

TFA Number: _____

| | |
|---|---|
| U.S. Department Of Agriculture Agricultural Marketing Service Fair Trade Practices Program Packers and Stockyards Division | TRUST FUND AGREEMENT REQUIRED OF LIVESTOCK MARKET AGENCIES, DEALERS AND PACKERS Subject to the Packers and Stockyards Act, 1921, as Amended and Supplemented |
|---|---|

1. Principal Name, Address, Phone and Email

2. Trustee Name, Address, Phone and Email

3. Depository Name, Address, Phone and Email

NOTE: A COPY OF THE SECURITY(IES) MUST BE ATTACHED WITH THIS DOCUMENT

4. a. Security(ies) Identification and Number:

4b. FDIC/NCUA ID Number

5. Name(s) of Person(s) to Whom Interest or Dividends are to be Paid:

6a. Amount of Trust Fund Agreement (Spell Out Dollar Amount)

6b. Dollar Amount

7. 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 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 collateral set out above is hereby deposited by principal with trustee or depository, for the following purposes and subject to the following conditions:

Check the box showing the condition clause that applies to your trust fund agreement. Each type of operation requires a separate financial instrument.

| | |
|---|---|
| Applicable if Principal SELLS on commission <input type="checkbox"/> Condition Clause 1 | (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, 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 the funds drawn by the Trustee shall be liable, subject to the terms, conditions, and limitations as listed in (a) through (m): |
| Applicable if Principal BUYS on commission or as a dealer <input type="checkbox"/> Condition Clause 2 | (2) If Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by the Principal for his/her own account or for the accounts of others, and if the Principal safely keeps and properly disburses all funds, if any, which come into his/her hands for the purpose of paying for livestock purchased for the accounts of others, 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 the funds drawn by the Trustee shall be liable, subject to the terms, conditions, and limitations as listed in (a) through (m): |
| Applicable if other registrants CLEAR through Principal <input type="checkbox"/> Condition Clause 3 | (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," List the clearees: <hr/> 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, 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 the funds drawn by the Trustee shall be liable, subject to the terms, conditions, and limitations as listed in (a) through (m): |
| Applicable if Principal BUYS as a Packer <input type="checkbox"/> Condition Clause 4 | (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 the funds drawn by the Trustee shall be liable, subject to the terms, conditions, and limitations as listed in (a) through (m): |

- (a) 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 trust fund agreement as hereinafter provided.
- (b) 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 trust fund agreement to the extent of such payment or payments.
- (c) Any person damaged by failure of Principal to comply with any condition clause of this trust fund agreement, may maintain suit in his/her own name to recover on this trust fund 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.
- (d) Any claim for recovery on this trust fund agreement must be filed in writing with either Trustee or the Deputy Administrator, Agricultural Marketing Service, Fair Trade Practices Program, Packers and Stockyards Division, U.S. Department of Agriculture (hereinafter known as "Deputy Administrator"), 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.
- (e) The Deputy Administrator is authorized to designate a person to act as Trustee under this trust fund 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.
- (f) The Trustee shall not be liable to pay any claim for recovery on this trust fund 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.
- (g) The trust fund agreement shall not be used to pay fees, salaries, or expenses for legal representation of the Principal.
- (h) The term "person" as used in this trust fund 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.
- (i) 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 trust fund agreement to the same extent and in the same manner as if they were the personal acts of Principal.
- (j) 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 clearee. Termination of the clearance shall become effective 30 days after the date of receipt of the rider by the Deputy Administrator.
- (k) This trust fund 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 trust fund agreement, the 30 day termination provision will be waived, and this trust fund agreement will become terminated as of the effective date of the bond or bond equivalent. **In no case shall the funds deposited with the Trustee herein be returned to the Principal until a Trust Fund Agreement Special Report, Form PSD 2500, has been submitted by the Principal to the Deputy Administrator certifying that all obligations arising under the conditions of this trust fund 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 the claim is invalid, Trustee shall cause termination of this trust fund agreement in accordance with this paragraph.
- (l) A fully executed duplicate of this trust fund agreement, and of any endorsement, amendment, rider, or other attachment will be filed with the Regional Director, Packers and Stockyards Division, for the region in which the Principal resides or has his/her principal place of business.
- (m) The securities pledged by Principal under this trust fund 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. **Trustee, prior to paying any funds to any claimant, shall determine the total amount due to all claimants under this trust fund agreement. In the event that claims filed against this trust fund 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.**

8. Date Effective: _____

| | |
|------------------------|-----------------------------|
| 9a. Name of Trustee | 9b. Signature of Trustee |
| 10a. Name of Principal | 10b. Signature of Principal |

Depository acknowledges having received notice 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, Agricultural Marketing Service, Fair Trade Practices Program, Packers and Stockyards Division, U.S. 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.

| | |
|-------------------------------------|---|
| 11a. Depository By (Name and Title) | 11b. Authorized Signature of Depository |
|-------------------------------------|---|

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 is 0581-0308. The time required to complete this information collection is estimated to average 2.410 hours 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.

In accordance with Federal law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, disability, and reprisal or retaliation for prior civil rights activity. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible State or local Agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information is also available in languages other than English.

To file a complaint alleging discrimination, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (a) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (b) fax: (202) 690-7442; or (c) email: program.intake@usda.gov

**Instructions to Complete
Trust Fund Agreement
Form PSD 2200**

A Trust Fund Agreement may be used to meet the bonding requirements of the Packers and Stockyards Act, 1921 (Act) , as amended and supplemented. The principal may pledge one or more savings accounts or certificates of deposit to fulfill the requirement to obtain and file a trust fund agreement under the Act. The security(ies) **MUST** be pledged in the name of the principal and the trustee for the sole purpose of securing the principal’s livestock operations. Example: Principal Name and Trade Name (if applicable) AND Trustee Name.

A trust fund agreement requires complete and correct information to be submitted to the Packers and Stockyards Division (PSD) on Form PSD 2200. If any information is missing or incorrect, the PSD 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 \$28,061 for each violation.

After completing the trust fund agreement, the trustee must retain the original along with the original security(s) and send a fully executed copy of the trust fund agreement with original signatures and security(s) to the appropriate regional office of the PSD as listed below. If the trustee is a state official, the regional office will obtain the signature of the trustee. The states, provinces, and territories covered by each regional office are listed below its address.

| Regional Offices of the Packers and Stockyards Division Agricultural Marketing Service, Fair Trade Practices Program | | |
|--|---|--|
| Atlanta Regional Office 75 Ted Turner Drive SW, Ste 230 Atlanta, GA 30303-3308 Telephone: (404) 562-5840 FAX: (404) 562-5848 E-mail: PSDAtlantaGA@usda.gov | Denver Regional Office 3950 Lewiston St., Suite 200 Aurora, CO 80011-1556 Telephone: (303) 375-4240 FAX: (303) 371-4609 E-mail: PSDDenverCO@usda.gov | Des Moines Regional Office 210 Walnut Street, Room 317 Des Moines, IA 50309-2110 Telephone: (515) 323-2579 FAX: (515) 323-2590 E-mail: PSDDesMoinesIA.@usda.gov |
| States Covered | States Covered | States Covered |
| AL, AR, CT, DC, DE, FL, GA, LA, MA, MD, ME, MS, NC, NL, NH, NJ, NY, PA, PR, QC, RI, SC, TN, VA, VT, WV | AB, AK, AZ, BC, CA, CO, HI, ID, KS, MT, NE, NM, NV, OK, OR, SK, TX, UT, WA, WY | IA, IL, IN, KY, MB, MI, MO, MN, ND, OH, ON, SD, WI |

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

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

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

The Principal must complete lines 10a and 10b.

The trustee, if different than the issuing bank, the trustee must complete lines 9a and 9b.

| Line No. | Subject | Instruction |
|------------|------------------------------|---|
| 7 | Condition Clauses | <p>Line 7 defines the conditions applicable for livestock operations.</p> <p>The firm shall check the appropriate box to indicate the correct condition clause as applies to its operation.</p> <p>Examples of each of the condition clauses are:</p> <p>Condition Clause 1 - The principal sells livestock for the account of others.</p> <p>Condition Clause 2 - The principal buys livestock for his/her own account or for the accounts of others.</p> <p>Condition Clause 3 - The principal is providing financial instrument 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 financial instrument should be inserted into the space available in condition clause 3.</p> <p>Condition Clause 4 - The principal is purchasing livestock for purposes of slaughter for his/her own account as a packer.</p> <p>Each type of operation (condition clause) requires a separate trust fund agreement. The only instance a trust fund agreement will be accepted with multiple condition clauses selected are when the firm operates as both a dealer/order buyer and clearing agent, thereby providing a Clause 2/3 trust fund agreement.</p> |
| 8 | Effective Date | Enter the effective date of the Trust Fund Agreement. |
| 9 and b | Trustee Name and Signature | Trustee's Signature: The trustee or someone authorized to sign for the trustee must print and sign, where indicated. If the trustee is a state official, The Packers and Stockyards Division will obtain the trustee's signature where indicated on the form. |
| 10 a and b | Principal Name and Signature | <p>Principal's Signature: The principal, or someone authorized to sign for the principal (i.e. partner, owner, or officer), must print and sign the trust fund agreement.</p> <ul style="list-style-type: none"> • If an individual operation, the principal must print and sign the trust fund agreement. • If a partnership operation, one of the partners must print and sign the trust fund agreement. • If a corporation, Limited Liability Corporation, Limited Liability Partnership, or association, an officer, member, or duly authorized agent of the firm must print and sign the trust fund agreement. |

| Line No. | Subject | Instruction |
|-----------------|---|--|
| 11 a and b | Depository by; Print Name, Title and then Signature | <ul style="list-style-type: none"> a. Name and title of the authorized officer of the bank or other institution, signing the form as depository. b. Signature of the officer of the bank or other institution where the principal has deposited the funds pledged to the trust fund agreement. |