

**LIVESTOCK  
GROSS  
MARGIN FOR  
DAIRY CATTLE  
(LGM for Dairy  
Cattle)**

**HANDBOOK**

**2008 and Succeeding Crop  
Years**

**Handbook Number: 20080**

# **Livestock Gross Margin Plan of Insurance**

The following forms will be necessary for sales of the Livestock Gross Margin for Dairy Cattle Plan of Insurance:

- (A) Application - This form is filled out to apply for eligibility to purchase LGM for Dairy Cattle insurance. The application also includes the target marketings and target feed rations for each month of the insurance period. No insurance attaches until the company sends the insured a written summary of insurance.
- (B) Substantial Beneficial Interest (SBI) - This form requires the social security numbers, employer identification numbers, and share of those with a 10 percent interest or more in the insurance entity and must accompany the application. The SBI is used to establish eligibility and to account for insurance limits.
- (C) Marketing Report - This form is submitted by the insured showing for each month the insured actual marketings for that month of milk insured under the policy. The marketing report must be accompanied by copies of sales receipts that provide records of the actual marketings shown on the marketing report.
- (D) Notice of Probable Loss - This form notifies the insured of a probable loss on insured milk at the end of the insurance period.
- (E) Assignment of Indemnity - This form contains necessary information to assign any indemnity to a third party.
- (F) Transfer of Right to Indemnity - This form contains necessary information to transfer the right of an indemnity if the livestock or livestock product is sold prior to the end of the insurance period to transfer any indemnity to the new owner (providing the new owner meets eligibility requirements).
- (G) Power of Attorney - This form contains the necessary information authorizing one to act as another's attorney or agent.

The following illustrations pertain to information the producer must provide to the approved insurance provider to obtain coverage under LGM for Dairy Cattle. Instructions must be provided for form completion.

**A. LGM for Dairy Cattle Application, Target Marketings, and Feed, and Change Form**

<b>LIVESTOCK GROSS MARGIN INSURANCE FOR DAIRY CATTLE POLICY APPLICATION, TARGET MARKETINGS AND CHANGE FORM</b>		Policy #: <b>1</b>	State: <b>2</b>
		Reinsurance Year: <b>3</b>	Page # <b>4</b> Of
		Confirmation Number: <b>5</b>	

  

Applicant's Name: <b>6</b>	Agency Name: <b>16</b>	<input type="checkbox"/> New Applicant <b>23</b> <input type="checkbox"/> Transfer <input type="checkbox"/> Name Change <input type="checkbox"/> Additional Insurance Period <input type="checkbox"/> Address Change <input type="checkbox"/> Policy Change <input type="checkbox"/> Policy Cancellation <input type="checkbox"/> Correct Tax ID <input type="checkbox"/> *Reason for Cancellation <input type="checkbox"/> Cancellation <input type="checkbox"/> Correct Spelling of Insured Name <input type="checkbox"/> In House Transfer <input type="checkbox"/> Successor-In-Interest & Effective Ins. Period _____ <input type="checkbox"/> Add/Change insured's Auth. Rep.*
Street or Mailing Address: <b>7</b>	Agency/Agent Street or Mailing Address <b>17</b>	
City and State: <b>8</b> Zip Code _____	City and State <b>18</b> Zip Code _____	
Applicant's E-Mail Address: <b>9</b> Applicant's Fax # _____	Agent's E-Mail Address/Fax # <b>19</b>	
Phone # <b>10</b>	Phone # <b>20</b>	
Tax Identification # <b>11</b> Check One <input type="checkbox"/> SSN <input type="checkbox"/> EIN <input type="checkbox"/> Other <b>12</b>	Agency Code <b>21</b>	
Spouse's Tax ID # <b>13</b> Type of Entity <b>14</b>	Applicant's Authorized Representative (Submit Completed Power of Attorney Form)	
Is applicant at least 18 years old? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>15</b>	<b>22</b>	
(Complete for Transfer only) Current Insurer and Policy Number: <b>25</b>		
<input type="checkbox"/> YES <input type="checkbox"/> NO I REQUEST INSURANCE COVERAGE FOR ALL MILK SPECIFIED BELOW. (Complete for Application and Additional Insurance Periods) <b>26</b>		

  

County <b>27</b>	Approved Marketings <b>28</b>	Deductible (\$/cwt.) <b>29</b>	<b>30</b> Target Marketings and Feed By Month (Enter Month)											
			Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11		
			Hundredweight of Milk											
			Tons of Corn											
			Tons of Protein Meal											

  

<p><b>31</b> CONDITIONS OF ACCEPTANCE: This application is accepted and insurance attaches in accordance with the policy unless: (1) The Risk Management Agency determines that livestock insurance capacity limitations in accordance with the Federal Crop Insurance Act have been reached and this policy will exceed the limitations; (2) any material fact is omitted, concealed or misrepresented in this application and endorsement or in the submission of this application; (3) you have failed to provide complete and accurate information required by this application; (4) the answer to any of the following questions is "yes."</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO (a) Are you now indebted, and the debt is delinquent, for crop insurance coverage under the Federal Crop Insurance Act?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO (b) Have you ever had crop insurance terminated for violation of the terms of the contract or regulations, or for failure to pay your indebtedness?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO (c) Are you disqualified or debarred under the Federal Crop Insurance Act, or the Regulations of the Federal Crop Insurance Corporation or the United States Department of Agriculture?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO (d) Have you in the last five years been convicted under Federal or State law of planting, cultivating, growing, producing, harvesting or storing a controlled substance?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO (e) Have you ever entered into an agreement with the Federal Crop Insurance Corporation or the Department of Justice that you would refrain from participating in the crop insurance program and that agreement is still effective?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO (f) Do you have like insurance on any of the above livestock?</p>	For Office Use Only <input type="checkbox"/> ITS <input type="checkbox"/> Audit <input type="checkbox"/> Keyed <input type="checkbox"/> Upload
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***I understand Livestock Gross Margin for Dairy Cattle Insurance may not be purchased for the month immediately following the application date. I also understand that only a limited number of applications for Livestock Gross Margin for Dairy Cattle Insurance coverage will be accepted and that I will have no Livestock Gross Margin for Dairy Cattle Insurance coverage for the milk described in this application unless the insurance company issues a written summary of insurance to me.*** I certify that the information on this application is complete and accurate; that none of the reasons for rejection in items 1 through 4 of the "Conditions of Acceptance" apply; and that I am aware of and understand the requirements of the Collection of Information and Data (Privacy Act), as well as all other provisions contained on this application.

Applicant's Signature

**32**

Date

**33**

Agent

Code

**35**

Licensed Agent's  
Signature

**34**

REMARKS: **36**

SEE REVERSE SIDE OF FORM FOR COMPLIANCE STATEMENTS AND THE STATEMENT REQUIRED BY THE PRIVACY ACT OF 1974

## **A. Application, Target Marketings, and Change Form**

### **Application, Target Marketings. and Change Form Instructions**

1. Policy #: Enter the policy number from the confirmation screen.
2. State: Enter your state.
3. Reinsurance year: Enter the year in which coverage will end.
4. Page # \_ of \_: Enter the number of the page and the number of pages of the complete application. For example, if four pages were used to complete the application and this is the second page, fill in Page # 2 of 4.
5. Confirmation Number: Enter the confirmation number from the confirmation screen.
6. Applicant's Name: Enter the applicant's name.
7. Street or Mailing Address: Enter the applicant's street or mailing address.
8. City, State, Zip Code: Enter the applicant's city, state, and zip code.
9. Applicant's E-Mail Address/Fax: Enter the applicant's email address and fax number if available.
10. Phone #: Enter the applicant's phone number.
11. Tax identification #: Enter the applicant's tax identification number. This may be the same as the applicant's social security number or employer identification number. This information is used to report any loss payments to the IRS.
12. Check One; SSN, EIN, Other: Check the type of tax identification number used.
13. Spouse's Tax ID #: Enter the applicant's spouse's tax identification number. This may be the same as the applicant's social security number. This information is used to report any loss payments to the IRS.
14. Type of Entity: State the applicant's type of business entity (individual, corporation, partnership).
15. Is the applicant at least 18 years old? Check yes or no.
16. Agency Name: Enter the insurance agency name.
17. Agency/Agent Street or Mailing Address: Enter the street or mailing address of the insurance agency.
18. City, State, and Zip Code: Enter the city, state and zip code of the insurance agency.
19. Agent's Email Address/Fax: Enter the email address and fax number of the insurance agency.

20. Phone #: Enter the phone number of the agency.
21. Agency Code: Enter the agency code.
22. Applicant's Authorized Representative: If applicable, enter the applicant's authorized representative. A completed Power of Attorney form must be submitted with the initial application.
23. Check all that apply. If cancelling the policy, list the code of the reason for cancellation.  
Cancellation Reason Codes
  - I Insured's Request
  - D Death, Incompetency, or Dissolution
  - M Mutual Consent
  - O Other (Please Explain)
24. Certification: Check yes or no.
25. (Complete for transfer only) Current Insurer and Policy Number: If transferring the Livestock Gross Margin for Dairy Cattle Policy to a different insurance company, provide the name of the current insurer and the policy number. If not transferring, leave blank.
26. Check yes if the applicant is requesting insurance coverage for the milk specified in the target marketings portion of the application.
27. Enter County dairy cattle are domiciled in.
28. Enter the applicant's number of approved marketings.
29. Enter the desired deductible amount per hundredweight of milk. The allowable deductible amounts range from \$0 per cwt. to \$1.50 per cwt. in \$0.10 per cwt. increments.
30. Target Marketings and Feed. Enter the target marketings and feed for each month. If there are months where the applicant is not marketing and/or insuring milk, enter a zero (0) for all three components. For each month, target tons of corn must be between 0.00364 and 0.02912 tons per hundredweight of insured milk and target tons of protein meal must be between 0.000805 and 0.006425 tons per hundredweight of insured milk.
31. Conditions of Acceptance. Answer yes or no for each question. Explain any "yes" answers in the Remarks section.
32. Applicant's signature.
33. Date of applicant's signature.
34. Agent's signature.
35. Agent's Code
36. Remarks. Enter any remarks that should be known by the insurance company.

**B. Substantial Beneficial Interest: Recommend collecting 9 lines.**

Substantial Beneficial Interest Form

NAME OF APPLICANT/INSURED:				CONTRACT NUMBER:						
<input type="checkbox"/> SSN	<input type="checkbox"/> EIN	<input type="checkbox"/> OTHER	<input type="checkbox"/> (Check One)							
SOCIAL SECURITY NUMBER OR EMPLOYER IDENTIFICATION NUMBER:				ADDRESS OF AGENT:						
AGENT NAME			AGENT CODE NUMBER:	COMPANY NAME:						
List persons and/or entities with 10 percent or more interest in the insurance entity identified above as the Applicant/Insured.										
NAME (Print or Type)	COMPLETE ADDRESS (St., R.R., P.O. Box, Zip, etc.)	SSN/EIN (Check One & Enter No.)			TELEPHONE NUMBER	ENTITY TYPE	SHARE			
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
		<input type="checkbox"/>	<input type="checkbox"/> SSN	<input type="checkbox"/>	<input type="checkbox"/> EIN	<input type="checkbox"/>	<input type="checkbox"/> OTHER	(    )		
SIGNATURE OF APPLICANT/INSURED:					DATE:					

**B. Substantial Beneficial Interest Form**

**SBI Completion Instructions:**

1. Type or print information about the applicant for insurance in section 1. Include first name, middle initial and last name. Fill in the applicant's social security number (SSN) and employer identification number (EIN) if applicable and indicate which number is being provided. Enter the policy number. Provide the agent's name and code number and the street or mailing address, city, county, state, zip code, and company name where the agent can be reached.
2. For each person or entity with 10 percent or more interest in the insurance entity, fill in the person or entity's name, complete address including mailing address, city, state, and zip code. Enter the social security number or employer identification number and check the box that indicates what number was provided. Enter the person's or entity's telephone number and type of entity. Enter that entity's share in the insurance entity.
3. The applicant must sign and date the form.

**C. LGM for Dairy Cattle Marketing Report Form**

**LIVESTOCK GROSS MARGIN INSURANCE FOR DAIRY CATTLE POLICY  
MARKETING REPORT**

Policy # <b>1</b>	State <b>2</b>
Reinsurance Year <b>3</b>	Page # <b>4</b> Of
Confirmation Number <b>5</b>	

Insured's Name <b>6</b>	
Street or Mailing Address <b>7</b>	
City and State <b>8</b>	Zip Code
Insured's E-Mail Address <b>9</b>	Insured's Fax #
Phone # <b>10</b>	
Tax Identification # <b>11</b>	<b>12</b> Check One SSN <input type="checkbox"/> EIN <input type="checkbox"/> Other <input type="checkbox"/>
Spouse's Tax ID # <b>13</b>	Type of Entity* <b>14</b>
Is applicant at least 18 years old? Yes <input type="checkbox"/> No <input type="checkbox"/> <b>15</b>	

**Producer's Initials** \_\_\_\_\_

**CONDITIONS: 16**

(a) All of the information on this Marketing Report is true to the best of my knowledge.

(b) I understand that falsifying information on this marketing report is a crime punishable by jail or fine.

(c) Copies of all marketing receipts and claim statements are attached.

**CERTIFICATION: 17**

YES  NO (a) I certify that the Actual Marketings stated in this marketing report reflect milk that I have produced during the insurance period using facilities that I control.

YES  NO (b) I certify that I control adequate facilities to produce the amount of milk reflected by the Actual Marketings stated in this marketing report.

YES  NO (c) I understand that, in the event of a claim, my coverage will be reduced to the amount of milk sold and no premium will be refunded if the amount of milk sold is less than 75% of the Target Marketings stated in this application.

**COPIES OF ALL MARKETING RECEIPTS AND CLAIM STATEMENTS FOR THE APPLICABLE MARKETING PERIOD MUST BE ATTACHED TO THIS MARKETING REPORT.**

LIST ALL COVERED MARKETINGS																				
	County <b>18</b>	Approved Marketings <b>19</b>	Deductible (\$ per cwt.) <b>20</b>	<b>21</b> Actual Marketings By Month (enter month)																
				Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11							
Hundredweight of Milk																				

Insured's Signature <b>22</b>	Date <b>23</b>	REMARKS: <b>26</b>
Licensed Agent's Signature <b>24</b>	Agent Code <b>25</b>	

SEE REVERSE SIDE OF FORM FOR COMPLIANCE STATEMENTS AND THE STATEMENT REQUIRED BY THE PRIVACY ACT OF 1974

## C. Marketing Report Form

### Marketing Report Form Instructions

1. Policy #. Enter the policy number from the confirmation screen.
2. State. Enter your state.
3. Reinsurance year. Enter the year in which coverage will end.
4. Page # \_ of \_\_. Enter the number of the page and the number of pages of the complete application. For example, if four pages were used to complete the application and this is the second page, fill in Page # 2 of 4.
5. Confirmation Number. Enter the confirmation number from the confirmation screen.
6. Insured's Name. Enter the insured's name.
7. Street or Mailing Address. Enter the insured's street or mailing address.
8. City, State, and Zip Code. Enter the insured's city, state, and zip code.
9. Insured's E-Mail Address/Fax. Enter the insured's email address and fax number if available.
10. Phone #. Enter the insured's phone number.
11. Tax Identification. Enter the insured's tax identification code. This may be the same as the insured's social security number, employer tax identification number, or other similar tax identification number.
12. Check one. Check the type of tax identification number used. If other, please write in the type of tax identification used.
13. Spouse's Tax ID #. Enter the insured's spouse's tax identification number. This may be the same as the insured's social security number. This information is used to report any loss payments to the IRS.
14. Type of Entity. Fill in the insured's type of tax entity. For example, corporation, partnership, L.L.C, etc. For an individual, leave blank.
15. Applicant over 18 years of age, check yes or no.
16. Conditions. Check yes or no.
17. Certification. Check yes or no.
18. Enter County dairy cattle are domiciled.
19. Enter the insured's number of approved marketings.

20. Enter the desired deductible amount per hundredweight of milk. The allowable deductible amounts range from \$0 per cwt. to \$1.50 per cwt. in \$0.10 per cwt. increments.
21. Actual Marketings. Enter the actual marketings for each month. Feed rations are held fixed at the target feed levels reported on the Application, Target Marketings, and Change Form. If there are months where the insured did not market milk, enter a zero (0).
22. Insured's Signature.
23. Date. Date of insured's signature.
24. Agent's signature.
25. Agent's Code
26. Remarks. Fill in any information that claims adjusters or insurance companies should be aware of.

**D. Notice of Probable Loss Form**

LIVESTOCK GROSS MARGIN FOR DAIRY CATTLE INSURANCE	
<b>NOTICE OF PROBABLE LOSS</b>	
Policy Number: <b>1</b>	Claim Number: (Company Use) <b>2</b>

According to our records, you may be entitled to an indemnity under the above policy endorsement based on the information presented below. The calculation of the indemnity is shown in section 4 below. In order to receive an indemnity, your signed marketing report and marketing receipts are required to certify that the terms and conditions of the policy have been met. Please contact your crop insurance agent to receive a marketing report form or if the information shown in sections 1, 2, or 3 is not correct.

**3** Assignment of Indemnity?      Yes No                      **4** Transfer of Right to Indemnity?    Yes No

1. INSURED				2. INSURANCE AGENCY			
Insured Name: <b>5</b>	SSN: <b>6</b>	EIN:		Insurance Agency Name: <b>13</b>	Agency Code: <b>14</b>		
Name of Farm/Ranch or Business: <b>7</b>				Insurance Agent's Name: <b>15</b>		Agent's Code: <b>16</b>	
Street or Mailing Address: <b>8</b>				Street or Mailing Address: <b>17</b>			
City: <b>9</b>	County:	State:	Zip Code:	City: <b>18</b>		State:	Zip Code:
Phone: <b>10</b>	Fax: <b>11</b>	E-mail address: <b>12</b>		Phone: <b>19</b>	Fax: <b>20</b>	E-mail address: <b>21</b>	
3. ASSIGNMENT OF INDEMNITY/ TRANSFER OF RIGHT TO INDEMNITY							
Assignee's Name: <b>22</b>				Assignee's SSN / EIN ( <i>circle one and enter</i> ): <b>25</b>			
Street or Mailing Address: <b>23</b>				Phone: <b>26</b>		Fax: <b>27</b>	
City: <b>24</b>			State:			Zip:	

**4. INDEMNITY CALCULATION**

If the actual gross margin is less than the expected gross margin, an indemnity is due.

**28** Insurance Period:      Eleven Month Insurance Period Beginning \_\_\_\_ (Month, Year)

<b>29 Target Marketings By Month</b> (enter month)									
Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11

Probable Indemnity			
Deductible <b>30</b>	Gross Margin Guarantee <b>31</b>	Actual Gross Margin <b>32</b>	Probable Indemnity <b>33</b>

## **D. Notice of Probable Loss Form**

### **Notice of Probable Loss Form Instructions**

1. Policy #: Enter policy number.
2. Claim #: Enter claim number.
3. Assignment of Indemnity? Check yes or no.
4. Transfer of Right to Indemnity? Check yes or no.
5. Insured Name: Enter insured's name.
6. SSN or EIN: Enter insured's social security number or employer identification number.
7. Name of Farm/Ranch or Business: Enter name of insured's farm/ranch or business.
8. Street or Mailing Address: Enter insured's street or mailing address.
9. City, County, State and Zip Code: Enter insured's city, county, state, and zip code.
10. Phone: Enter insured's phone number.
11. Fax: Enter insured's fax number (if available).
12. E-mail address: Enter insured's e-mail address (if available).
13. Insurance Agency Name: Enter name of insurance agency.
14. Agency Code: Enter agency code.
15. Insurance Agent's Name: Enter agent's name.
16. Agent's Code: Enter agent's code.
17. Street or Mailing Address: Enter street or mailing address of agency.
18. City, State, and Zip: Enter city, state, and zip of agency.
19. Phone: Enter agency's phone number.
20. Fax: Enter agency's fax number (if available).
21. E-mail address: Enter agency's e-mail address (if available).
22. Assignee's Name: Enter name of assignee.
23. Street or Mailing Address: Enter assignee's street or mailing address.
24. City, State, and Zip: Enter city, state, and zip of assignee.
25. Assignee's SSN/EIN: Enter assignee's social security number or employer identification number.
26. Phone: Enter assignee's phone number.
27. Fax: Enter assignee's fax number (if available).
28. Insurance Period: Enter month and year.
29. Target Marketings: Enter marketings.
30. Deductible: Enter deductible amount (\$ per hundredweight of milk).
31. Gross Margin Guarantee: Enter guarantee.

32. Actual Gross Margin: Enter actual gross margin.
33. Probable Indemnity: Enter probable indemnity.

**E. Assignment of Indemnity**

**APPLICATION FOR  
ASSIGNMENT OF INDEMNITY**

CROP YEAR <b>1.</b>	AGENCY NAME <b>5.</b>		
POLICY NO. <b>2.</b>	AGENCY CODE <b>6.</b>		
COUNTY <b>3.</b>	AGENCY ADDRESS <b>7.</b>		
COMMODITY(S) <b>4.</b>	CITY <b>8.</b>	STATE	ZIP

<b>INSURED INFORMATION (Please Print)</b>			<b>LENDER OR CREDITOR (herein "Lender")</b>		
NAME <b>9.</b>			NAME <b>14.</b>		
SOCIAL SECURITY/TAX I.D. # <b>10.</b>					
ADDRESS <b>11.</b>					
CITY <b>12.</b>	STATE	ZIP	ADDRESS <b>15.</b>		
INSURED'S AUTHORIZED REPRESENTATIVE <b>13.</b>			CITY <b>16.</b>	STATE	ZIP

The undersigned Insured assigns to the Lender the right and interest of any indemnity payment(s) which may be payable to the insured under the insurance policy for the commodity(s) and crop year shown above.

**CONDITIONS**

- 1) This assignment will be binding upon the person(s) who succeed the Insured's interest in the insurance policy.
- 2) Indemnity payments made under the insurance policy will be subject to a deduction for any indebtedness due this insurance provider by the Insured.
- 3) This assignment will not grant the Lender any greater rights than originally held by the Insured.
- 4) The Lender's interest will be recognized upon insurance provider's approval of this assignment and the Lender will have the right to submit the loss notices and other forms as required by the Policy.
- 5) The insurance provider will determine the person(s) entitled to any indemnity payment(s) and the payments(s) will be by joint check.
- 6) Cancellation of this assignment prior to the crop year stated above will be accepted by the insurance provider only upon notification in writing by the above identified Lender.

It is understood and agreed that this assignment will be subject to the terms and conditions of the insurance policy.

Signature of Insured/Authorized Representative <b>17.</b>	Date	Signature of Lender <b>18.</b>	Date
WITNESS SIGNATURE <b>19.</b>	Date	WITNESS SIGNATURE <b>20.</b>	Date

<b>FILING</b>				<b>APPROVAL</b>			
This assignment was filed with the insurance provider on				The insurance provider hereby approves the foregoing assignment.			
<b>21.</b> (Date, Year)	a t	<b>22.</b> (Hour)	a.m. p.m.				
				Company Name <b>23.</b>			
				Signature of Insurance Provider/Authorized Representative <b>24.</b>			Date
				Address <b>25.</b>			

**SEE REVERSE SIDE OF FORM FOR STATEMENT REQUIRED BY PRIVACY ACT OF 1974**

## **E. APPLICATION FOR ASSIGNMENT OF INDEMNITY FORM**

### **APPLICATION FOR ASSIGNMENT OF INDEMNITY FORM INSTRUCTIONS**

1. Crop Year. Enter the crop year.
2. Policy Number. Enter the policy number.
3. County. Enter the county listed on the policy.
4. Commodity(s). List commodity(s) insured.
5. Agency Name. Enter name of agency.
6. Agency Code. Enter agency code.
7. Agency Address. Enter the street address of the agency.
8. City, State, Zip. Enter the city, state, and zip Code of the agency.
9. Name. Enter the insured's name as listed on the policy.
10. Social Security/Tax ID. Enter the applicable social security number or tax identification number as listed on the policy.
11. Address. Enter the insured's address as listed on the policy.
12. City, State, Zip. Enter the city, state, and zip code of the insured as listed on the policy.
13. Insured's authorized representative. If applicable, enter the insured's authorized representative.
14. Name. Enter the name of the lender.
15. Address. Enter the address of the lender.
16. City, State, Zip. Enter the city, state, and zip code of the lender.
17. Signature of Insured/Authorized Representative and Date. Signature of the insured or, as applicable, the insured's authorized representative and date of signature.
18. Signature of Lender and Date. Signature of the lender or lender's representative and date of signature.
19. Witness Signature and Date. Signature and date of signature of first witness.
20. Witness Signature and Date. Signature and date of signature of second witness.
21. Date/Year. For insurance provider use only. Enter date and year of filing of assignment.
22. Hour. For insurance provider use only. Enter hour of filing of assignment.
23. Company Name. For insurance provider use only. Enter insurance provider name.

24. Signature of Insurance Provider/Authorized Representative. For insurance provider use only.  
Signature of insurance provider or the insurance provider's authorized representative and date of signature.
25. Address. For insurance provider use only. Enter address of insurance provider.

**F. Transfer of Right to an Indemnity Form**

<b>LIVESTOCK GROSS MARGIN FOR DAIRY CATTLE INSURANCE</b>									
<b>TRANSFER OF RIGHT TO AN INDEMNITY</b>									
<b>1</b>		<b>2</b>		<b>3</b>		<b>4</b>			
Policy Number		Marketing Year		Effective Date of Transfer		Nature of Transfer			
<b>TRANSFEROR (INSURED)</b>					<b>TRANSFeree (S)</b>				
<b>5</b>					<b>8</b>				
Name					Name				
<b>6</b>					<b>9</b>				
Street or Mailing Address					Street or Mailing Address				
<b>7</b>					<b>10</b>				
City, State, Zip Code					City, State, Zip Code				
					<b>11</b>				
					SSN/EIN				
<b>12</b> Are all of the insured dairy cattle and milk and all of the insured share in the operation(s) being transferred?									
Yes <input type="checkbox"/>	Make checks payable to Transferee(s) only. Check will be mailed to Transferee's address above								
No <input type="checkbox"/>	Make check payable jointly to Insured and Transferee(s). Check will be mailed to Insured's address (unless an assignment of indemnity is on file.								
	Deductible	<b>14</b> Target Marketings by Month (enter month)					Premium	Guarantee	
		Month 2	Month 3	Month 4	Month 5	Month 6			
Total	<b>13</b>						<b>15</b>	<b>16</b>	
Transferred	<b>17</b>	<b>18</b>					<b>19</b>	<b>20</b>	
Retained	<b>21</b>	<b>22</b>					<b>23</b>	<b>24</b>	
		Target Marketings by Month (enter month)							
		Month 7	Month 8	Month 9	Month 10	Month 11			
							<b>15</b>	<b>16</b>	
							<b>19</b>	<b>20</b>	
							<b>23</b>	<b>24</b>	
1.	Acceptance by the Insurance Provider of the above-described transfer shall transfer the Insured's right to an indemnity to the above named Transferee subject to:								
	a.	Receipt by the Insurance Provider of satisfactory evidence that said transfer occurred before the end of the insurance period; i.e., (1) the last month of the insurance period in which you have target marketings, (2) the sale of the dairy cattle and milk, or (3) as otherwise specified in the policy.							
	b.	The terms of the above-identified insurance contract, including any outstanding assignment of indemnity made by the Transferor prior to the date of transfer.							
	c.	All other terms and provisions set forth herein.							
2.	The Insurance Provider shall not be liable for any more indemnity than existed before the transfer occurred.								
3.	The insurance contract of the Transferor covers the share hereby transferred only to the end of the insurance period for the current crop year.								
4.	The Transferee and the Transferor shall be jointly and severally liable for any unpaid premium earned for the current crop year on the acreage and share transferred.								
Yes <input type="checkbox"/> No <input type="checkbox"/> The premium for the coverage has been paid. <b>25</b>									
<b>26</b>			<b>27</b>			<b>28</b>			<b>29</b>
Transferor's (Insured's) Signature			Date			Agency Name			Agency Code
<b>30</b>			<b>31</b>			<b>32</b>			<b>33</b>
Transferee(s)'s Signature(s)			Date			Authorized Representative's Signature			Date

## **F. TRANSFER OF RIGHT TO INDEMNITY FORM**

### **TRANSFER OF RIGHT TO INDEMNITY FORM INSTRUCTIONS**

1. Policy Number. Enter the policy number.
2. Marketing Year. Enter the current marketing year.
3. Effective Date of Transfer. Enter the date on which the transfer of right to an indemnity will be effective.
4. Nature of Transfer. Enter the reason for the transfer of right to an indemnity.
5. Name. Enter the name of the transferor (insured).
6. Street or Mailing Address. Enter the street or mailing address of the transferor.
7. City, State, Zip Code. Enter the city, state, and zip code of the transferor.
8. Name. Enter the name of the transferee(s).
9. Street or Mailing Address. Enter the street or mailing address of the transferee(s).
10. City, State, Zip Code. Enter the city, state, and zip code of the transferee(s).
11. SSN/EIN. Enter the social security number or employer identification number of the transferee(s).
12. Yes or no. Are all the insured livestock and livestock products and all the insured share on the livestock being transferred. Check yes or no.
13. Deductible/Total. Enter the deductible for the policy.
14. Target Marketings/Total. Enter the total target marketings for each month of the insurance period.
15. Premium/Total. Enter the total premium for the insurance period.
16. Guarantee/Total. Enter the total guarantee for the insurance period.
17. Deductible/Transferred. Enter the deductible for the transferred livestock and livestock product.
18. Target Marketings/Transferred. Enter the target marketings that are transferred for each month of the insurance period.
19. Premium/Transferred. Enter the premium for the transferred target marketings.
20. Guarantee/Transferred. Enter the guarantee for the transferred target marketings.
21. Deductible/Retained. Enter the deductible of the retained livestock and livestock product.

22. Target Marketings/Retained. Enter the target marketings that are retained for each month of the insurance period.
23. Premium/Retained. Enter the premium for the retained target marketings.
24. Guarantee/Retained. Enter the guarantee for the retained target marketings.
25. The premium for the coverage has been paid. Check yes or no.
26. Transferor's signature. Signature of transferor.
27. Date. Date of transferor signature.
28. Agency Name. Print name of agency.
29. Agency Code. Enter agency code.
30. Transferee(s) Signature. Signature of Transferee(s).
31. Date. Date of Transferee(s) signature.
32. Authorized Representative's Signature. If applicable, signature of transferor's authorized representative.
33. Date. Date of transferor's authorized representative's signature.

**G. Power of Attorney Form**

AGENCY NAME	<b>1.</b>
AGENCY CODE	<b>2.</b>

**LIVESTOCK GROSS MARGIN FOR DAIRY CATTLE INSURANCE**

**POWER OF ATTORNEY**

The undersigned does hereby make, constitute and appoint of (address) in the county of

**3.** \_\_\_\_\_  
**4.** \_\_\_\_\_  
**5.** \_\_\_\_\_ and State of **6.** \_\_\_\_\_

the true and lawful attorney, for and in the name, place and stead of the undersigned in connection with Livestock Gross Margin

Policy Number: **7.** \_\_\_\_\_ insured with the Insurance Provider checked above for the following commodities **8.** \_\_\_\_\_

The undersigned gives and grants unto said attorney full authority and power to do and perform actions as initialed below, fully ratifying and confirming all that said attorney shall lawfully do or cause to be done by virtue hereof.

- 9.** \_\_\_\_\_ 1. Making application for insurance.  
 \_\_\_\_\_ 2. Making marketing reports.  
 \_\_\_\_\_ 3. Giving notice of loss.  
 \_\_\_\_\_ 4. Making claim for indemnity.  
 \_\_\_\_\_ 5. Making contract change.  
 \_\_\_\_\_ 6. Making transfers and cancellations.  
 \_\_\_\_\_ 7. Providing program-required production reports.  
 \_\_\_\_\_ 8. Taking all actions related to livestock insurance for the above identified policy number.

This Power of Attorney shall be filed at the office where the official file folder is maintained and shall remain in full force and effect until written notice of its revocation has been received by the office maintaining the official file folder (such revocation shall be placed in the official file folder).

This Power of Attorney is signed and dated at \_\_\_\_\_ **10.** \_\_\_\_\_, \_\_\_\_\_ **11.** \_\_\_\_\_ this \_\_\_\_\_ **12.** \_\_\_\_\_ day of \_\_\_\_\_ **13.** \_\_\_\_\_, \_\_\_\_\_ **14.** \_\_\_\_\_  
 (City) (State) (Date) (Month) (Year)

\_\_\_\_\_ **15.** \_\_\_\_\_  
 Witness' Printed Name

\_\_\_\_\_ **16.** \_\_\_\_\_  
 Witness' Signature

\_\_\_\_\_ **17.** \_\_\_\_\_  
 Insured's Signature

I hereby accept the foregoing appointment: \_\_\_\_\_ **18.** \_\_\_\_\_  
 Appointee's Signature

ACKNOWLEDGMENT (For use by Notary Public) (Use acknowledgment form required by the State where acknowledgment is taken) Note: Power of attorney only has to be notarized in states that require it to be notarized.	
State of: _____ <b>19.</b> _____ County of: _____ <b>20.</b> _____	Notary Seal and Signature of Notary:  _____ <b>21.</b> _____

## **G. Power Of Attorney Form**

### **Power Of Attorney Form Instructions**

1. Agency name. Enter agency name.
2. Agency code. Enter agency code.
3. Print the appointee's name.
4. Print the appointee's address.
5. Print the appointee's county of residence.
6. Print the appointee's state of residence.
7. Enter the policy number.
8. Enter the commodities covered by the policy.
9. Initial each action which the appointee is granted power to perform.
10. Enter the city in which this form is signed and dated.
11. Enter the state in which this form is signed and dated.
12. Enter the date on which this form is signed and dated.
13. Enter the month in which this form is signed and dated.
14. Enter the year in which this form is signed and dated.
15. Print witness' name.
16. Witness' signature.
17. Insured's signature.
18. Appointee's signature.
19. For use by Notary Public, State in which this form is signed and dated.
20. For use by Notary Public, County in which this form is signed and dated.
21. For use by Notary Public, notary seal and signature of notary.

## Glossary of Statements

### A. General:

The following statements are general statements and pertain to information collected on company forms:

#### 1. Certification Statement

I certify that to the best of my knowledge and belief all of the information on this form is correct. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).

_____	_____	_____	_____
(Applicant's signature)	(Date)	(Agent's Signature)	(Date)

#### 2. Collection Of Information and Data (Privacy Act)

To the extent that the information requested herein relates to your individual capacity as opposed to your business capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) (Act) and the Federal crop insurance regulations contained in 7 C.F.R. chapter IV.

Collection of the social security account number (SSN) or the employer identification number (EIN) is authorized by section 506 of the Act and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in you or your entity of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN or EIN is voluntary; however, failure to furnish that number will result in denial of program participation and benefits.

Your policy also specifies other information that must be provided. The principle purposes of this information are to provide insurance; reinsurance; determine eligibility; determine the correct parties to the agreement; determine and collect premiums or other monetary amounts (including administrative fees and over payments); and pay benefits. The routine uses of this information include: (1) Referral to the appropriate agency, whether Federal, State, local or foreign including the Department of Justice, charged with the responsibility of investigating or prosecuting a violation of law, or of enforcing or implementing a statute, rule regulation or order issued pursuant thereto, of any record within this system when information available indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute or by rule, regulation or order issued pursuant thereto; (2) Disclosure to a court, magistrate or administrative tribunal, or to opposing counsel in a proceeding before a court, magistrate or administrative tribunal, of any

record within the system that constitutes evidence on that proceeding, or which is sought in the course of discovery, to the extent that FCIC determines that the records sought are relevant to the proceeding; (3) Disclosure to a congressional office in response to any inquiry from the congressional office made at the request of that individual; (4) Disclosure to Approved Insurance Providers (AIP) for any purpose relating to the sale, service, and administration of the Federal crop insurance program and the policies insured under the authority of the Act; (5) Disclosure to other Federal agencies and contractors, cooperators, and partners of FCIC for the purpose of conducting research, development, analyses, and evaluation into all aspects relating to new and existing crop insurance programs and other risk management tools; (6) Disclosure to contractors or other Federal agencies to conduct research and analysis to identify patterns, trends, anomalies, instances and relationships of AIP's, agents, loss adjusters and policyholders that may be indicative of fraud, waste, and abuse; (7) Disclosure to AIPs, contractors, and other applicable Federal agencies to determine whether information has been accurately provided to FCIC and the AIPs and to determine compliance with program requirements; and (8) Disclosure to AIPs, contractors, cooperators, partners of FCIC, and other Federal agencies for any purpose relating to the sale, service, administration, analysis and evaluation of the Federal crop insurance program.

Furnishing other information is also voluntary. However, failure to report the information specified in your policy may result in rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; a unilateral determination of any monetary amounts due; or any remedy provided in the policy.

### **3. Non-Discrimination Statement**

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 a 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.

### **B. Application Statements:**

#### **1. APPLICATION FOR INSURANCE STATEMENT**

Subject to the provisions of the Federal Crop Insurance Act, and the regulations issued under that Act, I hereby apply for insurance on the commodity as specified below for the effective year. I understand that the premium rates and insurance periods are on file and available for my inspection in my agent's office. I further understand that no insurance will be available on a commodity unless an application and target marketing form is completed and filed with my agent by the sales closing date, if applicable. I also further understand that, although

insurance under this application is continuous from year to year, policy terms may change from marketing year to marketing year. These changes will be made by the contract change date.

## 2. CONDITIONS OF ACCEPTANCE

**CONDITIONS OF ACCEPTANCE:** This application is accepted and insurance attaches in accordance with the policy unless: (1) The Federal Crop Insurance Corporation determines that, in accordance with the regulations, the risk is excessive; (2) any material fact is omitted, concealed or misrepresented in this application or in the submission of this application; (3) you have failed to provide complete and accurate information required by this application; or (4) the answer to any of the following questions is "yes." An answer of "yes" to these questions does not automatically result in rejection of the application. For example, if you answer "yes" to question (a) but your debt was discharged in bankruptcy, the application would not be rejected.

Yes	No
_____	_____
	(a) Are you now indebted and the debt is delinquent for insurance coverage under the Federal Crop Insurance Act?
_____	_____
	(b) Have you in the last five years been convicted under federal or state law of planting, cultivating, growing, producing, harvesting, or storing a controlled substance?
_____	_____
	(c) Have you ever had insurance coverage under the authority of the Federal Crop Insurance Act terminated for violation of the terms of the contract or regulations, or for failure to pay your indebtedness?
_____	_____
	(d) Are you disqualified or debarred under the Federal Crop Insurance Act, the regulations of the Federal Crop Insurance Corporation, or the United States Department of Agriculture?
_____	_____
	(e) Have you ever entered into an agreement with the Federal Crop Insurance Corporation or with the Department of Justice that you would refrain from participating in programs under the authority of the Federal Crop Insurance Act and that agreement is still effective?
_____	_____
	(f) Do you have like insurance on any of the above livestock?

I understand that if coverage for any crop is currently terminated or would have subsequently terminated for indebtedness had this application been filed after the termination date, no coverage can be provided and I am ineligible for any benefits under the Federal Crop Insurance Act until the cause for termination is corrected.

We will notify you of rejection by depositing notification in the United States mail, postage paid, to the applicant's address. Unless rejected or the sales closing date has passed at the time you signed this application, insurance shall be in effect for the crop(s) and crop years specified and shall continue for each succeeding crop year, unless otherwise specified in the policy, until canceled, terminated or voided. The insurance contract, which includes the accepted application, is defined in the regulation published at 7 CFR chapter IV. No term or condition of the contract shall be waived or changed unless such waiver or change is expressly allowed by the contract and is in writing.