to which a lien may be applied; it is set alongside farm equipment with respect to lien priority.

Why the need?

1. With the increased activity in the oil patch, there are many more start-up construction companies working in North Dakota. Several of these companies have had repair work performed, promised payment, took possession of the equipment, and then skipped out on paying their repair bill. Dealers need to have the ability to place a repairman's lien on construction equipment.
- 2) **Lien priority thresholds are increased** from the greater of (\$1,000 general)(\$2,500 AG) or 25% of the value of the repaired property to the greater of (\$5,000 general)(\$10,000 AG) or 50%.
 - i. **The current general thresholds were set 34 years ago.** (1979)
 - ii. **The current AG thresholds were set 22 years ago.** (1991)

***This legislation will also allow the banks to be protected** with the 50% thresholds. Any repairs that exceed this value, assuming it is greater than the dollar threshold, would require the dealer to contact the bank and ask for their permission to allow the repair bill to have 1st priority.

Why the need?

1. Over the years, the cost to repair equipment and vehicles has increased significantly relative to the value of the property. In some cases, the cost of repair has been very near to the actual value of the property. Parts costs have increased. The hourly wages for mechanics has increased incredibly – especially in Western, ND as we are in fierce competition with the oil fields for diesel technicians.
2. Equipment is lasting longer. There are many pieces of older equipment still being used by ranchers, farmers, and construction companies in Western, ND. Some of these farmers can't afford a new \$200,000 tractor however, they can afford a \$20,000 repair on a tractor that is worth \$40,000. The value of much of this equipment continues to decrease however, the costs to repair this equipment continues to rise.

3. *Farmers will have more control to make timely business decisions regarding their equipment needs. This is especially critical during the extremely busy harvest season when our dealers get a call on Friday evening from a farmer whose combine broke down in the field. That farmer needs the machine repaired immediately and the dealer doesn't have time to wait three days to try to identify any lienholders and then get permission from those lienholders to perform the repair.
4. There have been a large number of out-of-state construction companies that have come into our Western oil fields. With appropriate lien priorities, **our North Dakota dealers will be much better positioned on this equipment** – equipment that may be potentially **financed by out-of-state banks**.

It is important to understand that this bill only helps to close the gap between our dealers' repair bills and the amount that they are actually able to collect. In many cases, the bank will still be entirely paid ahead of the dealer**.

Mr. Chairman, this concludes my testimony. Thank you.

Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
North Dakota Implement Dealers Association

Exhibit A. Change the value of the tractor before the break-down and the value after the repair to \$30,000. Using the same figures, in the event of foreclosure the bank would be paid \$15,000 and the dealer would be paid \$15,000. **Even with HB 1251 being Passed, the bank would still get \$5,000 of the dealer's parts & labor.

Exhibit A: Realistic Scenario Under Current Law:

1/27/13

A bank finances 100% of the cost of a tractor. The tractor, worth \$40,000, blows an engine. The dealer replaces the engine and makes other repairs totaling \$20,000.

Tractor value before break-down: \$40,000

Repair cost: \$20,000

Tractor value after break-down: \$20,000

At this point in the scenario the bank has experienced an unrealized loss of \$20,000. The risk that they took in making the loan has now become a reality.

Dealer now enters into the scenario

Tractor value: \$20,000

Dealer adds value through **their** parts & labor: \$20,000

Tractor Value (after dealer repair): \$40,000

Increase in value of property through dealer repair: \$20,000

Under current law, if the tractor is foreclosed on and sold for \$40,000, the bank would get \$30,000 and the dealer would only get \$10,000 (25%). The Dealer added \$20,000 in parts & labor but, they only get \$10,000.

Net result: the bank gets \$10,000 of the dealer's parts & labor!!

Titan Machinery
1801 N Washington St
PO Box 14548
Grand Forks, ND 58203
Telephone: (701) 775-8111
Fax: (701) 775-8108

(2) 1-29-2013
HB1251

SOLD TO

SHIP TO

Work Order Summary

01 HAUL IN COMBINE 42 MILES	499.00
02 UPTIME INSPECTION	352.95
03 CLEAN MACHINE FOR INSPECTION	3914.97
05 R&R FEEDER, ROCKTRAP, & ROTOR	8836.42
06 REPLACE ROTOR CAGE	6091.13
07 REPAIR FEEDER & ROCK TRAP	3878.40
08 REPAIR ROTOR	80.62
09 INSTALL 2 PADDLES ON AUGERS IN AUGER BED	179.52
10 WELD LEFT FRONT SIDE DOOR	181.28
11 CHECK FOR ROUGH SEIVE OPERATION	2103.66
12 REPAIR RETURN ELEV. & RETURN STUB AUGERS	667.01
13 CLEANING FAN SPEED MOTOR	2549.38
14 CHECK AXLE COUPLERS, RIGHT REAR TIRE LEAKING	995.21
15 DIRT IN STRAW CHOPPER	990.42
16 REPAIR TORQUE SENSING PULLEY & FILL LUBE IN CHOPPER GEAR BOX	1141.08
17 ADJUST SEPRATOR DRIVE BELT, CLEAN ENGINE AIR SYSTEM	650.14
18 OIL LEAK ON HYDRO PUMP	15.84
19 CHECK RETURN FLOW METER	124.86
20 CHECK A/C FOR LEAKS	1925.18
21 REPLACE HOPPER CROSS AUGER & REPAIR HOLE IN TROUGH	2101.77
22 WELD RIVETS IN UNLOADING AUGER ELBOW MOUNT BRACKET	214.34
23 REPLACE WOOD BLOCKS IN AUGER BED	1759.62
24 REPLACE CLEAN GRAIN CROSS AUGER, SPROCKETS & BEARINGS	226.68
25 FEEDER REVERSER BENDIX WON'T RETRA	1036.31
26 REPAIR STRAW SPREADER	313.39
27 REMOVE REAR TIRE FOR REPAIR, LEAKING FLUID	
28 DELIVER COMBINE	174.85
99	21.04
** SALES TAX	
** TOTAL	37565.07

Combine
Model Year: 1988
Retail Value (Repaired): \$ 43,310
Repair Bill: \$ 37,565
Repair to Value Ratio: 87%

NO RETURNS WITHOUT THIS INVOICE 20% RET
TERMS: NET 10TH OF MONTH FOLLOWING PUR

DAYS.
ALL PAST DUE ACCOUNTS.

X

Charge Sale

** SUBTOTAL 37544.03

** SALES TAX 21.04

Phone
Page

PAY THIS
AMOUNT

\$37565.07

Dakota Farm Equipment, Inc.
14404 86th St. SW.
Bowman, ND 58623
Phone: 701-523-3252
Toll Free: 1-800-422-3450
Fax: 701-523-3277



JOHN DEERE

Beach, ND
Bowman, ND
Dickinson, ND
Elgin, ND
Lemmon, SD

SERVICE INVOICE

Invoice To Account No.:

Deliver To:

DOCUMENT COPY

Invoice Number: **78976**
Invoice Date: **4/12/2012**
Branch: **2**
Repair Order Number: **9084**
Payment Type: **Account**

Make/Model: **JOHN DEERE 7400**
Meter Reading:
Serial Number:
Equipment Number: **kk7400**
Page: **14 of 14**
Time Stamp: **11:10:20**

*Retail Value in
repaired Condition: \$45,000*

Gen04 Retail
U12198

O-RING

2.78

\$2.78

N

Labor: \$394.80

Parts: \$615.16

Sublet: \$0.00

Misc: \$0.00

Total: \$1,009.96

- New Engine.
- Axle work
- Transmission work.

Tractor
Model Year: 1993

Retail Value (Repaired): **\$45,000**
Repair Bill: **\$25,348**

Repair to Value Ratio: **56%**



Customer PO No.:
Tax Exempt No.: **ON FILE**
Advisor:

Labor: **\$8,309.60**
Parts: **\$16,820.67**
Sublet: **\$0.00**
Misc: **\$178.29**
Sales Tax: **\$40.05**
Total: **\$25,348.61**

TERMS AND CONDITIONS

TERMS ARE CASH OR FARM PLAN: When charged on Farm Plan, the undersigned promises to pay the amount shown in accordance with the agreement or regulations governing Farm Plan. If an in-house charge, the buyer hereby agrees to pay a credit service charge on balances outstanding 30 days after billing, at a rate of 1.5% per month, which is 18% annual percentage rate..

Signed:

Date:

2



West Plains Inc.

BEACH • BOWMAN • DICKINSON • HETTINGER, ND
SOLD TO

BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide book
\$30,000

Case IH Air Drill → 1998

CTH 0310 SN: CKB0018049 HR 0 W 04 C
Sold By: D239 PO #: 3310 Date 10/16/12 WORK ORDER WD13558
Ship By: Tax #: 15:59:09 PRT: 6

Work Order Summary

01 CONVERT FROM 3 RANK TO 4 RANK	3321.07
02 REPLACE HOSES	4606.40
03 CHANGE OPENERS	6952.30
04 INSTALL E-Z FLOW HEADERS	1959.40
Other Charges	2946.78
** SALES TAX	
** TOTAL	19786.21

Air Drill

Model Year: 1998

Retail Value (Repaired): \$ 30,000

Repair Bill: \$ 19,786

Repair to Value Ratio: 66%

Tax D Qty Description

GROUP :

01 CONVERT FROM 3 RANK TO 4 RANK

NOTE

CASE PRS-SHOP

1	4 CAS 1015235	PIN	001031	37.69	150.76
1	4 CAS LDR5018515	BUSHING	01D002	5.86	23.44
				** TOTAL CASE PRS-SHOP	174.20

LABOR CUSTOMER

** TOTAL LABOR CUSTOMER 3146.87

REMOVE PHONIX HEADERS. CONVERT DRILL FROM 3 RANK TO 4 RANK.
CONVERT FROM DUAL SHOOT TO SINGLE SHOOT.
CHECK OVER AND REPAIR AGTRON FLOW MONITOR.
REMOVE BAFFLE FOR DUAL SHOOT IN CART.

* SEGMENT SUBTOTAL 3321.07

Finance charge of 1.75% per month (1% annual percentage rate) will be added 30 days following purchase on past due accounts.

Thank you for your continued business over the last 40 years!

Have you tried our online Parts Catalogs? Check them out at www.westplains.com.

Take advantage of our Everyday Low Filter prices and save up to 30% off, compared to our competitors brands.

3



BEACH • BOWMAN • DICKINSON • HETTINGER, ND

SOLD TO

BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58630
701-567-4505

SHIP TO

Approx. value by
guide book
\$10,000

Case IH Combine → 1981

CTH 1480 SN: 0025134 HR 1360.0 W: 00 C: 0
Sold By: D012 PO #: 1480 Date: 6/13/12 WORK ORDER WD12105
Ship By: Tax #: 15:59:39 PRT: 8

Work Order Summary

01 INSPECTION	1000.92
02 FILTER SERVICE	98.14
03 ENGINE AND COOLING	4386.75
04 ELECTRICAL	
05 HYDRAULICS/STEERING	4740.91
06 BRAKES	
07 CAB AND A/C	424.83
08 FEEDER HOUSE	
09 THRESHING	5498.28
10 CLEAN GRAIN & TAILINGS	1154.48
11 MATERIAL HANDLING	3239.10
12 WASH & WAX	127.00

** SALES TAX

** TOTAL

Combine

Model Year: 1981

Retail Value (Repaired): \$ 10,000

Repair Bill: \$ 20,672

Repair to Value Ratio: 207%

2.32
20672.73

Tax D Qty Description ---
GROUP : 0

Price Amount

01 INSPECTION

NOTE

SHOP SUPPLIES

9 SHOP SUPPLIES

LABOR CUSTOMER

** TOTAL LABOR CUSTOMER

TRUCKING

9 TRUCKING MI. IN - 24 MI. @ 5.00

9 TRUCKING MI. OUT - 31.5 MI @ \$5

** TOTAL TRUCKING

* SEGMENT SUBTOTAL

1000.92

Finance charge of 1.75% per month (21% annual percentage rate) will be added 30 days following purchase on past due accounts.

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4

GRAND FORKS
1801 N WASHINGTON ST
GRAND FORKS ND 58203
Phone: 701-775-8111
Phone: 800-962-7410
Fax: 701-775-8108

2000 Model
Trade Premium
\$58,730

TITAN MACHINERY

See us for all of your
Parts and service solutions

SERVICE ORDER: 11669 CL

Closed Date: 8/10/2012

Ship To:

Sold To:

Invoice #: 202657 - REPRINT
Sold by:
Cust PO:
DPO In: 165980
DPO Out: 198716

Make: CASE IH
Model: 2388
Serial #:
Tag: 1492316
Hours: 3087

Service Order Summary

WO

11626 SI	HAUL-IN COMBINE	Sales Promotion	No Charge
11736 SV	PREPAIR EST.		\$534.06
11736 SV	REPAIR SECONDARY HYD DRIVE SYS		\$95.93
11737 SV	RMPL. INCLINED DELIVERY AUGER		\$1,205.62
11738 SV	REPLACE CHAINS		\$190.54
11739 SV	REPLACE BELTS		\$888.39
11740 SV	R&R FEEDER HOUSE		\$6,797.17
11741 SV	REPLACE TAILING AUGER BED		\$1,783.45
11742 SV	R&R ROTOR DRIVE GEAR BOX		\$2,848.58
11744 SV	ADJUST CHAINS		\$98.60
11746 SV	REPLACE ENGINE FAN BELTS		\$83.80
11747 SV	AUGER BED BEVEL GEARS		\$1,131.83
11748 SV	REPLACE AXLE COUPLERS		\$988.80
11752 SV	REPLACE BUBBLE UP AUGER		\$1,129.88
11760 SV	R & R ROCKTRAP		\$698.69
12639 SV	REPAIR LIGHTS		\$155.31
18822 SV	INSTALL AUTOSTEER PLATFORM		\$5,755.78
20950 SI	UPTIME INSPECTION	Sales Promotion	No Charge
20960 SV	UPTIME INSPECTION		\$499.00
21060 SI	DELIVER COMBINE	Sales Promotion	No Charge

Combine
Model Year: 2000

Retail Value (Repaired): \$ 58,730

Repair Bill: \$ 23,479

Repair to Value Ratio: 40%

\$23,479.43

OPEN A/R \$23479.43

X

Phone:
Cell Phone:

I hereby authorize the repair work to be done as described above on the machine(s) named hereon. All repair parts are to be billed at your regular price. I agreed to pay cash for such repair parts and labor on delivery of machine(s) or on terms satisfactory to me and until paid in full any unpaid balance shall constitute a lien on this machinery.
I further agree that you will not be held responsible for loss or damage to said machinery from fire, theft, or other causes beyond your control.

-- CUSTOMER COPY --



West Plains Inc.

BEACH • BOWMAN • DICKINSON • HETTINGER, ND

SOLD TO

BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide book
\$15,000

Allis Chalmers Tractor → 1984

ALLIS (8070) SN: FS2657 HR 1233 0 W: 00 C: 1
Sold By: D2657 PO #: 8070 Date 1/31/12 WORK ORDER WD10765
Ship By: Tax #: 15:59:27 PRT: 6

Work Order Summary

01 HYDRAULIC HOSE UNDER CAB LEAKING - REPLACE ALL HOSES IF NEEDED.	2548.18
02 ADJUST POWER SHIFT LINKAGE - 5 OUT OF 6 GEARS WORK/REPLACE POWERSHIFT HAN	480.97
03 STARTING ISSUE.	2197.22
04 RIGHT SIDE BUCKET PIN ON SELF LEVELING ARM BROKE.	103.79
05 WIPERS DO NOT WORK.	307.03
06 REPLACE SEAT AND HEADLINER.	1889.30
07 FUEL GAUGE NOT READING.	244.28
08 WHEEL BEARINGS ARE LOOSE OR WORN.	6984.87
09 REPLACE FRONT YOKE AND SEAL - IF NEEDED.	995.50
10 RADIATOR LEAK - REPLACE HOSES AND HEATER HOSES.	790.22
11 CHECK IF DIFFERENTIAL LOCK IS WORKING PROPERLY.	84.53
12 LOADER JOYSTICK STIFF WHEN CO.	374.50
13 CHECK RADIO ANTENNA.	276.75

** SALES TAX

** TOTAL

17277.37

Tax D Qty Description

GROUP :

Tractor

Model Year: 1984

Retail Value (Repaired): \$ 15,000

Repair Bill: \$ 17,277

Repair to Value Ratio: 115%

* Price Amount

Finance charge of 1.75% per month(21% annual percentage rate) will be added 30 days following purchase on past due accounts.

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6

Titan Machinery
1801 N Washington St
PO Box 14548
Grand Forks, ND 58203
Telephone: (701) 775-8111
Fax: (701) 775-8108

SOLD TO

SHIP TO

Tax	D	Qty	Description	Price	Amount
			SPLIT TRACTOR AT POWER SHIFT REPLACED SEALS ON ALL PISTONS ON POWER SHIFT REPLACED CLUTCH PLATE IN 1 CLUTCH PACK CHANGED TRANS OIL AND REPLACED FILTERS SPLIT TRACTOR BETWEEN ENGINE AND TRANS TORQUE LIMITER PLATES BAD - REPLACED PLATES, SPACERS AND BOLTS		
			* SEGMENT SUBTOTAL		8330.79
99			SHOP SUPPLIES		
00000			SHOP SUPPLIES		174.85
			* SEGMENT SUBTOTAL		174.85
Work Order Summary					
01			TRANSMISSION SLIPS		8330.79
99					174.85
**			SALES TAX		40.77
**			TOTAL		8546.41
<div style="border: 1px solid black; padding: 10px; margin: 10px;"> <p>Tractor Model Year: 1980</p> <p>Retail Value (Repaired): \$ 12,000</p> <p>Repair Bill: \$ 8,546</p> <p>Repair to Value Ratio: 71%</p> </div>					
<small>NO RETURNS WITHOUT THIS INVOICE 20% RESTOCKING CHARGE ON RETURN OF ALL SPECIAL ORDERS. NO RETURNS AFTER 30 DAYS TERMS: NET 10TH OF MONTH FOLLOWING PURCHASE. A FINANCE CHARGE OF 1.5% PER MONTH (ANNUAL 18%) WILL BE ADDED TO ALL PAST DUE ACCOUNTS.</small>					
I agree to pay the total amount of this invoice in accordance with the Cardholder Agreement.				** SUBTOTAL	8505.64
				** SALES TAX	40.77
X			*CC XXXXXXXXXXXXX6045	AUTH#	
Phone: _____				PAY THIS AMOUNT	\$8546.41

7



BEACH • BOWMAN • DICKINSON • HETTINGER, ND

SOLD TO

BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide book
\$18,000

Case IH Combine -> 1993

CTH 1688 SN: JJC0120345
Sold By: D235 PO #: 1688
Ship By: Tax #:

HP 2541 G W: 04 C:
Date 1/30/12 WORK ORDER
15:59:20 PRT: 6 WD10750

Work Order Summary

01 INSPECTION	-76.58
02 FILTER SERVICE	503.85
03 ENGINE & COOLING	
04 ELECTRICAL	
05 HYDRAULICS/STEERING	274.30
06 BRAKES	
07 CAB & A/C	
08 FEEDER HOUSE	258.67
09 THRESHING	1051.40
10 CLEAN GRAIN & TAILINGS	6018.59
11 MATERIAL HANDLING	6110.68
12 WASH/WAX	
** SALES TAX	.81
** TOTAL	14141.72

Tax D Qty Description
GROUP :

Combine

Model Year: 1993

Retail Value (Repaired): \$ 28,000

Repair Bill: \$ 14,141

Repair to Value Ratio: 51%

Price Amount

Finance charge of 1.75% per month (21% annual percentage rate) will be added 30 days following purchase on past due accounts.

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SOLD TO

BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value to
guide book
\$32,000

Case IH Tractor -> Year: 1990

CIN 7120 SN 530.0 W: 80 C: 15:23:47 PRT: 7
Sold By: D272 PO #: 7120 Date 12/19/11 WORK ORDER WD10472
Ship By: Tax #:

Work Order Summary

01 REPIN TRACTOR AS NEEDED ON LOADER/TRACTOR	1209.20
02 REPLACE HARD OR BENT HYD LINES	
03 REPLACE ALL HOSES AS NEEDED	
04 CHANGE ALL FLUIDS/FILTERS	2115.36
05 REPAIR LEAK IN MIDDLE OF TRACTOR	668.18
06 REPAIR RADIATOR/KEEPS OVERHEATING	382.81
07 REPAIR BROKEN GRAPPLE FORK CYLINDER	
08 REPLACE WEATHER STRIPPING AS NEEDED	1745.71
09 REPAIR TRANSMISSION SHIFT LEVER AS NOT ALLOWING TRACTOR TO GO INTO GEAR	1906.35
10 REPAIR HAND THROTTLE	915.99
11 REPAIR FRONT END OIL LEAKS	4241.69
12 CAB FAN NOT WORKING	505.80
13 REPAIR LIGHT	571.67
14 RETRO A/C SYSTEM TO R134-A	390.53
** SALES TAX	52.91
** TOTAL	14706.20

Tax D Qty Description
GROUP :

Tractor

Model Year: 1990

Retail Value (Repaired): \$ 32,000

Repair Bill: \$ 14,706

Repair to Value Ratio: 46%

Price Amount

01 REPIN TRACTOR AS NEEDED

NOTE

SHOP SUPPLIES

9 SHOP SUPPLIES

LABOR CUSTOMER

** TOTAL LABOR CUSTOME 1134.20

SENT LOADER TO DAKOTA TOOL TO BE REPINNED.
REINSTALLED LOADER.

* SEGMENT SUBTOTAL 1209.20

Finance charge of 1.75% per month (21% annual percentage rate) will be added 30 days following purchase on past due accounts.

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9



1801 2nd Avenue West • Williston, ND 58801 • 701-577-2927 • www.murphymotors.com

Mr. Goodwrench

18098				DATE: 11/29/12	
YEAR: 2008	MAKE: CHEVROLET	MODEL: 3500	COLOR: WHITE	TIME IN: 14:37	
MILES IN: 127919	MILES OUT: 127919	FIRST USE: 10/04/07	LIC:	13:48	
SEE ALSO:				12/26/12	
RES: (701)				WRITER: CHER'LEE	

(1) REPLACE ENGINE

REPLACED ENGINE COMPLETE

REPLACED TURBO, EGR COOLER, TRANS COOLER LINES
 ALL UJOINTS IN DRIVELINE-HAD TO REPAIR
 DAMAGED WIRING UNDER LF HOOD HINGE AND
 RIGHT SIDE FRAME-AFTER ALL REPAIRS TEST DROVE
 HAD RECURRING EGT #1 CODE-REPAIRED CONNECTOR
 TERMINALS AND CLEARED CODES-TEST DROVE-OK
 DISCOUNTED LABOR TO 75/HR
 PURCHASE ORDER NUMBER P008050220
 NEW SERIAL NUMBER 1457279

Labor	T64	
97779501	(REMAN ENGINE)	1 4440.00
97241129	(THERMOSTAT)	1 7298.86
97241130	(THERMOSTAT)	1 53.18
94011602	(SEAL)	1 49.50
94011603	(SEAL)	1 2.81
97363723	(SEAL)	1 2.70
97365201	(GASKET)	2 92.04
94013303	(SEAL)	1 15.65
97227012	(GASKET)	8 98.00
97331137	(GASKET)	1 2.79
97208191	(GASKET)	2 7.78
97188685	(GASKET)	1 2.54
98054443	(GASKET)	2 21.02
97367013	(GASKET)	1 11.45
97367014	(GASKET)	1 7.13
15918817	(PLATE)	1 7.13
97377575	(HOSE)	2 32.22
98053991	(GASKET)	1 183.92
12639450	(TURBOCHARGER)	2 39.98
20835127	(HOSE)	1 2059.27
20835123	(PIPE)	1 39.05
20835125	(PIPE)	1 48.84
12646512	(FILTER KIT)	1 53.55
98025695	(VALVE)	1 64.78
98034351	(COOLER)	1 303.61
48PG	(BATTERY)	1 808.02
11561875	(RETAINER)	2 282.22
12346250	(COOLANT)	8 10.00
88864497	(OIL)	2 38.14
15256890	(JOINT KIT)	10 85.40
88964413	(JOINT KIT)	1 115.75
15734903	(BOLT)	1 117.94
679385	(RETAINER)	8 37.52
3920486	(RETAINER)	2 19.92
19256890	(JOINT KIT)	2 4.60
		1 115.75
Total Labor		4440.00
Total Parts		12133.06
Total Repair (Customer)		16573.06

Chevrolet 3500 Pickup
 Model Year: 2008

Retail Value (Repaired): \$ 20,725

Repair Bill: \$ 17,442

Repair to Value Ratio: 84%

(64-

A

Cash: 17442.37

TERMS		W/C	INT.	CUSTOMER
Net due and payable on 10th of month following purchase. No returns on special order items. No refund on electrical parts. 15% handling on all merchandise returned for credit or refund. No returns after 10 days or without this invoice.				Labor 4440.00 Parts 12133.06 Sublet .00 Shop Supplies 20.00 Oil/Grease .00 Sub Total 16593.06 Tax 849.31 Total (Cash) 17442.37
All claims and returned goods must be received within 30 days from invoice. DISCLAIMER OF WARRANTIES Any warranties on the product sold hereby are those made by the manufacturer. The seller hereby expressly disclaims all warranties either expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and neither assumes nor authorizes any person to assume for it any liability in connection with the sale of said products.				

Page 1 of 1 Job 18098 Reprint (1)
 18098 Customer Copy

10



1801 2nd Avenue West • Williston, ND 58801 • 701-577-2927 • www.murphymotors.com

Mr. Goodwrench

15455				DATE: 07/18/12	
YEAR: 2000	MAKE: CHEV	MODEL: 3500 CREW	COLOR: BLACK	TIME IN: 12:47	
MILES IN: 90714	MILES OUT: 90714	DATE: 05/31/00	LISC:	TIME OUT: 13:01	
SEE ALSO:				CLOCKED: 10/09/12	
RES: (701) -				WRITER: JCB	

(1) KNOCKING NOISE IN ENGINE-LOW OIL PRESSURE
REPLACED ENGINE ASSEMBLY
REPLACED OIL COOLER LINES, SPARK PLUGS AND
WIRES, THERMOSTAT, LOW AND HIGH SIDE AC
FITTINGS

Labor	T97	
19207552	(ENGINE)	1 1900.80
88926236	(WATER PUMP)	1 4373.75
12534412	(GASKET KIT)	1 60.92
12559575	(THERMOSTAT)	1 49.39
15170285	(SEAL)	2 11.98
15265200	(CONNECTOR)	1 77.92
12550276	(GASKET)	2 11.63
19244475	(SPARK PLUG)	8 56.60
12556261	(HEATER)	1 54.64
12554867	(STUD)	2 23.29
12555554	(SEAL)	1 7.16
15112872	(ROSE)	1 5.24
15112873	(ROSE)	1 68.64
19171157	(*WIRE KIT)	1 68.25
10452457	(ROTOR)	1 123.63
10452459	(CAP)	1 11.16
463015	(SEAL)	1 49.06
19258197	(SEAL)	1 .88
22514722	(SEAL)	1 2.80
25324062	(FILTER)	1 .94
52451184	(VALVE)	1 5.95
3041827	(CORE)	1 4.00
Mobil-1 5w30 Oil		7 6.86
Total Labor		48.65
Total Parts		1900.80
Total Lubricants		5074.69
Total Repair (Customer)		48.65
		7024.14

Chevrolet 3500 Crew

Model Year: 2000

Retail Value (Repaired): \$ 8,050

Repair Bill: \$ 7,408

Repair to Value Ratio: 92%

Cash: 7408.39

All claims and returned goods must be received within 30 days from invoice.		TERMS		W/C		INT.		CUSTOMER	
DISCLAIMER OF WARRANTIES		Net due and payable on 10th of month following purchase. No returns on special order items. No refund on electrical parts. 15% handling on all merchandise returned for credit or refund. No returns after 10 days or without this invoice.						Labor 1900.80	
Any warranties on the product sold hereby are those made by the manufacturer. The seller hereby expressly disclaims all warranties either expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and neither assumes nor authorizes any person to assume for it any liability in connection with the sale of said products.								Parts 5074.69	
Page 1 of 1 Job 15455 Reprint (1)								Sublet .00	
15455 Customer Copy								Shop Supplie .00	
								Oil/Grease 48.65	
								Sub Total 7024.14	
								Tax 384.25	
								Total (Cash) 7408.39	



Mr. Goodwrench

1801 2nd Avenue West • Winton, ND 58801 • 701-577-2927 • www.murphymotors.com

NO. 16107				DATE IN 08/22/12	
YEAR 2001	MAKE CHEVROLET	MODEL SILVERADO	COLOR WHITE	TIME IN 09:26	
MILES IN 181399	MILES OUT 181399	FIRST USE 00/00/00	LISC.	CLOSED 08:47 09/06/12	
SEE ALSO			RES. H: ()	BUS.	WRITER 5472 DEBBY

(4) COOLANT LEAK-PASSENGER SIDE REAR OF ENGINE
C/S LOOKS LIKE A PLUG IS MISSING
MISSING THREE PLUGS FROM WATER JACKETS
ON HEADS-INSTALLED PLUGS
TOPPED OFF COOLANT

Labor	T61	108.00
11588714 (BOLT)	2	9.86
12553191 (PLUG)	1	9.84
12602540 (COVER)	2	23.76
Total Labor		108.00
Total Parts		43.46
Total Repair (Customer)		151.46

(61-8639 LARRY P-) A

(5) CHECK OIL COOLER LINES-MAKE SURE ALL SCREWS
ARE THERE AND LINES INSTALLED PROPERLY
ENGINE OIL COOLER LINES MISSING BRACKET,
HOLES IN BLOCK STRIPPED, THREAD TAPPED
BLOCK, REPLACED OIL COOLER LINES

Labor	T61	324.00
19287400 (CLEANER)	3	21.54
19287400 (CLEANER)	3	21.54
Total Labor		324.00
Total Parts		43.08
Total Repair (Customer)		367.08

(61-8639 LARRY P-) A

(6) CONTINUED FROM LINE 2
TUBE INSTALLED WRONG-BENT TUBE, REPLACED TUBE
MISSING MOTOR MOUNT BOLTS ON BOTH SIDE OF
ENGINE, INSTALLED BOLTS, GROUNDS ON BACK OF
HEAD WRONG BOLTS TOO LONG, REPLACED BOLTS,
AC LINES UNHOOKED, WRONG BOLTS HOLDING
TOGETHER, REPLACED SEALS AND BOLTS,
AC COMPRESSOR DOES NOT CYCLE-CUSTOMER DECLINED
REPAIR, FAN SHROUD MISSING HOLD DOWNS-
INSTALLED PUSH PINS, PRIMED AND STARTED
ENGINE RUNNING ROUGH CHECKED FUEL SYSTEM-OK
HAD WRONG SPARK PLUGS, REPLACED SPARK PLUGS,
ADDED FUEL TEST DROVE-OK

Labor	T61	.00
Total Repair (Customer)		.00

(61-8639)

Chevrolet Silverado
Model Year: 2001

Retail Value (Repaired): \$ 7,700
Repair Bill: \$ 6,731
Repair to Value Ratio: 87%

Cash: 6731.02

TERMS		W/C		INT		CUSTOMER	
Net due and payable on 10th of month following purchase. No returns on special order items. No refund on electrical parts. 15% handling on all merchandise returned for credit or refund. No returns after 10 days or without this invoice.						Labor	2872.80
All claims and returned goods must be received within 30 days from invoice.						Parts	3552.32
DISCLAIMER OF WARRANTIES						Sublet	19.48
Any warranties on the product sold hereby are those made by the manufacturer. The seller hereby expressly disclaims all warranties either expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and neither assumes nor authorizes any person to assume for it any liability in connection with the sale of said products.						Shop Supplies	20.00
Page 2 of 2 Job 16107 Reprint (1)						Oil/Grease	.00
16107 Customer Copy						Sub Total	6464.60
						Tax	266.42
						Total (Cash)	6731.02

12

TALKING POINTS FOR HB 1251
REPAIRMANS LIEN BILL
TUESDAY JANUARY 29, 2013

③ 1-29-2013
HB 1251

MR CHAIRMAN AND COMMITTEE MEMBERS THANK YOU FOR ALLOWING ME THE TIME TO DISCUSS WITH YOU MY VIEWS ON HB 1251. MY NAME IS DAN WILSON AND I'M A PARTNER IN CORWIN AUTOMOTIVE GROUP BASED OUT OF FARGO. THE AVERAGE AGE OF A VEHICLE ON THE ROAD TODAY IS 11 YEARS OLD! (SEE EXHIBIT A). THE AVERAGE LENGTH OF A NEW VEHICLE LOAN IS 64 MONTHS WITH SOME AS LONG AS EIGHT YEARS; THE AVERAGE LENGTH OF A USED VEHICLE LOAN IS 48 TO 60 MONTHS. (SEE EXHIBIT B) YOU MAY BE WONDERING WHAT DOES THAT HAVE TO DO WITH HB 1251, WELL IT MEANS THAT PEOPLE ARE KEEPING THEIR VEHICLES MUCH LONGER TODAY THAN AT ANYTIME IN HISTORY, AND THAT THEY ARE LIKELY TO HAVE A NOTE/LIENHOLDER ON THE VEHICLE AS WELL. WE ALSO ALL KNOW THAT THE LONGER YOU KEEP A VEHICLE THE MORE THAT IS GOING TO GO WRONG WITH IT. ALONG WITH ALL OF THIS IS THE FACT THAT REPAIR BILLS JUST LIKE EVERYTHING ELSE HAVE GONE WAY UP. IT'S NOT UNCOMMON TO SEE A \$4,000 OR \$5,000 REPAIR BILL ON A VEHICLE, WITH SOME AS HIGH AS \$15,000 (SEE EXHIBITS C THROUGH F). IF YOU LOOK AT THOSE LAST 4 EXHIBITS YOU WILL SEE A BOX CIRCLED SOMEWHERE ON THE PAGE THAT SHOWS THE RETAIL VALUE OF THE VEHICLE (IN IT'S REPAIRED OR WORKING CONDITION) AS WELL AS THE TOTAL BILL TO REPAIR IT. AS YOU CAN SEE ON THESE 4 REPAIR ORDERS THE REPAIR TO VALUE RANGE WAS 41% TO 99% OF THE TOTAL VALUE OF THE VEHICLE. IF WE DIVE INTO THESE DEEPER IN MANY CASES THE REPAIR BILL IS 200% - 400% OF THE VALUE OF THE VEHICLE AT THE TIME THE REPAIR IS NEEDED. TAKE THE DODGE SPRINTER (\$12,909 BILL EXHIBIT C) IF THIS VEHICLE DIDN'T HAVE THE REPAIRS DONE IT WOULD BE WORTH THE SCRAP VALUE OF THE VEHICLE WHICH WOULD PROBABLY BE AROUND \$3,000 TO \$5,000. SO IN THAT CASE THE REPAIR IS 430% TO 258% OF THE VALUE OF THE VEHICLE AT THE TIME THE REPAIR WAS NEEDED. ONE MIGHT ASK WHY WOULD SOMEONE SPEND THAT MUCH MONEY TO REPAIR A VEHICLE. WELL AS

MENTIONED ABOVE IN MANY CASES THE VEHICLE STILL HAS A NOTE/LIENHOLDER ON IT AND THE VEHICLE IS USED IN THE INDIVIDUALS BUSINESS OR IS NEED TO PROVIDE THE INDIVIDUAL THE MEANS TO GET TO HIS OR HER JOB SO THAT THEY CAN CONTINUE TO MAKE THE NOTE PAYMENTS. TODAY'S CONSUMERS ARE KEEPING THEIR VEHICLES LONGER. FINANCING THEM LONGER AND SPENDING MORE ON THEM TO KEEP THEM ON THE ROAD. SO WHEN A DEALER PERFORMS THESE LARGE REPAIRS IN ORDER TO KEEP THESE CUSTOMERS IN A POSITION SO THAT THEY CAN KEEP THEIR BUSINESSES GOING OR CONTINUE TO GET TO WORK SO THAT THEY CAN CONTINUE TO MAKE THEIR PAYMENTS ON THE VEHICLE WHY SHOULD THEY (THE REPAIR BUSINESS) BE IN A POSITION WHERE THEY MAY NOT GET PAID FOR THE SERVICES THAT THEY RENDERED. WHEN THEY PERFORM THESE SERVICES THEY ARE INCREASING THE VALUE OF THE VEHICLE. THE REPAIRMAN SHOULD HAVE THE RIGHT TO HAVE THEIR REPAIR BILL PAID FIRST INSTEAD OF ALLOWING THE BANK/LIENHOLDER TO BENEFIT FROM THE VALUE THAT THE REPAIRMAN PUT INTO THE VEHICLE.

UNDER CURRENT LAW, IF THE VEHICLE IS REPOSSESSED THE BANK COULD WALK AWAY WITH A PORTION OF MONEY THAT THE REPAIRMAN PUT INTO THE VEHICLE. I TRULY BELIEVE THAT HB 1251 INCREASING THE THRESHOLD FROM THE GREATER OF \$1,000 OR 25% OF THE VALUE OF THE REPAIRED VEHICLE TO THE GREATER OF \$5,000 OR 50% IS ONLY FAIR FOR THE REPAIRMAN IN ND. THE ORIGINAL PURPOSE THE REPAIRMANS LIEN LAW IS TO PROTECT THE INVESTMENT OF PARTS AND LABOR THAT THE REPAIRMAN ADDS TO THE VEHICLE. THE ORIGINAL LAW IS OUTDATED AND NEEDS TO BE UPDATED TO CONFORM WITH TODAY'S INCREASED REPAIR BILLS, THE INCREASED AGE OF VEHICLES ON THE ROAD AND THE INCREASED LENGTH OF FINANCING OF TODAYS VEHICLES.



I WANT TO AGAIN THANK YOU MR. CHAIRMAN AND COMMITTEE MEMBERS FOR THIS TIME.

④ 1-29-2013
HB1251

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NEW 2013 F-150
Most towing and payload you can get at 22 hwy mpg*

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CONFIDENCE
when buying your vehicle

WOT TREND
CERTIFIED VEHICLES

FIND YOUR DEALER

Home » WOT » Average Vehicle Age in U.S. Hits 11 Years, Ford Models Most Abundant on Roads

Average Vehicle Age in U.S. Hits 11 Years, Ford Models Most Abundant on Roads

Written by: [Karla Sanchez](#) [G+] on June 27 2012 3:00 PMRecommend **98**Tweet **12**

0

2

1




More and more people are holding onto their old cars ³, as a new report from data experts Experian reveals the number of older vehicles on the road has increased by more than 17 million since 2009.

Cars seven years and older account for 17.3 million cars on the road, reports Experian Automotive in its Q1 2012 Vehicles ³ in Operation Analysis. To give you a better idea of how big of a scale we're talking about, the report reveals there are more than 245 million vehicles in operation across the 'States. The number of older vehicles isn't the only figure to go up though, as the average age of vehicles is also up at 11 years old compared to the same quarter last year.

A shaky economy could be partly to blame for people holding onto their cars longer, but the increase in average age could also be attributed to cars and trucks being built to last longer. While that may not be the best news for new-car dealerships, Experian says the change gives the aftermarket sector an opportunity to flourish.

But which make is America's favorite? Additional data reveals the four most popular makes, in order, are Ford, Chevrolet, Toyota, and Honda. The tally comes from evaluating the vehicles ³ in operation on both U.S. and Canadian roads, and when narrowing it down to models, the Ford F-150 ruled the road, followed by the Honda Accord, Toyota Camry ³, and Chevrolet Silverado. Though automakers continue to introduce hybrids and EVs to the U.S. market, the fuel-sipping and electrified cars surprisingly represented only 0.9 percent of all vehicles in operation. Also unexpected are the findings for light trucks, which make up 50.8 percent of the total vehicles in operation.

New Car Price Quote



BUYERS GUIDE

2012 Ford F-150



Suggested Price
\$23,500 - \$52,305

[GET MY PRICE](#)

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CES Show
Chicago Auto Show
Detroit Auto Show
Frankfurt Motor Show
Geneva Motor Show
Los Angeles Auto Show
Misc. Events
New York Auto Show
Paris Motor Show
Pebble Beach
SEMA
Tokyo Motor Show

MANUFACTURERS

Acura
Alfa Romeo
Aston Martin
Audi
Austin
Bentley
BMW
Bugatti
Buick
Cadillac
Chevrolet
Chrysler
Citroen

SEARCH INVENTORY
FIND A DEALER
GET THIS OFFER

GET UP TO
\$5,500
CASH BACK*



2013 F-150



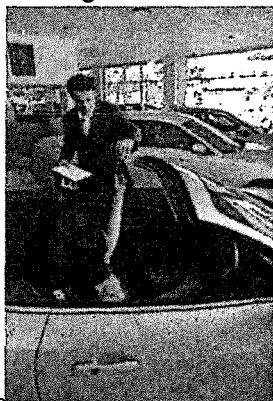
Northland Ford Dealers

Full cover for info

④ A

[Saving»](#)[Lower Interest Rates»](#)[How Long Is the Average Car Loan?](#)[Budgeting Money](#)

How Long Is the Average Car Loan?



by Robert Morello, Demand Media

Your decision to buy might be based on vehicle cost and the length of the loan.

PolkaDotImages/Polka Dot/Getty Images

If you're in the market for a new car, the length of the average auto loan may surprise you. Loans for many years were typically around five years, or 60 months. Buyers now seek varying loan lengths and terms, depending on the vehicle and the state of the economy at the time of purchase.

New Car Loans

The average length of new car loans tends to increase in times of economic hardship. The longer term allows for lower payments, which make the purchase more affordable for the buyer on a monthly basis. The average length of an auto loan stretched to 64 months according to Experian, as of 2012. Many buyers even push their payment schedule way beyond that, with seven- and eight-year loans becoming more prevalent. The extended loan term of course brings increased profit for lenders who collect more interest during the loan. The lenders also will increase interest rates and assess fees for buyers with subprime credit.

Sponsored Link

3 Credit Scores (Free)

View your latest Credit Scores Today in 60 seconds for \$0!

[FreeScore360.com](#)

Used Car Loans

New car loans have more flexible terms than used car loans. A used car provides less of a known quantity. The average used car loan ranged between 48 to 60 months, as of publication. A used car typically has a shorter and more limited warranty than a new vehicle -- if any warranty exists -- and has a lower probability of lasting the life of a long-term loan. The interest rates on used car loans are typically higher than a new car loan.

Economic Conditions

The term of the average car loan is driven by the majority of borrowers who have less than prime credit ratings when they apply. Lenders leverage the risk of these subprime loans by increasing the amount of interest collected and the amount of time that interest will be paid. In a weak economy, car loans are still considered a safe and profitable business for many debt buyers like private-equity and investment firms. The loans made by your lender can thus be sold off at a quick profit so more loans can be made. The result is even more loans with terms that are much more flexible than they would be if the bank was shouldering the risk alone.

History

Car loans as we know them began in the 1970s, with an average term length of around 35 months. Back then the cost of the average car was about \$3,000 and interest rates were in the 12 percent range. With such short term loans, lenders had to make their money quickly, and the high interest charges accomplished that task. It took until 1998 for auto loan interest rates to drop below 6 percent, after which they fluctuated up and down for a few years before hitting a low of 2.72 percent and an average length of about 60 months in 2002. The low rates and longer loan terms that have become the norm in the decade from 2002 to 2012 were the result of economic stimulus programs.

Sponsored Links

[Check Your Credit](#) [www.FreeCreditReport.com](#)

Official Site FreeCreditReport.com® America's #1 Report & Score.

[Car Refinance Loan](#) [www.myAutoloan.com/Refinance](#)

Up to Four Car Refinance Offers. Real Lenders. Real Loans. Any Credit

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[3 Bureau Credit Report](#) [www.FreeScoreOnline.com](#)

View your latest Credit Scores from All 3 bureaus in 60 seconds for \$0!

References

[Fox Business: More Consumers With Bad Credit Scoring Car Loans](#)[Washington Post: Are Auto Loans the Next Subprime Market to Worry About?](#)[DMV: Auto Loan Terms](#)[Cars Direct: Types of Auto Loan Terms](#)[CNBC: Skon of the Times? Car Buyers Stretch on Loans](#)[MSN Money: Should You Get a 7-Year Car Loan?](#)[Board of Governors of the Federal Reserve System: Historical Data: Terms of Credit at Commercial Banks and Finance Companies](#)

About the Author

Robert Morello has an extensive travel, marketing and business background. He graduated with his B.A. from Columbia University in 2002 and has volunteered as an English teacher and building expert in several international locations. Morello is now a professional writer who makes his life traveling abroad.

1/25/2012

CUSTOMER #:

61692

INVOICE


CHRYSLER DODGE

 301 38th Street SW - Fargo, ND 58103
 (701) 282-5600 - 1-800-572-5600

 DUPLICATE 1
 PAGE 2

HOME:

CONT:

BUS:

CELL:

SERVICE ADVISOR:

COLOR		YEAR	MAKE/MODEL		VIN	LICENSE	MILEAGE IN/OUT		TAG
GRAY		04	DODGE SPRINTER			GXP331	235135/235153		T1803
DEL DATE		PROD. DATE	WARR. EXP.	PROMISED		PO NO.	RATE	PAYMENT	INV. DATE
20APR05 DE				16:00 19JAN12		JASON	99.00	CASH	20JAN12
R.O. OPENED			READY		OPTIONS: ENG:2.7 Liter Turbo				

12:57 12JAN12		16:45 20JAN12					
LINE	OPCODE	TECH	TYPE	HOURS	LIST	NET	TOTAL
PARTS:	0.00	LABOR:	84.00	OTHER:	0.00	TOTAL LINE C:	84.00

235153 FOUND CODES "COMBUST FAN SPEED" AND "FIRING PIN RESISTANCE"
 IN HEATER BOOSTER MODULE. CODES INDICATE INTERNAL HEATER BOOSTER
 FAILURES. WOULD NEED BOOSTER REPLACED.

EST: 0.00

12JAN12 12:57 SA: 90

ENVIRONMENTAL, DISPOSAL/MISC CHARGE

22.99

RECOMMEND HEATER BOOSTER -
 APPROX 1400.00 INSTALLED.
 THANK YOU DEAN

YOU MAY RECEIVE A SURVEY FROM CHRYSLER CORP.
 THESE ARE OUR REPORT CARDS!! IF YOU FEEL WE
 DESERVE LESS THAN AN EXCELLENT RATING, PLEASE
 CALL US BEFORE RETURNING THE SURVEY SO WE CAN
 CORRECT ANY PROBLEMS..YOUR TOTAL SATISFACTION
 IS IMPORTANT TO US. THANK YOU, TANNER CORWIN

BASED ON INTERNET RESEARCH
 I ESTIMATE THE APPROXIMATE
 RETAIL VALUE OF THIS SPRINTER
 VAN AT. \$12,995.00



Dodge Sprinter Delv. Van	
Model Year: 2004	
Retail Value (Repaired):	\$ 12,995
Repair Bill:	\$ 12,909
Repair to Value Ratio:	99%

THE CORWIN COMMITMENT

"Your Total Satisfaction"

Your total satisfaction is our #1 concern.
 Please contact us if you are not 100%
 satisfied, have any questions, comments,
 or if we can be of further assistance.

Thank you for your business!

STATEMENT OF DISCLAIMER

The factory warranty constitutes all of the warranties with respect to the sale of this item/items. The Seller hereby expressly disclaims all warranties either express or implied, including any implied warranty of merchantability or fitness for a particular purpose. Seller neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of this item/items.

ALL PARTS NEW ORIGINAL EQUIPMENT
 UNLESS OTHERWISE SPECIFIED
 U-USED R-REBUILT
 Y-RECYCLED C-RECONDITIONED

CUSTOMER SIGNATURE

DESCRIPTION	TOTALS
LABOR AMOUNT	976.50
PARTS AMOUNT	11283.29
GAS, OIL, LUBE	0.00
SUBLET AMOUNT	0.00
MISC. CHARGES	22.99
TOTAL CHARGES	12282.78
LESS ADJUSTMENT	0.00
SALES TAX	626.66
PLEASE PAY THIS AMOUNT	12909.44

CUSTOMER COPY



CUSTOMER #:

84013

**CORWIN
CHRYSLER DODGE**

 301 38th Street SW - Fargo, ND 58103
 (701) 282-5600 - 1-800-572-5600

ACCOUNTING

PAGE 2

ND

HOME: -

CONT:

BUS: -

CELL:

SERVICE ADVISOR:

COLOR	YEAR	MAKE/MODEL		VIN	LICENSE	MILEAGE IN/ OUT		TAG
RED	06	Dodge Sprinter Van				85870/85900		T4648
DEL DATE	PROD. DATE	WARR. EXP.	PROMISED	PO NO.	RATE	PAYMENT	INV. DATE	
01JAN06 DE			17:00 01OCT12		99.00	CASH	09OCT12	

R.O. OPENED READY OPTIONS: ENG:L5, _2.7L

07:36 01OCT12 12:54 05OCT12

LINE	OPCODE	TECH	TYPE	A/HRS	S/HRS	COST	SALE	COMP	LIST	NET	TOTAL
		7	IC	0.00	0.00	0	0			0.00	0.00
ENVIRONMENTAL, DISPOSAL/MISC CHARG						0	2299				22.99

TEMP CONTACT: (701) 838-1435

YOU MAY RECEIVE A PHONE SURVEY FROM CHRYSLER CORP. THESE ARE OUR REPORT CARDS !! IF YOU FEEL YOU HAVE LESS THAN EXCELLENT SERVICE PLEASE CONTACT CASEY LINDGREN AT 701-282-5600 YOUR SATISFACTION IS IMPORTANT TO US !!!!!!! !!!!!!!! THANK YOU FOR YOUR BUSINESS !!!!!!!

DATE	START	FINISH	DURATION	TYPE	TECH	LINE	CHG
10-03-12	09:43	09:48	0.08	W	7	A	
	09:49	09:49	0.00	W	7	R	

ACCOUNT	SALE	COST	CONTROL	ACCT
46000	176820	53046		46700
46300	0	0		6104
32400	71174	0		20102
20100	1573774	*****	CHK	

Dodge Sprinter Van

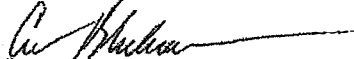
Model Year: 2006

Retail Value (Repaired): \$ 20,900

Repair Bill: \$ 15,737

Repair to Value Ratio: 75%

BASED INTERNET RESEARCH
I ESTIMATE THE APPROXIMATE
RETAIL VALUE OF THIS SPRINTER
VAN AT. \$19,900 TO 21,900⁰⁰
(DEPENDING ON OPTIONS + CONDITION.)



COST, SALE, & COMP TOTALS 968655 1502600 0

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"Your Total Satisfaction"**

Your total satisfaction is our #1 concern.
Please contact us if you are not 100%
satisfied, have any questions, comments,
or if we can be of further assistance.

Thank you for your business!

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ALL PARTS NEW ORIGINAL EQUIPMENT
UNLESS OTHERWISE SPECIFIED
U-USED R-REBUILT
Y-RECYCLED C-RECONDITIONED

CUSTOMER SIGNATURE

DESCRIPTION	TOTALS
LABOR AMOUNT	1768.20
PARTS AMOUNT	13234.81
GAS, OIL, LUBE	0.00
SUBLET AMOUNT	0.00
MISC. CHARGES	22.99
TOTAL CHARGES	15026.00
LESS ADJUSTMENT	0.00
SALES TAX	711.74
PLEASE PAY THIS AMOUNT	15737.74

ACCOUNTING COPY



CUSTOMER #:

85423

ACCOUNTING

**CORWIN
CHRYSLER DODGE**301 38th Street SW - Fargo, ND 58103
(701) 282-5600 - 1-800-572-5600

PAGE 4

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CONT:

** PRE-INVOICE **

BUS:

CELL:

SERVICE ADVISOR:

COLOR	YEAR	MAKE/MODEL	VIN	LICENSE	MILEAGE IN/ OUT	TAG	
	02	CHEVROLET 1500 PICKU			215709/215709	T4762	
DEL DATE	PROD. DATE	WARR. EXP.	PROMISED	PO NO.	RATE	PAYMENT	INV. DATE
01JAN02 DD			19:00 18OCT12		99.00	CASH	18OCT12

R.O. OPENED

READY

OPTIONS: ENG:V8, _6.0L

17:05 16OCT12 15:19 18OCT12

LINE	OPCODE	TECH	TYPE	A/HRS	S/HRS	COST	SALE	COMP	LIST	NET	TOTAL
		14:39		14:55		0.27	W		4468	K	

ACCOUNT	SALE	COST	CONTROL	ACCOUNT	SALE	COST	CONTROL
46000	137315	41450		46700	226919	159818	
46600	22500	19500		46300	0	0	
49100	6654	5676		6104	2299	0	
32400	16350	0		20100	412037	*****	
20102	0	*****					

Chevy Pickup

Model Year: 2002

Retail Value (Repaired): \$ 8,100

Repair Bill: \$ 4,120

Repair to Value Ratio: 51%

COST, SALE, & COMP TOTALS 226444 395687 0

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ALL PARTS NEW ORIGINAL EQUIPMENT
UNLESS OTHERWISE SPECIFIED
U-USED R-REBUILT
Y-RECYCLED C-RECONDITIONED

CUSTOMER SIGNATURE

DESCRIPTION	TOTALS
LABOR AMOUNT	1373.15
PARTS AMOUNT	2335.73
GAS, OIL, LUBE	0.00
SUBLET AMOUNT	225.00
MISC. CHARGES	22.99
TOTAL CHARGES	3956.87
LESS ADJUSTMENT	0.00
SALES TAX	163.50
PLEASE PAY THIS AMOUNT	4120.37

ACCOUNTING COPY

Σ

CUSTOMER #:

84534

**CORWIN
CHRYSLER DODGE**

ACCOUNTING

 301 38th Street SW - Fargo, ND 58103
 (701) 282-5600 - 1-800-572-5600

PAGE 5

HOME

CONT:

BUS:

CELL:

SERVICE ADVISOR:

COLOR	YEAR	MAKE/MODEL		VIN	LICENSE	MILEAGE IN/ OUT	TAG
	06	DODGE RAM PICKUP				124376/124500	T3752
DEL DATE	PROD. DATE	WARR. EXP.	PROMISED	PO NO.	RATE	PAYMENT	INV. DATE
01JAN06 DE			16:30 11OCT12		99.00	CASH	15OCT12
R.O. OPENED		READY	OPTIONS: ENG:L6, 5.9L; TURBO				

08:40 06OCT12 14:20 15OCT12

LINE OPCODE TECH TYPE A/HRS S/HRS COST SALE COMP LIST NET TOTAL

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 YOUR SATISFACTION IS IMPORTANT TO US !!!!!!!
 !!!!!!!!!! THANK YOU FOR YOUR BUSINESS !!!!!!!

DATE	START	FINISH	DURATION	TYPE	TECH	LINE(S)	CHG
10-10-12	12:54	12:55	0.02	W	7	M	
	12:55	12:55	0.00	W	7	L	
	12:56	12:56				T	
	12:56	12:56				E	
	12:56	12:57				C	
	12:57	12:57				D	
	12:57	12:57				P	
	13:05	13:06				A	
	13:06	13:07				A	
	16:20	16:21				A	
10-15-12	13:44	13:46				B	
	13:46	13:46				G	
	13:46	13:46	0.00	W	7	H	
	13:46	13:46	0.00	W	7	K	
	13:46	13:47	0.01	W	7	N	
	13:47	13:47	0.00	W	7	O	
	13:47	13:47	0.00	W	7	A	
	13:47	13:49	0.04	W	7	A	

Dodge Pickup

Model Year: 2006

Retail Value (Repaired): \$ 23,925

Repair Bill: \$ 9,884

Repair to Value Ratio: 41%

ACCOUNT	SALE	COST	CONTROL	ACCOUNT	SALE	COST	CONTROL
46000	226964	69090		46700	633238	366723	
46300	0	0		49105	83200	71200	
49100	1800	1552		6104	2299	0	
32400	40912	0		20102	0	*****	
20100	988413	*****	CHK				

COST, SALE, & COMP TOTALS 508565 947501 0

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 authorizes any other person to assume for it
 any liability in connection with the sale of
 this item/items.

ALL PARTS NEW ORIGINAL EQUIPMENT
 UNLESS OTHERWISE SPECIFIED
 U-USED R-REBUILT
 Y-RECYCLED C-RECONDITIONED

CUSTOMER SIGNATURE

DESCRIPTION	TOTALS
LABOR AMOUNT	2269.64
PARTS AMOUNT	7182.38
GAS, OIL, LUBE	0.00
SUBLET AMOUNT	0.00
MISC. CHARGES	22.99
TOTAL CHARGES	9475.01
LESS ADJUSTMENT	0.00
SALES TAX	409.12
PLEASE PAY THIS AMOUNT	9884.13

ACCOUNTING COPY

North Dakota Agricultural Association

SUPPORT HB 1251 REPAIRMAN'S LIEN

5 1-29-2017
HB 1251

My name is Marc Taylor; I am a Past President of the North Dakota Agricultural Association. I am here on behalf of Gary Knutson who is the Executive Director of the NDAA. We **SUPPORT** HB 1251.

The North Dakota Agricultural Association represents 475 dealer & distributor members from all corners of North Dakota. Our members provide goods and services to many agri-businesses such as:

- 1) Crop Protection Products
- 2) Seed Products
- 3) Crop Protection Products & Application
- 4) Fertilizer & the Application

As an organization that is deeply involved in agriculture throughout North Dakota we believe that this legislation is very important to all of our members: fertilizer plants, seed plants, chemical distributors, and chemical & fertilizer applicators.

We must ensure that the farm equipment dealer network is properly protected when they work on our equipment. We operate in the extremely busy planting, spraying, and harvesting seasons. We cannot afford to allow our application equipment to be down for any amount of time.

Thank you

North Dakota Implement Dealers Association
Marc Taylor, President,
Northern Plains Equipment Co., Inc.
Mandan ND, Case IH Dealer for 28 years
Past President of the North Dakota Implement Dealers Association
Bismarck/Mandan Chamber Small Business Person of the Year 2012

⑥
1-29-2013
HB 1251

My Name is Marc Taylor and I **SUPPORT HB 1251**. Equipment Costs and repairs have increased significantly over the last decade. Today, at Northern Plains Equipment Co., Inc. we figure it will cost our dealership about \$1,000 just to detail/wash and inspect a tractor including minor repairs. We had (2) work orders in 2012 that exceeded \$50,000. Since the EPA has mandated the standards for farm equipment engines, the EPA has also instituted rules regarding what can and cannot be replaced on an "emissions" engine. What used to be a part that could be replaced now requires a complete new engine because the manufacturer will not or cannot remanufacture the engine which is what causes the escalation of costs. However, the machine is worth a fraction of its value if it cannot be operated or taken on a test drive to see if everything else is working.

What is difficult for dealerships is these breakdowns often occur at the worst possible time-late in the day or weekends when there is lots of pressure to get the machine up and running and no access to do lien searches to verify if there is a security interest in the machine or even the possibility of multiple (blanket) liens.

An equipment dealer typically works with customers that he is familiar with, but without an intimate knowledge of the customer's finances. So it is usually a surprise when the customer's financial struggles surface when we're trying to collect for repairs that have been agreed to and completed. Suddenly, the dealership finds out that they are without any remedy even though it was the dealership that made the equipment saleable for the customer or the lien holder.

Please support House Bill 1251-I believe House Bill 1251 is in the best interests of the producer, the dealers and even the financial institutions.

Thank you

TESTIMONY OF MARILYN FOSS
(North Dakota Bankers Association)

⑦ 1-29-2013
HB 1251

HB 1251

Mr. Chairman, members of the committee, I am Marilyn Foss, general counsel for the North Dakota Bankers Association. I am here to oppose HB 1251.

In reality, this bill is nothing more than an effort to shift very substantial risk and costs to lenders in a situation where the person making the repairs can fully protect himself by simply *retaining possession of the repaired item until there is payment for the repairs.*

To the extent proponents of the bill contend the law has not kept up with current costs, we beg to differ. The current law allows a repairman's lien to extend to 25% of the value of the equipment, so the law has kept up with the increased amounts repairmen charge for their services.

Originally, repairman's liens were established to protect small businesses who were repairing vehicles, equipment, etc. that had been sold by others. Frankly, there are fewer and fewer of those shops still in existence. If this bill passes, it will shift even more risk from the sellers of large ticket items (who, not coincidentally are some of the larger and most successful businesses in the state) to lenders, including banks, which are some of the smaller businesses in the state. What state interest is served by that transfer?

The current law works as intended. If more protection is required, the repairman should act to protect themselves and can keep possession of the repaired property until they are paid. The current law works just fine and should not be changed to the disadvantage of lenders and to the advantage of automobile, implement and construction dealers.

Thank you.

TESTIMONY IN OPPOSITION TO HOUSE BILL NO. 1251

GREG TSCHIDER, CREDIT UNION ASSOCIATION
OF THE DAKOTAS

8

1-29-2013

HB 1251

Mr. Chairman and Members of the House Industry, Business, and Labor Committee, I am Greg Tschider and I represent the Credit Union Association of the Dakotas.

Financial institutions finance loans on vehicles, farm equipment, etc. The loan to value ratios vary from 60% to 90% with farm equipment normally at about 70% of the value of the collateral. At issue is who has priority to the collateral – the lienholder or the repairman if the collateral is actually repaired.

Existing law provides that if the repair costs are anticipated to be less than \$1,000.00 or 25% of the value of the collateral after repair, whichever is greater, (\$2,500.00 in the case of agricultural property), nothing needs to be done. The repairman can perform the repairs and the repairman has priority to the collateral. However, if the expected repair costs exceed \$1,000.00 (\$2,500.00 for agricultural equipment) or 25% of the repaired value, whichever is greater, then the repairman is required to notify the lienholder before doing the repair work. For example under existing law, if a tractor is worth \$200,000.00, the repairman would only be required to notify the lienholder if the repair cost exceeded \$50,000.00. This provides the lienholder the opportunity to evaluate its collateral position before agreeing to the repair work. If the lienholder agrees, the repairman

can repair the collateral and the repairman will have priority to the collateral. If the lienholder does not agree, then the repairman doesn't perform the repair work.

The lienholder should not be at the mercy of the repairman to permit the repairman to perform the work regardless of price. 25% is a reasonable cut-off which protects the repairman. Over that amount, the lienholder should have the opportunity to evaluate its loan-to-value ratio and determine if a large repair bill is advantageous or not.

This bill proposes raising the 25% to 50%. In the above example, this bill would permit the repairman to perform up to \$100,000.00 of repairs without the lienholder's knowledge or approval. That is not fair or reasonable.

If the lienholder had financed 70% of the cost of the \$200,000.00 tractor, the loan balance would be \$140,000.00. To permit a repair of 100,000.00 would cause the lienholder to be in a position of holding a debt of \$240,000.00 on a tractor only worth \$200,000.00 without the knowledge or approval of the lienholder.

The result of this proposed bill would be that financial institutions would need to protect against this by lending less on tangible personal property. Young farmers and young consumers are in no financial position to have a down payment of 50%. With a \$30,000 automobile, the repairman can under existing law, perform repairs up to \$7,500.00 without the knowledge of the lienholder and obtain priority.

As the law stands, the repairman is not exposed to any loss because if the lienholder does not agree to the repair, then the repairman simply does not do the repair work.

This bill is not necessary. The existing law protects all parties in a reasonable manner. This bill will have a chilling affect on lending. This is not a step forward. Therefore, it is respectfully submitted that this Committee give this bill a **"DO NOT PASS"**.

Thank you.

9 1-29-2013
HB 1251

January 28, 2013

House Industry, Business, and Labor Committee:

Re: House Bill No. 1251

My name is David Mason and I am here today to testify on behalf of the Independent Community Banks of North Dakota in opposition to HB 1251.

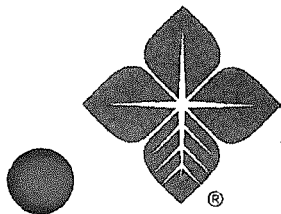
HB 1251 increases the dollar and percentage of value limits in which repairman are required to notify the recorded lien holder in the event the repairman wishes to place a priority lien on machinery they have repaired. We oppose this legislation for two reasons:

1. The current law requires the repairman to notify the lien holder of record if their lien will exceed twenty-five percent of the value of the equipment. This coincides well with the banking industry's standard loan to value limitations on equipment and allows for banks to be open to lending at these higher loan to values with the knowledge that their lien is sufficient to cover a potentially undisclosed repairman lien. Changes to this percentage of asset value notification criteria will cause bank's to re-examine their lending risks and potentially effect loan to values allowed on equipment, thereby reducing available credit to the equipment operators.
2. ICBND is also opposed to the bill's provision that increases the dollar limits from one thousand to five thousand or from two thousand five hundred to ten thousand dollars on agricultural equipment. Although we understand that the cost of doing standard repairs has continued to increase, these limits appear too high for not reporting them to the recorded lien holder. If it is considered reasonable for a bank to record its lien interests for small equipment, it seems that the same courtesy should be made if a repairman wishes to have their repair bill constitute as a priority lien.

A stable and well managed lien recording system is essential to allowing community banks to extend credit to its customers and understanding its loan amounts in relation to the equipment's values. The state statutes already provide ample protection to repairman by allowing their lien to take priority over the bank's previously recorded lien interest. All we are asking is that the lien holder be informed. HB 1251 expands the required disclosure amounts beyond what is reasonable and therefore I am opposed to this legislation.

Sincerely,

David M Mason
Independent Community Banks of North Dakota
#343



North Dakota Farm Credit Council

AgCountry Farm Credit Services Farm Credit Services of Mandan Farm Credit Services of North Dakota

HB
1251
1-29-2013

**Testimony of Dana Bohn
North Dakota Farm Credit Council Executive Director
HB 1251
January 29, 2013**

Chairman Keiser and members of the House Industry, Business and Labor Committee, my name is Dana Bohn. I am here today on behalf of the North Dakota Farm Credit Council (NDFCC) to express our opposition to HB 1251.

NDFCC is comprised of three farmer/rancher-owned independent Farm Credit associations that provide credit and financial services to farmers, ranchers and agribusinesses of all sizes and income ranges in every county in North Dakota. As one of the state's largest ag lenders, North Dakota Farm Credit associations provide about \$7.2 billion in credit and financial services to nearly 20,900 customers.

This legislation amends the repairman's lien law by increasing the cost of the repair thresholds and the time one has to file a lien upon relinquishing possession of personal property. North Dakota lenders, including Farm Credit Services, do not support broadening the language for those eligible to file a lien, or increasing the value percentage and number of days required for filing. Farm Credit Services doesn't want to increase the potential for there to be any additional unknown debt out there as we are analyzing credit. As lenders, it is in our best interest to keep the timeframe for the lien repairman's lien as short as possible and the dollar amount as low as possible.

This bill could have an adverse effect on Farm Credit Services or any lender should they acquire a repossessed piece of equipment with a repair bill unknown to the lending institution. In addition, this extended time period in which the repairman's lien could be filed allows liens to possibly surface after the equipment's debt was thought to have been remedied.

The current statute already gives the repairman's lien priority, but this amendment substantially raises the dollar amount that is entitled to priority, which would further cut into the lender's lien position on the equipment that is repaired. Therefore, we oppose HB 1251.

Independently owned and operated associations serving North Dakota and northwest and west central Minnesota.

AgCountry FCS
1900 44th Street South
Fargo, ND 58108
701-282-9494 • 800-450-8933
www.agcountry.com

FCS of Mandan
1600 Old Red Trail
Mandan, ND 58554
701-663-6487 • 800-660-6487
www.farmcreditmandan.com

FCS of North Dakota
3100 10th Street SW
Minot, ND 58702
701-852-1265 • 800-264-1265
www.farmcreditnd.com

13.0597.01001
Title.

Prepared by the Legislative Council staff for
Representative M. Nelson
February 8, 2013

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1251

Page 1, line 7, after the underscored comma insert "tire dealer."

Renumber accordingly

HB
1251
2-12-2013

House Bill 1251
Testimony before Senate IBL Committee
Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
North Dakota Implement Dealers Association
10:15 a.m., March 25, 2013

3/21/13

Mr. Chairman and members of the committee. My name is Matthew Larsgaard and I am appearing in support of House Bill 1251 on behalf of the Automobile Dealers Association of North Dakota and the North Dakota Implement Dealers Association. Collectively, these organizations represent 227 of our state's franchised new car and farm equipment dealerships.

In many cases, when a motor vehicle, tractor, combine or other farm equipment breaks down the owner of the property will bring it to a repairman, or dealer, and ask them to repair it. The dealer conducts the repair after the customer has agreed to the repairs and the cost. The vast majority of people are good customers that pay for the repairs that they have asked for. The problem exists with the few that don't and that is why the Repairman's Lien law was created. It gives the repairman an opportunity to place a lien on property and retain possession of it until the repair bill is paid.

The purpose of the Repairman's Lien law is to protect the investment of parts and labor that the repairman adds to the property. It is important to understand that the vast majority of these repairs also increase the value of the property.

In many instances, both a lender and a repairman will have a lien on the same piece of property. In this case, there is a question of lien priority or who gets paid first, the lender or the dealer? Current law allows the repairman's lien on farm equipment (AG) to have first priority only up to the greater of \$2,500 or 25% of the value of the equipment in its repaired condition. The threshold for general property is currently \$1,000 or 25%.

continued...

HB 1251 accomplishes the following:

- 1) **Construction equipment is added** to the list of property to which a lien may be applied; it is set alongside farm equipment with respect to lien priority.

Why the need?

1. With the increased activity in the oil patch, there are many more start-up construction companies working in North Dakota. Several of these companies have had repair work performed, promised payment, took possession of the equipment, and then skipped out on paying their repair bill. Dealers need to have the ability to place a repairman's lien on construction equipment.
- 2) **Lien priority thresholds are increased** from the greater of (\$1,000 general)(\$2,500 AG) or 25% of the value of the repaired property to the greater of (\$5,000 general)(\$10,000 AG) or 30%.
 - i. **The current general thresholds were set 34 years ago.** (1979)
 - ii. **The current AG thresholds were set 22 years ago.** (1991)

*This legislation will also allow the banks to be very well protected with the 30% thresholds. Any repairs that exceed this value, assuming it is greater than the dollar threshold, would require the dealer to contact the bank and ask for their permission to allow the repair bill to have 1st priority.

Why the need?

1. Over the years, the cost to repair equipment and vehicles has increased significantly relative to the value of the property. In some cases, the cost of repair has been very near to the actual value of the property. Parts costs have increased. The hourly wages for mechanics has increased incredibly – especially in Western, ND as we are in fierce competition with the oil fields for diesel technicians.
2. Equipment is lasting longer. There are many pieces of older equipment still being used by ranchers, farmers, and construction companies in Western, ND. Some of these farmers can't afford a new \$200,000 tractor however, they can afford a \$20,000 repair on a tractor that is worth \$40,000. The value of much of this equipment continues to decrease however, the costs to repair this equipment continues to rise.

3. Farmers will have more control to make timely business decisions regarding their equipment needs. This is especially critical during the extremely busy harvest season when our dealers get a call on Friday evening from a farmer whose combine broke down in the field. That farmer needs the machine repaired immediately and the dealer doesn't have time to wait three days to try to identify any lienholders and then get permission from those lienholders to perform the repair.
4. There have been a large number of out-of-state construction companies that have come into our Western oil fields. With appropriate lien priorities, our North Dakota dealers will be much better positioned on this equipment – equipment that may be financed by out-of-state banks.

Go To: Exhibit A.

It is important to understand that this bill only helps to close the gap between our dealers' repair bills and the amount that they are actually able to collect. In many cases, the bank will still be able to collect money that should be paid to the dealer.

Mr. Chairman, this bill has already had a very substantial amendment made to it. The original bill set the percentage threshold at 50%; it was amended down to 30%. Although this is much less than what we were hoping for, we do believe the current bill is a good step forward. We are now respectfully asking this body to pass this bill without further amendments.

Mr. Chairman, this concludes my testimony. Thank you.

Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
North Dakota Implement Dealers Association

Exhibit A: Realistic Scenario Under Current Law:

3/21/13

A bank has a mortgage on 100% of the value of a tractor. The tractor, worth \$40,000, blows an engine. The dealer replaces the engine and makes other repairs totaling \$20,000.

Tractor value before break-down: \$40,000

Repair cost: \$20,000

Tractor value after break-down: \$20,000

At this point in the scenario the bank has experienced an unrealized loss of \$20,000. The risk that they took in making the loan has now become a reality.

Dealer now enters into the scenario

Tractor value: \$20,000

Dealer adds value through their parts & labor: \$20,000

Tractor Value (after dealer repair): \$40,000

Increase in value of property through dealer repair: \$20,000

Under current law, if the tractor is foreclosed on and sold for \$40,000, the bank would get \$30,000 and the dealer would only get \$10,000 (25%). The Dealer added \$20,000 in parts & labor but, they only get \$10,000.

Net result: the bank gets \$10,000 of the dealer's parts & labor!!

Even with HB 1251 being Passed, the bank would still get \$8,000 of the dealer's parts & labor.



SUPPORT House Bill 1251

Strengthens Repairman's (mechanics) Lien Law

PASSED HOUSE 83-6

The Repairman's Lien law was created to protect the investment of parts and labor that a repairman (dealer) adds to an automobile, truck, combine, tractor etc. This protection allows a repairman to place a lien on the property and retain possession of it until the repair bill is paid.

House Bill 1251 accomplishes the following:

1. Increases lien priority thresholds from the greater of (\$1,000 auto)(\$2,500 AG) or 25% of the value of the property to the greater of (\$5,000 auto)(\$10,000 AG) or 30%.
2. Construction equipment is added to the list of property to which a lien may be applied.

Why the need?

1. Lien priority thresholds are simply out of date. **Current general thresholds were set 34 years ago (1979).** Current AG thresholds were set 22 years ago (1991). The cost to repair equipment and vehicles has increased significantly relative to the value of the property.
2. There are **many more start-up construction companies working in Western, ND.** Dealers are exposed to an ever increasing risk of non-payment for repairs to construction equipment.
3. With appropriate lien priorities, **North Dakota's dealers will be much better positioned on equipment** owned by out-of-state construction companies – equipment that may be potentially **financed by out-of-state banks.**
4. ***Banks will be well protected with the 30% thresholds.** Any repairs that exceed this value (assuming it is greater than the dollar threshold) would require the dealer to contact the bank and ask for their permission to allow the repair bill to have 1st priority.
5. Protecting a repairman's investment minimizes potentially expensive downtime for customers. This is **extremely important for farmers and truckers**, whose livelihood depends on working equipment, especially during the busy harvest season.
6. It is important to understand that **this bill only helps to close the gap between dealers' repair bills and the amount that they are actually able to collect.** In many cases, the bank will still be entirely paid ahead of the dealer.

SUPPORT House Bill 1251 ***Strengthens Repairman's (mechanics) Lien Law***

7. Equipment is lasting longer. Many pieces of older equipment are still being used by farmers, ranchers and construction companies. Some farmers/ranchers can't afford a new \$200,000 tractor but they can afford a \$20,000 repair on a \$40,000 tractor.
8. Furthermore the bank benefits from the dealer's repair!!

Realistic Scenario under Current Law

Tractor value (after break-down): \$20,000

Dealer adds value through their parts & labor: \$20,000

Tractor Value (after dealer repair): \$40,000

Increase in value of property through dealer repair: \$20,000

Under current law, if the tractor is foreclosed on and sold for \$40,000, the bank would get \$30,000 and the dealer would only get \$10,000 (25%). The Dealer added \$20,000 in parts & labor but, they only get \$10,000.

Net result: the bank gets \$10,000 of the dealer's parts & labor!!

North Dakota Farm Bureau

Eric Aasmundstad, Past President • 701-224-0330



Automobile Dealers Association of North Dakota

Matthew Larsgaard, President/CEO • 701-388-7062



North Dakota Agricultural Association

Gary Knutson, Executive Director • 701-282-9432



North Dakota Motor Carriers Association

Tom Balzer, Executive Vice President • 701-319-0097



North Dakota Implement Dealers Association

Matthew Larsgaard, President/CEO • 701-388-7062



(3)

Titan Machinery
1601 N Washington St
PO Box 14548
Grand Forks, ND 58203
Telephone: (701) 775-8111
Fax: (701) 775-8108

SOLD TO

SHIP TO

CASEIH 2388 98 SN JJC0197459 HR 3825.0 W107 C1
Sold By: PO #: 2388-UPTIME INSP Date 12/12/11 REPAIR ORDER IR21528
Ship By: Tax #: 14452.13 PRT: 13

Work Order Summary

01 HAUL IN COMBINE 42 MILES	
02 UPTIME INSPECTION	499.00
03 CLEAN MACHINE FOR INSPECTION	352.95
05 R&R FEEDER, ROCKTRAP, & ROTOR	3914.97
06 REPLACE ROTOR CAGE	5836.42
07 REPAIR FEEDER & ROCK TRAP	6091.13
08 REPAIR ROTOR	3378.40
09 INSTALL 2 PADDLES ON AUGERS IN AUGER BED	80.62
10 WELD LEFT FRONT SIDE DOOR	179.52
11 CHECK FOR ROUGH SEIVE OPERATION	181.28
12 REPAIR RETURN ELEV. & RETURN STUB AUGERS	2103.66
13 CLEANING FAN SPEED MOTOR	667.01
14 CHECK AXLE COUPLERS, RIGHT REAR TIRE LEAKING	2549.38
15 DIRT IN STRAW CHOPPER	995.21
16 REPAIR TORQUE SENSING PULLEY & FILL LUBE IN CHOPPER GEAR BOX	990.42
17 ADJUST SEPERATOR DRIVE BELT, CLEAN ENGINE AIR SYSTEM	1141.08
18 OIL LEAK ON HYDRO PUMP	650.14
19 CHECK RETURN FLOW METER	15.84
20 CHECK A/C FOR LEAKS	124.86
21 REPLACE HOPPER CROSS AUGER & REPAIR HOLE IN TROUGH	1925.18
22 WELD RIVITS IN UNLOADING AUGER ELBOW MOUNT BRACKET	2101.77
23 REPLACE WOOD BLOCKS IN AUGER BED	214.34
24 REPLACE CLEAN GRAIN CROSS AUGER, SPROCKETS & BEARINGS	1799.62
25 FEEDER REVERSER BENDIX WON'T RETRACT	226.68
26 REPAIR STRAW SPREADER	1036.31
27 REMOVE REAR TIRE FOR REPAIR LEAKING FLUID	313.39
28 DELIVER COMBINE	174.85
99	
** SALES TAX	21.04
** TOTAL	37565.07

Combine
Model Year: 1988
Retail Value (Repaired): \$ 43,310
Repair Bill: \$ 37,565
Repair to Value Ratio: 87%

NO RETURNS WITHOUT THIS INVOICE 20% RET
TERMS: NET 10TH OF MONTH FOLLOWING PUF

DAYS.
ALL PAST DUE ACCOUNTS.

** SUBTOTAL 37544.03

** SALES TAX 21.04

X

Charge Sale

Phone:

Page 18

Last Page

PAY THIS
AMOUNT

\$37565.07

Dakota Farm Equipment, Inc.
14404 86th St. SW.
Bowman, ND 58623
Phone: 701-523-3252
Toll Free: 1-800-422-3450
Fax: 701-523-3277



JOHN DEERE

Beach, ND
Bowman, ND
Dickinson, ND
Elgin, ND
Lemmon, SD

SERVICE INVOICE

Invoice To Account No.:

Deliver To:

DOCUMENT COPY

Invoice Number: **78976**
Invoice Date: 4/12/2012
Branch: 2
Repair Order Number: 9084
Payment Type: Account

Make/Model: JOHN DEERE 7400
Meter Reading:
Serial Number:
Equipment Number: kk7400
Page: 14 of 14
Time Stamp: 11:10:20

*Retail Value in
repaired Condition: \$45,000*

Gen04 Retail

U12198

O-RING

2.78

\$2.78

N

Labor: \$394.80

Parts: \$615.16

Sublet: \$0.00

Misc: \$0.00

Total: \$1,009.96

- New Engine.
- Axle Work.
- Transmission Work.

Tractor

Model Year: 1993

Retail Value (Repaired): \$45,000

Repair Bill: \$25,348

Repair to Value Ratio: 56%



Customer PO No.:
Tax Exempt No.: ON FILE
Advisor:

Labor: \$8,309.60
Parts: \$16,820.67
Sublet: \$0.00
Misc: \$178.29
Sales Tax: \$40.05
Total: \$25,348.61

TERMS AND CONDITIONS

TERMS ARE CASH OR FARM PLAN: When charged on Farm Plan, the undersigned promises to pay the amount shown in accordance with the agreement or regulations governing Farm Plan. If an in-house charge, the buyer hereby agrees to pay a credit service charge on balances outstanding 30 days after billing, at a rate of 1.5% per month, which is 18% annual percentage rate..

Signed:

Date:

2



BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide book
\$30,000

Case IH Air Drill → 1998

CIH 3310 SN:CKB0018049 HR 0 W:04 C: Sold By: D239 PO #: 3310 Date 10/16/12 WORK ORDER WD13558 Ship By: Tax #: 15:59:09 PRT: 6

Work Order Summary

01 CONVERT FROM 3 RANK TO 4 RANK	3321.07
02 REPLACE HOSES	4606.40
03 CHANGE OPENERS	6952.30
04 INSTALL E-Z FLOW HEADERS	1959.40
Other Charges	2946.78
** SALES TAX	26
** TOTAL	19786.21

Air Drill

Model Year: 1998

Retail Value (Repaired): \$ 30,000

Repair Bill: \$ 19,786

Repair to Value Ratio: 66%

Price Amount

Tax D Qty Description --

GROUP :

01 CONVERT FROM 3 RANK TO 4 RANK

NOTE

CASE PRTS-SHOP

1	4 CAS 1015235	PIN	001031	37.69	150.76
1	4 CAS LDR5018515	BUSHING	01D002	5.86	23.44
				** TOTAL CASE PRTS-SHOP	174.20
LABOR CUSTOMER				** TOTAL LABOR CUSTOMER	3146.87

REMOVE PHONIX HEADERS. CONVERT DRILL FROM 3 RANK TO 4 RANK.
CONVERT FROM DUAL SHOOT TO SINGLE SHOOT.
CHECK OVER AND REPAIR AGTRON FLOW MONITOR.
REMOVE BAFFLE FOR DUAL SHOOT IN CART.

* SEGMENT SUBTOTAL 3321.07

Finance charge of 1.75% per month (21% annual percentage rate) will be added 30 days following purchase on past due accounts.

Thank you for your continued business over the last 40 years!

Have you tried our online Parts Catalogs? Check them out at www.westplains.com.

Take advantage of our Everyday Low Filter prices and save up to 30% off, compared to our competitors brands.



BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide books
\$10,000

Case IH Combine → 1981

CTH 1480 SN: U025134 HR 1360.0 W:00 C:
Sold By: D042 PO #: 1480 Date 6/13/12 WORK ORDER
Ship By: Tax #: 15:59:39 PRT: 8 WD12105

Work Order Summary

01 INSPECTION	1000.92
02 FILTER SERVICE	98.14
03 ENGINE AND COOLING	4386.75
04 ELECTRICAL	
05 HYDRAULICS/STEERING	4740.91
06 BRAKES	
07 CAB AND A/C	424.83
08 FEEDER HOUSE	
09 THRESHING	5498.28
10 CLEAN GRAIN & TAILINGS	1154.48
11 MATERIAL HANDLING	3239.10
12 WASH & WAX	127.00

** SALES TAX
** TOTAL

Combine

Model Year: 1981

Retail Value (Repaired): \$ 10,000

Repair Bill: \$ 20,672

Repair to Value Ratio: 207%

2.32
20672.73

Tax D Qty Description ---
GROUP : 0

Price Amount

01 INSPECTION

NOTE

SHOP SUPPLIES

9 SHOP SUPPLIES
LABOR CUSTOMER

75.00

** TOTAL LABOR CUSTOME 648.42

TRUCKING

9 TRUCKING MI. IN - 24 MI. @ 5.00
9 TRUCKING MI. OUT - 31.5 MI @ \$5

120.00

157.50

** TOTAL TRUCKING 277.50

* SEGMENT SUBTOTAL 1000.92

Finance charge of 1.75% per month (21% annual percentage rate) will be added 30 days following purchase on past due accounts.

Thank you for your continued business over the last 40 years!

Have you tried our online Parts Catalogs? Check them out at www.westplains.com.

Take advantage of our Everyday Low Filter prices and save up to 30% off, compared to our competitors brands.

4

GRAND FORKS
1601 N WASHINGTON ST
GRAND FORKS ND 58203
Phone: 701-775-8111
Phone: 800-962-7410
Fax: 701-775-8108

2000 Model
Trade Premium
\$58,730

TITAN MACHINERY

See us for all of your
Parts and service solutions

SERVICE ORDER: 11689 CL

Closed Date: 8/10/2012

Ship To:

Sold To:

Invoice #: 202657 - REPRINT
Sold by:
Cust PO:
DPO in: 165980
DPO Out: 198716

Make: CASE IH
Model: 2388
Serial #:
Tag: 1492316
Hours: 3087

Service Order Summary

WO

11625 SI	HAUL-IN COMBINE	Sales Promotion	No Charge
11735 SV	PREPAIR EST.		\$534.06
11736 SV	REPAIR SECONDARY HYD DRIVE SYS		\$95.93
11737 SV	REPL. INCLINED DELIVERY AUGER		\$1,255.62
11738 SV	REPLACE CHAINS		\$190.54
11739 SV	REPLACE BELTS		\$888.39
11740 SV	R&R FEEDER HOUSE		\$5,797.17
11741 SV	REPLACE TAILING AUGER BED		\$1,783.45
11742 SV	R&R ROTOR DRIVE GEAR BOX		\$2,848.58
11744 SV	ADJUST CHAINS		\$96.60
11746 SV	REPLACE ENGINE FAN BELTS		\$83.80
11747 SV	AUGER BED BEVEL GEARS		\$1,131.83
11748 SV	REPLACE AXLE COUPLERS		\$536.80
11762 SV	REPLACE BUBBLE UP AUGER		\$1,129.88
11760 SV	R & R ROCKTRAP		\$696.69
12539 SV	REPAIR LIGHTS		\$155.31
18622 SV	INSTALL AUTOSTEER PLATFORM		\$5,755.78
20959 SI	UPTIME INSPECTION	Sales Promotion	No Charge
20960 SV	UPTIME INSPECTION		\$499.00
21060 SI	DELIVER COMBINE	Sales Promotion	No Charge

Combine

Model Year: 2000

Retail Value (Repaired): \$ 58,730

Repair Bill: \$ 23,479

Repair to Value Ratio: 40%

\$23,479.43

OPEN A/R

\$23479.43

X

Phone:

Cell Phone:

I hereby authorize the repair work to be done as described above on the machine(s) named hereon. All repair parts are to be billed at your regular price. I agreed to pay cash for such repair parts and labor on delivery of the machine(s) or on terms satisfactory to you and until paid in full any unpaid balance shall constitute a lien on this machinery. I further agree that you will not be held responsible for loss or damage to said machinery from fire, theft, or other causes beyond your control.

-- CUSTOMER COPY --



BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide book
\$15,000

Allis Chalmers Tractor → 1984

ALLIS (8070) SN: FS2657 HR 1233.0 W:00 C:
Sold By: D269 PO #: 8070 Date 1/31/12 WORK ORDER WD10765
Ship By: Tax #: 15:59:27 PRT: 6

Work Order Summary

01 HYDRAULIC HOSE UNDER CAB LEAKING - REPLACE ALL HOSES IF NEEDED.	2548.18
02 ADJUST POWER SHIFT LINKAGE - 5 OUT OF 6 GEARS WORK/REPLACE POWERSHIFT HAN	480.97
03 STARTING ISSUE.	2197.22
04 RIGHT SIDE BUCKET PIN ON SELF LEVELING ARM BROKE.	103.79
05 WIPERS DO NOT WORK.	307.03
06 REPLACE SEAT AND HEADLINER.	1889.30
07 FUEL GAUGE NOT READING.	244.28
08 WHEEL BEARINGS ARE LOOSE OR WORN.	6984.87
09 REPLACE FRONT YOKE AND SEAL - IF NEEDED.	995.50
10 RADIATOR LEAK - REPLACE HOSES AND HEATER HOSES.	790.22
11 CHECK IF DIFFERENTIAL LOCK IS WORKING PROPERLY.	84.53
12 LOADER JOYSTICK STIFF WHEN CO	374.50
13 CHECK RADIO ANTENNA.	276.75

** SALES TAX
** TOTAL 17277.37

Tax	D	Qty	Description	Price	Amount
			Tractor		
			Model Year: 1984		
			Retail Value (Repaired):	\$ 15,000	
			Repair Bill:	\$ 17,277	
			Repair to Value Ratio:	115%	

Finance charge of 1.75% per month(21% annual percentage rate) will be added 30 days following purchase on past due accounts.

Thank you for your continued business over the last 40 years!

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Take advantage of our Everyday Low Filter prices and save up to 30% off, compared to our competitors brands.

6

Titan Machinery
1801 N Washington St
PO Box 14548
Grand Forks, ND 58203
Telephone: (701) 775-8111
Fax: (701) 775-8108

SOLD TO

SHIP TO

CASEIH	2390	SN: 9908908	HR 6325.0 W 00 CA	Date 9/26/11	REPAIR ORDER	IR20954
Sold By:	PO #1: 2390	Tax #1	13:30:19	PRT: 4		
Ship By:						

Tax	D	Qty	Description	Price	Amount
			SPLIT TRACTOR AT POWER SHIFT		
			REPLACED SEALS ON ALL PISTONS ON POWER SHIFT		
			REPLACED CLUTCH PLATE IN 1 CLUTCH PACK		
			CHANGED TRANS OIL AND REPLACED FILTERS		
			SPLIT TRACTOR BETWEEN ENGINE AND TRANS		
			TORQUE LIMITER PLATES BAD - REPLACED PLATES,		
			SPACERS AND BOLTS		
			* SEGMENT SUBTOTAL		8330.79
99			SHOP SUPPLIES		
00000			SHOP SUPPLIES		174.85
			* SEGMENT SUBTOTAL		174.85

Work Order Summary	
01 TRANSMISSION SLIPS	8330.79
99	174.85
** SALES TAX	40.77
** TOTAL	8546.41

Tractor
Model Year: 1980

Retail Value (Repaired): \$ 12,000

Repair Bill: \$ 8,546

Repair to Value Ratio: 71%

NO RETURNS WITHOUT THIS INVOICE AND RESTOCKING CHARGE ON RETURN OF ALL SPECIAL ORDERS. NO RETURNS AFTER 30 DAYS.
TERMS: NET 10TH OF MONTH FOLLOWING PURCHASE. A FINANCE CHARGE OF 1.5% PER MONTH (ANNUAL 18%) WILL BE ADDED TO ALL PAST DUE ACCOUNTS.

I agree to pay the total amount of this invoice in accordance with the Cardholder Agreement.

** SUBTOTAL	8505.64
** SALES TAX	40.77

X _____ *CC XXXXXXXXXXXXX6045 AUTH# _____

Phone: _____	PAY THIS AMOUNT	\$8546.41
Page 2	last page	

7



BEACH
PO BOX 128
BEACH ND
58621
701-872-4154

BOWMAN
PO BOX 649
BOWMAN ND
58623
701-523-3296

DICKINSON
PO BOX 1249
DICKINSON ND
58601
701-483-8741

HETTINGER
PO BOX 630
HETTINGER ND
58639
701-567-4505

SHIP TO

Approx. value by
guide book
\$28,000

Case IH Combine -> 1993

CIH 1688 SN: JJC0120345 HR 2541.0 W: 04 C: WD10750
Sold By: D239 PO #: 1688 Date 1/30/12 WORK ORDER
Ship By: Tax #: 15:59:20 PRT: 6

Work Order Summary

01 INSPECTION	-76.58
02 FILTER SERVICE	503.85
03 ENGINE & COOLING	
04 ELECTRICAL	
05 HYDRAULICS/STEERING	274.30
06 BRAKES	
07 CAB & A/C	
08 FEEDER HOUSE	258.67
09 THRESHING	1051.40
10 CLEAN GRAIN & TAILINGS	6018.59
11 MATERIAL HANDLING	6110.68
12 WASH/WAX	
** SALES TAX	81
** TOTAL	14141.72

Tax D Qty Description
GROUP :

Combine
Model Year: 1993
Retail Value (Repaired): \$ 28,000
Repair Bill: \$ 14,141
Repair to Value Ratio: 51%

Price Amount

Finance charge of 1.75% per month (21% annual percentage rate) will be added 30 days following purchase on past due accounts.

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8



BEACH PO BOX 128 BEACH ND 58621 701-872-4154	BOWMAN PO BOX 649 BOWMAN ND 58623 701-523-3296	DICKINSON PO BOX 1249 DICKINSON ND 58601 701-483-8741	HETTINGER PO BOX 630 HETTINGER ND 58639 701-567-4505
---	---	--	---

SHIP TO

Approx. value to guide back \$32,000

Case IH Tractor -> Year: 1990

CIH 7120 SN: 530.0 W:00 C: Sold By: D272 PO #: 7120 Date 12/19/11 WORK ORDER 15:23:47 PRT: 7 WD10472 Ship By: Tax #:

Work Order Summary

01 REPIN TRACTOR AS NEEDED ON LOADER/TRACTOR	1209.20
02 REPLACE HARD OR BENT HYD LINES	
03 REPLACE ALL HOSES AS NEEDED	
04 CHANGE ALL FLUIDS/FILTERS	2115.36
05 REPAIR LEAK IN MIDDLE OF TRACTOR	668.18
06 REPAIR RADIATOR/KEEPS OVERHEATING	382.81
07 REPAIR BROKEN GRAPPLE FORK CYLINDER	
08 REPLACE WEATHER STRIPPING AS NEEDED	1745.71
09 REPAIR TRANSMISSION SHIFT LEVER AS NOT ALLOWING TRACTOR TO GO INTO GEAR	1906.35
10 REPAIR HAND THROTTLE	915.99
11 REPAIR FRONT END OIL LEAKS.	4241.69
12 CAB FAN NOT WORKING.	505.80
13 REPAIR LIGHT	571.67
14 RETRO A/C SYSTEM TO R134-A	390.53
** SALES TAX	52.91
** TOTAL	14706.20

Tractor
Model Year: 1990
Retail Value (Repaired): \$ 32,000
Repair Bill: \$ 14,706
Repair to Value Ratio: 46%

Tax	D	Qty	Description	Price	Amount
			GROUP :		
			01 REPIN TRACTOR AS NEEDED		
			NOTE		
			SHOP SUPPLIES		
		9	SHOP SUPPLIES		75.00
			LABOR CUSTOMER		
			** TOTAL LABOR CUSTOME		1134.20
			SENT LOADER TO DAKOTA TOOL TO BE REPINNED. REINSTALLED LOADER.		
			* SEGMENT SUBTOTAL		1209.20

Finance charge of 1.75% per month(21% annual percentage rate) will be added 30 days following purchase on past due accounts.

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Take advantage of our Everyday Low Filter prices and save up to 30% off, compared to our competitors brands.

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Mr. Goodenough

BIO 18098				DATE IN 11/29/12	
YEAR 2008	MAKE CHEVROLET	MODEL 3500	COLOR WHITE	TIME IN 14:37	
MILES IN 127919	MILES OUT 127919	FIRST USE 10/04/07	LISC.	CLOSED 12/26/12	
SEE ALSO			RES. H: (701)	WRITER CHER' LEE	

(1) REPLACE ENGINE

REPLACED ENGINE COMPLETE

REPLACED TURBO, EGR COOLER, TRANS COOLER LINES
ALL UJOINTS IN DRIVELINE-HAD TO REPAIR
DAMAGED WIRING UNDER LF HOOD HINGE AND
RIGHT SIDE FRAME-AFTER ALL REPAIRS TEST DROVE
HAD REOCCURRING EGT #1 CODE-REPAIRED CONNECTOR
TERMINALS AND CLEARED CODES-TEST DROVE-OK
DISCOUNTED LABOR TO 75/HR
PURCHASE ORDER NUMBER P008050220
NEW SERIAL NUMBER 1457279

Labor	T64	4440.00
97779501	(REMAN ENGINE)	1 7298.86
97241129	(THERMOSTAT)	1 53.18
97241130	(THERMOSTAT)	1 49.50
94011602	(SEAL)	1 2.81
94011603	(SEAL)	1 2.70
97363723	(SEAL)	2 92.04
97365201	(GASKET)	1 15.65
94013303	(SEAL)	8 98.00
97227012	(GASKET)	1 2.79
97331137	(GASKET)	2 7.78
97208191	(GASKET)	1 2.54
97188685	(GASKET)	2 21.02
98054443	(GASKET)	1 11.45
97367013	(GASKET)	1 7.13
97367014	(GASKET)	1 7.13
15918817	(PLATE)	2 32.22
97177575	(HOSE)	1 183.92
98051991	(GASKET)	2 39.98
12639450	(TURBOCHARGER)	1 2059.27
20835127	(HOSE)	1 39.05
20835123	(PIPE)	1 48.84
20835125	(PIPE)	1 53.55
12646512	(FILTER KIT)	1 64.78
98025695	(VALVE)	1 303.61
98034351	(COOLER)	1 808.02
48PG	(BATTERY)	2 282.22
11561875	(RETAINER)	8 10.00
12346200	(COOLANT)	2 38.14
88861497	(OIL)	10 85.40
15156890	(JOINT KIT)	1 115.75
88964413	(JOINT KIT)	1 117.94
15734903	(BOLT)	8 37.52
679385	(RETAINER)	2 19.92
3920486	(RETAINER)	2 4.60
19256890	(JOINT KIT)	1 115.75
Total Labor		4440.00
Total Parts		12133.06
Total Repair (Customer)		16573.06

Chevrolet 3500 Pickup

Model Year: 2008

Retail Value (Repaired): \$ 20,725

Repair Bill: \$ 17,442

Repair to Value Ratio: 84%

(64-

A

Cash: 17442.37

TERMS		WIC	INT.	CUSTOMER	
Net due and payable on 10th of month following purchase. No returns on special order items. No refund on electrical parts. 15% handling on all merchandise returned for credit or refund. No returns after 10 days or without this invoice.				Labor	4440.00
All claims and returned goods must be received within 30 days from invoice.				Parts	12133.06
DISCLAIMER OF WARRANTIES				Sublet	.00
Any warranties on the product sold hereby are those made by the manufacturer. The seller hereby expressly disclaims all warranties either expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and neither a sum nor authorizes any person to assume for it any liability in connection with the sale of said products.				Shop Supplies	20.00
Page 1 of 1 Job 18098 Reprint (1)				Oil/Grease	.00
18098 Customer Copy				Sub Total	16593.06
				Tax	849.31
				Total (Cash)	17442.37

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Mr. Goodenrich

15455				DATE IN 07/18/12	
YEAR 2000	MAKE CHEV	MODEL 3500 CREW	COLOR BLACK	TIME IN 12:47	
MILES IN 90714	MILES OUT 90714	FIRST USE 05/31/00	LISC.	13:01	
SEE ALSO				CLOCKED 10/09/12	
RES. H: : (701) -				3823	
				WRITER JOE	

- (1) KNOCKING NOISE IN ENGINE-LOW OIL PRESSURE
REPLACED ENGINE ASSEMBLY
REPLACED OIL COOLER LINES, SPARK PLUGS AND
WIRES, THERMOSTAT, LOW AND HIGH SIDE AC
FITTINGS

Labor	T97	
19207552	(ENGINE)	1 1900.80
88926236	(WATER PUMP)	1 4373.75
12534412	(GASKET KIT)	1 60.92
12559575	(THERMOSTAT)	1 49.39
15170285	(SEAL)	2 11.98
15265200	(CONNECTOR)	1 77.92
12550276	(GASKET)	2 11.63
19244475	(SPARK PLUG)	8 56.60
12556261	(HEATER)	1 54.64
12554867	(STUD)	2 23.29
12555554	(SEAL)	1 7.16
15112872	(HOSE)	1 5.24
15112873	(HOSE)	1 68.64
19171157	(*WIRE KIT)	1 68.25
10452457	(ROTOR)	1 123.63
10452459	(CAP)	1 11.16
463015	(SEAL)	1 49.06
19258137	(SEAL)	1 .88
22514722	(SEAL)	1 2.80
25324052	(FILTER)	1 .94
52455184	(VALVE)	1 5.95
3012827	(CORE)	1 4.00
Mobil-1 5w30 Oil		7 6.86
Total Labor		7 48.65
Total Parts		1900.80
Total Lubricants		5074.69
Total Repair (Customer)		48.65
		7024.14

Chevrolet 3500 Crew

Model Year: 2000

Retail Value (Repaired): \$ 8,050

Repair Bill: \$ 7,408

Repair to Value Ratio: 92%

Cash: 7408.39

TERMS Net due and payable on 10 h of month following purchase. No returns on special order items. No refund on electrical parts. 15% handling on all merchandise returned for credit or refund. No returns after 10 days or without this invoice.		Labor 1900.80 Parts 5074.69 Sublet .00 Shop Supplie .00 Oil/Grease 48.65 Sub Total 7024.14 Tax 384.25 Total (Cash) 7408.39	
<p>All claims and returned goods must be received within 30 days from invoice.</p> <p>DISCLAIMER OF WARRANTIES</p> <p>Any warranties on the product sold hereby are those made by the manufacturer. The seller hereby expressly disclaims all warranties either expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and neither assumes nor authorizes any person to assume for it any liability in connection with the sale of said products.</p>			
Page 1 of 1 Job 15455 Reprint (1)			
15455 Customer Copy			



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Mr. Goodwrench

R/O 16107				DATE IN 08/22/12	
YEAR 2001	MAKE CHEVROLET	MODEL SILVERADO	COLOR WHITE	TIME IN 09:26	
MILES IN 181399	MILES OUT 181399	FIRST USE 00/00/00	LISC.	CLOSED 08:47 09/06/12	
SEE ALSO				RES. H: ()	BUS. : () - WRITER 5472 DORBY

(4) COOLANT LEAK-PASSENGER SIDE REAR OF ENGINE
C/S LOOKS LIKE A PLUG IS MISSING
MISSING THREE PLUGS FROM WATER JACKETS
ON HEADS-INSTALLED PLUGS
TOPPED OFF COOLANT

Labor	T61	108.00
11588714 (BOLT)	2	9.86
12553191 (PLUG)	1	9.84
12602540 (COVER)	2	23.76
Total Labor		108.00
Total Parts		43.46
Total Repair (Customer)		151.46

(61-8639 LARRY P-) A

(5) CHECK OIL COOLER LINES-MAKE SURE ALL SCREWS
ARE THERE AND LINES INSTALLED PROPERLY
ENGINE OIL COOLER LINES MISSING BRACKET,
HOLES IN BLOCK STRIPPED, THREAD TAPPED
BLOCK, REPLACED OIL COOLER LINES

Labor	T61	324.00
19287400 (CLEANER)	3	21.54
19287400 (CLEANER)	3	21.54
Total Labor		324.00
Total Parts		43.08
Total Repair (Customer)		367.08

(61-8639 LARRY P-) A

(6) CONTINUED FROM LINE 2
TUBE INSTALLED WRONG-BENT TUBE, REPLACED TUBE
MISSING MOTOR MOUNT BOLTS ON BOTH SIDE OF
ENGINE, INSTALLED BOLTS, GROUNDS ON BACK OF
HEAD WRONG BOLTS TOO LONG, REPLACED BOLTS,
AC LINES UNHOOKED, WRONG BOLTS HOLDING
TOGETHER, REPLACED SEALS AND BOLTS,
AC COMPRESSOR DOES NOT CYCLE-CUSTOMER DECLINED
REPAIR, FAN SHROUD MISSING HOLD DOWNS-
INSTALLED PUSH PINS, PRIMED AND STARTED
ENGINE RUNNING ROUGH CHECKED FUEL SYSTEM-OK
HAD WRONG SPARK PLUGS, REPLACED SPARK PLUGS,
ADDED FUEL TEST DROVE-OK

Labor	T61	.00
Total Repair (Customer)		.00

(61-8639)

Chevrolet Silverado
Model Year: 2001

Retail Value (Repaired): \$ 7,700
Repair Bill: \$ 6,731
Repair to Value Ratio: 87%

Cash: 6731.02

<p>All claims and returned goods must be received within 30 days from invoice.</p> <p>DISCLAIMER OF WARRANTIES</p> <p>Any warranties on the product sold hereby are those made by the manufacturer. The seller hereby expressly disclaims all warranties either expressed or implied, including any implied warranty of merchantability of fitness for particular purpose, and neither assumes nor authorizes any person to assume for it any liability in connection with the sale of said products.</p>	<p>TERMS</p> <p>Net due and payable on 10th of month following purchase. No returns on special order items. No refund on electrical parts. 15% handling on all merchandise returned for credit or refund. No returns after 10 days or without this invoice.</p>	<p>W/C</p>	<p>INT.</p>	<p>CUSTOMER</p>
	<p>Page 2 of 2 Job 16107 Reprint (1)</p> <p>16107 Customer Copy</p>	<p>Labor 2872.80</p> <p>Parts 3552.32</p> <p>Sublet 19.48</p> <p>Shop Supplies 20.00</p> <p>Oil/Grease .00</p> <p>Sub Total 6464.60</p> <p>Tax 266.42</p> <p>Total (Cash) 6731.02</p>		

SERVICE CASHIER FORM

12

North Dakota Implement Dealers Association

Marc Taylor, President,

Northern Plains Equipment Co., Inc.

Mandan ND, Case IH Dealer for 28 years

Past President of the North Dakota Implement Dealers Association

Bismarck/Mandan Chamber Small Business Person of the Year 2012

Equipment Costs and repairs have increased significantly over the last decade. Today, at Northern Plains Equipment Co., Inc. we figure just to detail/wash and inspect a tractor including minor repairs, it will cost our dealership about \$1,000. We had (2) work orders in 2012 that exceeded \$50,000. Since the EPA has mandated the standards for farm equipment engines, the EPA has also instituted rules regarding what can and what cannot be replaced on an "emissions" engine. What used to be a part that could be replaced now requires a complete new engine because the manufacturer will not or cannot remanufacture the engine which is what causes the escalation of costs. However, the machine is worth a fraction of its value if it cannot be operated.

What is difficult for dealerships is these breakdowns often occur at the worst possible time-late in the day or weekends when there is lots of pressure to get the machine up and running and no access to do lien searches to verify if there is a security interest in the machine or even the possibility of multiple (blanket) liens.

An equipment dealer typically works with customers that he is familiar with, but without intimate knowledge of the customer's finances. So it is usually a surprise when the customer financial struggles surface when

the dealer is trying to collect for the repairs that have been agreed to and completed. Suddenly, the dealership finds they are without any remedy although it was the dealership that made the equipment saleable for either the customer or the lien holder.

Please support House Bill 1251-I believe House Bill 1251 is in the best interests of the producer, the dealers and even the financial institutions.

Thank you

Mr Chairman and members of the committee.

My name is Mike Weisenberger and I'm appearing in support of House Bill 1251. I'm a Grand Forks resident and manage farm equipment dealerships, for Titan Machinery, in Grand Forks and Mayville. I'm also a member of the Board of Directors of the North Dakota Implement Dealers Association.

The business of farming has been on a roll in recent years. As our state's farmers prosper, we implement dealers also do well. Times are good. We've sold record amounts of new farm equipment in each of the past few years. For each new piece of equipment we retail, a cycle begins where we ultimately may sell several pieces of used equipment which are descendants of the new sale.

The selling of our equipment leads to supporting the use of the products as well as sometimes repairing the equipment after periods of usage. Repairs of relatively new equipment are usually covered by some sort of warranty where the manufacturer of the product reimburses us for our labor and for replacement parts installed. Typically all costs related to the repair of used equipment are paid by the owner.

While there's a lot of new equipment being put into service across the state, the older equipment continues to be used for many years. The usage of that older equipment varies. Some units are integral parts of smaller farm operations, some see

less demanding applications like powering a grain auger or mowing ditches. Many older tractors are used off of production farms in places like road construction, hobby farms, and snow removal.

Often it's the older equipment that spends more time in our repair facilities. It's seen more usage and just prone to breakdown more often. Our shops rely on the repair revenues the breakdowns produce so supporting the older equipment is really important to us.

At one point earlier this winter, I pulled a list of equipment that had been scheduled to take advantage of a Winter Inspection and Discount program we offer annually. Hopefully the maintenance and repairs that we do in the off-season will result in less downtime next summer. Of the first 30 pieces of equipment on the list, 18 of them were over 10 years old and three of them were each 26 years old. The owners of these units are investing money in them because they intend to run them for some time yet.

The older equipment is of less value than newer units but the cost of repairs is generally much greater. Those repairs are often tens of thousands of dollars. It's not uncommon to have repair bills of \$20,000-30,000 on equipment that not worth more than \$40,000-50,000. Our labor rates and the price of replacement parts are blind to the age of a unit.

The repair activity is obviously a big part of our business. The sport goes out of it when someone doesn't pay their bill. We invest a tremendous amount of money on recruiting, educating, and training our staff and on filling our shelves with replacement parts. It's an absolute must that there are mechanisms in place to help us with collecting for our services.

A Repairman's Lien is one of the few avenues that we have to help recover those unpaid repairs. North Dakota's current Repairman's Lien is an effective tool but it's grossly unmatched to the values of today's equipment and the cost to repair it. We don't need a brand new law, just a tweaking to the one that's been in place for over three decades.

Thank you for the opportunity to be here this morning, please consider supporting House Bill 1251.

(6)

Summary With NADA Values
NADA Used Car Guide
Monday, March 25, 2013

Guide Edition: Southwestern Used Car Guide - March 2013
Vehicle Description: 2004 FORD TRUCK
F350 Super Duty-V8 Crew Cab Lariat 4WD

VIN:
Stock #:

Weight: N/A
MSRP: \$36,165

	Rough Trade-In	Avg. Trade-In	Clean Trade-In	Clean Loan	Clean Retail
NADA Base Values	\$9,175	\$10,550	\$11,675	\$10,525	\$14,775
Mileage: 293714	\$-2,850	\$-2,850	\$-2,850	\$-2,850	\$-2,850
Accessories	\$3,000	\$3,000	\$3,000	\$3,000	\$3,350
NADA Adjusted Values	\$9,325	\$10,700	\$11,825	\$10,675	\$15,275
Appraiser Adjustment	\$0	\$0	\$0	\$0	\$0
Adjusted Values	\$9,325	\$10,700	\$11,825	\$10,675	\$15,275

Accessories:	Trade	Loan	Retail
6.0L Turbo Diesel Engine	\$3,000	\$3,000	\$3,350
Aluminum/Alloy Wheels	w/body	w/body	w/body
Leather Seats	w/body	w/body	w/body
Power Seat	w/body	w/body	w/body

Appraiser Item:	Value	Appraiser Item:	Value
------------------------	--------------	------------------------	--------------

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any revisions or additions made by anyone on this report.
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CUSTOMER #: 82971

558504



INVOICE

WE'RE QUALITY DRIVEN!

800 E. Bismarck Expressway

Bismarck, North Dakota 58504

(701) 222-3500 1-800-726-4117

DUPLICATE 1
PAGE 4

HOME:

BUS:

CELL:

SERVICE ADVISOR: 324 CHAD MYRVIK

COLOR	YEAR	MAKE/MODEL		VIN		LICENSE	MILEAGE IN/OUT	TAG
	04	FORD F350 DRW					293671/293714	WILKIN
DEL DATE	PROD. DATE	WARR. EXP.	PROMISED		PO NO.	RATE	PAYMENT	INV. DATE
02OCT03 DD			18:00 26OCT12				AR	31OCT12
R.O. OPENED		READY	OPTIONS: DLR:58D487 ENG:6.0 Liter					

LINE	OPCODE	TECH	TYPE	HOURS	LIST	NET	TOTAL
			CPC			0.00	0.00

SUBL TOW/ACE/111157

PO#2458

CPC

90.00 90.00

F** CUST CHARGE FOR FUEL \$127.18

OSL OUTSIDE LABOR REPAIR

999 DUMMY LIC#: 999

CPC

0.00 0.00

SUBL FUEL/SIMON/30991

CPC

127.18 127.18

CUSTOMER PAY ENV/HAZ DISP/SUP FOR REPAIR ORDER

50.00

THANK YOU, WE APPRECIATE YOUR BUSINESS,
IF YOU'RE NOT 100% SATISFIED WITH YOUR
SERVICE, PLEASE CALL OUR PARTS & SERVICE
DIRECTOR, DAVE DANIELSON, AT 701-222-3500
SCHEDULE YOUR NEXT SERVICE VISIT ONLINE
AT WWW.EIDEFORD.COM

SERVICE & PARTS HOURS

MONDAY - THURSDAY
7:00 AM - 7:00 PM

FRIDAY
7:00 AM - 6:00 PM

SATURDAY
8:00 AM - 5:00 PM

STATEMENT OF DISCLAIMER

The factory warranty constitutes all of the warranties with respect to the sale of this item/items. The Seller hereby expressly disclaims all warranties, either express or implied, including any implied warranty of merchantability or fitness for a particular purpose. Seller neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of this item/items.

CUSTOMER SIGNATURE

DESCRIPTION	TOTALS
LABOR AMOUNT	1610.00
PARTS AMOUNT	5152.36
GAS, OIL, LUBE	0.00
SUBLET AMOUNT	217.18
MISC. CHARGES	50.00
TOTAL CHARGES	7029.54
LESS ADJUSTMENT	0.00
SALES TAX	309.14
PLEASE PAY THIS AMOUNT	7338.68

CUSTOMER COPY

CUSTOMER #: 82971

558504



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16:20 15OCT12 09:54 25OCT12

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------	--------	------	------	-------	------	-----	-------

AND HAS GOOD POWER. PROBLEM SOLVED

B DIESEL OIL CHANGE

1PD DIESEL OIL CHANGE

364 CPC

15.00 15.00

1 FL*2016* KIT - ELEMENT & GASKET - OIL F

27.73

15 10W30SD 10W30 DIESEL

49.95

293714 MAINT OIL CHANGE

MAINT OIL CHANGE. VEHICLE CAME IN WITH STARTING ISSUES. OIL FILTER THAT THE

VEHICLE HAD WAS AN AFTER MARKET OIL FILTER THAT WAS NOT CLOSING THE FILTER

HOUSING DRAIN VALVE. THIS WAS CAUSING EXCESSIVE CRANK TIMES TO BUILD UP LOW

SIDE OIL PRESSRE. INSTALLED A MOTORCRAFT FILTER ANF FILTER CAP.

PROBLEM

SOLVED.

C PERFORM MULTI-POINT INSPECTION

99P PERFORM MULTI-POINT INSPECTION

364 CPC

0.00 0.00

293714 MULTI POINT DONE

D CUST STATES TO CHECK OIL DRAIN PLUG IT LOOKS LIKE IT IS LEAKING

NC NO CHARGE

364 CPC

0.00 0.00

293714 REAR MAIN AND FRONT COVER LEAKING

GAVE CUSTOMER ESTIMATE ON RESEALING THE ENGINE. CUSTOMER DECLINED REPAIRS

AT THIS TIME.

E** TOW IN

TOW TOW IN

999 DUMMY LIC#: 999

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DESCRIPTION

TOTALS

LABOR AMOUNT

PARTS AMOUNT

GAS, OIL, LUBE

SUBLET AMOUNT

MISC. CHARGES

TOTAL CHARGES

LESS ADJUSTMENT

SALES TAX

PLEASE PAY
THIS AMOUNT

CUSTOMER COPY

CUSTOMER #: 82971

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UPSIDE DOWN AND WAS FULL OF DIRT. WITH UPPER FILTER REMOVED THERE WAS NO FLOW FROM THE PUMP EVEN WITH IT HOOKED TO BATTERY VOLTAGE. REMOVED LOWER FUEL FILTER AND FOUND THAT IT WAS PLUGED AND THE PUMP WAS WEAK. VEHICLE NEEDS TO HAVE THE TANK REMOVED AND INSPECTED, FUEL LINES FLUSHED, FUEL PUMP REPLACED BOTH FUEL FILTERS REPLACED AND ALL 8 INJECTORS CHANGED. GAVE CUSTOMER ESTIMATE ON REPAIRS. WILL TRYING TO INSTALL A NEW POSITIVE BATTERY CABLE THE CONNECTIONS TO THE STATER BROKE INSIDE THE STARTER HOUSING. HAD TO INSTALL A NEW STARTER. DROPED THE FUEL TANK AND INSPECTED FOUND SOME METTAL AND DIRT. FLUSHED OUT THE TANK AND THE LINES. INSTALLED A NEW SENDER IN THE TANK AND NEW FILL NECK. RE INSTALLED THE FUEL TANK AND FILLED THE VEHICLE WITH FUEL. INSTALLED A NEW FUEL PUMP AND LOWER FUEL FILTER. RAN FUEL PUMP AND VACUUMED OUT FUEL IN UPPER FUEL BOWL UNTILL ONLY CLEAN FUEL WAS PRESENT. INSTALLED A NEW UPPER FUEL FILTER AND RAN THE VEHICLE WITH THE OLD INJECTORS FOR 15 MINNEUTS TO CLEAR ALL THE OLD FUEL OUT OF THE LINES. REPLACED ALL 8 INJECTORS. A COOLANT HOSE BROKE WILE REMOVING THE INJECTORS. THE ENGINE OIL LEVEL INDICATOR ALSO WAS BROKEN. INSTALLED A NEW COOLANT HOSE AND DIPSTICK, STARTED THE TRUCK AND TEST DROVE. VEHICLE RUNS SMOOTH

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MISC. CHARGES	
TOTAL CHARGES	
LESS ADJUSTMENT	
SALES TAX	
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A CUST STATES VEH WILL CRANK BUT NOT START, CHECK AND ADVISE

LABOR SEE STORY

364 CPC

1595.00 1595.00

1 ELEC CONNECTOR	3.59
1 3C3Z*9G270*AA CAP	64.80
1 3C3Z*6766*CA CAP ASY - OIL FILLER	39.96
1 FD*4616* ELEMENT	75.95
8 3C3Z*9E527*ECRM REMAN NOZZLE ASY	2880.00
1 6C3Z*9G282*C PUMP ASY - FUEL	455.72
1 3C3Z*14300*CA CABLE ASY - BATTERY TO BATTERY	118.64
1 6C3Z*9275*VA SENDER ASY - FUEL TANK	478.85
1 8C3Z*9034*KF PIPE - FUEL FILLER	216.81
1 8C3Z*9030*C CAP ASY - FUEL TANK FILLER	26.08
1 3U2Z*14S411*JLB WIRE ASY	57.46
6 TIES CABLE TIES	7.50
1 6C2Z*11002*AA STARTER MOTOR ASY	471.82
10 TIES CABLE TIES	12.50
2 ID1 HOSE CLAMP	3.52
1 3C3Z*8075*AE HOSE ASY	66.85
2 VC*7*B ANTI-FREEZE	28.64
1 3C3Z*6750*AA INDICATOR ASY - OIL LEVEL	32.18
1 9C3Z*8101*B CAP - RAD - WITH PRESS RELIEF	14.14
1 CM*5055* KIT - "O" RING	9.41
1 *W302725* HARDWARE - MISCELLANEOUS	10.26

293714 CONTAMINATED FUEL AND POSITIVE BATTER CABLE BROKEN
 INSTALLED A TEMPORARY SPLICE IN THE BATTERY CABLE AND WAS ABLE TO
 GET THE

TRUCK RUNNING. HOOKED UP IDS AND PREFORMED A POWER BALLANCE. THREE
 CYLINDERS WERE DROPPING OUT COMPLETLEY. VEHICLE STALLED AFTER
 RUNNING IN

THE STALL FOR FIVE MINNEUTS. REMOVED THE UPPER FUEL FILTER TO
 INSPECT AND

CHECK FUEL FLOW FROM PUMP. FOUND THAT THE UPPER FILTER WAS
 INSTALLED

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CUSTOMER COPY



North Dakota Farm Credit Council

AgCountry Farm Credit Services Farm Credit Services of Mandan Farm Credit Services of North Dakota

**Testimony of Dana Bohn
North Dakota Farm Credit Council Executive Director
Engrossed HB 1251
March 25, 2013**

Chairman Klein and members of the Senate Industry, Business and Labor Committee, my name is Dana Bohn. I am here today on behalf of the North Dakota Farm Credit Council (NDFCC) to express our opposition to Engrossed HB 1251.

NDFCC is comprised of three farmer/rancher-owned independent Farm Credit associations that provide credit and financial services to farmers, ranchers and agribusinesses of all sizes and income ranges in every county in North Dakota. As one of the state's largest ag lenders, North Dakota Farm Credit associations provide about \$7.2 billion in credit and financial services to nearly 20,900 customers.

Engrossed HB 1251 proposes to raise the dollar amount allowable on a repairman's lien and broaden the eligibility requirements for filing a repairman's lien, which would have an adverse effect on the lending industry.

A repairman's lien is a lien that may be placed against a vehicle or a piece of farm equipment when the repairs completed on the property are not paid for by the owner of the property.

The repairman's lien already has first priority over other mortgages and financing statements. Engrossed HB 1251 would increase the thresholds for a repairman's lien, which would shift even more liability from the implement dealer to the lender. Moreover, Engrossed HB 1251 would allow an implement dealer to cut even further into the lender's lien position on repaired equipment by shifting very substantial risks (up to \$10,000 or 30% of the value of farm machinery or construction equipment, whichever is greater) to the lender.

Independently owned and operated associations serving North Dakota and northwest and west central Minnesota.

AgCountry FCS
1900 44th Street South
Fargo, ND 58108
701-282-9494 • 800-450-8933
www.agcountry.com

FCS of Mandan
1600 Old Red Trail
Mandan, ND 58554
701-663-6487 • 800-660-6487
www.farmcreditmandan.com

FCS of North Dakota
3100 10th Street SW
Minot, ND 58702
701-852-1265 • 800-264-1265
www.farmcreditnd.com

The proponents of the bill argue that the law hasn't kept up with increasing costs. Current statute is based on a dollar amount or 25% of the value of the equipment, whichever is greater, so as the value of the equipment increases so does the threshold. Therefore, we see no need to change it.

In addition, we believe it should be the responsibility of the repairman to make sure the payment for the repair is provided before the repaired equipment is released back to the owner, not the responsibility of the lender.

For example, if financing is needed for repairs on a combine that will generate revenue for the repairman and the lender, most lenders will want to do whatever they can to get a farmer back in the field as soon as possible. However, putting \$40,000 of repairs into a \$30,000 combine may not be in the best option. Engrossed HB 1251 increases lien eligibility thresholds, but it does not increase communication between the lender, farmer and repairman, which we would prefer.

This bill could also have an adverse effect on Farm Credit Services or any lender should they acquire a repossessed piece of equipment with a repair bill unknown to the lending institution.

Lenders make adjustments in the price of their products to manage risk, and Engrossed HB 1251 increases our risk. This in turn increases the cost of credit for our customers, North Dakota farmers and ranchers.

Farm Credit Services doesn't want to increase the potential for there to be additional unknown debt out there as it is analyzing credit and wants to keep the dollar amount and percentage entitled for priority as low as possible. Engrossed HB 1251 does the opposite. Therefore, we oppose Engrossed HB 1251 and ask you to give it a Do Not Pass recommendation.

(1)

13.0597.02001
Title.

Prepared by the Legislative Council staff for
Senator Unruh

March 26, 2013

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1251

Page 1, line 13, replace "five" with "four"

Page 1, line 14, replace "ten" with "nine"

Page 2, line 9, replace "five" with "four"

Page 2, line 9, replace "ten" with "nine"

Renumber accordingly