OMB APPROVED - NO. 0581-0031

U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

# APPLICATION FOR LICENSE

*(Under the Perishable Agricultural Commodities Act, 1930)*

U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
Fruit and Vegetable Programs, PACA Branch
819 Taylor Street, Room 8B02
Fort Worth, TX 76102-9727

For assistance call 1-888-901-6137
(817) 978-0786 FAX
PACA WEBSITE: WWW.AMS.USDA.GOV/FV/PACA.HTM

**ALL QUESTIONS MUST BE ANSWERED**

AREA FOR USDA USE ONLY

1. NAME OF BUSINESS *(Corporate or Limited Liability Company Name if Applicable)*

2a. PHYSICAL BUSINESS ADDRESS **(Post Office Box NOT ACCEPTABLE):**
Number and Street *(Mark an "X" here if same as home address):* ☐

City, State, ZIP+4

| Area Code and Telephone Number | Area Code and FAX Number | E-Mail Address |
|---|---|---|
| ( ) | ( ) | |

2b. MAILING ADDRESS *(Mark an "X" here if same as business address):* ☐
Number and Street (Post Office Box Number)

City, State, ZIP+4

3. LIST ANY ADDITIONAL TRADE NAME(S) OR d/b/a(s) *(Mark an "X" in the box if no trade name):* ☐

4a. TOTAL NUMBER OF BRANCHES WHERE YOU HANDLE FRUITS AND VEGETABLES *(Other than main/corporate office)* ☐
***(Mark an "X" in the box if no branch locations)*** ☐

4b. LIST THOSE BRANCHES BY TRADE NAME WHERE YOU HANDLE FRUITS AND VEGETABLES *(Use area on page 4 for additional space)*

| TRADE NAME | CITY | STATE |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

5. TYPE OF FRUITS AND VEGETABLES HANDLED BY APPLICANT *(Check one box only):*

☐ 1 - FRESH ☐ 2 - FROZEN ☐ 3 - FRESH AND FROZEN

6a. TYPE OF BUSINESS *(Check one box only):*

☐ I - INDIVIDUALLY OWNED ☐ C - CORPORATION ☐ A - ASSOCIATION ☐ T - TRUST

☐ L - LIMITED PARTNERSHIP ☐ E - ESTATE ☐ P - PARTNERSHIP ☐ M - LIMITED LIABILITY COMPANY (LLC)

| 6b. IF A CORPORATION OR LIMITED LIABILITY COMPANY (LLC), LIST STATE AND EXACT DATE INCORPORATED OR ORGANIZED. LLCs SHOULD SUBMIT COPIES OF ARTICLES OF ORGANIZATION AND OPERATING AGREEMENT: | STATE | MONTH | DAY | YEAR |
|---|---|---|---|---|
| | | | | |

7. NATURE OF BUSINESS ***(CHECK ONE BOX ONLY):***

☐ 4 - WHOLESALER ☐ 5 - COMMISSION MERCHANT/GROWERS' AGENT ☐ 6 - BROKER ☐ 7 - RETAILER

☐ 8 - PROCESSOR ☐ 9 - TRUCKER ☐ R - RESTAURANT ☐ 0 - FOOD SERVICE ☐ G - GROCERY WHOLESALER

## QUESTION 8 MUST BE COMPLETED.

8. LIST BELOW THE FULL LEGAL NAMES, ALL OTHER NAMES USED, IF ANY, AND FULL HOME ADDRESSES OF INDIVIDUAL OWNER, ALL PARTNERS, MEMBERS AND OR MANAGERS OF LLCs, OFFICERS, DIRECTORS (INCLUDE TITLES), TRUSTEE, GUARDIAN, ETC., AND STOCKHOLDERS HOLDING MORE THAN 10 PERCENT OF OUTSTANDING VOTING STOCK. GIVE THE PERCENTAGE OF STOCK HELD BY EACH. 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.
*(Use area on page 4 for additional space)*

| **LAST NAME** *(Print on first line)* **FIRST NAME AND MIDDLE INITIAL** *(Printed on second line) (If no middle initial, mark "X" in the "NMI" box)* | **NMI** | **SOCIAL SECURITY NUMBER** | **HOME ADDRESS** **First Line** - Number and Street **Second Line** - City, State, and ZIP Code ***(Post Office Box NOT ACCEPTABLE)*** | **TITLE** *(If a Director mark "X" in the "DIR" box)* | **DIR** | **PERCENTAGE OF STOCK OR OWNERSHIP** |
|---|---|---|---|---|---|---|
| | | | | | | % |
| | | | | | | % |
| | | | | | | % |
| | | | | | | % |
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9. HAS THE APPLICANT OR ANY PERSON LISTED IN QUESTION NUMBER 8:

☐ YES ☐ NO a. 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 a bankrupt?

*If the answer is **"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. (Use area on page 4 for additional space.)*

☐ YES ☐ NO b. Been convicted of a felony in any State or Federal Court?

*If the answer is **"YES,"** furnish the name and date of birth, and alias, 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. (Use area on page 4 for additional space.)*

10. 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):

☐ YES ☐ NO 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?

*If the answer is **"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. (Use area on page 4 for additional space.)*

## GUIDELINES

1. **DEALER** - When purchases or sales exceed 2,000 lbs. in any given day.
2. **GROCERY WHOLESALER** - When purchases or sales exceed 2,000 lbs. in any given day and is primarily engaged in the full line wholesale distribution of grocery and related nonfood items to retailers.
3. **RETAILER** - When invoice cost of fresh and frozen fruit and vegetable purchases exceed $230,000 in a calendar year.
4. **COMMISSION MERCHANT** - Transactions involving fruits and vegetables are subject on the first transaction.
5. **BROKER** - When first engaged in the business of negotiating sales and/or purchases of fresh or frozen fruits or vegetables in interstate or foreign commerce for or on behalf of the seller or buyer. Brokers of frozen fruits and vegetables are subject to license unless they act as an independent agent, negotiating sales of such commodities on behalf of the vendor only, until the invoice value of sales exceeds $230,000, during any calendar year.

*See licensing provisions on page 6 for additional information.*

11. BASED ON THE ABOVE GUIDELINES NUMBERED 1-5, DETERMINE THE DATE THAT APPLICANT FIRST BEGAN CONDUCTING BUSINESS SUBJECT TO A PACA LICENSE:

| MONTH | DAY | YEAR |
|---|---|---|
| | | |

**Mark an "X" here if applicant is not yet operating subject:** ☐

**FEE SCHEDULES:** If under question 7 (NATURE OF BUSINESS), boxes 4, 5, 6, 8, 9, or 0, have been checked, you must use **Schedule A** shown below. If boxes 7 or G have been checked, use **Schedule B**. **Multiple Year Licenses**: Licenses issued to RETAILERS and GROCERY WHOLESALERS, are for a three year period. **Multiple Year Licenses** are optional for all other licensees.

**Schedule A - ALL APPLICANTS EXCEPT RETAILERS AND GROCERY WHOLESALERS**

| | |
|---|---|
| (1) Annual Basic License Fee..... | **$ 550.00** |
| (2) Branch Fee: $200 for each branch over 9 (Maximum Branch Fee $3450)..... | $ |
| (3) Sub-Total of Lines 1 & 2..... | $ |
| **Multiple Year License Options (select one)** | |
| (4) Annual license only - use amount on line 3..... | $ |
| (5) Biennual license - line 3 times two..... | $ |
| (6) Triennual license - line 3 times three..... | $ |
| **Accrued Fees for Previous Operations (No more than 2 years)** | |
| (7) Annual Fee - $45.83 per month..... | $ |
| (8) Branch Fee - $16.67 per month for each Branch over 9 (maximum monthly fee $287.50)..... | $ |
| **TOTAL ALL FEES (line 4, 5, or 6, plus lines 7 & 8).....** | $ |

**Schedule B - FOR RETAILERS AND GROCERY WHOLESALERS ONLY (See question 7 for nature of business.)**

| | |
|---|---|
| Administrative Fee for Initial Application..... | **$ 100.00** |

Retailers and Grocery Wholesalers that have been previously licensed are not required to submit additional administrative fees beyond the initial application.

**NOTE:** If previously licensed, provide PACA license No. _____

**APPLICATION MUST BE SIGNED BY THE OWNER, ALL PARTNERS, ALL GENERAL PARTNERS, THE TRUSTEE, EXECUTOR/EXECUTRIX, A MEMBER/MANAGER (LLC), OR A CORPORATE OFFICER.**

**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 |
|---|---|
| | |
| | |
| | |
| | |

**MAKES CHECKS PAYABLE TO "USDA-AMS"**

**RETURN APPLICATION AND FEES TO:**

**U.S. Department of Agriculture**
**Agricultural Marketing Service**
**Fruit and Vegetable Programs, PACA Branch**
**819 Taylor Street, Room 8B02**
**Fort Worth, TX 76102-9727**

**TO PAY BY CREDIT CARD:**

TYPE OF CREDIT CARD: ☐ VISA ☐ MASTERCARD ☐ AMERICAN EXPRESS ☐ DISCOVER

**AMOUNT** $

ACCT. NO.

EXPIRATION DATE MO YR

CARD HOLDER NAME:

THE SUBMISSION OF AN APPLICATION AND THE PRESCRIBED LICENSE FEES DOES NOT AUTHORIZE THE APPLICANT TO ENGAGE IN BUSINESS SUBJECT TO THE PACA UNTIL SUCH TIME THAT A LICENSE IS ISSUED.

REGULATIONS FOR ADMINISTERING THE PACA PROVIDE THAT LICENSEES PROMPTLY NOTIFY THE DEPUTY ADMINISTRATOR, FRUIT AND VEGETABLE PROGRAMS, OF ANY CHANGE OF ADDRESS OR ANY CHANGE OF OWNERSHIP, PARTNERSHIP, OFFICERS, DIRECTORS, MEMBERS/MANAGERS (LLC), HOLDERS OF MORE THAN 10 PERCENT OF THE OUTSTANDING VOTING STOCK, OR NAME IN WHICH BUSINESS IS CONDUCTED.

USE THIS AREA FOR DETAILED EXPLANATIONS AND CONTINUATION OF QUESTIONS ON PAGES 1 THROUGH 3.

*Detach here before submitting application*

# CHECK EACH ITEM BEFORE SUBMITTING APPLICATION:

Any omission or failure to respond to all items will cause delay in approval and issuance of license, and may require the application to be returned for completion.

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- ☐ Have you provided a response to all questions on the application, specifically completing all information requested under question 8?
- ☐ Have you included all fees due, both the annual and any accrued fees?
- ☐ Does the application bear original signature(s) of authorized principals listed under question No. 8?
- ☐ Have you signed and enclosed a check or money order made payable in the correct amount to USDA-AMS?
- ☐ Limited Liability Company: Have you attached a copy of your Articles of Organization and Operating Agreement?

**NOTE:**

**To apply by telephone or if you have questions, call 1-(877) 622-4716 (PACA).**
**(202) 720-4902 FAX**

**Please review this form to ensure you have all the information required to complete the application prior to making your call.**

**For more information about PACA, visit our website: "www.ams.usda.gov/fv/paca.htm".**

**NOTE:** 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 valid OMB control 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 15 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 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 the Federal, State, local, or foreign agencies when relevant to civil, criminal, or regulatory investigations or prosecutions. Failure to provide the information required will result in delay or suspension of the processing of this form.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

## LICENSING PROVISIONS OF THE PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930, AS AMENDED

The Perishable Agricultural Commodities Act requires commission merchants, dealers, and brokers engaged in the business of handling fresh or frozen fruits and/or vegetables in interstate or foreign commerce to obtain a license.

1. **"COMMISSION MERCHANT"** is defined as any person engaged in the business of receiving in interstate or foreign commerce (see Par. No. 9) any fresh or frozen fruits and vegetables for sale on commission, for or on behalf of another. This function is interpreted to include the transactions of a person who receives consignments on receiving markets for sale on commission, and also of a person operating as grower's or shipper's agent on commission.

2. **"BROKER"** is defined as any person engaged in the business of negotiating sales and purchases of fresh or frozen fruits and vegetables in interstate or foreign commerce (see Par. No. 9) for or on behalf of the vendor or purchaser, respectively. However, brokers of frozen fruits and vegetables are not subject to license until they negotiate sales of such commodities in a calendar year having a total invoice value in excess of $230,000. (NOTE: The $230,000 exemption does not apply to frozen food brokers representing the buyer, or brokers of fresh fruits and vegetables.)

3. **"DEALER"** means any person engaged in the business of buying or selling fresh and frozen fruits and vegetables in quantities aggregating one ton or more during a day in the course of interstate or foreign commerce (see Par. No. 9), and includes:

(a) **"JOBBERS," "DISTRIBUTORS," FOOD SERVICE, RESTAURANTS"** and other **"WHOLESALERS".**

(b) **"RETAILERS"** (selling to consumers only) when the invoice cost of all purchases of fresh and frozen fruits and vegetables exceeds $230,000 during the calendar year. In computing the dollar volume, all purchases of fresh and frozen fruits and vegetables are to be counted, without regard to quantity involved in a transaction or whether the transaction was intrastate, interstate, or foreign commerce.

(c) **"GROCERY WHOLESALER'** when 50 percent or more of annual gross sales are from the full-line distribution and resale of grocery and related nonfood items (such as dry groceries; general merchandise; meat; poultry; seafood; and health and beauty care items) and no more than 50 percent of sales involve fresh and/or frozen fruits and/or vegetables (see Section Nos. 7 and 8). "Full line" means that an entity must be supplying the retailer not only with perishable agricultural commodities, but with a wide range of items, including grocery and related nonfood products.

(d) **"PROCESSORS"** when they buy fresh fruits and/or vegetables (see Par. No. 7) for processing, such as canning, drying, dehydrating, cold packing, freezing, packing or preserving in sulphur dioxide, manufacturing into potato chips, pickles, relish, salads, kraut, horseradish, vinegar, pastries, jellies, preserves, candy, ice cream, fruit and vegetable juices and concentrates, if such produce has been received by them or the seller in interstate or foreign commerce before canning or processing occurs and the purchases are in quantities aggregating a ton or more during any day. They are not required to be licensed, however, if the purchasing and processing are both accomplished within the State where the produce is grown, even if the processed article is shipped out of the State, unless the product is frozen or packed in ice or consists of cherries in brine (see Par. No. 8). Except all processing firms that purchase potatoes, regardless of where they obtain their supplies, are subject to a license.

4. **"PRODUCERS"** selling only products of their own raising are not "dealers" under the Act and are not subject to license (see Par. No. 5).

5. **"COOPERATIVE MARKETING ASSOCIATIONS,"** whether or not incorporated, and whether operating on a profit or on a non-profit basis in selling or handling the proceeds from sales of the products of their members or of others in interstate or foreign commerce (see Par. No. 9), are subject to license.

6. **"SEASONAL OPERATORS"** are subject to license in the same manner as those who operate throughout the year.

7. **"FRESH FRUITS AND VEGETABLES"** includes all products generally considered as perishable fruits and vegetables, whether or not frozen or packed in ice, and whether or not held in common or cold storage. It does not include fruits and vegetables which have been manufactured into articles of food of a different character. The term applies to potatoes, even though intended for seed purposes. Cherries packed in an aqueous solution containing sulphur dioxide or other bleaching agent of sufficient strength to preserve the product, with or without the addition of hardening agents, are also included within the provisions of the Act.

8. **"FROZEN FRUITS AND VEGETABLES"** including oil blanched products such as frozen french fried potatoes, are not considered processed to the extent of changing the product into a food of a different character. Persons having transactions of such products as dealers, commission merchants, and brokers in interstate or foreign commerce (see Par. No. 9) are subject to license regardless of whether the processing occurs within the State where the product is grown.

9. **"INTERSTATE OR FOREIGN COMMERCE"** means all transactions involving shipments between any State or Territory, or the District of Columbia and any place outside thereof. This includes (a) transactions between persons within the same State or Territory for shipment outside thereof; (b) transactions between persons within the same State or Territory after the shipment was received from outside thereof; (c) transactions involving shipments between points within the same State but which moved outside thereof while in transit; (d) all transactions within the District of Columbia.

10. **"PENALTY."** The penalty for doing business without a license is fixed at not more than $1,000 for each offense and $250 for each day the offense continues.

Persons who violate the Act by engaging in business subject to the Act without a valid license may, upon a satisfactory showing to the Secretary of Agriculture or his authorized representatives that such violation was not willful but was due to inadvertence, be permitted to settle their liability in the matter by paying the amount of fees that they would have paid had they obtained and maintained a license during the period that they engaged in business subject to the Act, plus an additional sum not in excess of $250, as may be determined by the Secretary of Agriculture or his authorized representative.

Executive Order 9397 and 7 U.S.C. 499, et seq., authorize solicitation of information. Disclosure is mandatory to evaluate eligibility for license. Failure to provide information may cause delay in processing the application. Information may be referred to: Department of Justice and other Federal, State, local or foreign agencies responsible for implementing, or for investigating or prosecuting violations of the applicable statute, rule, regulation or order; to a court, magistrate, or administrative tribunal; or to a Congressional office in response to constituent's request and his/her record.



***Detach here before submitting application***