

	U.S. Department of Agriculture Grain Inspection, Packers and Stockyards Administration Packers and Stockyards Program	CONTRACT SUBMISSION COVER SHEET
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Submit this form with each example contract. (See instructions for information on selection and submission of example contracts.)

Initial submission: Submit existing swine marketing contracts.

Subsequent submission: For offered, revised, expired, or withdrawn contracts, submit by the business day following offer, revision, expiration, or withdrawal.

Identification Information

1. Packer Name	2. Date of Submission (mm/dd/yyyy)	
3. Federal Inspection Number	4. Plant Name	5. Location: City, State

Contract Information

6. Contract Category (choose 1)	Swine or Pork Market Formula Purchase without a Ledger
	Swine or Pork Market Formula Purchase with a Ledger
	Other Market Formula Purchase without a Ledger
	Other Market Formula Purchase with a Ledger
	Other Purchase Arrangement without a Ledger
	Other Purchase Arrangement with a Ledger
7. Submission Type (choose 1)	New
	Replacement
	Expiration
	Withdrawal of Offer

8. Is this a Verbal Contract?	Yes	No
9. Contract Name (New or Replacement)		
10. Previously Existing Contract Name (Replacement, Expiration, Withdrawal of Offer)		

Contact Information

11. Name: First		Last
12. Title	13. Phone number	
14. Signature		

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0580-0021. The time required to complete this information collection is estimated to average 15 minutes including time to review instructions, search existing data resources, gather the data needed, complete and review the information collection.

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Submit example contracts with form P&SP-342 attached.

Do I need to provide swine contract information?

You must provide example contracts if you are a packer, as defined in 9 CFR 206.1, meeting the conditions in either paragraph (1) or (2):

- 1) A packer purchasing at least 100,000 swine per year and slaughtering swine at a federally inspected swine processing plant that meets either of the following conditions:
 - a) A swine processing plant that slaughtered an average of at least 100,000 head of swine per year during the immediately preceding five calendar years, with the average based on those periods in which the plant slaughtered swine; or
 - b) Any swine processing plant or person that did not slaughter swine during the immediately preceding five calendar years that has the capacity to slaughter at least 100,000 swine per year, based on plant capacity information;
- 2) Any person purchasing an average of at least 200,000 sows, boars, or any combination thereof, per year and slaughtering at least 200,000 sows, boars, or any combination thereof at one or more federally inspected swine processing plants during the immediately preceding five calendar years, with the average based on those periods in which the plant slaughtered swine.

What existing or available contracts do I need to provide?

Each packer must send, and GIPSA must receive, an example of each contract it currently has with a producer or producers or that is currently available at each plant that it operates or at which it has swine slaughtered that meets the definition of packer in 9 CFR 206.1. This initial submission of example contracts is due to GIPSA on the first business day of the month following the determination that the plant has the slaughtering capacity specified in the definition of packer in 9 CFR 206.1.

After the initial submission, each packer must send GIPSA an example of each new contract it makes available to a producer or producers within one business day of the contract being made available at each plant that it operates or at which it has swine slaughtered that meets the definition of packer in 9 CFR 206.1.

As contracts are made available, revised, or expire, use the following guidelines to determine when another submission or notification of a change is required.

- Required submission of contract made available: When a contract that represents an example contract is made available, the packer will submit it as an example contract (for discussion purposes, Example contract A).
- Potential subsequent submission due to contract changes: When a contract changes, for example, the contract is made available, accepted, and negotiations result in a new example contract, the packer will submit the new example contract and specify if it replaces the previously submitted example contract or if it is an additional new example contract (for discussion purposes, Example contract B). Example contracts would not be continuously submitted during negotiations; one would be submitted



when made available and, when necessary, another when the negotiation resulted in a contract or when an existing contract changes.

- New additional example contract example: If the packer and the producer agree to a contract with a change, which results in a different example contract (Example contract B) and the packer continues to make Example contract A available to other producers, the negotiated contract will be submitted as a new example contract (Example contract B).
- Replacement example: If, however, in that scenario, the packer no longer makes the original Example contract A available to any other producer and Example contract A is no longer used, then the negotiated contract would be submitted as an example contract to replace the previously submitted Example contract A.
- Notification of example contracts that have expired or that have been withdrawn: When a previously submitted example contract no longer represents any contracts, the packer will notify us that the example contract has expired. When a previously submitted example contract did not result in any contracts and no longer represents any available contracts, the packer will notify us that the example contract was withdrawn.

What criteria do I use to select example contracts?

For purposes of distinguishing among contracts to determine which contract may be represented by a singly example, contracts will be considered to be the same if they are identical with respect to all of the following four example-contract criteria:

- 1) Base price or determination of base price. Base price is defined in 9 CFR 206.1 as “The price paid for swine before the application of any premiums or discounts, expressed in dollars per unit.”
- 2) Application of a ledger or accrual account (including the terms and conditions of the ledger or accrual account provision). A ledger and an accrual account are each defined in 9 CFR 206.1 as “An account held by a packer on behalf of a producer that accrues a running positive or negative balance as a result of a pricing determination included in a contract that establishes a minimum and/or maximum level of base price paid. Credits and/or debits for amounts beyond these minimum and/or maximum levels are entered into the account. Further, the contract specifies how the balance in the account affects producer and packer rights and obligations under the contract.”
- 3) Carcass merit premium and discount schedules (including the determination of the lean percent or other merits of the carcass that are used to determine the amount of the premiums and discounts and how those premiums and discounts are applied).
- 4) Use and amount of noncarcass merit premiums and discounts. A noncarcass merit premium or discount is defined in 9 CFR 206.1 as “An increase or decrease in the price for the purchase of swine offered by an individual packer or packing plant, based on any factor other than the characteristics of the carcass, if the actual amount of the premium or discount is known before the purchase and delivery of the swine.”



Instructions for Providing Example Contracts,
Completing the Submission Cover Sheet (P&SP-342), and
Documenting Verbal Contracts



How and where do I send my contracts?

Send example contracts or notification of expired or withdrawn contracts to:

Hardcopy

USDA GIPSA
210 Walnut Street, Suite 317
Des Moines, Iowa 50309

Electronic

scl.gipsa.usda.gov
*Note: Under "Submit Swine Contract Library
Information", select Swine Contracts*

FAX

202-720-8300

The electronic submission processes requires secured access to the website listed above. See Web User Guide: Example Contracts for information on obtaining access to the secure submission site.

The web site can be used to (1) complete and submit the form P&SP-342, P&SP-343, and example contracts, (2) download, complete, and print a fillable Adobe Acrobat (PDF) version of the form P&SP-342 or P&SP-343 for hardcopy submission, or (3) print a blank forms.

When completing the cover sheet using the fillable Adobe Acrobat file or on the GIPSA web site, press the tab key to move between fields, or click in the desired field.

Web User Guide: Example Contracts contains additional information for using the web interface to submit contracts.

Use one of the following formats for electronically submitted example contracts and attachments: (1) Microsoft Word Document, (2) ASCII text, or (3) RTF.

What are the penalties for not complying?

As specified in section 222(e) of the P&S Act, to willfully fail or refuse to provide accurate information constitutes a violation of the P&S Act. Section 203 of the P&S Act sets forth the procedures that the Secretary is authorized to follow whenever there is reason to believe that any packer has violated or is violating a provision of Title II of the P&S Act. Section 203 of the P&S Act also specifies the sanction that may be assessed if the Secretary determines that a violation has occurred.

How can I get additional information?

If you have questions or need further assistance, please contact the Midwestern Regional office using one of the following methods.

Swine Contract Library Web Site: <http://scl.gipsa.usda.gov>
Phone: 515-323-2579, request to speak to the Swine Contract Library staff
Email: SwineContractLibrary@usda.gov.
Fax: 515-323-2590, attention Swine Contract Library staff



Instructions for Providing Example Contracts,
Completing the Submission Cover Sheet (P&SP-342), and
Documenting Verbal Contracts



How do I complete the P&SP-342?

Identification Information

Items 1-6

NOTE: Items 1-5 will be prefilled when completing the cover sheet via the GIPSA web site.

Item Number	Field Name	Description
1	Packer Name	The name of the reporting packer.
2	Date of Submission	The date that the contract is being submitted to GIPSA.
3	Federal Inspection Number	The inspection number or establishment number assigned to the plant by USDA's Food Safety and Inspection Service. When completing the form via the GIPSA web site, you may select the federal inspection numbers for the plant for which the report is being submitted from the drop down lists on Item 3.
4	Plant Name	The name you use to identify the specific plant for which the contract is being submitted.
5	Plant Location	The city and state where the plant is located.

Contract Information

Items 6-10

6	Contract Category (Choose 1)	<p>Swine or Pork Market Formula Purchase without a Ledger. Purchases based on the markets for swine, pork, or pork products and do not reference an account which tracks differences from minimum or maximum levels.</p> <p>Swine or Pork Market Formula Purchase with a Ledger. Purchases based on the markets for swine, pork, or pork products and reference an account which tracks differences from minimum or maximum levels.</p> <p>Other Market Formula Purchase without a Ledger. Purchases based on the markets other than those for swine, pork, or pork products and do not reference an account which tracks differences from minimum or maximum levels.</p> <p>Other Market Formula Purchase with a Ledger. Purchases based on the markets other than those for swine, pork, or pork products and reference an account which tracks differences from minimum or maximum levels.</p> <p>Other Purchase Arrangement without a Ledger. Purchases that are not negotiated purchases, swine or pork market formula purchases, or other market formula purchases, do not involve packer-owned swine and do not reference an account which tracks differences from minimum or maximum levels.</p> <p>Other Purchase Arrangement with a Ledger. Purchases that are not negotiated purchases, swine or pork market formula purchases, or other market formula purchases, do not involve packer-owned swine and do reference an account which tracks differences from minimum or maximum levels.</p> <p>See definitions in 9 CFR 206.1</p>
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**Instructions for Providing Example Contracts,
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Documenting Verbal Contracts**



7	Submission Type (Choose 1)	<p>New indicates the example contract was not previously available or was previously submitted but one of the four example-contract criteria has been modified and the previously submitted example contract remains existing or available. You can show the contract name in item 9.</p> <p>Replacement indicates the example contract was previously submitted but one of the four example-contract criteria has been modified and the previously submitted example contract is no longer offered. Show the name of the new contract in item 9 and the name of the contract being replaced in item 10.</p> <p>Expired notifies GIPSA that a previously submitted contract no longer exists. Show the name of the expired contract in item 10.</p> <p>Withdrawal of Offer notifies GIPSA that a previously submitted example contract is no longer being offered. Show the name of the withdrawn contract in item 10.</p>
8	Verbal contract?	<p>Yes indicates this example contract represents an agreement for the purchase of swine for slaughter for which the parties did not execute a document to signify the existence of the agreement.</p> <p>NO indicates this example contract represents an executed document.</p>
9	Contract Name	A name (unique identifier) to use to refer to the example contract. This is used to ease of communications between the plant and GIPSA personnel.
10	Existing Contract Name	The Contract Name of the previously submitted contract for Replacements, Expirations, or Withdrawals of Offer. Item 9, Contract Name is used for names of contracts currently being submitted.

**Contact Information
Items 11-14**

11	Name	The name who can be contacted if necessary to obtain clarification or correction of information submitted
12	Title	The title of the person identified in item 11.
13	Phone	The phone number at which the person identified in item 11 can be reached.
14	Signature	<p>Signature of person identified in item 11.</p> <p>When completing the form via the GIPSA web site, an electronic signature will be used. See <u>Web User Guide: Example Contracts</u> for further details.</p>



**Instructions for Providing Example Contracts,
Completing the Submission Cover Sheet (P&SP-342), and
Documenting Verbal Contracts**



How do I document verbal contracts?

You must provide written descriptions for all terms of a verbal contract and attach that written description to form P&SP-342. See Guidelines for Providing Example Contracts and Instructions for Completing the Submission Cover Sheet (P&SP-342) for more information on completing the Submission Cover Sheet.

You may use optional form P&SP-343 to capture a basic set of contract terms.

How do I complete optional form P&SP-342?

Item Number	Field Name	Description
1	Packer Name	The name of the reporting packer.
2	Date of Submission	The date that the contract is being submitted to GIPSA.
3	Federal Inspection Number	The inspection number or establishment number assigned to the plant by USDA's Food Safety and Inspection Service. When completing the form via the GIPSA web site, you may select the federal inspection numbers for the plant for which the report is being submitted from the drop down lists on Item 3.
4	Plant Name	The name you use to identify the specific plant for which the contract is being submitted.
5	Plant Location	The city and state where the plant is located.
6	Base Price Determination	A description of terms used to determine base price. This may include a complete description of any reports used and adjustments made to the reported price. For example: AMS National Daily Direct Hogs Morning, Base Market Hog, plus \$1.00
7	Application of Ledger	The terms of the ledger or accrual account. This may include the window or target price and terms regarding application of ledger conditions.
8	Carcass Merit Premiums and Discounts	A description of the carcass merit premiums and discounts. This may include the determination of lean percent or other merits of the carcass that are used to determine the amount of the premiums and discounts and how those premiums and discounts are applied.
9	Noncarcass Merit Premiums and Discounts	A description of any noncarcass merit premiums and discounts used. For example: \$1.50 for delivery before 7:00 am.
10	Length of Agreement	The term or length of the verbal agreement.
11	Other Provisions	A description of any other conditions or terms.