UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

For questions or to apply by phone call
(800) 495-7222
PACA Website:
http://www.ams.usda.gov/fv/paca.htm

APPLICATION FOR LICENSE

(Under the Perishable Agricultural Commodities Act, 1930)

The information requested on this form is required under the Perishable Agricultural Commodities Act (7 CFR 46.4) for the issuance of a license. The information contained in this form will be used by Federal, State, local, or foreign agencies when relevant to civil, criminal, or regulatory investigations or procedures. Failure to provide the information required will result in delay or suspension of the processing of this form.

ALL QUESTIONS MUST BE ANSWERED

1a. Name of Business (Full Legal Name of Business registered under EIN)

1b. If Sole Proprieter, enter Owner's Full Name

2. Federal Employer Identification Number (EIN)

3. Web Site

4a. Physical Business Address (Post Office Box NOT ACCEPTABLE)

Street Address		
City	State	Zip Code+4
Telephone Number (With Area Code)	Fax Number (With Area Code)	E-Mail Address

4b. Mailing Address *(Mark an "X" here if same as Business Address):* ☐

Street Address (Post Office Box Number)		Attention:
City	State	Zip Code+4

5a. Does the business have any branch locations other than your physical business address? **Yes** ☐ **How many?** _____ **No** ☐

5b. Does the business have additional trade names? **Yes** ☐ **No** ☐

5c. Please list Trade Names and/or Branch Locations Below. ***(Attach a separate page for additional entries)***

Trade Name	City	State

6a. Legal Structure *(see page 4 for explanations)*

- ☐ Sole Proprieter
- ☐ Limited Partnership
- ☐ Corporation *(see 6b)*
- ☐ Estate
- ☐ Partnership
- ☐ Trust
- ☐ Limited Liability Company (LLC) *(see 6b and 6c)*
- ☐ Limited Liability Partnership (LLP)

6b. Complete only if you checked Corporation or LLC

State	Date of Incorporation/Organization

6c. Complete only if you checked LLC

- ☐ Articles of Organization is included with application
- ☐ Operating Agreement is included with application

7. Types of Fruits and Vegetables Handled by Applicant

- ☐ Fresh
- ☐ Frozen
- ☐ Fresh and Frozen

8. Primary Nature of Business: *(see page 4 for explanations)*

- ☐ Broker
- ☐ Commission Merchant
- ☐ Food Service
- ☐ Grower
- ☐ Growers' Agent
- ☐ Processor
- ☐ Shipper
- ☐ Trucker
- ☐ Wholesaler
- ☐ Retailer
- ☐ Grocery Wholesaler

9. List Principals, Owners, and Stockholders holding more than 10% of stock *(REQUIRED)*

List below the requested information for Individual Owner, All Partners, Members and/or Managers of LLCs, Officers (Including Titles), Directors, Trustee, Guardian, and Stockholders holding more than 10 percent of outstanding voting stock. If any person listed is a minor, furnish the name of His/Her guardian. If any person listed is a trust,furnish the name of the trustee. If any person listed is an estate, furnish the name of the Executor/Executrix.

(Attach a separate page for additional entries)

Name **Last Name** *(Print on First Line)* **First Name and Middle Initial**	**Social Security Number**	**Home Address** **First Line** - *Number and Street* **Second Line** - *City, State, and ZIP Code* ***(Post Office Box NOT ACCEPTABLE)***	**Title** *(Including Director)*	**Percentage of Stock or Ownership**
Smith John A.	123-45-7890	123 Main Street Anytown, DC 12345-7890	President	75%

SAMPLE

10. Has the applicant or any person listed in Question 9 filed bankruptcy, been discharged as a bankrupt, or been an officer, director, shareholder, partner, member/manager (LLC), or owner of a firm that has filed bankruptcy or been discharged as bankrupt?

Yes ☐ **No** ☐ **If Yes, identify the firm or individual (PACA license number, if possible), the name and address of the firm involved, and details about bankruptcy. Submit a copy of the bankruptcy petition, schedules, disclosure statements, and all other relevant documentation. (Attach a separate sheet for additional space)**

11. Has any person listed in Question 9 been convicted of a felony in any State or Federal Court?

Yes ☐ **No** ☐ **If Yes, furnish the name, date of birth, and alias (if any), of the individual(s), if any. FOR ALL CONVICTIONS, provide the name and location of the court, date convicted, nature of the felony, sentence imposed, where served; if paroled, give date terminated or will terminate. (Attach a separate sheet for additional space)**

12. Has any person currently employed by the applicant been the individual owner, partner, officer, director, or holder of more than 10 percent of the outstanding voting stock of a firm, association, or corporation, or a member/ manager (LLC) whose PACA license is under suspension; been revoked; found to have committed any flagrant or repeated violation of the PACA, or against which there is an outstanding unpaid reparation award?

Yes ☐ **No** ☐ **If Yes, furnish the full name of the person, name of the firm involved (PACA License number if possible), and details of such connection, including the dates thereof. (Attach a separate sheet for additional space)**

13. **Is the applicant currently operating at volumes requiring a PACA License? (See Page 4 for Nature of Business explanation)**

Yes ☐ **No** ☐ **If Yes, provide the date applicant first met that volume.**

_____

SCHEDULE A *(Includes: Brokers, Commission Merchants, Food Services, Growers, Grower's Agents, Processors, Shippers, Truckers, and Wholesalers. All others see Schedule B)*

License Fees	
Annual License Fee:.....	$ 550.00
Branch Fee: $200 for each Branch over 9 (Maximum $3450).....	$_____
	$_____ Total Fee per Year
Multiplied by	_____ Number of Years for License (Maximum 3)
	$_____ **Total License Fee**
Accrued Fees for Previous Operations (No more than 2 years)	
Monthly License Fee:.....	$ 45.83
Monthly Branch Fee: $16.67 for each branch over 9 (Maximum $287.50).....	$_____
	$_____ Total Fee per Month
Multiplied by	_____ Number of Months (Maximum 24)
	$_____ **Total Fees for Previous Operations**
(Total License Fee + Total Fees for Previous Operations) $	***Total Amount Due***

SCHEDULE B *(Retailers and Grocery Wholesalers Only)*

Adminstrative Fee for Initial Application.....$ **100.00**

(Retailers and Grocery Wholesalers that have been previously licensed are not required to submit additional administrative fees)

PAYMENT

Checks: *Make Checks payable to* ***"USDA - AMS"*** ***Amount:*** _____

Credit Cards:

Type of Card ☐ ***Visa*** ☐ ***Mastercard*** ☐ ***AMEX*** ☐ ***Discover*** ☐ ***Diners Club***

Account Number: _____ ***Exp Date:*** _____

Card Holder's Name: _____

Application must be signed by the Owner, all Partners, all General Partners, the Trustee, Executor/Executrix, a Member/Manager (LLC), or a Corporate Officer.

RETURN COMPLETED APPLICATION AND FEES TO:

USDA, PACA Branch, National License Center
8700 Centreville Road, Suite 202
Manassas, VA 20110-8411

If Paying Fees by Credit Card, Fax Application to:

(703)330-4555

CERTIFICATION STATEMENT

I (We) certify that the answers given to the foregoing questions are true to the best of my (our) knowledge. Applicant agrees not to loan or transfer possession of the license certificate to any person or firm whatsoever.

Signature(s):	Date:

DEFINITIONS AND TERMS

Dealer (includes wholesalers, jobbers, distributors, and growers who market produce grown by others) means any person engaged in the business of buying or selling in wholesale or jobbing quantities, as defined by the Secretary, any perishable agricultural commodity in interstate or foreign commerce. A person who buys potatoes for canning or processing is a dealer whether the potatoes are purchased within the state or in interstate or foreign commerce.

Interstate or Foreign Commerce means all transactions involving fresh and frozen fruits and vegetables which move between states, and/or other countries and the U.S.

Wholesale or Jobbing Quantities means aggregate quantities of all types of produce totaling one ton (2,000 pounds) or more in weight in any day shipped, received, or contracted to be shipped or received.

Branch or Additional Business Facility means an office or outlet in a location other than that of the principal or main office of a firm, out of which or through which the firm purchases, sells, negotiates contracts, solicits, or handles consignments, or otherwise contracts in perishable agricultural commodities including seasonal, part-time and full-time operations.

NATURE OF BUSINESS: *(See Question 8)*

The following are definitions of the types of dealers, brokers and commission merchants that are required to have a PACA license.

Wholesaler, see Dealer (above)

Foodservice is a dealer that purchases and sells fresh and/or frozen fruits and vegetables in interstate or foreign commerce for distribution to restaurants, institutions, convenience stores, etc. These operations commonly also sell non-subject items as well.

Processor is a dealer that purchases fresh and/or frozen fruits and vegetables in interstate or foreign commerce for canning or processing or sells product in interstate or foreign commerce that has not had its kind or character changed (i.e., salad mixes, sliced fruit, vegetables, frozen or packed in ice or consists of cherries in brine, etc.). However, a processor is not subject if the purchasing and processing which changes the kind and character are both accomplished within the State where the produce is grown, even if the processed product is shipped out of the State.

Shipper is a dealer who operates at shipping point and is engaged in the business of purchasing produce from growers or others and distributing such produce in commerce by resale or other methods, or who handles such produce on joint account with others.

Trucker is a dealer that purchases and sells fresh and/or frozen fruits and vegetables in interstate or foreign commerce from its truck not as a retailer.

Retailer is a dealer when it purchases wholesale and jobbing quantities, but is only subject to a PACA license when the invoice cost of all purchases of produce (including frozen potato products such as French fries) exceeds $230,000 during a calendar year. In computing dollar volume, all purchases of fresh and frozen fruits and vegetables are to be counted, without regard to quantity involved in the transaxtion or whether the transaction was intrastate, interstate or foreign commerce.

Grocery Wholesaler is a dealer primarily engaged in the full-line wholesale distribution and resale of grocery and related nonfood items (such as perishable agricultural commodities, dry groceries, general merchandise, meat, poultry, and seafood, and health and beauty care items) to retailers. This term does not include persons primarily engaged in the wholesale distribution and resale of perishable agricultural commodities rather than other grocery and related nonfood items. Specifically, for an entity to be considered a grocery wholesaler, 50 percent or more of its annual gross sales must be from the full-line distribution and resale of grocery and related nonfood items, and it cannot have more than 50 percent of its sales in perishable agricultural commodities. "Full-line" means that an entity must be supplying the retailer with a wide range of products such as the grocery and related nonfood items specified.

Broker means any person engaged in the business of negotiating sales and purchases of any perishable agricultural commodity in interstate or foreign commerce for or on behalf of the vendor or the purchaser, respectively. The 2000 pound quantity limitations do not apply to brokers. They are subject to PACA licensing with their first interstate or foreign commerce transaction. It is common in the industry to have fresh produce brokers and frozen produce brokers. Frozen produce brokers who negotiate contracts for frozen commodities exclusively for the vendor and the invoice value of the vendor's product does not exceed $230,000 in a calendar year are *not* subject; however, frozen produce brokers that are negotiating contracts for the buyer are subject no matter the invoice price.

Commission Merchant means any person engaged in the business of receiving in interstate or foreign commerce any perishable agricultural commodity for sale, on commission, or for or on behalf of another. For example, a person who receives a truckload of tomatoes; sells the product for a grower; charges a commission; and remits the net proceeds to the grower. The 2000 pound quantity limitations do not apply.

Grower is a business that grows its own fruits and vegetables and is not required to be licensed. However, a grower can be licensed on a voluntary basis and must comply with the PACA law while licensed.

Growers' Agent means any person operating at shipping point who sells or distributes produce in commerce for or on behalf of growers or others and whose operation may include the planting, harvesting, grading, packing, and furnishing containers, supplies, or other services. The 2000 pound quantity limitations do not apply, because this type of business is considered a type of commission merchant.

LEGAL STRUCTURES: *(See Question 6a)*

Individually owned or Sole Proprietorship means one person has complete ownership and is fully responsible for all activities.

Corporation is authorized by state law to act as a single entity and is registered with the secretary/ corporation commission of a state. The corporation can have elected officers and directors, an appointed registered agent and shareholders. Shareholders can be individuals, other corporations, LLC, partnerships, etc.

Limited Liability Company or "LLC" is a form of a legal entity where the state law provides for a firm to be treated as a partnership for tax purposes, while receiving the benefits from personal liability usually associated with a corporation. LLC's are also registered with the secretary/ corporation commission of a state. *NOTE: LLC's are required to submit a copy of their Articles of Organization and Written Operating Agreement with the application.*

Partnership is a voluntary contract between two or more persons who agree to carry on any business or venture together, upon the terms of mutual participation in its profits and losses, this can be a verbal or written agreement. *NOTE: Any change in partners will require a new license.*

Limited Partnership is a partnership consisting of one or more general partners, jointly and severally responsible as ordinary partners, and by whom the business is conducted, and one or more special (limited) partners, contributing in cash payments a specific sum as capital, and who are not liable for the debts of the partnership beyond the funds contributed. Limited partnerships are required to be registered with the secretary/corporation commission of a state. *NOTE: A change in any general partner will require a new license. change in any general partner will require a new license.*

Limited Liability Partnership or "LLP" is a form of a legal entity where the state law provides for a firm to be treated as a partnership for tax purposes, while its individual partners receive protection against personal liability of certain partnership liabilities. LLP's are also registered with the secretary/corporation commission of a state.

Association is commonly referred to as a Cooperative Marketing Association; a body of persons united and sometimes acting together without a charter in the pursuit of some common enterprise; basically a large partnership, but differs from a partnership in that it is not bound by the acts of the individual partners, but only by those of its manager(s) or trustee(s). *NOTE: While PACA exempts growers from the licensing requirements, cooperative marketing associations must be licensed, even if the produce being handled is that solely of its members*.

Trust is a right of property, real or personal, held by one party for the benefit of another; any arrangement whereby property is transferred with intention that it will be administered by a trustee for another's benefit.

Estate is the property, real or personal, which a person has a right or interest and descends by law to heirs at that person's death.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB ontrol number. The valid OMB control number for this information collection is 0581-0031. The time required to complete this information collection is estimated to average 3 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

PENALTY:

Any person who operates without a valid and effective license shall be liable to a penalty of not more than $1,200 for each such offense and not more than $350 for each day it continues.