

**LIVESTOCK  
GROSS  
MARGIN  
(LGM)  
HANDBOOK**

**2003 and Succeeding Crop  
Years  
Handbook Number: 20020**



## **Livestock Gross Margin Plan of Insurance**

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

- (A) Application- This form is filled out to apply for eligibility to purchase LGM insurance. The application also includes the type of operation and target marketings 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 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 swine insured under the policy. The marketing report must be accompanied by copies of packer sales receipts that provide records of the actual marketings shown on the marketing report.
- (D) Notice of Probable Loss- This form notifies insured of a probable loss on insured swine 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 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. Instructions must be provided for form completion.

**A. Livestock Gross Margin Application:**

**LIVESTOCK GROSS MARGIN  
INSURANCE POLICY  
IOWA SWINE PILOT  
APPLICATION, TARGET  
MARKETINGS AND CHANGE  
FORM**

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"/> Name Change <input type="checkbox"/> Address Change <input type="checkbox"/> Policy Cancellation ___ *Reason for Cancellation <input type="checkbox"/> Correct Spelling of Insured Name <input type="checkbox"/> Successor-In-Interest & Effective Ins. Period _____ <input type="checkbox"/> Transfer <input type="checkbox"/> Additional Insurance Period <input type="checkbox"/> Policy Change <input type="checkbox"/> Correct Tax ID <input type="checkbox"/> Cancellation <input type="checkbox"/> In House Transfer <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/Fax # <b>9</b>		Agent's E-Mail Address/Fax # <b>19</b>		
Phone # <b>10</b>		Phone # <b>20</b>		
Tax Identification # <b>11</b>	Check One <b>12</b> <input type="checkbox"/> SSN <input type="checkbox"/> EIN	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>				

**CERTIFICATION: 24**

YES  NO (a) I certify that the Target Marketings stated in this application reflect swine that I own or plan to own and feed to finish weight using facilities that I control.

YES  NO (b) I certify that I control adequate facilities to farrow and/or finish the number of swine reflected by the Target Marketings stated in this application.

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

<input type="checkbox"/> YES <input type="checkbox"/> NO I REQUEST INSURANCE COVERAGE FOR ALL HOGS SPECIFIED BELOW. (Complete for Application and Additional Insurance Periods) <b>26</b>									
Spring Insurance Period	County <b>27</b>	Approved Marketings <b>28</b>	Coverage Level Percent <b>29</b>	Target Marketings: February <b>30</b>	March	April	May	June	July
Farrow to Finish:									
Finish:									
Fall Insurance Period	County	Approved Marketings	Coverage Level Percent	Target Marketings: August	September	October	November	December	January
Farrow to Finish:									
Finish:									

<p><b>CONDITIONS OF ACCEPTANCE:</b> 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>	<p><b>31</b></p> <p>For Office Use Only</p> <p><input type="checkbox"/> ITS _____</p> <p><input type="checkbox"/> Audit _____</p> <p><input type="checkbox"/> Keyed _____</p> <p><input type="checkbox"/> Upload _____</p>
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*I understand only a limited number of applications for Livestock Gross Margin Insurance coverage will be accepted. I also understand that I will have no Livestock Gross Margin Insurance coverage for the swine 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**

Licensed Agent's Signature **34**

Agent Code

**35**

REMARKS:

**36**

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

APPLIV (04/02)

\*SEE REVERSE SIDE FOR EXPLANATION

## 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 applicants Tax ID 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.
12. Check One; SSN, EIN, Other: Check the type of Tax ID number used.
13. Spouse's Tax ID #: Enter the applicant's spouse's social 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 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 hogs specified in the target marketings portion of the application.
27. Enter County hogs are domiciled in.
28. Enter the applicants number of approved marketings.
29. Enter the requested coverage level percent. Valid coverage level percentages are 80%, 85%, 90%, 95%, 100%.
30. Target Marketings. If applying for coverage for a Farrow to Finish operation, complete the coverage level and target marketings for only the Farrow to Finish coverage for the applicable insurance period. If applying for coverage for a Finishing operation, complete the coverage level and target marketings for only the Finishing coverage for each insurance period. If applying for both Farrow to Finish and Finishing coverage, complete both sections for each insurance period. Enter the target marketings for each month. If there are months where the applicant is not marketing hogs, enter a zero (0).
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.



### **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 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. Marketing Report Form:**

**LIVESTOCK GROSS  
MARGIN INSURANCE  
POLICY  
IOWA SWINE PILOT  
MARKETING REPORT**

Policy #: 1	State 2
Reinsurance Year 3	Page # 4 of 4
Confirmation Number 5	

Insured's Name <b>6</b>		<b>CONDITIONS: 16</b> <input type="checkbox"/> YES <input type="checkbox"/> NO (a) All of the information on this Marketing Report is true to the best of my knowledge. <input type="checkbox"/> YES <input type="checkbox"/> NO (b) I understand that falsifying information on this marketing report is a crime punishable by jail or fine. <input type="checkbox"/> YES <input type="checkbox"/> NO (c) Copies of all marketing receipts and claim statements are attached.
Street or Mailing Address <b>7</b>		
City and State <b>8</b>	Zip Code	
Insured's E-Mail Address/Fax # <b>9</b>		
Phone # <b>10</b>		<b>CERTIFICATION: 17</b> <input type="checkbox"/> YES <input type="checkbox"/> NO (a) I certify that the Actual Marketings stated in this marketing report reflect swine that I have owned during the insurance period and have fed to finish weight using facilities that I control. <input type="checkbox"/> YES <input type="checkbox"/> NO (b) I certify that I control adequate facilities to farrow and/or finish the number of swine reflected by the Actual Marketings stated in this marketing report. <input type="checkbox"/> YES <input type="checkbox"/> NO (c) I understand that, in the event of a claim, my coverage will be reduced to the number of swine sold and no premium will be refunded if the number of swine sold is less than 75% of the Target Marketings stated in my application.
Tax Identification # <b>11</b>	Check One <input type="checkbox"/> SSN <input type="checkbox"/> EIN <input type="checkbox"/> Other <b>12</b>	
Spouse's Tax ID # <b>13</b>	Type of Entity* <b>14</b>	
Is applicant at least 18 years old? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>15</b>		

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

**LIST ALL COVERED MARKETINGS**

Spring Insurance Period	County <b>18</b>	Approved Marketings <b>19</b>	Coverage Level Percent <b>20</b>	Actual Marketings: February <b>21</b>	March	April	May	June	July
Farrow to Finish:									
Finish									
Spring Insurance Period	County	Approved Marketings	Coverage Level Percent	Actual Marketings: February	March	April	May	June	July
Farrow to Finish:									
Finish									
Fall Insurance Period	County	Approved Marketings	Coverage Level Percent	Actual Marketings: August	September	October	November	December	January
Farrow to Finish:									
Finish:									
Fall Insurance Period	County	Approved Marketings	Coverage Level Percent	Actual Marketings: August	September	October	November	December	January
Farrow to Finish:									
Finish:									

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 CERTIFICATION, COMPLIANCE STATEMENTS AND THE STATEMENT REQUIRED BY THE PRIVACY ACT OF 1974**

## 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 social 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 swine is domiciled.
19. Enter the insureds number of approved marketings.
20. Enter the coverage level percent. Valid coverage level percentages are 80%, 85%, 90%, 95%, 100%.
21. Actual Marketings. If coverage is for a Farrow to Finish operation, complete the actual marketings for only the Farrow to Finish coverage for the applicable insurance period. If coverage is for a Finishing operation, complete the actual marketings for only the

Finishing coverage for each insurance period. If the policy is for both Farrow to Finish and Finishing coverage, complete both sections for each insurance period. Enter the actual marketings for each month. If there are months where the insured did not market hogs, 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:**

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

**4. INDEMNITY CALCULATION**

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

28. Insurance Period: Spring  Fall

Target Marketings (spring insurance period/fall insurance period)						
Month	February/August	March/September	April/October	May/November	June/December	July/January
Target Marketings	29.					

Probable Indemnity			
Coverage Level	Gross Margin Guarantee	Actual Gross Margin	Probable Indemnity
30.	31.	32.	33.

## 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 SSN or EIN
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. Assignees 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 SSN or EIN.
26. Phone: Enter assignee's phone number.
27. Fax: Enter assignee's fax number (if available).
28. Insurance Period: check Spring or Fall
29. Target Marketings: Enter marketings.
30. Coverage Level: Enter coverage level.
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> This assignment was filed with the insurance provider on  <b>21.</b> a _____ t _____ <b>22.</b> a.m. (Date, Year) (Hour) p.m.	<b>APPROVAL</b> The insurance provider hereby approves the foregoing assignment.  _____ Company Name <b>23.</b> _____ Signature of Insurance Provider/Authorized Date Representative <b>24.</b> _____ Address <b>25.</b>
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SEE REVERSE SIDE OF FORM FOR STATEMENT REQUIRED BY PRIVACY ACT OF 1974

## **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. Crop(s). List crop(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 Code. 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:**

**LIVESTOCK GROSS MARGIN INSURANCE  
TRANSFER OF RIGHT TO AN INDEMNITY**

<b>1.</b> Policy Number	<b>2.</b> Crop Year	<b>3.</b> Effective Date of Transfer	<b>4.</b> Nature of Transfer
<b>TRANSFEROR (INSURED)</b>		<b>TRANSFeree (S)</b>	
<b>5.</b> Name		<b>8.</b> Name	
<b>6.</b> Street or Mailing Address		<b>9.</b> Street or Mailing Address	
<b>7.</b> City, State, Zip Code		<b>10.</b> City, State, Zip Code	
		<b>11.</b> SSN/EIN	

Is all of the insured livestock and all of the insured share on the livestock being transferred?

Yes  Make checks payable to Transferee(s) only. Check will be mailed to Transferee's address above.

**12.**

No  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).

Spring Insurance Period	Coverage Level Percent	Target Marketings: February	March	April	May	June	July	Premium	Guarantee
Total	<b>13.</b>	<b>14.</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>
Fall Insurance Period	Coverage Level Percent	Target Marketings: August	September	October	November	December	January	Premium	Guarantee
Total	<b>25.</b>								
Transferred									
Retained									

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 swine, 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.

**26.** Yes  No  The premium for the coverage has been paid.

**27.**

**28.**

**29.**

**30.**

\_\_\_\_\_  
Transferor's (Insured's) Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Agency Name

\_\_\_\_\_  
Agency Code

**31.**

\_\_\_\_\_  
Transferee(s)'s Signature(s)

**32.**

\_\_\_\_\_  
Date

**33.**

\_\_\_\_\_  
Authorized Representative's Signature

**34.**

\_\_\_\_\_  
Date

LGM TRI (4/16/02)

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

1. Policy Number. Enter the policy number.
2. Crop Year. Enter the current crop 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 EIN of the transferee(s).
12. Yes or no. Is all of the insured livestock and all of the insured share on the livestock being transferred. Check yes or no.
13. Coverage Level Percentage/Total. Enter the coverage level percentage 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. Coverage Level Percent/Transferred. Enter the coverage level percentage for the transferred livestock.
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. Coverage Level Percentage/Retained. Enter the coverage level percentage of the retained livestock.
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. Fall Insurance Period. See steps 13-24.
26. The premium for the coverage has been paid. Check yes or now.
27. Transferor's signature. Signature of transferor.
28. Date. Date of transferor signature.
29. Agency Name. Print name of agency.
30. Agency Code. Enter agency code.
31. Transferee(s) Signature. Signature of Transferee(s).
32. Date. Date of Transferee(s) signature.
33. Authorized Representative's Signature. If applicable, signature of transferor's authorized representative.
34. Date. Date of transferor's authorized representative's signature.



**F. Power of Attorney:**

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

**LIVESTOCK GROSS MARGIN 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 crops **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.**  
(City)

**11.**  
(State)

this **12.**  
(Date)

day  
of

**13.**  
(Month)

**14.**  
(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.

Notary Seal and Signature of Notary:

State of: **19.** \_\_\_\_\_

County of: **20.** \_\_\_\_\_

**21.**

## **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 crops 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. False Claim Statement**

I certify that the information that I have furnished on this form is complete and accurate. I understand that any false or inaccurate information on this form may result in the imposition of sanctions outlined in my policy and administrative, civil, and criminal sanctions under 18 U.S.C. 1001, 1006 and 1014, 7 U.S.C. 1515, 31 U.S.C. 3729 and 3730 and any other applicable federal statutes.

#### **2. Certification Statement**

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" (See B. Application Statements, 3. 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)

\_\_\_\_\_

(Date)

\_\_\_\_\_

(Agent's Signature)

\_\_\_\_\_

(Date)

#### **3. Collection Of Information and Data (Privacy Act)**

The following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a and section 502(c) of the Federal Crop Insurance Act (7 U.S.C. 1502(c)). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, (7 U.S.C. 1501 et seq.) 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 Federal Crop Insurance Act (7 U.S.C. 1506), 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 Risk Management Agency (RMA). Furnishing the SSN or EIN is voluntary. However, failure to furnish that number will result in denial of program participation and benefits.

## **Collection Of Information and Data (Privacy Act) (continued)**

The balance of the information requested is necessary for the insurance company, RMA, and the Farm Service Agency to process this form to: provide insurance; provide reinsurance; determine eligibility; determine the correct parties to the agreement; determine premiums or other monetary amounts; pay benefits and insure compliance with all program requirements. The information furnished on this form will be used by Federal agencies, RMA and Farm Service Agency employees, insurance companies, and contractors who require such information in performance of their duties. The information may be furnished to: RMA contract agencies within the United States Department of Agriculture; the Department of Treasury, including the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement or regulatory agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. The information may also be furnished to congressional representatives and senators making inquiries on your behalf. Furnishing the information required by this form is voluntary; however, failure to report the correct and complete information requested may result in rejection of this form; rejection of any claim for indemnity; ineligibility for insurance; and a unilateral determination of any monetary amounts due and the imposition of administrative, civil, or criminal sanctions.

### **4. 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, 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, D.C. 20250-9410 or call (202) 720-5964 (voice or 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 crop year to crop year. These changes will be made by the contract change date.

## 2. REINSURANCE STATEMENT

This insurance policy is reinsured by the Federal Crop Insurance Corporation (FCIC) under the provisions of the Federal Crop Insurance Act, (7 U.S.C. 1501 et seq.) (Act). All provisions of the policy and rights and responsibilities of the parties are specifically subject to the Act and may not be waived or varied in any way by any agent or employee of FCIC or the insurance provider. In the event we cannot pay your loss, your claim will be settled in accordance with the provisions of this policy and paid by FCIC. No state guarantee fund will be liable for your loss.

Throughout this policy, “you” and “your” refer to the named insured shown on the application and “we,” “us,” and “our” refer to the insurance company providing insurance. Unless the context indicates otherwise, use of the plural form of a word includes the singular and use of the singular form of the word includes the plural.

## 3. 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.”

Yes	No	
_____	_____	(a) Are you now indebted, and is the debt is delinquent, for crop or commodity insurance coverage under the Federal Crop Insurance Act? (Do not answer yes if your debt was discharged in bankruptcy.)
_____	_____	(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) Are you disqualified or debarred under the Federal Crop Insurance Act, the regulations of the Federal Crop Insurance Corporation, the United States Department of Agriculture or any other Federal agency?
_____	_____	(d) Have you entered into an agreement with the Federal Crop Insurance Corporation or with the Department of Justice that you would refrain from participating in the crop or commodity insurance program and that agreement is still effective?
_____	_____	(e) Do you have any other insurance authorized under the Federal Crop Insurance Act on any of the above classes of livestock?
_____	_____	(f) 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?