

**Instructions to Complete
Trust Fund Agreement
Form P&SP-2200**

A Trust Fund Agreement may be used in lieu of a surety bond to meet the bonding requirements of the Packers and Stockyards Act, 1921, as amended and supplemented. If the principal chooses to pledge one or more savings accounts or one or more certificates of deposit to fulfill the requirement to obtain and file a bond under the Packers and Stockyards Act, the account(s) or certificate(s) of deposit **MUST** be pledged in the name of the principal and the trustee for the sole purpose of securing the principal's livestock operations.

A trust fund agreement requires complete and correct information to be submitted to the Packers and Stockyards Program on Form P&SP-2200. If any information is missing or incorrect, the Packers and Stockyards Program will return the trust fund agreement form to the principal or financial institution for completion or correction.

Operating without proper registration and bond may subject the principal to severe penalties under law, including a fine of not more than \$11,000 for each violation.

After completing the trust fund agreement form, the trustee must retain the original and must send a fully executed copy with original signatures to the appropriate regional office of the Packers and Stockyards Program as listed below. The states covered by each regional office are listed below its address.

Regional Offices of the Packers and Stockyards Program Grain Inspection, Packers and Stockyards Administration		
Eastern Regional Office Suite 230 75 Spring Street Atlanta, GA 30303-3308 Telephone: (404) 562-5840 FAX: (404) 562-5848 E-mail: PSPAtlantaGA.GIPSA@usda.gov	Western Regional Office 3950 Lewiston St., Suite 200 Aurora, CO 80011-1556 Telephone: (303) 375-4240 FAX: (303) 371-4609 E-mail: PSPDenverCO.GIPSA@usda.gov	Midwestern Regional Office Room 317 210 Walnut Street Des Moines, IA 50309-2110 Telephone: (515) 323-2579 FAX: (515) 323-2590 E-mail: PSPDesMoinesIA.GIPSA@usda.gov
States Covered	States Covered	States Covered
AL, AR, CT, DC, DE, FL, GA, LA, MA, MD, ME, MS, NC, NH, NJ, NY, PA, RI, SC, TN, VA, VT, WV	AK, AZ, CA, CO, HI, ID, KS, MT, NM, NV, OK, OR, TX, UT, WA, WY	IA, IL, IN, KY, OH, MI, MO, MN, ND, NE, SD, WI

If you have any questions about the form or completing the form, please contact the appropriate regional office of the Packers and Stockyards Program listed above.

The Regional Office of the Packers and Stockyards Program will assign the trust fund agreement number.

The bank issuing the security pledged as collateral to this trust fund agreement should complete lines 1 through 7, sign line 8a, and complete 9 through 11, if applicable. This is not a requirement and in some instances, the Principal will complete these lines.

The Principal must sign line 8b.

The trustee, if different than the issuing bank, must sign line 8.

Line No.	Subject	Instruction
1	Principal Name, Address, and Phone No.	List the full name, address, and telephone number of the principal. The principal's name must match the name under which the principal is registered with the Packers and Stockyards Program. For example, John Doe might be registered as John Doe OR John Doe Livestock, Inc. OR John Doe d.b.a John Doe Livestock, Inc. OR John Doe and Sam Doe d.b.a Doe Livestock L.L.C., or John Doe and Sam Doe.

Line No.	Subject	Instruction
2	Trustee Name, Address, and Phone No.	<p>List the full name, address, and telephone number of the trustee. A trustee MUST ALWAYS be named for the trust fund agreement, and must be a financially responsible, disinterested person. If the bank issuing the collateral will not act as the trustee, the principal is responsible for finding a disinterested third party to act as trustee. The trustee cannot be anyone that is directly involved with the business of the principal.</p> <p>Some States require that a State agency or official be named as trustee.</p> <p>See separate Trustee and Contact Information package for descriptions of suitable trustees and State trustee contact information (available on the GIPSA web site along with the forms and instructions).</p>
3 a and b	Amount of Trust Fund Agreement	<p>Spell out the full dollar amount of the trust fund agreement. For example, if the full dollar amount of the trust fund agreement is \$10,000, list the amount as follows:</p> <p>Ten Thousand Dollars and No/100 \$10,000.00</p>
4	Condition Clauses	<p>Line 4 defines the conditions that are applicable for livestock operations. If condition 3 applies, enter the registrant(s) name(s) to be listed as clearee(s) under this bond in the space available in the definition for condition 3.</p> <p>Examples of each of the conditions are:</p> <p>Condition 1. The principal sells livestock for the account of others. Condition 2. The principal buys livestock for his/her own account or for the accounts of others. Condition 3. The principal is providing bond coverage for other registrant(s), as clearee(s), and therefore responsible for the obligations of the clearee(s). The registrant(s) name(s) to be listed as clearees under this bond should be inserted into the space available in condition 3. Condition 4. The principal is purchasing livestock for purposes of slaughter for his/her own account as a packer.</p>
4a	Conditions NOT Applicable to Principal's Operation	<p>Enter the condition clauses that are NOT applicable to the principal's livestock operations. Based on the principal's operation, enter one of the following combinations of conditions to exclude from the bond:</p> <ul style="list-style-type: none"> • Enter 2, 3 and 4 if the principal will be operating as a market agency selling on commission. • Enter 1, 3 and 4 if the principal will be operating as a dealer buying and selling for his or her own account or as a market agency buying on commission. • Enter 1 and 4 if the principal will be operating as a dealer and/or market agency buying on commission and a clearing agency responsible for the financial obligations of other registrants. • Enter 1, 2 and 4 if the principal is operating solely as a clearing agency responsible for the financial obligations of other registrants. • Enter 1, 2 and 3 if the principal is operating as a packer.
5	Interest or Dividends to be Paid to	Enter the name of the individual or entity to receive interest or dividends earned. The principal may name anyone; however, this line MUST be completed.
6	Name of Trustee	Enter the full name, city and state of the trustee, as shown in line 2.
7	Effective Date	Enter the effective date of the Trust Fund Agreement.

Line No.	Subject	Instruction
8	Signatures	<p>a. Trustee's Signature: The trustee or someone authorized to sign for the trustee must sign, where indicated.</p> <p>b. Principal's Signature: The principal, or someone authorized to sign for the principal (i.e. partner, owner, or officer), must sign the agreement.</p> <ul style="list-style-type: none"> • If an individual operation, the principal must sign the agreement. • If a partnership operation, one of the partners must sign the agreement. • If a corporation, limited liability corporation, limited liability partnership, or association, an owner, officer or duly authorized agent of the firm must sign the agreement.
<p>If the trustee named on the front of the trust fund agreement is a state official, the bottom portion of the trust fund agreement must also be completed.</p>		
9	Name of Bank or Other Depository	List the name and address of the bank or other institution where the principal has deposited the funds pledged to the trust fund agreement.
10	Account or Security / Securities Identification	List the account number(s) or the number(s) of the certificate(s) of deposit.
11	Depository by (Name and Title)	Name and title of the authorized officer of the bank or other institution, signing the form as depository.
12	Signature	An officer of the bank or other institution where the principal has deposited the funds pledged to the trust fund agreement must sign the form.

TFA NO.: _____

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND
STOCKYARDS ADMINISTRATION
PACKERS AND STOCKYARDS PROGRAM

TRUST FUND AGREEMENT IN LIEU OF BOND
Required of Livestock, Market Agencies, Dealers and Packers
Under The Packers and Stockyards Act, 1921, as Amended and
Supplemented

1 PRINCIPAL NAME AND ADDRESS

2 TRUSTEE NAME AND ADDRESS

3a AMOUNT OF BOND (SPELL OUT DOLLAR AMOUNT)	3b DOLLAR AMOUNT \$
---	----------------------------

4 The provisions of the Packers and Stockyards Act, 1921, as amended and supplemented, and the regulations of the Secretary of Agriculture issued thereunder, require a good and sufficient surety bond or its equivalent of all market agencies, dealers, and packers as defined in the Packers and Stockyards Act, 1921, as amended and supplemented to cover their obligations as such; and whereas, the principal is engaged in business as a market agency, dealer or packer as defined in the Packers and Stockyards Act, 1921, as amended and supplemented. Therefore, the amount set out above is hereby deposited by principal with trustee, for the following purposes and subject to the following conditions:

Applicable if Principal SELLS on commission	(1) If Principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by Principal,
Applicable if Principal BUYS on commission or as a dealer	(2) If Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his/her own account or for the accounts of others, and if Principal shall safely keep and properly disburse all funds, if any, which come into his/her hands for the purpose of paying for livestock purchased for the accounts of others,
Applicable if other registrants CLEAR through Principal	(3) If Principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, hereinafter referred to as "clearees," including: _____ _____ _____ or if Principal's clearees shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by Principal's clearees for their own accounts or for the accounts of others and (2) safely keep and properly disburse all funds coming into the hands of Principal or Principal's clearees for the purpose of paying for livestock purchased for the accounts of others,
Applicable if Principal BUYS as a Packer	(4) If Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased for purposes of slaughter by Principal for his/her own account,

then this fund shall not be liable, but if there shall be any defaults, failures, or neglects under any one or more of the listed conditions, then this fund shall be liable, subject to the following terms, conditions, and limitations:

- (a) Conditions _____, _____, and _____ were deleted prior to execution and are not part hereof.

- (b) This trust fund agreement shall apply only to transactions occurring on or at any time after the effective date, and before the effective date of termination of this agreement as hereinafter provided.
- (c) Payment by Trustee to a claimant in settlement of one or more claims shall discharge the Trustee as to those claims and shall reduce the amount of this fund to the extent of such payment or payments.
- (d) Any person damaged by failure of Principal to comply with any condition clause of this agreement, may maintain suit in his/her own name to recover on this agreement even though such person is not a party named in this agreement. Principal and Trustee hereby waive every defense, if any, based on the fact that any person damaged or in whose name a suit shall be brought is not a party or privy to this agreement.
- (e) Any claim for recovery on this agreement must be filed in writing with either Trustee or the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration, United States Department of Agriculture and whichever of these parties receives such a claim shall notify the other party at the earliest practicable date. All claims must be filed within 60 days of the date of the transaction on which claim is based. Suit thereon shall not be commenced in less than 120 days or more than 547 days from the date of the transaction on which the claim is based.
- (f) The Deputy Administrator is authorized to designate a person to act as Trustee under this agreement if the Trustee designated herein fails or is unable to act or serve. In the event of such designation, all assets of the trust fund to which this agreement refers shall be paid over to the person so designated to act as Trustee.
- (g) The Trustee shall not be liable to pay any claim for recovery on this agreement if it is not filed in writing within 60 days from the date of the transaction on which the claim is based, or if suit thereon is commenced less than 120 or more than 547 days from the date of the transaction on which the claim is based.
- (h) The trust fund shall not be used to pay fees, salaries, or expenses for legal representation of the Principal.
- (i) The term "person" as used in this agreement shall be construed to mean and include both singular and plural, corporations, partnerships, associations, individuals, and the heirs, executors, administrators, successors, or assigned thereof.
- (j) The acts, omissions, or failures of authorized agents or representatives of Principal or persons whom Principal shall knowingly permit to represent themselves as acting for Principal shall be taken and construed to be the acts, omissions, or failures of Principal and to be within the protection of this agreement to the same extent and in the same manner as if they were the personal acts of Principal.
- (k) Termination of the clearance of a registrant under condition clause three (3) of this trust fund agreement may be accomplished by issuance of a rider deleting the name of the clearer. Termination of the clearance shall become effective 30 days after the date of receipt of the rider by the Deputy Administrator.
- (l) This agreement may be terminated by either party hereto delivering written notice of termination to the other party and the Deputy Administrator at least 30 days prior to the effective date of termination. **In the event that the Principal named herein files an acceptable bond written by an approved Surety to replace this agreement, the 30 day termination provision will be waived, and this agreement will become terminated as of the effective date of the bond.** In no case shall the funds deposited with the Trustee herein be returned to the Principal until a Trust Fund Agreement Special Report, Form P&SP-5, has been submitted by the Principal to the Deputy Administrator certifying that all obligations arising under the conditions of this agreement prior to the effective date of its termination have been discharged and authorization for the release of the funds has been received from Deputy Administrator. Immediately upon filing of a claim for recovery on this agreement, unless Trustee believes that claim is frivolous, Trustee shall cause termination of this agreement in accordance with this paragraph.
- (m) Interest or dividends accruing to the securities pledged to this trust agreement are to be delivered by Trustee to:

5 NAME(S) OF PERSON(S) TO WHOM INTEREST OR DIVIDENDS ARE TO BE PAID

6 NAME OF TRUSTEE

hereby accepts the trust under the above agreement.

Any notice or document required to be given to or filed with the Deputy Administrator under this agreement may be given to the Regional Director of the Regional Office, Packers and Stockyards Program, in the region where the Principal resides or maintains their principal place of business. Any approval, authorization, designation, or other action taken by the Deputy Administrator under this agreement may be taken or performed by the Regional Director or the Deputy Administrator.

- (n) A fully executed duplicate of this agreement, and of any endorsement, amendment, rider, or other attachment will be filed with the Regional Director, Packers and Stockyards Program, for the region in which the Principal resides or has his/her principal place of business.
- (o) The securities pledged by Principal under this agreement may be disbursed to known valid claimants by Trustee after he/she has been presented with a sworn proof of claim form and other papers to support such claims. In the event that claims filed against this agreement exceed the sum of the securities pledged to the agreement, the securities shall be prorated to the valid claimants known by Trustee. Trustee shall determine the total amount of valid claims prior to disbursing any portion of the securities pledged under this trust fund agreement.

7 DATE EFFECTIVE: _____

8a SIGNATURE OF TRUSTEE	8b SIGNATURE OF PRINCIPAL
-------------------------	---------------------------

COMPLETE THIS BLOCK ONLY IF TRUSTEE IS A STATE OFFICIAL AND TRUST FUNDS OR SECURITIES ARE PLACED IN AN ACCOUNT OR DEPOSITORY IN TRUSTEE'S NAME

9 NAME OF BANK OR OTHER DEPOSITORY

10 ACCOUNT OR SECURITY(IES) IDENTIFICATION AND NUMBER

Depository acknowledges having received notice that the account and/or security(ies) identified above are trust funds subject to a trust fund agreement, to be paid out only as directed in writing by Trustee, or by successor Trustee appointed by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration, United States Department of Agriculture and properly identified as such, or by a court of competent jurisdiction. Depository will not be responsible for any such person's disposition of such funds.

11 DEPOSITORY BY (TITLE)

12 (Authorized signature)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0580-0015. The time required to complete this information collection is estimated to average 2 hours 41 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.